

CITY OF ROSEBURG, OREGON



Sunshine Park

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2021

**CITY OF ROSEBURG,
OREGON**

**ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT**

FOR THE FISCAL YEAR ENDED June 30, 2021

Prepared by the Finance Department
of the City of Roseburg
D. Ron Harker, Finance Director

CITY OF ROSEBURG, OREGON

ANNUAL COMPREHENSIVE FINANCIAL REPORT FISCAL YEAR ENDING June 30, 2021

Table of Contents

I. INTRODUCTORY SECTION

Letter of Transmittal	i-v
Certificate of Achievement	vi
City of Roseburg Organizational Chart	vii
List of Officials	viii

II. FINANCIAL SECTION

A. REPORT OF THE INDEPENDENT ACCOUNTANTS	1-3
B. MANAGEMENT DISCUSSION AND ANALYSIS	4-14
C. BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	15
Statement of Activities	16-17
Fund Financial Statements	
<i>Major Governmental Funds:</i>	18
Balance Sheet	19-20
Reconciliation of the Balance Sheet to Statement of Net Positions	21
Statement of Revenues, Expenditures, and Changes in Fund Balances	22-23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	24
<i>Proprietary Fund Financial Statements:</i>	25
Statement of Net Position	26-27
Statement of Revenues, Expenses, and Changes in Fund Net Position	28-29
Statement of Cash Flows	30-31
Notes to the Financial Statements	32-70

III. REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	
General Fund	71
Transportation Fund	72
Urban Renewal General Fund	73
Schedule of Other Postemployment Benefits	74-75
Schedule of Proportionate Share of the Net Pension Liability (Asset) RHIA	76
Schedule of the City's Proportionate Share of the Net Pension Liability (Asset) Oregon Public Employee's Retirement System	77
Schedule of The City's Contributions-Oregon Public Employee's Retirement System	78

IV. SUPPLEMENTAL SECTION

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS	79
Combining Balance Sheet	
Nonmajor Special Revenue Funds	80
Nonmajor Debt Service Funds and Capital Projects Funds	81
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Nonmajor Special Revenue Funds	82
Nonmajor Debt Service Funds and Capital Projects Funds	83

CITY OF ROSEBURG, OREGON

ANNUAL COMPREHENSIVE FINANCIAL REPORT FISCAL YEAR ENDING June 30, 2021

Table of Contents

C. Budgetary Comparisons

Schedule of Revenues, Expenditures, and Changes in Fund Balances -	84
Budget and Actual	85
<i>Government Funds:</i>	
Special Revenue	
Grant	86
Hotel/Motel Tax	87
Streetlight/Sidewalk	88
Bike Trail Improvement	89
Economic Development	90
Golf	91
Library	92
Stewart Trust	93
Debt Service	
Pension Obligation	94
Capital Projects	
Parks Improvement	95
Equipment Replacement	96
Assessment Improvement	97
Facilities Replacement	98
Urban Renewal Diamond Lake Capital Projects	99
<i>Proprietary Funds:</i>	
Enterprise Funds	100
Storm Drainage	101
Airport	102
Off Street Parking	103
Water Service Fund	104
Internal Service Fund	105
Workers Compensation	106

V. STATISTICAL SECTION

Statistical Section	107
Net Position by Component	108-109
Changes in Net Position	110-113
Fund Balances, Governmental Funds	114-115
Changes in Fund Balances, Governmental Funds	116-117
Assessed Value and Actual Value of Taxable Property	118
Property Tax Rates - All Direct and Overlapping Governments	119
Principal Property Taxpayers	120
Property Tax Levies and Collections	121
Ratios of Outstanding Debt by Type	122

CITY OF ROSEBURG, OREGON

ANNUAL COMPREHENSIVE FINANCIAL REPORT FISCAL YEAR ENDING June 30, 2021

Table of Contents

Ratios of General Bonded Debt Outstanding	123
Legal Debt Margin	124
Demographic and Economic Statistics	125
Principal Employers	126
Full-time Equivalent City Government Employees by Function/Program	127
Operating Indicators by Function/Program	128-129
Capital Asset Statistics by Function/Program	130-131
VI. AUDIT COMMENTS	
Independent Auditor's Report Required by Oregon State Regulations	132-133
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	134-135
Independent Auditor's Report on Compliance with Requirements that could have a Direct and Material effect on each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	136-137
Schedule of Expenditures of Federal Awards and Notes	138-139
Independent Auditors' Schedule of Findings and Questioned Costs	140

**INTRODUCTORY
SECTION**

City of Roseburg

900 S.E. Douglas Avenue Roseburg, Oregon 97470 | www.cityofroseburg.org | Phone (541) 492-6700

December 10, 2021

The Citizens of Roseburg
Mayor Larry Rich
Members of the City Council

The Annual Comprehensive Financial Report of the City of Roseburg, Oregon for fiscal year ended June 30, 2021 is hereby submitted.

This report presents the financial position of the City as of June 30, 2021 and consists of management's representations concerning the finances of the City at this date. The responsibility for both the accuracy of the data and the completeness and fairness of the presentation rests with the City administrative staff. To provide a reasonable basis for making these financial representations, management has established an internal control structure designed to safeguard City assets against loss, theft or misappropriation, and to ensure the reliability of financial records for preparing financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are being met. The concept of reasonable assurance recognizes the cost of the control structure should not exceed the benefits likely to be derived. We believe that the City's internal control structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions. To the best of our knowledge and belief, the enclosed data is presented accurately, in all material respects, along with disclosures necessary to provide the reader with a reasonable understanding of the City's financial activities.

State law requires an annual independent audit of the City's financial records. Neuner, Davidson, & Cooley, LLC, a firm of licensed public accountants, conducted the audit in accordance with generally accepted auditing standards. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2021 are free of material misstatement. The independent auditor concluded there was a reasonable basis for rendering an unmodified opinion that the City's basic financial statements for the fiscal year ended June 30, 2021, are fairly presented, in all material respects, in conformity with GAAP. The Report of Independent Accountants is included at the beginning of the Financial Section of this report.

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

City Overview

The City of Roseburg, timber capital of the nation, was incorporated in 1872. From its founding to present day, the area's greatest wealth has been its forests. Douglas County contains the largest stand of old growth timber in the world. Roseburg is situated at the heart of the Hundred Valleys of the Umpqua in scenic Southwestern Oregon. Adjacent to Interstate 5, it is 123 miles north of the California state line and approximately 70 miles south of Eugene, the state's third largest city. Roseburg is approximately 80 miles inland from the Pacific Ocean and 80 miles west of Diamond Lake at the summit of the Oregon Cascades. It is less than 100 miles from Crater Lake National Park.

According to PSU Population Research Center, 23,701 people residing in Roseburg, making it the largest city in Douglas County and the 26th largest city in Oregon (2021 Estimate). City boundaries cover nearly 11 square miles. The South Umpqua River runs through the City and is within close proximity to the downtown business district.

The City of Roseburg, the county seat of Douglas County, is the center of government and commerce for the county. The City provides a full range of municipal services. These services include police, fire, emergency medical services, municipal court, community development, parks, library, recreational and cultural activities, airport, water, storm water management, general public works, central services, administration and other services associated with a full-service city. These services are provided primarily to citizens who live within the corporate limits. However, many of the services and facilities operated by the City are provided for and financed by regional service areas larger than the City. Additionally, services like the airport, the park system, the transportation system and the Roseburg business district serve broader regional markets.

The City operates under the Council-Manager form of government. The City Council has eight members elected by ward to four-year terms, with one Council position in each of four wards elected every two years. The Mayor, who presides at the Council meetings, is elected for a two-year term. Council adopts legislation and policies to direct the City and appoints a City Manager to administer all City operations and personnel except the Municipal Judge. The City, empowered by state statute and the Oregon constitution, levies a property tax on real properties located within its boundaries, which is the City's primary General Fund revenue source.

For financial reporting purposes, the City includes all funds of the City subject to appropriation by the City Council. In addition, the City includes all governmental organizations and activities for which the City Council is financially accountable. Therefore, the financial statements of the Urban Renewal Agency of the City of Roseburg, although legally separate, are, in substance, part of the primary government's operations and have been blended with those of the City by including them in the appropriate statements and schedules in this report.

The City prepares and adopts an annual fiscal year budget which is the basis for financial planning and control. The budget is developed and administered in accordance with Oregon Local Budget Law and provides the legal appropriation authority, which cannot be exceeded by management without Council action to first amend the appropriations. The legally adopted budget is appropriated by department for those funds with personnel expenditures and at the object level for all other funds. Budget and actual comparisons are provided in this report for each fund for which an appropriated annual budget has been adopted. The General Fund and the Urban Renewal General Fund budget and actual comparison are presented as part of the basic financial statements for the governmental funds. For all other funds, this comparison is presented in the supplemental section of this report.

Economic Condition

Roseburg is the largest city in Douglas County and the 26th largest city in Oregon. The City and its businesses serve the entire population of the greater Douglas County region and an estimated 65,000 people daily. Portland State University's Population Research Center shows a total Douglas County population of 111,694, with the City of Roseburg accounting for approximately 21 percent of the total county population.

The local economy at the close of the fiscal year ending June 30, 2021, and through the current year-to-date has continued to be impacted by the COVID-19 pandemic but progress is being made in its recovery.

While the City of Roseburg is home to 21 percent of Douglas County's 111,694 people, the Roseburg area provides nearly 53 percent of the county's employment. The Roseburg area is the hub of health care and social assistance for the county and provides one out of every four Roseburg jobs. Trade, transportation, and utilities provide nearly one out of every five jobs in the Roseburg area. Professional and business services companies are concentrated in Roseburg and provides 13 percent of employment. Additionally, public administration's government-based services provide 9 percent of the Roseburg area employment. On the other end of the spectrum; while manufacturing is the county's number one source of employment (23 percent of county jobs), it only provides 3 percent of employment in the Roseburg area.

Current Activities

Capital expenditures addressing the City's water infrastructure this year totaled approximately \$1.118 million. Major projects included replacing the disinfection system at the Water Treatment Plant, moving away from on-

site chlorine generation to sodium hypochlorite, installing a second transmission main to serve the main water reservoir complex, designing standby power for the Water Treatment Plant, which will be constructed in FY 2021-22.

Storm Drainage capital projects included the 2020 storm cast in place piping project to extend the life of existing large diameter storm lines.

Capital expenditures within the Airport Fund included the completion of the Runway Lighting Improvements, an FAA funded project, and paving and other improvements to the parking lot near the Fixed Base Operator.

Within the parks system, two notable projects were the Beulah Park renovation project and the renovation of the main pavilion at Stewart Park. Both projects utilized funding from the Oregon Parks and Recreation Department's Local Government Grant program, as well as local matching resources.

Street improvement/pavement management projects included repairs to the Stewart Parkway Bridge end panels and sidewalks and a grind inlay project on Garden Valley/Lincoln Street. Design was undertaken on the Douglas Avenue in an effort to have a "shovel ready" project on the shelf should any grant opportunities or stimulus funding become available to construct the project.

The Roseburg Public Library undertook Phase II of the Library Renovations and was able to purchase a new mini-van to support the youth summer reading project, utilizing a variety of grant-funded sources.

Long-Term Financial Planning

Council Goal Setting

In January 2020, Council concluded its current goal setting process and adopted a resolution outlining goals for the organization for the next few years. The purpose of goal setting was, and is, to provide a priority framework for financial and human resource allocation to meet the needs of our community as outlined by the elected governing body. Resolution 2020-01 included six goals which are listed below along with current action items developed to comply with the goals:

Goal – Develop and implement policies to enhance housing opportunities.

- 1. Prioritize recommendations from the Housing Needs Analysis.*
- 2. Implement House Bill HB 2001 provisions*
- 3. Pursue Urban Growth Boundary Swap.*
- 4. Continue Urban Renewal Multi-Family Housing Incentives.*

Goal – Implement transportation funding policies to meet identified community needs.

- 1. Adopt updated Transportation System Plan.*
- 2. Actively participate in local ODOT studies.*
- 3. Develop a strategy to pursue state/federal funding for Garden Valley and Harvard Avenue.*
- 4. Update Pavement Management Program.*
- 5. Identify options for additional local funding.*
- 6. Identify matching fund requirements for the next five years at the airport.*
- 7. Coordinate with UTRANS – identify underserved areas and opportunities for expansion.*

Goal – Enhance community livability and public safety.

- 1. Develop a City Communications Plan/Strategy.*
- 2. Consider increased use of security cameras overlooking public property.*
- 3. Work with school district regarding roles of School Resource Officers.*
- 4. Identify opportunities to expand library programs and services.*
- 5. Work with partners to improve existing parks and recreation facilities.*

Goal- Take a proactive role in community economic development and revitalization

- 1. Support effort to construct the Allied Health College.*
- 2. Support efforts to increase tourism.*

3. *Continue to support and evaluate the efforts of the Partnership.*
4. *Look for opportunities to engage the Roseburg Area Chamber.*
5. *Develop additional Urban Renewal incentive programs.*
6. *Continue to support and evaluate the Downtown Roseburg Association.*
7. *Enhance aesthetics of the river and encourage recreational and business opportunities for development.*

Goal- Update and implement the City's Emergency Preparedness Plan

1. *Improve community awareness.*
2. *Improve organization's preparedness.*
3. *Analyze critical infrastructure and prioritize needed improvements.*
4. *Collaborate with Community Partners on critical incident/disaster preparedness.*
5. *Improve employees' home preparedness to increase ability to respond.*

Goal – Explore strategies to address issues related to unhoused individuals within the community

1. *Identify City's proactive role in the unhoused crisis.*
2. *Communicate with organizations on their efforts to help the unhoused.*
3. *Continue participation/support for LPSCC and Sobering Center.*
4. *Work with ADAPT towards sustainability funding for crisis intervention.*
5. *Streamline process for lien/tax foreclosures and partner with developers of low income/government subsidized housing to create affordable housing.*

While the goals are in no particular order, each speaks to important issues in our community and each will be dependent on strong leadership and sound financial planning.

Capital Improvement Plan

The City's most recent comprehensive Capital Improvement Plan (CIP) was adopted in April of 2021. The five-year CIP (2021-2026) is a financing and construction plan for projects that require significant capital investment. Long-range capital projects are identified and developed in coordination with the annual budget to maintain full utilization of available resources. The CIP will be updated every two years insuring that we continue to evaluate and monitor our progress towards completing projects in the plan and providing for needed flexibility to meet challenges and opportunities as they arise. We will continue to incorporate our Water, Transportation, and Storm Drainage master plans in the CIP.

We will also be working with Douglas County and other utility providers to assure that reasonable urban growth boundary area services can be provided in a cost effective and efficient manner moving into the future.

Other Information

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Roseburg for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the twenty-eighth consecutive year that the government has achieved the award. In order to be awarded a Certificate of Achievement, a government unit 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 annual comprehensive 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 GFOA gave an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Roseburg for its popular annual financial report for the fiscal years ended June 30, 2020. The report is designed to provide transparency and accountability of City financial information by providing a summary view of financial activities of the City that are reported in the City's annual comprehensive financial report. The report is specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance. This was the sixth year that the government has earned the award.

An Award for Outstanding Achievement is valid for a period of one year only. We believe our current popular annual financial report continues to meet the program's requirements and we are submitting it to GFOA to determine its eligibility for another award.

Acknowledgements

We wish to express our appreciation to the staff of the Finance Department and all other departments that assisted and contributed to the preparation of this report. We would also like to thank the Mayor and members of the City Council for their continued support and leadership.

Sincerely,



Nikki Messenger
City Manager



D. Ron Harker
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Roseburg
Oregon**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

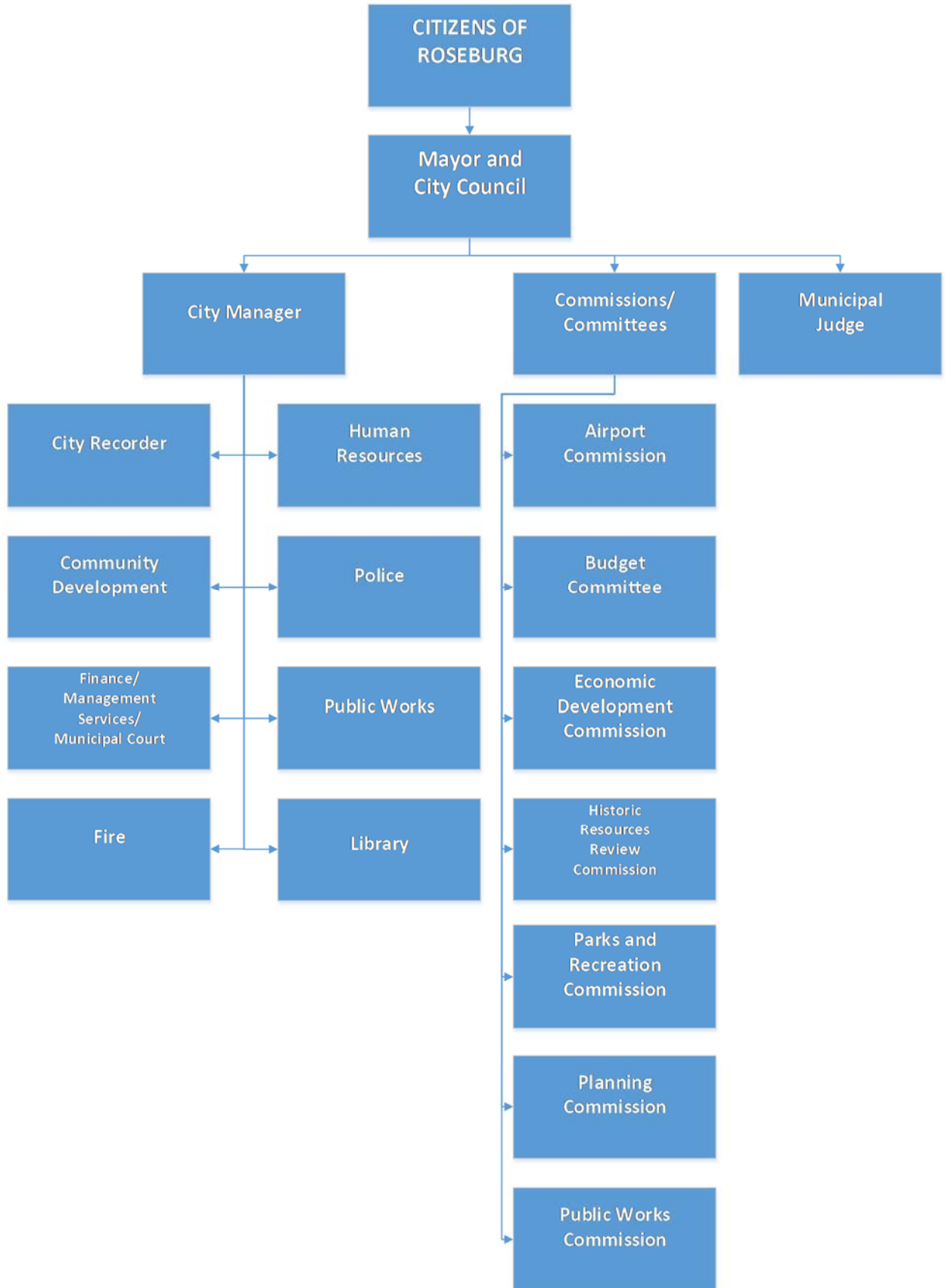
June 30, 2020

Christopher P. Morill

Executive Director/CEO

CITY OF ROSEBURG, OREGON

ORGANIZATIONAL CHART



CITY OF ROSEBURG, OREGON

June 30, 2021

ELECTED OFFICIALS

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Larry Rich	Mayor	December 31, 2022
Sheri Moothart	Councilor, Ward I	December 31, 2024
Alison Eggers	Councilor, Ward I	December 31, 2022
Andrea Zielinski	Councilor, Ward II	December 31, 2024
Shelley Briggs Loosley	Councilor, Ward II	December 31, 2022
Brian Prawitz	Councilor, Ward III	December 31, 2024
Bob Cotterell	Councilor, Ward III	December 31, 2022
Beverly Cole	Councilor, Ward IV	December 31, 2022
Patrice Sipos	Councilor, Ward IV	December 31, 2024

APPOINTED OFFICIALS

<u>Name</u>	<u>Position</u>
Nicole A. Messenger	City Manager
Stuart I. Cowie	Community Development Director
Brice W. Perkins	Public Works Director
Monte J. Bryan	Fire Chief
Amy L Sowa	Assistant City Manager/Recorder
John D. VanWinkle	Human Resources Director
D. Ron Harker	Finance Director
W. Jason Mahan	Municipal Judge
Gary L. Klopfenstein	Police Chief
Kris Wiley	Library Director

**FINANCIAL
SECTION**



INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council Members
City of Roseburg
900 SE Douglas Ave
Roseburg, OR 97470

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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.

**City of Roseburg
Independent Auditor's Report**

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the CITY OF ROSEBURG, OREGON, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year 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 information, budgetary comparison information, the schedule of contributions, and the schedule of the proportionate share of net pension liability, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the CITY OF ROSEBURG's basic financial statements. The introductory section, supplemental section, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The supplemental section, as listed in the table of contents, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supplemental section and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

**City of Roseburg
Independent Auditor's Report**

Other Reporting Required by Government Auditing Standards and Other Legal and Regulatory Requirements


Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2021, on our consideration of the CITY OF ROSEBURG'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 the 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 OF ROSEBURG's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 10, 2021, on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Neuner Davidson & Co.

By: 

Jeffrey R. Cooley, CPA
Roseburg, Oregon
December 10, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the City of Roseburg, Oregon (City) presents this narrative overview and analysis to facilitate both a short and a long-term analysis of the financial activities of the City for the fiscal year ended June 30, 2021. This Management's Discussion and Analysis (MD&A) is based on currently known facts, decisions, and conditions that existed as of the date of the independent auditor's report. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Transmittal Letter, which can be found on pages *i* through *v* of this report.

FINANCIAL HIGHLIGHTS (in thousands)

- The assets and deferred outflows of the City of Roseburg exceeded its liabilities and deferred inflows at June 30, 2021 by \$216,653 (*net position*). Of this amount, \$12,709 (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position at June 30, 2021 increased by \$722 from June 30, 2020. The increase in the total net position is primarily the result of an increase to the City's Cash and Investments of \$8,051.
- The City's total liabilities increased by \$5,047 from \$33,913 to \$38,960 in the current year. While regular debt service payments were made as scheduled, a \$3,947 increase to the Net Pension Liability is the primary driving force for the increase to liabilities.
- At June 30, 2021, the City's governmental funds reported combined ending fund balances of \$20,176, an increase of \$3,241 from the prior year.
- At June 30, 2021, the City's business-type activities reported combined ending net position of \$88,854 an increase of \$1,051 over the prior year. Unrestricted net position increased by \$2,742 to \$16,105.
- At June 30, 2021, the unassigned fund balance for the General fund was \$9,948 or 40 percent of total General Fund expenditures and other financing uses.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: Government-wide financial statements, Fund financial statements, and Notes to the basic financial statements.

This report also contains supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. These statements include:

Statement of Net Position. The *Statement of Net Position* presents information on all of the assets and liabilities of the City, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

Statement of Activities. The *Statement of Activities* presents information showing how the net position of the City changed over the year by tracking revenues, expenses and other transactions that increase or reduce net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The *governmental activities* of the City include administrative services, fire and emergency medical services, community development, police, court, public works, recreation and cultural services.

The *business-type activities* of the City include municipal airport, off street parking, storm drain utility, and water utility.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate Urban Renewal Agency (URA) for which the City is financially accountable. Although legally separate, the URA's governing body is identical to the City's, and because the services of the URA are exclusively for the benefit of the City, it is included as an integral part of the primary government.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The *fund financial statements* provide more detailed information about the City's funds, focusing on its most significant or "major" funds – not the City as a whole. The City of Roseburg, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. The *governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds are used to account for activities where the emphasis is placed on available financial resources, rather than upon net income determination. Therefore, unlike the government-wide financial statements, governmental fund financial statements focus on the acquisition and use of current expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are reconciled to the government-wide Statements of Net Position and Activities.

The City maintains 17 individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for those funds that are considered significant (major) to the City taken as a whole. These financial statements report four major funds: General Fund, Transportation Fund, Urban Renewal General Fund and the Urban Renewal Capital Projects Fund Diamond Lake.

Data from the other 13 governmental funds are combined into a single, aggregated presentation. Summary fund data by fund-type for these non-major governmental funds is provided in the form of combining statements. Individual fund data for each of these non-major governmental funds is provided as other supplementary information.

Proprietary funds. The City utilizes five *proprietary funds* made up of four business type funds and one internal service fund. The business type funds are used to account for acquisition, operation, and maintenance of storm drainage, airport, off street parking, and water. These funds are entirely or predominantly self-supported through user charges to the customer. The Workers Compensation Fund is an internal service fund used to account for the financing of the City's self-insured program.

Proprietary Funds information is presented separately in the Fund Financial Statements and Statement of Net Position and in summary form in the Statement of Net Position and the Statement of Activities.

The City adopts an annual appropriated budget for all governmental funds. To demonstrate compliance with the budget, budgetary comparison statements have been provided for the General Fund and the major special revenue funds as required supplementary information. Budgetary comparisons for all other governmental funds have been provided as other supplementary information. The governmental fund financial statements can be found beginning on page 19 of this report.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 32 through 70 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

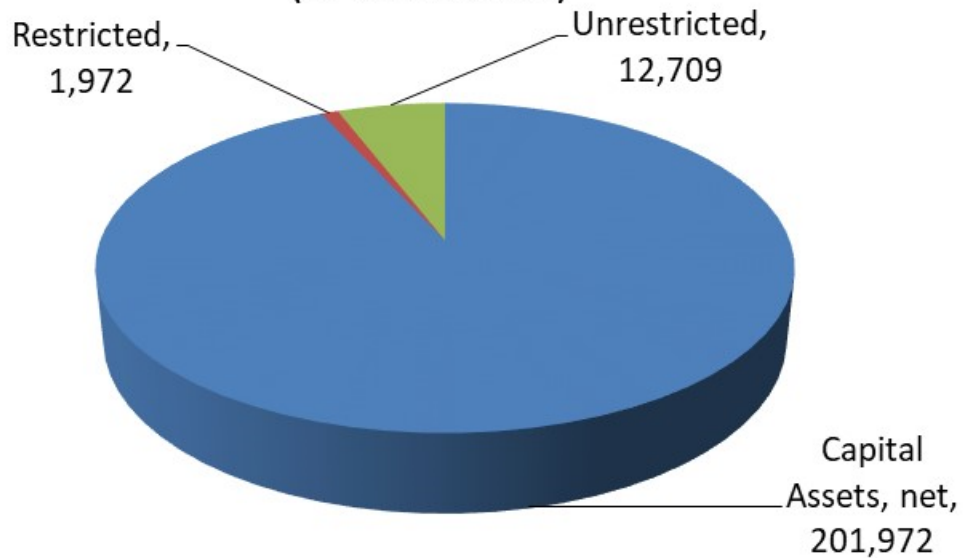
STATEMENT OF NET POSITION

The following table reflects a summary of Net Position compared to the prior fiscal year. Chart 1 displays the three components of Net Position as of June 30, 2021.

Table 1
City of Roseburg's Net Position
 (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 24,420	\$ 20,182	\$ 25,766	\$ 15,452	\$ 50,186	\$ 35,634
Capital assets	132,283	133,300	73,823	75,599	206,106	208,899
Total Assets	156,703	153,482	99,589	91,051	256,292	244,533
Deferred outflows	9,101	7,868	740	657	9,841	8,525
Current liabilities	3,376	2,336	1,158	498	4,534	2,834
Noncurrent liabilities	31,131	27,916	3,294	3,163	34,425	31,079
Total Liabilities	34,507	30,252	4,453	3,661	38,960	33,913
Deferred inflows	3,498	2,970	7,022	244	10,520	3,214
Net Position:	127,799	128,128	88,854	87,803	216,653	215,931
Net investment in capital assets	129,223	129,915	72,749	74,440	201,972	204,355
Restricted	1,972	430	-	-	1,972	430
Unrestricted	(3,396)	(2,216)	16,105	13,363	12,709	11,147
Total net position	\$ 127,799	\$ 128,128	\$ 88,854	\$ 87,803	\$ 216,653	\$ 215,931

Chart 1
City of Roseburg - 2021 Net Position
 (in thousands)



As noted previously, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$216,653 at June 30, 2021.

About 93 percent of the City's net position reflect its investment in capital assets (e.g. infrastructure, land, buildings, vehicles and equipment), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to City residents; consequently these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City's noncurrent liabilities of \$31,079 is for compensated absences, net pension liability, postemployment obligations and outstanding bonds, representing 92 percent of total liabilities. Current liabilities, representing 8 percent of the City's total liabilities, consist of payables on accounts, unearned revenues, compensated absences and long-term debt due or payable within one year.

STATEMENT OF ACTIVITIES

The City reports governmental activities on a consolidated basis. Descriptions of significant activities follow the table below.

Table 2
City of Roseburg's Changes in Net Position
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for Services	\$ 4,571	\$ 4,610	\$ 9,917	\$ 9,342	\$ 14,488	\$ 13,952
Operating Grants & Contributions	3,408	3,296	-	14	3,408	3,310
Capital Grants & Contributions	2,350	1,256	570	1,305	2,920	2,561
General Revenues:						
Taxes	23,473	21,958	-	-	23,473	21,958
Interest	152	375	128	287	280	662
Other	697	638	57	17	754	655
Total Revenues	<u>34,652</u>	<u>32,132</u>	<u>10,671</u>	<u>10,966</u>	<u>45,324</u>	<u>43,098</u>
Expenses:						
General Government	4,388	3,679	-	-	4,388	3,679
Public Safety	18,071	17,723	-	-	18,071	17,723
Public Works	7,697	7,784	-	-	7,697	7,784
Culture and Recreation	2,938	2,870	-	-	2,938	2,870
Community Development	1,724	2,534	-	-	1,724	2,534
Interest on Long-term Debt	164	178	-	-	164	178
Storm Drainage	-	-	2,064	2,010	2,064	2,010
Airport	-	-	1,023	1,034	1,023	1,034
Off Street Parking	-	-	124	125	124	125
Water	-	-	6,410	6,013	6,410	6,013
Total Expenses	<u>34,981</u>	<u>34,769</u>	<u>9,621</u>	<u>9,182</u>	<u>44,602</u>	<u>43,951</u>
Increase (decrease) in net position before transfers	(329)	(2,637)	1,051	1,784	722	(852)
Transfers	-	-	-	-	-	-
Increase (decrease) in net position	(329)	(2,637)	1,051	1,784	722	(852)
Net position, July 1	128,128	130,765	87,803	86,019	215,932	216,784
Net position, June 30	<u>\$ 127,799</u>	<u>\$ 128,128</u>	<u>\$ 88,854</u>	<u>\$ 87,803</u>	<u>\$ 216,653</u>	<u>\$ 215,932</u>

Governmental activities. (in thousands)

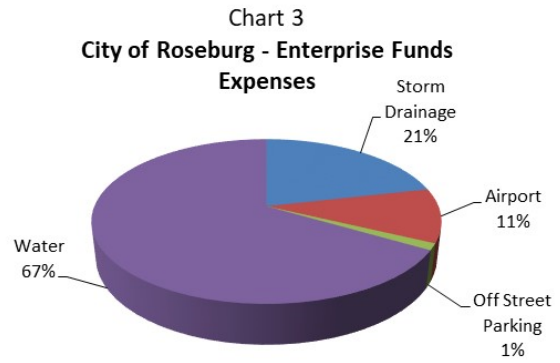
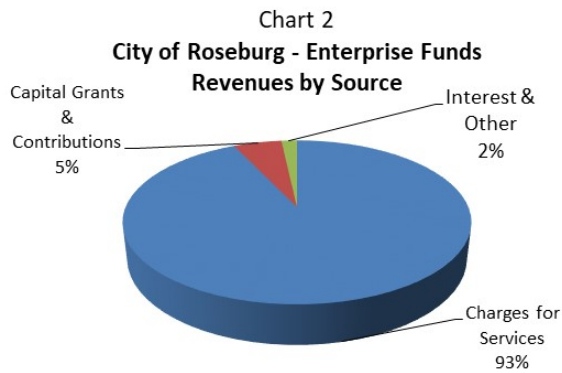
- Tax revenues increased by \$1,515 from the prior year. Property taxes levied for general purposes increased \$819 due to increased property values. Property taxes levied for debt service increased \$67 due to increased property values. Franchise fees and marijuana taxes increased \$628.
- Capital grants and contributions totaled \$2,350 in the current fiscal year, an increase of \$1,095 from the previous year.
- Operating grants totaled \$3,408 in the current fiscal year.

Business-type activities. (in thousands)

Business-type activities net position increased by \$1,051. Key changes are as follows:

- Charges for services increased by \$575.
 - In response to the COVID-19 pandemic, there was no monthly Water rate increase during the fiscal year.
 - A 3.1 percent monthly Storm Drainage rate increase was effective May, 2021.
- Capital grants and contributions decreased by \$-735.
- Net pension expense of \$173 was booked this year per the requirements of GASB 68.
- Net OPEB expense of \$-6 was booked this year per the requirements of GASB 75.

Charts 2 and 3 below show Enterprise Fund revenue by source as a percentage of total revenue from Business-type activities and Enterprise Fund expenses by fund as a percentage of total Business-type expenses.



Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City’s governmental funds in the fund financial statements is to provide information on relatively short-term cash flow and funding for future basic services. Such information is useful in assessing the City’s financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of a fiscal year.

At June 30, 2021, the City’s governmental funds reported combined ending fund balances of \$20,176, an increase of \$3,241 from the prior year. \$9,948 constitutes unassigned ending fund balance, which is available for spending at the government’s discretion.

General Fund. The General Fund is the chief operating fund of the City. As of June 30, 2021, the fund balance was \$9,989. The fund balance increased by \$1,521 from the prior year. Property taxes, franchise fees and other taxes increased by \$1,448 from the previous year. General Government, public safety, public works, community development, and culture and recreation expenditures all decreased by an aggregate \$-782.

Transportation Fund. The Transportation fund accounts for the acquisition or construction of major public works infrastructure and the City’s pavement management program. The ending fund balance at June 30, 2021 was \$2,302, a decrease of \$-153 from the previous year. \$1,062 was spent on the pavement management program. Capital expenditures of \$451 include Douglas Avenue improvement project, Stewart Parkway rehabilitation and the Stewart Parkway end panel replacement.

Urban Renewal Funds. The City’s component unit, its Urban Renewal Agency, has two funds that are major funds: The Urban Renewal Capital Projects Diamond Lake Fund (for the Diamond Lake Urban Renewal District), and the Urban Renewal General Fund.

- The Urban Renewal Capital Projects Diamond Lake Fund ended June 30, 2021 with a committed fund balance of \$366 and capital expenditures of \$0. Fiscal Year ending June 30, 2021 was the second year of the newly established Diamond Lake Urban Renewal District, consequently, there were no provisions to undertake any capital projects this year but will undertake projects in the future.

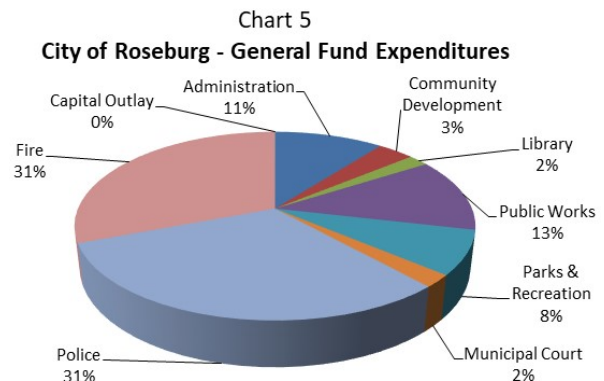
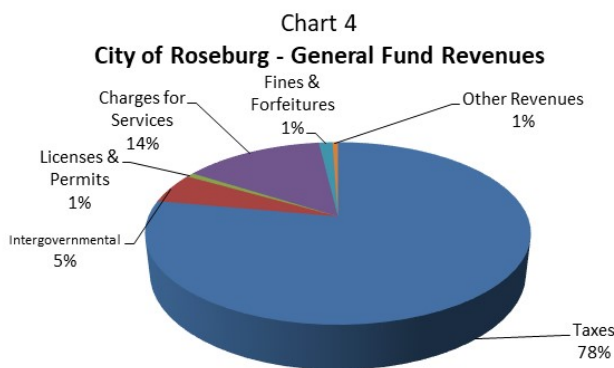
- The Urban Renewal General Fund accounts for the district’s tax increment revenues. The committed fund balance at June 30, 2021 was \$318. Expenditures include transfers of \$200 to the Urban Renewal Capital Projects Funds to support capital projects.

General Fund Budgetary Highlights

The budgetary statement for the General Fund, page 71, shows the original budget, final budget, actual revenues, expenditures and other financing sources and uses for the fiscal year ended June 30, 2021. There were four revisions to the General Fund budget for the 2020-21 fiscal year and are summarized as follows: 1) a supplemental budget to recognize and appropriate \$50 from CARES funding received from the State of Oregon, 2) a reappropriation of \$70 from the Grant Fund to the General Fund to adjust appropriation authority in the Administration, Parks and Recreation, Police and Fire Departments at the closeout of the CARES grant with the State of Oregon, 3) a supplemental budget to recognize and appropriate \$10 of the OCF Summer Reading Grant Award to support additional Library personnel costs, and 4) a reappropriation of \$138 from contingency to the Non-Departmental’s Other Requirements to provide the required authority to properly account for foreclosed properties.

- Revenues were \$61 less than budgeted.
 - Taxes were \$247 more than budgeted as current property taxes were 98% of budget, delinquent property taxes were 174% of budget and marijuana taxes were 185% of budget.
 - Intergovernmental revenues were \$80 more than budget.
 - Licenses and permits were \$5 more than budget.
 - Charges for services were \$-49 less than budget.
 - Fines and forfeitures were \$-90 less than budget.
 - Investment revenues were \$-156 less than budget.
 - Other revenues were \$23 more than budget.
- Expenditures were \$3,143 less than budgeted. Decreased spending was primarily related to the Administration, Public Works, Fire and Police Departments.

Charts 4 and 5 show General Fund revenue by source as a percentage of total revenue and expenditures by department as a percentage of total expenditures.



CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City’s investment in capital assets includes land, buildings and improvements, vehicles, equipment, infrastructure, and construction in progress. As of June 30, 2021, the City had invested \$206,106 in capital assets, net of depreciation, as shown in the following table:

Table 3
City of Roseburg's Capital Assets
(net of depreciation)
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land & Construction in Progress	\$ 68,108	\$ 67,392	\$ 10,006	\$ 9,524	\$ 78,114	\$ 76,916
Buildings	19,030	19,693	7,653	8,281	26,683	27,974
Improvements other than Buildings	9,911	12,473	55,056	57,331	64,967	69,805
Machinery and Equipment	2,306	2,416	974	237	3,280	2,653
Vehicles	2,196	1,667	134	229	2,330	1,895
Infrastructure	30,733	29,658	-	-	30,733	29,658
Total	<u>\$ 132,283</u>	<u>\$ 133,300</u>	<u>\$ 73,823</u>	<u>\$ 75,602</u>	<u>\$ 206,106</u>	<u>\$ 208,901</u>

During the year, the City's investment in capital assets decreased by \$2,795. The major capital asset events for the year include the following:

GOVERNMENTAL ACTIVITIES (in thousands)

- Capital expenditures in the governmental funds totaled \$3,470.
 - Beulah park renovation, \$113.
 - Stewart park pavilion renovation, \$150.
 - Douglas avenue roadway improvements, \$85.
 - Stewart parkway bridge end panel replacement, \$367.
 - ADA sidewalk improvements, \$38.
 - Library renovations, phase II, \$97.
 - Sunshine trails expansion project, \$3.
 - Pavement management, \$1,026.
 - Wayfinding project, \$7.
 - Equipment replacement, \$1,212.
 - Library summer reading project capital equipment, \$40.
 - Pavement management overlays, \$230.
 - Sidewalk rehabilitation, \$4.
 - Reservoir hill SCADA building, \$20.
 - Street ligts, \$16.
 - Park shop improvements, \$15.
 - Legion ballfield improvements, \$12.
 - Chamber security upgrades, \$3.
 - Fire station No.2 and No.3 generators, \$9.
 - COVID 19 – capital responses, \$24.

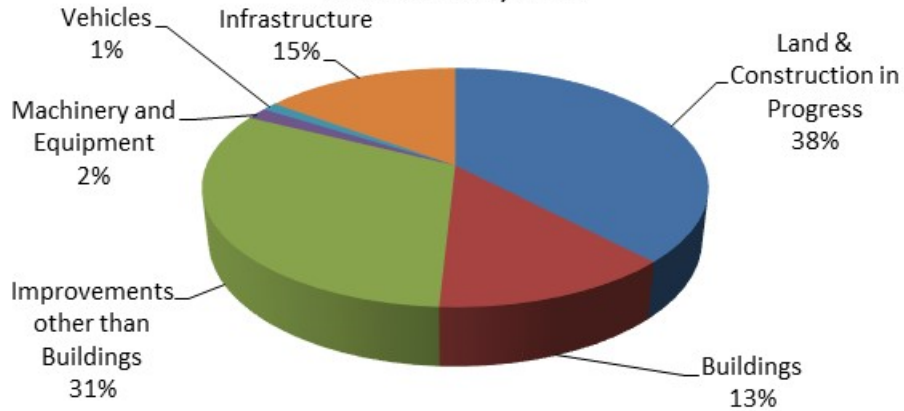
BUSINESS-TYPE ACTIVITIES

- Water Fund capital expenditures of \$1,118 included the Water treatment plant chlorine generation, West avenue water main extension, Taft to Donita waterline improvements, Water treatment plant standby generator, Washington avenue bore crossing, Peggy avenue main replacement, Broccoli pressure zone improvements, water plant fall protection, Boyer and Grange reservoir security, Hooker road to Isabelle avenue 24 inch line, Waste water pump replacement, Poloymer mixing skid, Lincoln street to Beulah water main improvements, and pressure testing at the treatment plant.
- Storm Drainage capital expenditure of \$869 included the 2020 storm CIPP, Harrison and Harvard street storm drain improvements, Storm line replacements at Rainbow and Haggerty, Brooklyn avenue and Watson street.
- Airport capital expenditure of \$160 included the runway lighting and parking lot improvements.

Additional information on the City of Roseburg's capital assets can be found in note 3 on page 45 and 46 of this report.

Chart 6
Capital Assets - City Wide

As of June 30, 2021



Long-Term Debt

At the end of the current fiscal year, the City had total bonded debt outstanding of \$4.134 million consisting of full faith & credit obligations.

Table 4
City of Roseburg's Outstanding Debt
 Full Faith & Credit Obligations
 (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Full Faith & Credit Bonds	\$ 3,060	\$ 3,385	\$ 1,074	\$ 1,158	\$ 4,134	\$ 4,543
Total	\$ 3,060	\$ 3,385	\$ 1,074	\$ 1,158	\$ 4,134	\$ 4,543

During the current fiscal year, the City's total debt decreased by \$409 as a result of regularly scheduled principal payments.

The City's Full Faith and Credit Obligations series 2013 which constitute the Pension Obligation Bonds do not carry any rating from any rating service as it was directly placed with Umpqua Bank and will not be readily marketable. Likewise, the City's Full Faith and Credit Obligations series 2017 which constitute the refinancing of the airport debt do not carry any rating from any rating service as it was directly placed with Chase Bank and will not be readily marketable.

State statutes limit the amount of debt a governmental entity may issue or have outstanding at any one time up to three percent of the true cash value of all taxable property within its boundaries. The current general obligation debt limitation for the City is \$93.601 million. The City has no outstanding general obligation debt.

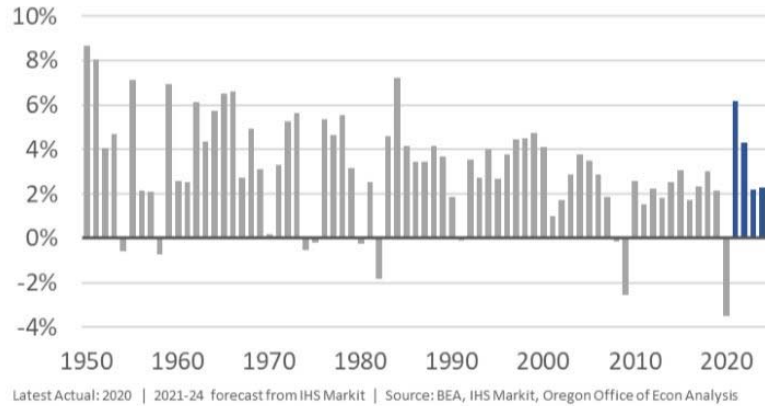
Additional information on the City of Roseburg's long-term debt can be found in note 3 in the notes to basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The May 2021 *Oregon Economic and Revenue Forecast* issued by the Office of Economic Analysis (OEA) states that “Economic growth is surging as the pandemic wanes. . . . The consensus economic forecast for real GDP this year is 6-7%, which would be the largest increase since 1984’s “Morning in America.” Next year real GDP is forecasted to increase 4-5%. Such gains would bring the economy back to full employment much faster than in recent cycles. Growth slows thereafter as economic slack diminishes and gains are based on underlying productivity and the size of the labor force.”

Strong GDP Growth Ahead

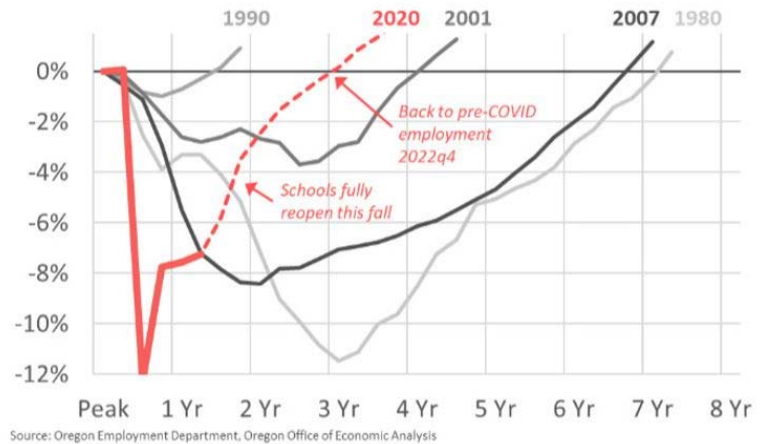
Annual Percent Change in Real U.S. GDP



“Oregon’s labor market is expected to return to full health during the upcoming 2021-23 biennium. With the strong near-term outlook to consumer spending, job growth is front-loaded such that the largest employment gains will occur this summer and fall. Total employment in Oregon will surpass pre-pandemic levels in late 2022 with the unemployment rate returning to 4 percent in 2023.”

Oregon Recession Comparison

Employment Percent Change from Pre-Recession Peak



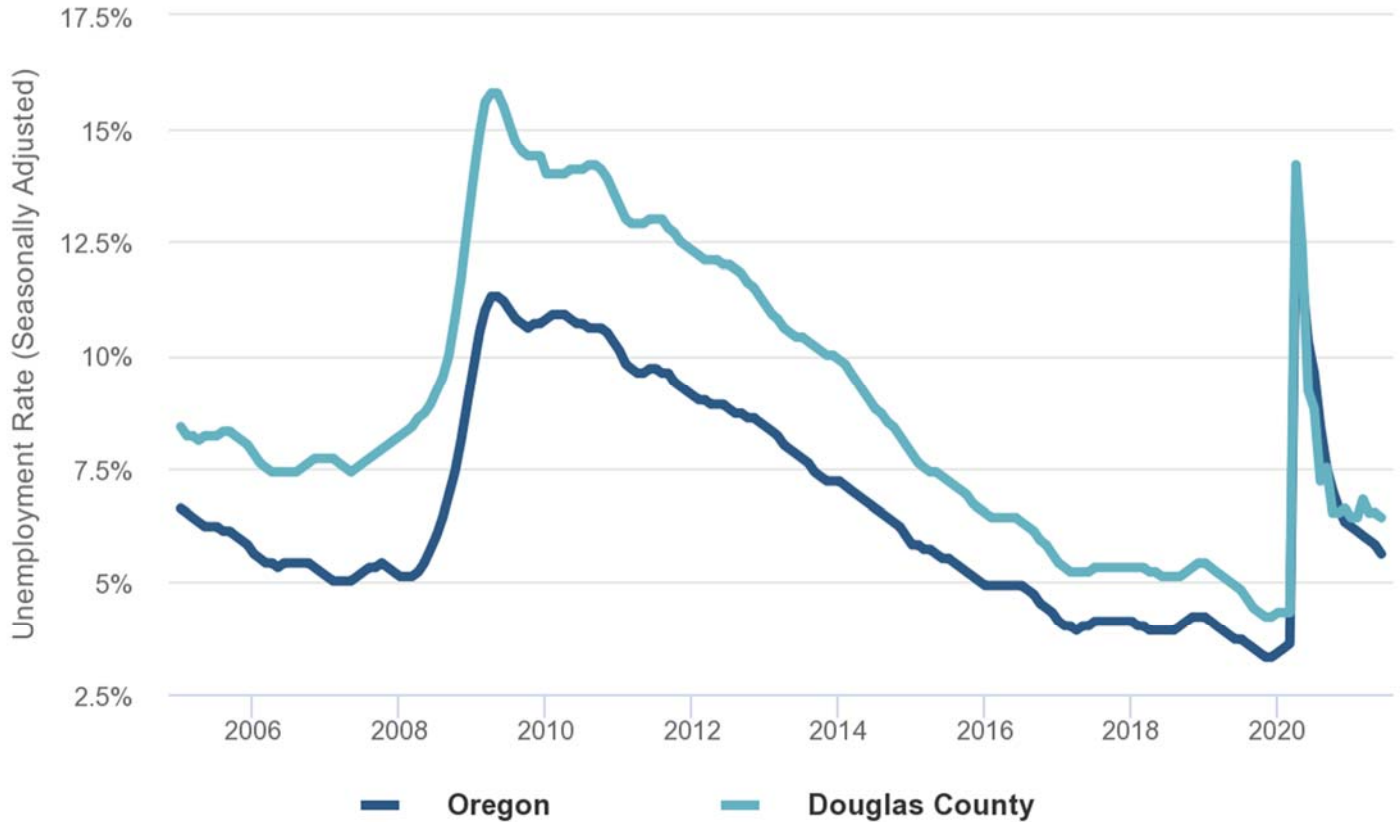
“While a job hole remains in the labor market, the same cannot be said for household incomes. Currently incomes in Oregon are 20 percent higher than before COVID-19 hit, thanks in larger part due to the temporary federal measures put in place. Excluding the direct federal aid, incomes are back to pre-pandemic levels and expected to grow 6-7% this year and next. Income growth in the out years is forecasted to increase 5% per year.”

“However, with such a strong consensus near-term outlook, the risks do primarily lie to the downside. The risk is that supply cannot keep pace with demand. The path forward may be bumpier than expected, even if the trajectory is up. Already supply constraints have emerged in semiconductors, lumber, and rental cars to name a few. More bottlenecks are likely on the horizon. Furthermore, running through all of these issues is labor. Attracting and retaining workers is already much more challenging than expected given the economy went through a severe recession last year. There are a variety of simultaneous factors impacting the number of available workers including strong household finances, the virus itself, and lack of childcare or in-person schooling. While the temporary pandemic-related constraints will ease in the months ahead, the labor market is expected to remain tight for the foreseeable future in large part due to demographics and the large number of Baby Boomers retiring.”

“With the prospect of strong growth and near-term supply constraints, the possibility of an overheating economy has quickly replaced fears of a long-lasting, demand-driven recession like the past few cycles have been. Undoubtedly inflation will pick up in the months ahead. Production costs are rising quickly in part due to capacity constraints and bottlenecks. However these price pressures are coming off of a low base and are largely expected to be transitory. The Federal Reserve so far has indicated it will only become concerned should price pressures turn persistent. Given the overall economy is not at full employment, and generally strong wage growth is needed for persistent inflation, almost by definition the current bout of inflation is transitory,”

The State of Oregon Employment Department reported that the “Douglas County’s seasonally adjusted unemployment rate was essentially unchanged at 6.4% in June compared with a revised 6.5% in May. The rate is down from 9.2% in June 2020. The Oregon seasonally adjusted June rate was 5.6% and the U.S. rate was 5.9% in June.” Furthermore, “Douglas County has gained back 52% of the jobs lost in March and April 2020 at the onset of the COVID-19 crisis.”

Unemployment Rate



Source: Oregon Employment Department Qualityinfo.org

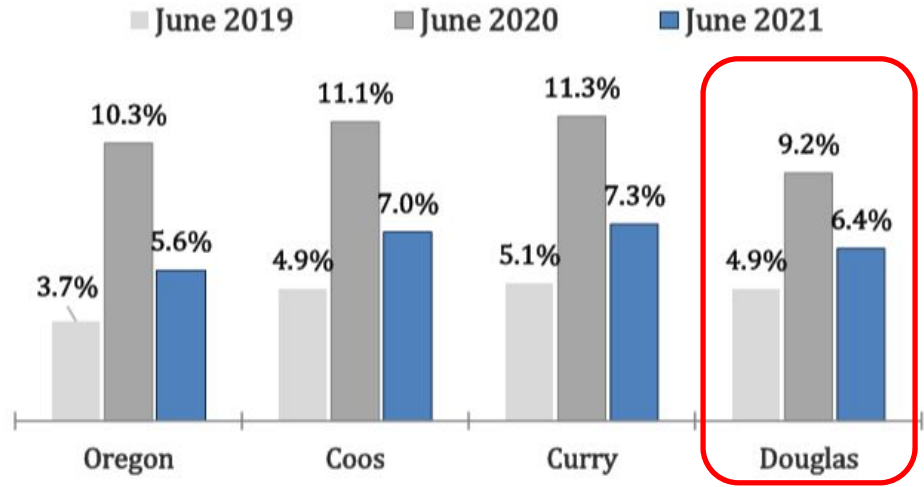
A review of the underlying figures to June’s unemployment rate dropping year-over-year is due to a mixed bag of results:

- The civilian labor force decreased by -279 year-over-year or -0.6%, and it increased 169 from May;
- The number of employed (or jobs) increased by 1,361 year-over-year or 3%, and it increased by 62 from May; and
- The number of unemployed decreased by -1,640 year-over-year or -36.2%, however, it increased 107 from May.

Local and State Unemployment Rates

Seasonally adjusted

Source: Oregon Employment Department, Local Area Unemployment Statistics



The most significant source of revenue for the City is taxes, including property, marijuana, state shared revenues, franchise and motel taxes. For the year ended June 30, 2021, taxes of \$21,455 made up 68 percent of governmental funds revenue.

- Property taxes are based upon valuations as of January 1 of every year, and with strong demand for housing translating into strong appreciation in the market, real market growth will not restrict the constitutionally mandated increase of assessed value by 3 percent. Consequently, property taxes should realize an annual growth of around 3 percent.
- Marijuana taxes have seen a sharp increase during the COVID-19 pandemic with a 64 percent increase in growth year-over-year from fiscal year 2020 to fiscal year 2021. It is projected that revenues will remain at an elevated level for the foreseeable future.
- Impact of the recession on state shared revenues has been mixed; liquor and state shared revenues have both seen increases year-over-year, however, cigarette revenues have declined.
- Hotel/motel transient lodging taxes have not followed the national trend as our hotels have seen a marked increase in occupancy which has translated into a 12 percent increase over pre-pandemic levels.

The City’s Budget Committee and City Council considered all of these factors while preparing the City’s budget for the 2021-22 fiscal year.

The 2020-21 adopted budget includes contingency of \$1 million for unanticipated operating needs and cash flow requirements. Governmental fund balance classifications are reported in accordance with GASB 54.

REQUESTS FOR INFORMATION

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the City’s finances and to demonstrate the City’s accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City’s Finance Office at 900 SE Douglas Street, Roseburg, Oregon 97470.

**BASIC
FINANCIAL
STATEMENTS**

CITY OF ROSEBURG, OREGON

Statement of Net Position

June 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 21,330,895	\$ 17,097,182	\$ 38,428,077
Receivables (net of allowances for uncollectibles)	2,622,067	1,819,790	4,441,857
Lease receivable	227,470	6,731,117	6,958,587
Inventories	28,874	60,301	89,175
Prepays	11,926	39,941	51,867
Net OPEB asset RHIA	199,053	17,619	216,672
Capital assets			
Land and construction in progress	68,107,705	10,005,950	78,113,655
Buildings	19,030,018	7,652,787	26,682,805
Improvements other than buildings	9,910,869	55,056,213	64,967,082
Machinery and equipment	2,305,985	973,753	3,279,738
Vehicles	2,195,551	134,439	2,329,990
Infrastructure	30,732,651	-	30,732,651
Total assets	<u>156,703,064</u>	<u>99,589,092</u>	<u>256,292,156</u>
DEFERRED OUTFLOWS			
Deferred outflows-contributions to PERS	8,771,040	714,642	9,485,682
Deferred outflows-contributions to OPEB	329,930	25,293	355,223
Total deferred outflow of resources	<u>9,100,970</u>	<u>739,935</u>	<u>9,840,905</u>
LIABILITIES			
Accounts payable	1,599,978	871,657	2,471,635
Other accrued liabilities	93,953	6,559	100,512
Interest payable	12,444	2,014	14,458
Unearned revenue	244,334	111,000	355,334
Compensated absences	1,065,313	79,366	1,144,679
Long-term debt due or payable within one year	360,000	87,877	447,877
Noncurrent liabilities due in more than one year:			
Compensated absences	850,263	54,375	904,638
Net pension liability	25,464,572	2,074,789	27,539,361
Net OPEB liability HIC	2,116,300	178,529	2,294,829
Long-term debt	2,700,000	986,413	3,686,413
Total liabilities	<u>34,507,157</u>	<u>4,452,579</u>	<u>38,959,736</u>
DEFERRED INFLOWS			
Net projected to actual earnings to PERS	1,837,827	149,741	1,987,568
Net projected to actual earnings to OPEB	1,432,311	141,611	1,573,922
Deferred lease resources	227,470	6,731,117	6,958,587
Total deferred inflow of resources	<u>3,497,608</u>	<u>7,022,469</u>	<u>10,520,077</u>
NET POSITION			
Net investment in capital assets	129,222,779	72,748,852	201,971,631
Restricted for:			
Capital projects	1,903,193	-	1,903,193
Debt service	69,142	-	69,142
Unrestricted	(3,395,845)	16,105,127	12,709,282
Total net position	<u>\$ 127,799,269</u>	<u>\$ 88,853,979</u>	<u>\$ 216,653,248</u>

See notes to the basic financial statements.

CITY OF ROSEBURG, OREGON

Statement of Activities

For the year ended June 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 4,388,243	\$ 3,969,189	\$ 119,954	\$ 51,111
Public safety	18,070,775	401,243	1,106,835	1,500,000
Public works	7,696,715	30,543	1,842,552	470,790
Culture and recreation	2,937,885	122,775	191,568	328,542
Community development	1,724,006	47,026	147,415	-
Interest on long-term debt	163,866	-	-	-
Total governmental activities	<u>34,981,490</u>	<u>4,570,776</u>	<u>3,408,324</u>	<u>2,350,443</u>
Business-type activities:				
Storm Drain	2,063,947	2,322,695	-	201,549
Airport	1,022,972	405,111	-	89,669
Off Street Parking	124,208	39,856	-	-
Water	6,409,625	7,149,583	-	278,672
Total business-type activities	<u>9,620,752</u>	<u>9,917,245</u>	<u>-</u>	<u>569,890</u>
Total government	<u>\$ 44,602,242</u>	<u>\$ 14,488,021</u>	<u>\$ 3,408,324</u>	<u>\$ 2,920,333</u>

General revenues:

- Property taxes, levied for general purposes
- Property taxes, levied for debt service
- Franchise and public service taxes
- Interest and investment earnings
- Other revenues
- Gain on disposition of capital assets
- Subtotal general revenues
- Total general revenues and transfers
- Change in net position

Net position--beginning

Net position--ending

See notes to the basic financial statements.

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business-Type Activities	Total
\$ (247,989)	\$ -	\$ (247,989)
(15,062,697)	-	(15,062,697)
(5,352,830)	-	(5,352,830)
(2,295,000)	-	(2,295,000)
(1,529,565)	-	(1,529,565)
<u>(163,866)</u>	-	<u>(163,866)</u>
<u>(24,651,947)</u>	-	<u>(24,651,947)</u>
-	460,297	460,297
-	(528,192)	(528,192)
-	(84,352)	(84,352)
-	1,018,630	1,018,630
<u>-</u>	<u>866,383</u>	<u>866,383</u>
<u>(24,651,947)</u>	<u>866,383</u>	<u>(23,785,564)</u>
16,976,256	-	16,976,256
396,643	-	396,643
6,100,327	-	6,100,327
152,460	127,655	280,115
550,091	32,657	582,748
147,070	24,052	171,122
<u>24,322,847</u>	<u>184,364</u>	<u>24,507,211</u>
24,322,847	184,364	24,507,211
<u>(329,100)</u>	<u>1,050,747</u>	<u>721,647</u>
128,128,369	87,803,232	215,931,601
<u>\$ 127,799,269</u>	<u>\$ 88,853,979</u>	<u>\$ 216,653,248</u>

FUND FINANCIAL STATEMENTS

Major Governmental Funds

General Fund

This fund accounts for the financial operations of the City not accounted for in any other fund. Principal sources of revenue are property taxes, licenses and permits, state and county shared revenue, and charges for administrative services from other funds. Primary expenditures are for culture and recreation, general government, public works, and public safety.

Transportation Fund

This fund is used to account for the acquisition and construction of transportation infrastructure not financed elsewhere.

Urban Renewal Fund

Accounts for all resources traditionally associated with governments that are not required to be accounted for in another Urban Renewal Agency Fund.

Urban Renewal Capital Projects Fund Diamond Lake

Accounts for acquisition, construction and improvements within the Diamond Lake urban renewal district that are financed from issuance of debt and interest earnings.

CITY OF ROSEBURG, OREGON

Governmental Funds

Balance Sheet

June 30, 2021

	<u>General</u>	<u>Transportation</u>
ASSETS		
Cash and investments	\$ 9,655,451	\$ 2,508,009
Accounts receivable	332,092	46,760
Taxes receivable	1,190,110	-
Due from other funds	37,000	-
Lease receivable	103,046	-
Intergovernmental receivable	83,836	163,183
Inventory	28,874	-
Prepaid items	11,926	-
Total assets	<u>\$ 11,442,335</u>	<u>\$ 2,717,952</u>
 LIABILITIES		
Accounts payable	336,750	416,220
Other accrued liabilities	8,663	-
Due to other funds	-	-
Total liabilities	<u>345,413</u>	<u>416,220</u>
 DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-property taxes	1,005,067	-
Unavailable revenue-leases	103,046	-
Total deferred inflows of resources	<u>1,108,113</u>	<u>-</u>
 FUND BALANCES		
Nonspendable	40,800	-
Restricted	-	-
Committed	-	-
Assigned	-	2,301,732
Unassigned	9,948,009	-
Total fund balances	<u>9,988,809</u>	<u>2,301,732</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,442,335</u>	<u>\$ 2,717,952</u>

See notes to the basic financial statements.

Urban Renewal General	Urban Renewal Capital Projects Diamond Lk	Other Governmental	Total Governmental
\$ 315,232	\$ 366,347	\$ 7,514,695	\$ 20,359,734
-	-	32,942	411,794
24,769	-	423,426	1,638,305
-	-	177,334	214,334
-	-	124,424	227,470
-	-	110,615	357,634
-	-	-	28,874
-	-	-	11,926
<u>\$ 340,001</u>	<u>\$ 366,347</u>	<u>\$ 8,383,436</u>	<u>\$ 23,250,071</u>
-	-	843,917	1,596,887
-	-	-	8,663
-	-	214,334	214,334
<u>-</u>	<u>-</u>	<u>1,058,251</u>	<u>1,819,884</u>
21,631	-	-	1,026,698
-	-	124,424	227,470
<u>21,631</u>	<u>-</u>	<u>124,424</u>	<u>1,254,168</u>
-	-	-	40,800
-	-	1,972,335	1,972,335
318,370	366,347	2,079,146	2,763,863
-	-	3,149,280	5,451,012
-	-	-	9,948,009
<u>318,370</u>	<u>366,347</u>	<u>7,200,761</u>	<u>20,176,019</u>
<u>\$ 340,001</u>	<u>\$ 366,347</u>	<u>\$ 8,383,436</u>	<u>\$ 23,250,071</u>

CITY OF ROSEBURG, OREGON
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
June 30, 2021

Total Fund balances-Governmental Funds	\$ 20,176,019
<i>Amounts reported for governmental activities in the Statement of Net Position are different because:</i>	
<p>PERS net pension asset, deferred outflows of resources arising from contributions paid, and deferred inflows arising from changes in proportionate share of earnings in the current year are not financial resources in governmental funds, but are reported in the Statement of Net Positions</p>	
Net pension asset	(25,464,572)
Deferred outflows	8,771,040
Deferred inflows	(1,837,827)
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation. This includes Internal Service Fund capital assets net of accumulated depreciation.</p>	
	132,282,779
<p>Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the funds.</p>	
Property taxes earned but unavailable	996,698
<p>Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.</p>	
	(1,915,576)
Net OPEB HIC liability	(2,116,300)
Net OPEB RHIA asset	199,053
OPEB HIC deferred outflows	305,064
OPEB HIC deferred inflows	(1,399,031)
OPEB RHIA deferred outflows	24,866
OPEB RHIA deferred inflows	(33,280)
<p>Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds</p>	
	(3,060,000)
<p>The interest on the long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.</p>	
	(12,444)
<p>The internal service fund is used by management to charge the cost of self-insurance to individual funds. The assets and liabilities of the Workers Compensation Internal Service Fund are included in governmental activities in the statement of net position.</p>	
	882,780
Net position of governmental activities	\$127,799,269

See notes to the basic financial statements.

CITY OF ROSEBURG, OREGON
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2021

	<u>General</u>	<u>Transportation</u>	<u>Urban Renewal General</u>
REVENUES			
Taxes	\$ 20,489,721	\$ 508,506	\$ 396,746
Intergovernmental	1,418,794	1,833,159	-
Licenses and permits	197,220	-	-
Charges for services	3,703,385	-	-
System development fees	-	268,511	-
Fines and forfeitures	360,178	-	-
Investment revenue	78,561	19,427	1,740
Other revenues	63,098	-	-
Total revenues	<u>26,310,957</u>	<u>2,629,603</u>	<u>398,486</u>
EXPENDITURES			
Current operating:			
General government	2,606,112	-	-
Public safety	15,241,610	-	-
Public works	3,013,268	1,259,716	-
Culture and recreation	2,269,647	-	-
Community development	836,826	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Capital outlay	7,067	1,513,066	-
Total expenditures	<u>23,974,530</u>	<u>2,772,782</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,336,427</u>	<u>(143,179)</u>	<u>398,486</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from capital asset sales	100,004	-	-
Transfers in	10,000	-	-
Transfers out	(925,000)	(10,000)	(200,000)
Total other financing sources (uses)	<u>(814,996)</u>	<u>(10,000)</u>	<u>(200,000)</u>
Net change in fund balance	1,521,431	(153,179)	198,486
Fund balances--beginning	8,467,378	2,454,911	119,884
Fund balances--ending	<u>\$ 9,988,809</u>	<u>\$ 2,301,732</u>	<u>\$ 318,370</u>

See notes to the basic financial statements.

Urban Renewal Capital Projects Diamond Lk	Other Governmental	Total Governmental
\$ -	\$ 1,376,131	\$ 22,771,104
210,730	3,321,382	6,784,065
-	-	197,220
-	49,450	3,752,835
-	95,540	364,051
-	-	360,178
1,351	51,068	152,147
-	72,133	135,231
<u>212,081</u>	<u>4,965,704</u>	<u>34,516,831</u>
-	571,635	3,177,747
-	428,160	15,669,770
200,540	84,335	4,557,859
-	140,201	2,409,848
-	782,763	1,619,589
-	325,000	325,000
-	165,188	165,188
-	1,949,855	3,469,988
<u>200,540</u>	<u>4,447,137</u>	<u>31,394,989</u>
<u>11,541</u>	<u>518,567</u>	<u>3,121,842</u>
-	18,960	118,964
200,000	1,524,076	1,734,076
-	(599,076)	(1,734,076)
<u>200,000</u>	<u>943,960</u>	<u>118,964</u>
211,541	1,462,527	3,240,806
154,806	5,738,234	16,935,213
<u>\$ 366,347</u>	<u>\$ 7,200,761</u>	<u>\$ 20,176,019</u>

CITY OF ROSEBURG, OREGON

**Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities**

For the year ended June 30, 2021

Net change in fund balances--total governmental funds \$ 3,240,806

*Amounts reported for governmental activities in the Statement of
Activities are different because:*

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlay exceeded depreciation in the current period.

Expenditures for capital assets	\$ 3,469,988	
Less current year depreciation	(4,514,940)	
Book value of disposed capital assets	3,106	
Net Assets, contributed by foreclosure to the governmental funds	25,000	(1,016,846)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes		(207,566)
----------------	--	-----------

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

325,000

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences	(222,032)	
Net OPEB HIC	72,217	
Net OPEB RHIA	34,669	
Accrued interest	1,322	(113,824)

Current year PERS pension expense related to change in net pension liability is reported as an expense in the Statement of Activities but is not recorded as an expenditure in the governmental funds

(2,581,188)

The internal service fund is used by management to charge the cost of self-insurance to individual funds. The net expense of the Workers Compensation Internal Service Fund is reported with governmental activities.

24,518

Change in net position of governmental activities

(329,100)

See notes to the basic financial statements.

FUND FINANCIAL STATEMENTS

Proprietary Funds

The City of Roseburg utilizes five Proprietary Funds made up of four Enterprise Funds and one Internal Service Fund. The Enterprise Funds are used to account for acquisition, operation, and maintenance of storm drainage, airport, off-street parking, and water. These funds are entirely or predominantly self-supported through user charges to the customer. The Workers Compensation Fund is an Internal Service Fund used to account for the financing of the City's self-insured program.

Enterprise Funds

- ◆ *Storm Drainage*
- ◆ *Airport*
- ◆ *Off Street Parking*
- ◆ *Water*

Internal Service Fund

- ◆ *Workers Compensation*

CITY OF ROSEBURG, OREGON

Proprietary Funds

Statement of Net Position

June 30, 2021

	<u>Business-type Activities-Enterprise Funds</u>		
	<u>Storm Drainage</u>	<u>Airport</u>	<u>Off Street Parking</u>
ASSETS			
Current assets:			
Cash and investments	\$ 4,813,366	\$ 796,256	\$ 28,544
Utilities receivable, net	369,469	-	-
Other receivables	-	3,535	18,007
Intergovernmental receivable	-	23,000	-
Lease receivable, current portion	-	210,919	-
Inventories	-	-	-
Prepaid items	-	31,941	-
Total current assets	<u>5,182,835</u>	<u>1,065,651</u>	<u>46,551</u>
Noncurrent assets:			
Net OPEB Asset - RHIA	-	-	-
Lease receivable	-	6,223,194	-
Capital assets, net	<u>23,986,052</u>	<u>15,682,414</u>	<u>1,566,456</u>
Total noncurrent assets	<u>23,986,052</u>	<u>21,905,608</u>	<u>1,566,456</u>
Total assets	<u>29,168,887</u>	<u>22,971,259</u>	<u>1,613,007</u>
DEFERRED OUTFLOWS			
Deferred outflows-contributions to PERS	-	-	-
Deferred outflows-contributions to OPEB	-	-	-
LIABILITIES			
Current liabilities:			
Accounts payable	404,850	36,826	1,312
Other accrued liabilities	-	6,345	-
Interest payable	-	2,014	-
Compensated absences	-	-	-
Unearned revenue	-	52,575	-
Bond payable-current maturity	-	87,877	-
Total current liabilities	<u>404,850</u>	<u>185,637</u>	<u>1,312</u>
Noncurrent liabilities:			
Compensated absences	-	-	-
Net pension liability	-	-	-
Net OPEB Liability - HIC	-	-	-
Bond payable	-	986,413	-
Total noncurrent liabilities	<u>-</u>	<u>986,413</u>	<u>-</u>
Total liabilities	<u>404,850</u>	<u>1,172,050</u>	<u>1,312</u>
DEFERRED INFLOWS			
Net projected to actual earnings to PERS	-	-	-
Net projected to actual earnings to OPEB	-	-	-
Deferred lease resources	-	6,434,113	-
NET POSITION			
Net investment in capital assets	23,986,052	14,608,124	1,566,456
Unrestricted	<u>4,777,985</u>	<u>756,972</u>	<u>45,239</u>
Total net position	<u>\$ 28,764,037</u>	<u>\$ 15,365,096</u>	<u>\$ 1,611,695</u>

See notes to the basic financial statements.

<u>Business-type Activities-Enterprise Funds</u>		<u>Activities Internal Service Fund</u>
<u>Water</u>	<u>Totals</u>	
\$ 11,459,016	\$ 17,097,182	\$ 971,161
1,391,098	1,760,567	-
14,681	36,223	-
-	23,000	-
13,236	224,155	-
60,301	60,301	-
8,000	39,941	-
<u>12,946,332</u>	<u>19,241,369</u>	<u>971,161</u>
17,619	17,619	-
283,768	6,506,962	-
<u>32,588,220</u>	<u>73,823,142</u>	<u>698</u>
<u>32,889,607</u>	<u>80,347,723</u>	<u>698</u>
<u>45,835,939</u>	<u>99,589,092</u>	<u>971,859</u>
714,642	714,642	-
<u>25,293</u>	<u>25,293</u>	<u>-</u>
428,669	871,657	3,091
214	6,559	85,290
-	2,014	-
79,366	79,366	-
58,425	111,000	-
-	87,877	-
<u>566,674</u>	<u>1,158,473</u>	<u>88,381</u>
54,375	54,375	-
2,074,789	2,074,789	-
178,529	178,529	-
-	986,413	-
<u>2,307,693</u>	<u>3,294,106</u>	<u>-</u>
<u>2,874,367</u>	<u>4,452,579</u>	<u>88,381</u>
149,741	149,741	-
141,611	141,611	-
<u>297,004</u>	<u>6,731,117</u>	<u>-</u>
32,588,220	72,748,852	698
10,524,931	16,105,127	882,780
<u>\$ 43,113,151</u>	<u>\$ 88,853,979</u>	<u>\$ 883,478</u>

CITY OF ROSEBURG, OREGON
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Net Position
For the year ended June 30, 2021

	Business-type Activities - Enterprise Funds		
	Storm Drainage	Airport	Off Street Parking
OPERATING REVENUES:			
Charges for services	\$ 2,322,695	\$ 405,111	\$ 39,856
Other revenues	1,783	7,267	188
Total operating revenues	<u>2,324,478</u>	<u>412,378</u>	<u>40,044</u>
OPERATING EXPENSES:			
Personal services	-	-	-
Support services	607,044	114,579	2,659
Contractual services	133,063	17,913	4,027
Utilities	-	55,179	15,074
Repairs and maintenance	45,084	17,815	6,143
Other operating expenses	24,372	735	1,561
Insurance claims and expenses	40,866	12,437	4,810
Depreciation	1,213,518	778,469	89,934
Total operating expenses	<u>2,063,947</u>	<u>997,127</u>	<u>124,208</u>
Operating income (loss)	<u>260,531</u>	<u>(584,749)</u>	<u>(84,164)</u>
Nonoperating revenues (expenses):			
Investment revenue	35,443	6,190	195
Interest expense	-	(25,845)	-
Gain on sale of capital assets	13,199	-	-
GAAP Pension Adjustment	-	-	-
GAAP OPEB Adjustment	-	-	-
Total nonoperating revenues (expenses)	<u>48,642</u>	<u>(19,655)</u>	<u>195</u>
Net income (loss)			
Net income (loss) before contributions and transfers	309,173	(604,404)	(83,969)
Capital contributions-grants and fees	201,549	89,669	-
Change in net position	510,722	(514,735)	(83,969)
Net position--beginning	28,253,315	15,879,831	1,695,664
Net position--ending	<u>\$ 28,764,037</u>	<u>\$ 15,365,096</u>	<u>\$ 1,611,695</u>

See notes to the basic financial statements.

<u>Business-type Activities - Enterprise Funds</u>		Governmental Activities Internal Service Fund
<u>Water</u>	<u>Totals</u>	<u>Fund</u>
\$ 7,149,583	\$ 9,917,245	\$ 249,999
23,419	32,657	750
<u>7,173,002</u>	<u>9,949,902</u>	<u>250,749</u>
1,754,065	1,754,065	-
1,209,377	1,933,659	18,981
497,793	652,796	16,987
302,980	373,233	-
219,271	288,313	-
364,091	390,759	3,074
55,097	113,210	193,706
<u>1,840,425</u>	<u>3,922,346</u>	<u>279</u>
<u>6,243,099</u>	<u>9,428,381</u>	<u>233,027</u>
<u>929,903</u>	<u>521,521</u>	<u>17,722</u>
85,827	127,655	6,517
-	(25,845)	-
10,853	24,052	-
(172,535)	(172,535)	-
<u>6,009</u>	<u>6,009</u>	<u>-</u>
<u>(69,846)</u>	<u>(40,664)</u>	<u>6,517</u>
860,057	480,857	24,239
278,672	569,890	-
1,138,729	1,050,747	24,239
<u>41,974,422</u>	<u>87,803,232</u>	<u>859,239</u>
<u>\$ 43,113,151</u>	<u>\$ 88,853,979</u>	<u>\$ 883,478</u>

CITY OF ROSEBURG, OREGON

Proprietary Funds

STATEMENT OF CASH FLOWS

For the year ended June 30, 2021

	Business-type Activities - Enterprise Funds		
	Storm Drainage	Airport	Off Street Parking
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 2,297,129	\$ 400,559	\$ 39,856
Payments to suppliers	151,676	(84,508)	(32,655)
Payments to employees	-	-	-
Internal activity--payments to other funds	(607,044)	(114,579)	(2,659)
Other receipts	1,783	7,267	188
Net cash provided by operating activities	<u>1,843,544</u>	<u>208,739</u>	<u>4,730</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
System development fees	201,550	-	-
Capital contributions	-	89,669	-
Proceeds from insurance reimbursements	13,199	-	-
Purchases of capital assets	(868,947)	601,649	-
Principal paid on capital debt	-	(83,988)	-
Interest paid on capital debt	-	(26,003)	-
Net cash used by capital and related financing activities	<u>(654,198)</u>	<u>581,327</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	35,443	6,190	195
Net cash provided by investing activities	<u>35,443</u>	<u>6,190</u>	<u>195</u>
Net increase (decrease) in cash and investments	1,224,789	796,256	4,925
Balances--beginning of the year	3,588,577	-	23,619
Balances--end of the year	<u>\$ 4,813,366</u>	<u>\$ 796,256</u>	<u>\$ 28,544</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 260,531	\$ (584,749)	\$ (84,164)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Cash flows reported in other categories:			
Depreciation expense	1,213,518	778,469	89,934
Change in assets and liabilities:			
Receivables, net	(25,566)	(1,952)	-
Inventories	-	-	-
Net OPEB asset	-	-	-
Deferred outflows for OPEB	-	-	-
Deferred outflows for Pension	-	-	-
Accounts payable	395,061	18,284	(1,040)
Accrued compensated absences	-	-	-
OPEB obligation	-	-	-
Deferred inflows for OPEB	-	-	-
Deferred inflows for Pension	-	-	-
Other accrued liabilities	-	1,287	-
Pension expense (income)	-	-	-
Unearned revenue	-	(2,600)	-
Net cash provided by operating activities	<u>\$ 1,843,544</u>	<u>\$ 208,739</u>	<u>\$ 4,730</u>
Noncash capital activities:			
Capital assets contributed	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to the basic financial statements.

<u>Business-type Activities-Enterprise Funds</u>		Governmental Activities Internal Service Fund
<u>Water</u>	<u>Totals</u>	
\$ 6,875,436	\$ 9,612,980	\$ 249,999
(1,201,380)	(1,166,867)	(180,038)
(1,731,461)	(1,731,461)	-
(1,209,377)	(1,933,659)	(18,981)
23,419	32,657	750
<u>2,756,637</u>	<u>4,813,650</u>	<u>51,730</u>
278,672	480,222	-
-	89,669	-
10,853	24,052	-
(1,118,137)	(1,385,435)	-
-	(83,988)	-
-	(26,003)	-
<u>(828,612)</u>	<u>(901,483)</u>	<u>-</u>
85,827	127,655	6,516
<u>85,827</u>	<u>127,655</u>	<u>6,516</u>
2,013,852	4,039,822	58,246
9,445,164	13,057,360	912,915
<u>\$ 11,459,016</u>	<u>\$ 17,097,182</u>	<u>\$ 971,161</u>
\$ 929,903	\$ 521,521	\$ 17,722
1,840,425	3,922,346	279
(278,307)	(305,825)	-
3,298	3,298	-
7,237	7,237	-
1,870	1,870	-
(84,862)	(84,862)	-
234,523	646,828	(682)
22,604	22,604	-
(46,553)	(46,553)	-
39,902	39,902	-
7,693	7,693	-
31	1,318	34,411
77,169	77,169	-
1,704	(896)	-
<u>\$ 2,756,637</u>	<u>\$ 4,813,650</u>	<u>\$ 51,730</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**NOTES TO
BASIC FINANCIAL STATEMENTS**

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

REPORTING ENTITY

The City of Roseburg, Oregon is a municipal corporation, incorporated in 1872. The City operates under a Council-City Manager form of government. The governing body consists of the Mayor and eight elected Council members serving four wards. The Mayor is elected to serve a two-year term, and Council members are each elected to serve a four-year term. The City Manager administers policies and coordinates the activities of the City. The heads of the various departments, formed to provide various services, are under the direct supervision of the City Manager.

The City has included the financial operations of its Urban Renewal Agency, as a blended component unit, in the basic financial statements. The Agency is a legally separate entity for which the elected officials of the primary government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose its will on the component unit, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

BLENDED COMPONENT UNIT

The Urban Renewal Agency (Component Unit) of the City of Roseburg (Primary Government) is a legally separate entity, which is governed by a board comprised of the members of the City Council as stipulated by the Agency's bylaws. Because the Component Unit's governing body is substantively the same as the governing body of the Primary Government and there is either a financial benefit or burden relationship between the Primary Government and the Component Unit AND management of the Primary Government has operational responsibility for the Component Unit, the funds of the Agency are blended with those of the City by including them in the appropriate statements and schedules of the Annual Comprehensive Financial Report. Complete financial statements for the Component Unit can be obtained from the Finance Director of the City, 900 SE Douglas Avenue, Roseburg, Oregon 97470.

BASIC FINANCIAL STATEMENTS

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Government-wide financial statements display information about the reporting government as a whole. For the most part, the effect of interfund activity has been removed from these statements. These statements focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

program revenues are reported instead as *general revenues*.

Fund financial statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary or fiduciary. Currently, the City has only governmental and proprietary type funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are consolidated into a single column within each fund type in the financial section of the basic financial statements and are detailed in the supplemental information.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include charges between the City's business-type activities/enterprise funds, as well as some special revenue funds and the General Fund. The City allocates charges as reimbursement for services provided by the General Fund in support of those functions based on levels of service provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. These charges are included in direct program expenses.

Basis of Presentation

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

There are stated minimum criteria (percentage of the assets liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City electively added funds as major funds in order to assist in compiling a complete and accurate picture of the financial position of the City. Non-major funds are combined in a column in the fund financial statements and detailed in the combining section.

The City reports the following major governmental funds:

- *General Fund*

The City's primary operating fund. It accounts for all the financial operations of the City except those required to be accounted for in another fund. Principal sources of revenue are property taxes, licenses and permits, state and county shared revenues and charges for administrative services provided to other funds. Primary expenditures are for general government, police and fire protection, community development, parks and recreation.

- *Transportation Fund*

Accounts for and report financial resources that are restricted, committed, or assigned to expenditure of capital outlays, including the acquisition or construction of capital facilities and other capital assets. Principal sources of revenue are gas tax subventions, 15% of City franchise fees, Federal ISTEAs funds, and transportation system development charges (SDCs). Historically, street reconstruction and new street projects have been funded through this fund.

- *Urban Renewal General Fund*

Accounts for all resources traditionally associated with the Urban Renewal District that is not required to be accounted for in another Urban Renewal Agency Fund. Principal sources of revenue are tax incremental revenues.

- *Urban Renewal Capital Projects Fund Diamond Lake*

Accounts for acquisition, construction and improvements within the Diamond Lake Urban Renewal District financed from the issuance of debt and interest earnings. Principal sources of revenue are tax incremental revenues transferred from the Urban Renewal General Fund and Federal and State grants.

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

The City reports each of its five proprietary funds as major funds. The proprietary funds include four enterprise funds and one internal service fund. The enterprise funds are used to account for the acquisition, operation and maintenance of water, storm water, airport, and off-street parking. These funds are entirely or predominantly self-supported through user charges to customers. The Workers Compensation Fund is an internal service fund, which accounts for the resources and payment of workers compensation claims for work-related injuries and illnesses.

The City reports the following proprietary funds:

- *Water Fund*
- *Storm Drainage Fund*
- *Airport Fund*
- *Off-Street Parking Fund*
- *Workers Compensation Fund*

Additionally, the City reports non-major funds within the governmental fund type.

- *Special Revenue Funds*

Accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

- *Debt Service Funds*

Accounts for the accumulation of resources for, and the payment of, indebtedness of the City.

- *Capital Projects Funds*

Accounts for financial resources used for the acquisition or construction of major capital facilities (other than those financed by Business-type or Proprietary Funds).

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The Government-wide Financial Statements and the Proprietary Funds 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 or related cash flows. An economic resource focus concentrates on entity or fund's net position.

The Governmental Funds Financial Statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt is reported as other financing sources.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is necessary to explain the adjustments needed to transform the fund based financial statements into the governmental column of the government-wide presentation. This reconciliation is part of the financial statements.

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

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 non-operating items. Operating revenues and expenses generally result from providing services, and producing and delivering goods in connection with a proprietary fund's principle ongoing operations. The principle operating revenues of the City's Water, Storm Drainage, Off Street Parking, and Airport Funds are charges to customers for sales and services. Principle operating revenues to the Airport Fund include user fees and intergovernmental grants. The Water and Storm Drainage Funds also recognize fees intended to recover the cost of connecting new customers to the City's utility systems as operating revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and overheads, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE

Cash and Investments

Cash and cash equivalents include cash on hand, demand deposits, short-term investments with original or remaining maturities of three months or less when purchased, and cash and investments in the City-wide investment pool. Investments, including equity in pooled cash and investments are stated at fair value.

Restricted Assets

Assets whose use is restricted for construction, debt service or by other agreement are segregated on the Government-wide Statement of Net Position and the Proprietary Fund Statement of Net Position. When expenditures are paid for purposes in which both restricted and unrestricted net position are available, the City deems restricted net position to be spent first.

Receivables and Payables

Activity between funds that represent 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". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Recorded property taxes receivables collected within 60 days after year-end are considered measurable and available, and recognized as revenue. The remaining balance is recorded as a deferred inflow of resources because it is not deemed available to finance operations of the current period. An allowance for doubtful accounts is not deemed necessary, as uncollectible taxes become a lien on the property. Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15 and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are delinquent.

Assessment liens receivable are recognized at the time property owners are assessed for property improvement. Liens and special assessments collected within 60 days after year-end are considered measurable and available and are recognized as revenue. The remaining balance is recorded as a deferred inflow of resources because it is not deemed available to finance operations of the current period.

Receivables of the enterprise funds are recognized as revenue when earned, including services provided but not billed. Receivables in governmental and enterprise funds are stated net of any allowance

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

for uncollectibles.

Lease Receivables

Lease receivables are recognized at the net present value of the leased assets at a borrowing rate explicitly described in the agreement or implicitly determined by the City, reduced by principal payments received.

Land Held for Resale

Land is acquired by the City of subsequent resale for redevelopment purposes. Land held for resale is reported as an asset at the lower of cost or estimated realizable value.

Inventories and Prepaid Items

Inventories of materials and supplies are stated at an average cost basis and charged to expenses as used (consumption method). Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government wide and in the governmental fund financial statements and expensed upon purchase (purchase method). Assets held for resale are stated at cost.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, pathways, bridges, streetlights, etc.) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are charged to expenditures as purchased in the governmental fund statements and capitalized in the proprietary fund statements. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. Capital contributions are recorded as revenue rather than direct additions to capital assets and are identified on the Government-Wide Financial Statement of Activities under the category "Capital Grants and Contributions".

Capital assets are defined by the City as assets with an initial individual cost of \$5,000 or more, and that have initial useful lives extending beyond a single reporting period. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset, are capitalized. Other costs for repairs and maintenance are expensed as incurred.

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position and is provided on the straight-line basis over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and improvements	25-50
Improvements other than buildings	10-20
Machinery and equipment	5-15
Vehicles	5-10
Infrastructure	20-50

Depreciation is calculated as of the acquisition date of the asset. Gains or losses from sales or retirements of capital assets are included in operations of the current period.

Lease Assets

Lease assets are assets which the City leases for a term of more than a year. The value of leases is determined by the net present value of the leases at the City's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement. Currently the City does not have

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

any lease Assets as it is not lessee in any contractual agreements.

Accrued Compensated Absences and Sick Pay

Accumulated vested vacation pay is accrued as it is earned. For governmental funds, the non-current portion (the amount estimated to be used in subsequent fiscal years) is maintained separately and represents a reconciling item between the fund-level and government-wide presentations. A liability is reported in the governmental funds only if they have matured, for example, as a result of resignations or retirements. In business-type/enterprise funds, both the current and long-term liabilities are recorded.

Sick pay, which does not vest, is recognized in all funds when leave is taken.

Long-Term Obligations

In the government-wide financial statements, 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. 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 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 current period expenditures.

Leases Payable

In the government-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources. Currently the City does not have any lease payables as it is not a lessee in any contractual agreements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. It is the deferred amounts relating to pensions. This amount is deferred and recognized as an outflow of resources in the period when the City recognizes pension expense/expenditures. Deferred outflows are included in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element 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 items that qualify for reporting in this category. Unavailable revenue from property taxes is reported in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that amount becomes available. The City also reports deferred amounts related to pensions. This amount is deferred and recognized as an inflow of resources in the period when the City recognizes pension income. Deferred inflows are included in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS) and additions to/deductions from OPERS's

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance

Fund balance for governmental funds is reported in classifications in the fund financial statements. Amounts are reported in the appropriate fund balance classifications of restricted, committed, assigned, and unassigned balances.

The classifications used in the governmental fund financial statements are as follows:

- Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- Committed – amounts that can be used only for specific purposes determined by a formal action of City Council. The City Council is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only by "Resolution", an order of the City Council as governing body.
- Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. City Council reserves the right to designate administrative staff to assign fund balances. The Finance Director has been designated for oversight of this classification.
- Unassigned – amounts that constitute the residual classification for the General Fund. This classification represents fund balance that is not otherwise reported as nonspendable, restricted, or committed within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

As of June 30, 2021, fund balances of the governmental funds are classified as follows:

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Fund Balances	General	Transportation	Urban Renewal General	Urban Renewal Capital	Other Governmental	Total Governmental
Nonspendable:	\$ 40,800	\$ -	\$ -	\$ -	\$ -	\$ 40,800
Restricted						
Federal, State & Local Grants	-	-	-	-	1,592,848	1,592,848
Pension Obligation Debt	-	-	-	-	69,142	69,142
Pedestrian & Bike Paths	-	-	-	-	207,532	207,532
Stewart Park	-	-	-	-	102,813	102,813
Committed						
Capital Projects	-	-	318,370	366,347	-	684,717
Tourism	-	-	-	-	871,874	871,874
Economic Development	-	-	-	-	211,895	211,895
Street Lights, Sidewalks & Signals	-	-	-	-	507,883	507,883
Facilities	-	-	-	-	243,869	243,869
Library	-	-	-	-	109,861	109,861
Golf	-	-	-	-	133,764	133,764
Assigned:						
Capital Projects-Streets	-	2,301,732	-	-	-	2,301,732
Capital Projects-Parks	-	-	-	-	471,255	471,255
Capital-Vehicles & Equipment	-	-	-	-	983,474	983,474
Local Improvement Districts	-	-	-	-	1,694,551	1,694,551
Unassigned	9,948,009	-	-	-	-	9,948,009
Total Fund Balances	\$ 9,988,809	\$ 2,301,732	\$ 318,370	\$ 366,347	\$ 7,200,761	\$ 20,176,019

Use of Estimates

In preparing the City of Roseburg’s financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS) and additions to/deductions from OPERS’s fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

BUDGETARY INFORMATION

Annual budgets for all funds are adopted on a basis consistent with Oregon Revised Statutes (ORS 294 – Local Budget Law). The City is required to budget all funds. The City’s budget is prepared for each fund on the modified accrual basis of accounting with Proprietary Fund types adjusted for year-end accrued compensated absences. For all fund types, inter-fund loans are budgeted as sources and uses in accordance with state budget laws. Estimated receipts and expenditures are budgeted for by fund and object. Information on the past two years’ actual receipts and expenditures and current-year estimates are included in the budget document. The process under which the budget is adopted is described in the following paragraphs.

In early spring a preliminary budget calendar, budget preparation manual and budget worksheets are distributed to department heads. The City Manager (Budget Officer) and the Finance Director meet with each department head and develop a proposed budget, after which the Budget Officer publishes two notices of Budget Committee meetings. No less than five days, or more than thirty days after the notices are published, the Budget Committee (consisting of the City Council and an equal number of citizens of the City) meets to consider the proposed budget. The Budget Message is delivered,

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

explaining the proposed budget and any significant changes in the City's financial position.

The Budget Committee conducts public meetings for the purpose of obtaining citizens' comments, deliberates on and subsequently approves the proposed budget, which includes any additions or deletions from the one originally presented by the Budget Officer. The Budget Committee then submits the approved budget to the City Council for final adoption. The approved expenditures for each fund may not be increased by more than 10% by Council without returning to the Budget Committee for a second approval. After the Council adopts the budget and certifies the total of ad valorem taxes to be levied, as approved by the Budget Committee, no additional tax levy may be made for that fiscal year.

The City Council legally adopts the budget by resolution before July 1. The resolution establishes appropriations for each fund and expenditures cannot legally exceed these appropriations. The level of control established by the resolution for each fund is at either the organizational unit, or the object group level (i.e. personal services, materials and services, capital outlay and other expenditures). The level of control for the General, Public Works, Off Street Parking, Airport, Golf and Water Service Operations Funds is by organizational unit (i.e. department). Other funds are controlled at the object group level. Appropriations lapse as of the year-end.

The City Council may change the budget throughout the year by resolution and by adopting supplemental budgets as authorized by Oregon Revised Statutes. Unexpected additional resources may be added to the budget through the use of a supplemental budget. A supplemental budget requires hearings before the public, publications in newspapers and approval by the City Council. Expenditure appropriations may not be legally over-expended except in the case of grant receipts that could not be reasonably estimated at the time the budget was adopted and for debt service on new debt issued during the budget year.

Deficit Fund Equity

The City has no instances whereby any of its funds had a deficit in fund equity as of June 30, 2021.

3. DETAILED NOTES ON ALL FUNDS

POOLED DEPOSITS AND INVESTMENTS

The City maintains a cash management pool for its cash and cash equivalents in which each fund, except the Stewart Trust Fund, participates. Interest earnings on pooled funds are distributed monthly based on average daily balances.

Cash and investments at June 30, 2021 are comprised of the following:

	Carrying Value	Fair Value
Petty cash	\$ 1,250	\$ 1,250
Deposits with financial institutions	1,764,589	1,764,589
Investments	36,662,238	36,662,238
	\$ 38,428,077	\$ 38,428,077

Cash and investments are reflected in the government-wide Statement of Net Position as follows:

Cash and investments	\$ 38,428,077
Restricted assets - cash and investments	0
	\$ 38,428,077

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

DEPOSITS

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. The total bank balance per the bank statements is \$2,328,644. Of these deposits, \$497,758 is covered by federal depository insurance. The balance of \$1,830,886 is collateralized per the Oregon Public Funds Collateralization Program (PFCP) per Oregon Revised Statutes, Chapter 295 which requires public funds in excess of insurance limits to be held at qualified depositories. The City is in full compliance with ORS Chapter 295.

INVESTMENTS

The City has invested funds in the State Treasurer's Oregon Short-Term Fund Local Government Investment Pool during fiscal year 2021. The Oregon Short-Term Fund is the local government investment pool for local governments and was established by the State Treasurer. It was created to meet the financial and administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short-Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). Local Government Investment Pool (LGIP) is an unrated external investment pool managed by the State Treasurer's office, which allows governments within the state to pool their funds for investment purposes. The amounts invested in the pool are not classified by risk categories because they are not evidenced by securities that exist in physical or book entry form as defined by GASB Statement No. 40.

In addition, the Oregon State Treasury LGIP distributes investment income on an amortized cost basis and participants' equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, that adjusted fair value would not represent an expendable increase in the City's cash position.

Investments in the Oregon State Treasury LGIP are made under the provisions of ORS 294. These funds are held in the City's name and are not subject to collateralization requirements or ORS 295.015.

Credit Risk

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. As required by Oregon Revised Statutes, Chapter 295, deposits in excess of FDIC coverage are held at qualified depositories for public funds. All qualified depositories for public funds are included in the multiple financial institution collateral pool that is maintained by and in the name of the Office of the State Treasurer. As a result, the City has no exposure to custodial credit risk for deposits with financial institutions.

State statutes authorize the City to invest in general obligations of the US Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers and the State Treasurer's investment pool, among others. The City's investment policy does not further restrict its investment choices.

The State of Oregon Local Government Pool (Pool) is not registered with the U.S. Securities and Exchange Commission as an investment company. Oregon Revised Statutes and the Oregon Investment Council govern the Pool's investment policies. The State Treasurer is the investment officer for the Pool and is responsible for all funds in the Pool. These funds must be invested and managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the fund are further governed by portfolio guidelines issued by the Oregon Short-Term Funds Board, which establish diversification percentages and specify the types and maturities of investments. The Oregon Audits Division of the Secretary of State's Office audits the Pool annually. The Division's report on the Pool as of and for the year ended June 30, 2021 was unqualified.

The LGIP's portfolio concentration of credit risk at June 30, 2021 included: Commercial Paper, 7.47%; Agency Securities, 24.01%; Certificates of Deposits, 1.56%; Corporate Notes, 38.56%; Municipal Government Securities, 6.04%; foreign government, 6.31%; Asset-Backed Securities, 15.07%; Commingled Investment Pool, 0.83%; and cash in various banks, 0.15%. The credit risk associated with the investments was: AAA rating, 17.86%; AA rating, 16.57%; A rating, 29.81%; A-1+, 2.4%; A-1, 5.74%; BBB(1) rating, 8.99%; FDIC covered, 0.15%; and not rated, 16.83%. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value for the LGIP entire portfolio.

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Interest Rate Risk

The City's investment policy states that investment maturities for operating funds shall be scheduled to coincide with projected cash flow needs and timed to comply with the following short-term investment guidelines. All funds will be considered short term and limited to maturities not exceeding 18 months, except those reserved for capital projects which will be limited to maturities not exceeding 3 years.

Using the segmented time distribution method, investment maturities as of June 30, 2021 are as follows:

	<u>Less than 6 Months</u>	<u>6-12 Months</u>	<u>12-18 Months</u>	<u>Total</u>
Local Government Investment Pool	\$ 36,662,238	\$ -	\$ -	\$ 36,662,238
	<u>\$ 36,662,238</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,662,238</u>

Receivables

Receivables as of year-end for the City's individual, major and non-major funds in the aggregate, net of applicable allowances for uncollectible accounts are as follows:

GOVERNMENTAL ACTIVITIES

	General	Transportation	Urban Renewal	Urban Renewal Capital Projects	Urban Renewal Capital Projects Diamond Lk	Other Governmental	Total Governmental
Receivables:							
Accounts	\$ 332,092	\$ 46,760	\$ -	\$ -	\$ -	\$ 32,942	\$ 411,794
Taxes	1,190,110	-	24,769	-	-	423,426	1,638,305
Intergovernmental	83,836	163,183	-	-	-	110,615	357,634
Total	<u>\$ 1,606,038</u>	<u>\$ 209,943</u>	<u>\$ 24,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 566,983</u>	<u>\$ 2,407,733</u>

BUSINESS-TYPE ACTIVITIES

	Storm Drainage	Airport	Off Street Parking	Water	Total Business-Type Activities
Receivables:					
Utilities receivable, net	\$ 369,469	\$ -	\$ -	\$ 1,391,098	\$ 1,760,567
Other	-	3,535	18,007	14,681	36,223
Intergovernmental	-	23,000	-	-	23,000
Total	<u>\$ 369,469</u>	<u>\$ 26,535</u>	<u>\$ 18,007</u>	<u>\$ 1,405,779</u>	<u>\$ 1,819,790</u>

Lease Receivables

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

	<u>Outstanding June 30, 2020</u>	<u>Additions</u>	<u>Decreases</u>	<u>Outstanding June 30, 2021</u>
Governmental Activities:				
advance and increased 3% annually. Principal payment ranges from \$23,861 to \$25,930. Due 2026.	\$ 147,794	\$ -	\$ (23,370)	\$ 124,424
Telecommunication use of City's Public Ways; fixed annual payment charged per lineal feet, increased by CPI West; assumed 3.5%. Principal payment ranges	<u>152,308</u>	<u>-</u>	<u>(49,263)</u>	<u>103,046</u>
	<u>\$ 300,102</u>	<u>\$ -</u>	<u>\$ (72,632)</u>	<u>\$ 227,470</u>
	<u>Outstanding June 30, 2020</u>	<u>Additions</u>	<u>Decreases</u>	<u>Outstanding June 30, 2021</u>
Business-type Activities:				
Cell tower on Reservoir Hill; annual payments made in advance and increased by \$500 per year through 2029 then by 3% annually through 2041. Principal payments	\$ 310,004	\$ -	\$ (13,000)	\$ 297,004
Airport hangars land leases; annual payments made in advance. Rates based on a charge per square foot and increased by the CPI West index with a cap of 3%.	381,246	-	(56,921)	324,324
Airport terminal building land lease; annual payment made in advance. Rate based on charge per square foot and increased by CPI West index, capped at 3%.	57,377	-	(945)	56,432
Airport industrial park land lease; monthly payments made in advance. Rent is 58% of appraised value for industrial/manufacturing uses times 12%. Rent adjusted upon appraisals every 5 years. Principal	428,029	-	(21,692)	406,337
Airport mini-storage land lease; annual payment made in advance. Rent fixed per schedule through 2040. Rent adjusted by CPI west index beginning 2041; capped at	5,079,426	-	(105,149)	4,974,277
Airport fixed base operator land lease; monthly payment made in advance. Rate adjusted annually by CPI west index; capped at 3%. Principal payment ranges	461,889	-	(18,540)	443,349
Aiport commercial hangar land lease; monthly payment made in advance, adjusted annually by CPI west index, capped at 3%. Principal payment ranges from \$795 to	<u>238,790</u>	<u>-</u>	<u>(9,396)</u>	<u>229,394</u>
	<u>\$ 6,956,761</u>	<u>\$ -</u>	<u>\$(225,644)</u>	<u>\$ 6,731,117</u>

Future maturities are as follows:

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Fiscal Year	Governmental Activities	Business-type Activities
	Principal	Principal
2022	\$ 74,615	\$ 224,155
2023	76,653	230,900
2024	24,874	230,106
2025	25,397	229,376
2026	25,930	225,595
2027-31	-	891,853
2032-36	-	863,808
2037-41	-	867,765
2041-46		640,900
2047-51		572,424
2052-56		599,069
2057-61		626,955
2062-66		523,918
2067-71		4,294
	<u>\$ 227,470</u>	<u>\$ 6,731,117</u>

Deferred inflow of resources mirror the principal payment maturities described above.

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
6/30/2021

CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2021 was as follows:

Description	Beginning Balance	Increases	Decreases	Ending Balance
Land	66,553,219	125,000	(100,000)	66,578,219
Construction in Progress	838,865	3,469,988	(2,779,367)	1,529,486
Total non-depreciable	<u>67,392,084</u>	<u>3,594,988</u>	<u>(2,879,367)</u>	<u>68,107,705</u>
Buildings & bldg improvemen	30,332,355	163,070		30,495,425
Land improvements	21,875,847	263,643		22,139,490
Machinery & Equipment	5,866,061	245,177	(93,629)	6,017,609
Vehicles	7,516,061	1,042,235	(257,546)	8,300,750
Infrastructure	129,089,251	1,074,242		130,163,493
Total depreciable	<u>194,679,575</u>	<u>2,788,367</u>	<u>(351,175)</u>	<u>197,116,767</u>
	262,071,659	6,383,355	(3,230,542)	265,224,472
Accumultated depreciation				
Buildings/Improvements	(10,639,662)	(825,745)		(11,465,407)
Land Improvements	(9,402,501)	(2,826,120)		(12,228,621)
Machinery & Equipment	(3,449,770)	(354,053)	92,199	(3,711,624)
Vehicles	(5,849,259)	(509,022)	253,082	(6,105,199)
Infrastructure	(99,430,842)			(99,430,842)
Total accumulated depreciati	<u>(128,772,034)</u>	<u>(4,514,940)</u>	<u>345,281</u>	<u>(132,941,693)</u>
Governmental activities capital assets, net	<u>\$ 133,299,625</u>	<u>\$ 1,868,415</u>	<u>\$ (2,885,261)</u>	<u>\$ 132,282,779</u>

Depreciation Expense for governmental activities is charged to functions as follows:

General government	773,934
Public Safety	520,987
Public Works	2,857,790
Culture and recreation	351,707
Community development	10,522
Total depreciation for governmental activities	<u>\$ 4,514,940</u>

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
6/30/2021

CAPITAL ASSETS

Capital asset activity for business-type activities for the year ended June 30, 2021 was as follows:

Description	Beginning Balance	Increases	Decreases	Ending Balance
Land	6,841,635			6,841,635
Construction in Progress	2,679,139	2,146,780	(1,661,604)	3,164,315
Total non-depreciable	<u>9,520,774</u>	<u>2,146,780</u>	<u>(1,661,604)</u>	<u>10,005,950</u>
Buildings	19,789,959	28,310		19,818,269
Improvements other than buildings	127,384,425	785,622		128,170,047
Machinery & Equipment	2,363,492	847,672		3,211,164
Vehicles	1,181,311		(40,101)	1,141,210
Total depreciable	<u>150,719,187</u>	<u>1,661,604</u>	<u>(40,101)</u>	<u>152,340,690</u>
	160,239,961	3,808,384	(1,701,705)	162,346,640
Accumulated depreciation				
Buildings	(11,508,575)	(656,907)		(12,165,482)
Improvements other than buildings	(70,053,058)	(3,060,776)		(73,113,834)
Machinery & Equipment	(2,126,896)	(110,515)		(2,237,411)
Vehicles	(952,724)	(94,148)	40,101	(1,006,771)
Total accumulated depreciation	<u>(84,641,253)</u>	<u>(3,922,346)</u>	<u>40,101</u>	<u>(88,523,498)</u>
Business type activities, net	<u>\$ 75,598,708</u>	<u>\$ (113,962)</u>	<u>\$ (1,661,604)</u>	<u>\$ 73,823,142</u>

Depreciation Expense for business-type activities is charged to functions as follows:

Off Street Parking	89,934
Airport	778,469
Water	1,840,425
Storm Drain	1,213,518
Total depreciation for business-type activities	<u>\$ 3,922,346</u>

Interfund Receivables, Payables, and Transfers

Interfund balances as of June 30, 2021 are as follows:

Due from/to other funds:

Receivable Fund:	Payable Fund:
	Nonmajor governmental fund
General	\$ 37,000
Nonmajor governmental fund	177,334
Total	<u>\$ 214,334</u>

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Outstanding balances between funds result mainly from the time lag between the dates payment for services or reimbursable expenditures occur.

Interfund transfers:

Transfer out:	Transfers In:			
	General Fund	Urban Renewal Capital Projects Diamond Lk	Nonmajor Governmental	Total
General Fund	\$ -	\$ -	\$ 925,000	\$ 925,000
Transportation	-	-	10,000	10,000
Urban Renewal General	-	200,000	-	200,000
Nonmajor Governmental	10,000	-	589,076	599,076
Total	\$ 10,000	\$ 200,000	\$ 1,524,076	\$ 1,734,076

Interfund transfers are used to provide funds for debt service, contribute toward the cost of capital projects, and provide operational resources.

LONG-TERM OBLIGATIONS

In the following paragraphs, long-term debt information is presented separately with respect to governmental and business-type activities. The table below presents current year changes in long-term obligations and the current portions due for each obligation. For governmental activities, claims, and judgments, compensated absences, and OPEB liabilities are generally liquidated within the General Fund. For business type activities, claims and judgements, compensated absences, and OPEB liabilities are liquidated within the Water Fund.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	1,693,544	1,177,627	955,595	1,915,576	1,065,313
OPEB - HIC	2,391,219	19,439	294,358	2,116,300	-
OPEB - RHIA	(183,984)	-	15,069	(199,053)	-
Full Faith & Credit					
Series 2013 (POB)	3,385,000	-	325,000	3,060,000	360,000
Total Governmental Activities	7,285,779	1,197,066	1,590,022	6,892,823	1,425,313
Business Type Activities					
Compensated Absences	111,137	96,915	74,311	133,741	79,366
OPEB - HIC	225,082	-	46,553	178,529	-
OPEB - RHIA	(16,391)	-	1,228	(17,619)	-
Full Faith & Credit					
Financing Agreement (Series 2017)	1,158,278	-	83,988	1,074,290	87,877
Total Business Type Activities	1,478,106	96,915	206,080	1,368,941	167,243

GOVERNMENTAL ACTIVITIES

Full Faith and Credit Obligations

SERIES 2013 (POB)

In November 26, 2013, the City of Roseburg issued \$4,840,000 in Pension Obligation Bonds (POBs)

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

as Full Faith and Credit Obligations to fund the City's transition liability portion of its unfunded actuarial liability that resulted when the City joined the state and local government pool of employers. The obligations pledge the City's full faith and credit and were sold as a direct bank placement. The obligations carry an interest rate of 4.88% and the final maturity is June 2028. The City charges itself 4% of payroll to fund the annual debt liability.

The balance outstanding as of June 30, 2021 is \$3,060,000.

Annual debt service requirements to maturity for the full faith and credit obligations are as follows:

Year Ending	Principal	Interest
June 30,		
2022	360,000	149,328
2023	395,000	131,760
2024	435,000	112,484
2025	480,000	91,256
2026	520,000	67,832
2027-2028	870,000	57,096
Totals	\$ 3,060,000	\$ 609,756

BUSINESS-TYPE ACTIVITIES

Full Faith and Credit Obligations

Financing Agreement (Series 2017) Refunding of Series 2007 (Airport)

On June 14, 2017, the City refunded and defeased in substance its outstanding 2007 Series Full Faith and Credit Obligations of \$1,360,000, carrying interest rates from 4% to 4.125%, with new Financing Agreements of \$1,407,930, issued at a rate of 2.25%. The debt service payments maintain the same schedule of payments of the original refinanced debt with a final payment due June 1, 2032.

The balance outstanding as of June 30, 2021 is \$1,074,290.

Annual debt service requirements to maturity for the full faith and credit obligations are as follows:

Year Ending	Principal	Interest
June 30,		
2022	87,877	24,172
2023	86,655	22,194
2024	90,404	20,245
2025	94,038	18,211
2026	92,554	16,095
2027-2032	622,762	50,220
Totals	\$ 1,074,290	\$ 151,137

Amortization of the deferred outflow of resources on the refunding and the unamortized issue costs over the remaining subsequent periods are as follows:

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Year	New Debt, Beginning of Year	Deferred Outflow of Resources on Refunding	Unamortized Issue Costs	Net New Debt	Effective Interest	Stated Interest	Amortization	
							Deferred Outflow of Resources on Refunding	Unamortized Issue Costs
2022	1,078,290	(3,773)	(23,712)	1,050,805	28,362	24,172	575	3,615
2023	986,413	(3,198)	(20,097)	963,118	26,095	22,194	536	3,365
2024	899,758	(2,662)	(16,731)	880,365	23,853	20,245	495	3,112
2025	809,354	(2,167)	(13,619)	793,568	21,501	18,211	452	2,838
2026	715,316	(1,715)	(10,781)	702,820	19,042	16,095	405	2,543
2027	622,762	(1,311)	(8,238)	613,213	16,614	14,012	357	2,245
2028	526,725	(954)	(5,993)	519,778	14,083	11,851	306	1,926
2029	427,327	(647)	(4,067)	422,613	11,450	9,615	252	1,583
2030	324,818	(395)	(2,484)	321,939	8,723	7,308	194	1,220
2031	219,334	(201)	(1,263)	217,870	5,903	4,935	133	835
2032	111,014	(68)	(428)	110,518	2,994	2,498	68	428
					<u>178,621</u>	<u>151,136</u>	<u>3,773</u>	<u>23,710</u>

4. OTHER INFORMATION

RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries commercial insurance. Settled claims relating to these exposures have not exceeded insurance coverage in any of the past three years.

The City retains a portion of the risk of loss for its workers' compensation. The City has established a Workers' Compensation Fund (an internal service fund) to account for and finance its uninsured risks of loss. Other City funds make payment to the Workers Compensation Fund based on the base rate manual premium for workers' compensation as provided by the State of Oregon. Settled claims have not exceeded interfund premiums and insurance coverage in any of the past three years.

Beginning October 1, 1987, the City established a self-insurance program for workers' compensation costs. The City is liable for direct payment of individual claims and time loss not to exceed \$500,000 per occurrence. Each claim in excess of that payment amount is covered by an excess insurance policy up to \$1,000,000. The fund is reviewed periodically by an outside actuary to ensure the program is appropriately funded. The total estimated unpaid loss liability at June 30, 2021, including an estimate for claims incurred but not reported, is \$85,290.

The following represents changes in the claims liability amount for fiscal year 2021:

	<u>2021</u>	<u>2020</u>
Balance July 1, 2020/2019	\$ 50,880	\$ 198,286
New Claims	216,950	25,523
Claims Payments	<u>353,120</u>	<u>172,929</u>
Balance June 30, 2021/2020	<u>\$ 85,290</u>	<u>\$ 50,880</u>

COMMITMENTS AND CONTINGENT LIABILITIES

City commitments, under various contracts entered into during the normal course of its operations, were not material. In addition, an employment contract with the City Manager includes a provision for severance pay in an amount equal to six months salary.

Amounts received or receivable from grant and regulator agencies are subject to audit and adjustment by grantor and regulator agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor or regulator cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

PENSION PLANS - OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM

General Information about the Pension Plan

Plan description

Employees of the City are provided with pensions through the Oregon Public Employees Retirement System (OPERS) a cost-sharing multiple-employer defined benefit 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 Annual Comprehensive Financial Report and Actuarial Valuation that can be obtained at <http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>.

Benefits provided

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

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 (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

Benefit Changes After Retirement

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 fair 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

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

\$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:

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the 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. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.

Disability Benefits

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

Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 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

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

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, 2018 actuarial valuation and rolled forward to June 30, 2020. The rates based on a percentage of payroll, first became effective July 1, 2019. Employer contributions for the year ended June 30, 2021 were \$4,253,611, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2021 were 28.11 percent for Tier One/Tier Two Members, 18.53 percent for OPSRP Pension Program General Service Members, 23.16 percent for OPSRP Pension Program Police and Fire Members, and 6 percent for OPSRP Individual Account Program.

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

At June 30, 2021, the City reported a liability of \$27,539,361 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018 rolled forward to June 30, 2020. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2020, the City's proportion was 0.12619166 percent, which was a decrease from its proportion of 0.13639041 measured as of June 30, 2019.

For the year ended June 30, 2021, the City's recognized pension expense of \$2,753,724. At June 30, 2021, 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
Differences between expected and actual experience	\$ 1,212,065	\$ -
Changes of assumptions	1,477,950	51,784
Net difference between projected and actual earnings on investments	3,238,271	-
Changes in proportion	343,708	1,694,618
Differences between employer contributions and proportionate share of contributions	217,991	241,166
Total (prior to post-MD contributions)	6,489,985	1,987,568
Contributions subsequent to the MD	2,995,697	-
Total	\$ 9,485,682	\$ 1,987,568

Deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Deferred Outflows		Deferred Inflows		Net Amount	
Amortization Period		Amortization Period		Amortization Period	
FY2022	\$ 1,436,891	FY2022	\$ 697,479	FY2022	\$ 739,412
FY2023	1,888,150	FY2023	493,602	FY2023	1,394,548
FY2024	1,740,177	FY2024	371,654	FY2024	1,368,523
FY2025	1,314,578	FY2025	328,368	FY2025	986,210
FY2026	<u>110,189</u>	FY2026	<u>96,465</u>	FY2026	<u>13,724</u>
Total	<u>\$ 6,489,985</u>	Total	<u>\$ 1,987,568</u>	Total	<u>\$4,502,417</u>

Actuarial assumptions

The employer contribution rates effective July 1, 2019, through June 30, 2021, 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, 2018 actuarial valuation was determined using the following actuarial assumptions:

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Valuation Date	December 31, 2018
Measurement Date	June 30, 2020
Experience Study Report	2018, published July 24, 2019
Actuarial Assumptions:	
Actuarial cost method	Entry Age Normal
Inflation Rate	2.50 percent
Long-Term Expected Rate of Return	7.20 percent
Discount Rate	7.20 percent
Projected Salary Increases	3.50 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision, blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active Members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2018 Experience Study which reviewed experience for the four-year period ending on December 31, 2018.

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 2019 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption 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.

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Asset Class/Strategy	Assumed Asset Allocation		
	Low Range	High Range	Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	27.5%	37.5%	32.5%
Private Equity	13.5%	21.5%	17.5%
Real Estate	9.5%	15.5%	12.5%
Alternative Portfolio	10.0%	20.0%	15.0%
Risk Parity	0.0%	7.5%	2.5%
Total			100.0%

Asset Class	Target Allocation	20-Year Annualized Geometric Mean
Core Fixed Income	9.60%	4.07%
Short-Term Bonds	9.60%	3.68%
Bank/Leveraged Loans	3.60%	5.19%
High Yield Bonds	1.20%	5.74%
Large/Mid Cap US Equities	16.17%	6.30%
Small Cap US Equities	1.35%	6.68%
Micro Cap US Equities	1.35%	6.79%
Developed Foreign Equities	13.48%	6.91%
Emerging Market Equities	4.24%	7.69%
Non-US Small Cap Equities	1.93%	7.25%
Private Equity	17.50%	8.33%
Real Estate (Property)	10.00%	5.55%
Real Estate (REITS)	2.50%	6.69%
Hedge Fund of Funds - Diversified	1.50%	4.06%
Hedge Fund - Event-Driven	0.38%	5.59%
Timber	1.13%	5.61%
Farmland	1.13%	6.12%
Infrastructure	2.25%	6.67%
Commodities	1.13%	3.79%
Total	100.00%	

Assumed Inflation - Mean 2.50%

Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Discount rate

The discount rate used to measure the total pension liability was 7.20 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 calculated using the discount rate of 7.20 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 (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	<u>1% Decrease (6.20%)</u>	<u>Discount Rate (7.20%)</u>	<u>1% Increase (8.20%)</u>
Roseburg's proportionate share of the net pension liability (asset)	\$ 40,893,676	\$ 27,539,361	\$ 16,341,148

Pension plan fiduciary net position

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

Changes in Assumptions

A summary of key changes implemented since the December 31, 2017 valuation are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2018 Experience Study for the System, which was published in July, 2019, and can be found at: https://www.oregon.gov/PERS/Documents/Exp_Study_2018.pdf

- Allocation of liability for service segments: For purposes of allocating Tier One/Tier Two member's actuarial accrued liability among multiple employers, the valuation uses a weighted average of the Money Match methodology and the Full Formula methodology used by PERS when the member retires. The weights are determined based on the prevalence of each formula among the current Tier One/Tier Two population. For the December 31, 2017 valuations, the Money Match was weighted 15% for General Service members and 0% for Police and Fire members. For the December 31, 2018, and December 31, 2019, valuations,

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

this weighting has been adjusted to 10% for General Service members and 0% for Police and Fire members, based on a projection of the proportion of the liability attributable to Money Match benefits at those valuation dates.

- Administrative expenses: The administrative expense assumptions were updated to \$32.5 million per year for Tier One/Tier Two and \$8.0 million per year for OPSRP. Previously these were assumed to be \$37.5 million per year and \$6.5 million per year, respectively.
- Health care inflation: The healthcare cost inflation for the maximum RHIPA subsidy was updated based on analysis performed by Milliman's healthcare actuaries. This analysis includes the consideration of the excise tax that will be introduced in 2022 by the Affordable Care Act.
- Healthy annuitant mortality base tables: The healthy annuitant mortality base tables were updated to Pub-2010 generational Healthy Retiree mortality tables with group-specific job category and setback adjustments. Previously they were based on RP2014 generational Healthy Annuitant mortality tables with group-specific class and setback adjustments.
- Disabled mortality base tables: The disabled mortality base tables were updated to Pub-2010 generational Disabled Retiree mortality tables with group-specified job category and setback adjustments. Previously they were based on RP-2014 generational Disabled Retiree mortality tables.
- Non-annuitant mortality base tables: Non-annuitant mortality base tables were updated to Pub-2010 generational mortality tables with the same group-specific job category and setback adjustments as for healthy annuitants, and with an additional scaling factor adjustment for certain subgroups. Previously they were based on RP-2014 generational Employee mortality tables with the same group-specific collar and setback adjustments as for healthy annuitants.

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

Health Insurance Continuation (HIC)

Plan Description

The City has a Health Insurance Continuation (HIC) option available for retirees. It is a substantive postemployment benefits plan offered under Oregon Revised Statutes (ORS) 243. ORS 243.303 requires the City provide retirees and their dependents with an opportunity to participate in group health and dental insurance from the date of retirement to age 65, and the rate would be calculated using claims experience from retirees and active employees for health plan rating purposes. Providing the same rate to retirees as provided to current employees constitutes an implicit rate subsidy under OPEB. This single-employer "plan" is not a stand-alone plan and therefore does not issue financial statements.

Funding Policy

The City collects insurance premiums from all retirees each month and deposits them in the insurance fund. The City then pays health and dental insurance premiums for all retirees at the blended rate for each family classification. The required contributions to the plan include the employer's pay-as-you-go amount, an amount paid by retirees and an additional amount calculated to prefund future benefits as determined by the actuary.

For fiscal year 2020-21, the City contributed \$169,032 consisting of retiree payments. The City has elected to not prefund the actuarially determined OPEB Liability of \$2,294,829.

Plan members required monthly contributions are \$853 per month for retiree-only coverage and \$1,646 per month for retiree and spouse coverage.

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

At June 30, 2020 the following employees were covered by the benefit terms:

Participant Counts	Governmental	Enterprise	Total
Number of Active Participants	154	17	171
Number of Inactive Participants	16	-	16
Total Number of Participants	170	17	187
 Participant Statistics			
Active Participants			
Average Age	42.7	46.8	43.1
Average Service	10.2	14.0	10.6
Inactive Participants			
Average Age	60.8	N/A	60.8

Total OPEB Liability

The City's total OPEB liability of \$2,294,829 was measured as of June 30, 2020 and rolled forward to June 30, 2022, and was determined by an actuarial valuation as of June 30, 2020.

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Actuarial Cost Method	Entry Age Normal, level percent of salary.			
Interest Rate for Discounting Future Liabilities	2.25% per year, based on all years discounted at municipal bond rate (based on Bond Buyer 20 - Bond General Obligation Index as of June 30, 2020)			
General Inflation	2.5% per year.			
Payroll growth	3.0% per year.			
Salary Merit Scale	Total payroll increase is overall payroll growth plus merit table below. Sample rates are as follows:			
	<u>Duration</u>	<u>General</u>	<u>Duration</u>	<u>Police & Fire</u>
	0	3.70%	0	4.44%
	5	2.24%	5	2.39%
	10	1.21%	10	1.23%
	15	0.54%	15	0.69%
	20	0.16%	20	0.52%
	25	0.01%	25	0.44%
	30+	0.00%	30+	0.21%
Annual Premium Rate Increase	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
	2020-21	10.00%	2030-31	5.50%
	2021-22	6.40%	2031-32	5.40%
	2022-23	6.30%	2032-33	5.30%
	2023-24	6.20%	2033-34	5.20%
	2024-25	6.10%	2034-35	5.10%
	2025-26	6.00%	2035-36	5.00%
	2026-27	5.90%	2036-37	4.90%
	2027-28	5.80%	2037-38	4.80%
	2028-29	5.70%	2038-39	4.70%
	2029-30	5.60%	2039-40	4.60%
			2040+	4.50%
The first-year trend reflects actual increases for the year. Subsequent initial rates are based in part on the 2019 Segal Health Plan Cost Trend Survey. Rates are trended down in subsequent years in accordance with prevalent actuarial practice, based in part on the Society of Actuaries - Getzen Long Term Healthcare Trends Resource Model, as updated October 2018.				

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Mortality Rates	<p>General Service active employees: PUB 2010 Employee Tables for General Employees, sex distinct, projected generationally, set back 12 months for males, no set back for females; 115% of published rates for males, 125% of published rates for females.</p> <p>General Service healthy retirees and beneficiaries; PUB 2010 Retiree Tables for General Employees, sex distinct, projected generationally, set back 12 months for males, no set back for females.</p> <p>General Service disabled retirees: PUB 2010 Disabled Retiree Tables for Non-Safety Employees, sex distinct, projected generationally, set forward 24 months for males , set forward 12 months for females.</p> <p>Police & Fire active employees: PUB 2010 Employee Tables for Public Safety Employees, sex distinct, projected generationally, no set back for males, set back 12 months for females.</p> <p>Police & Fire healthy retirees and beneficiaries: PUB 2010 Retiree Tables for Public Safety Employees, sex distinct, projected generationally, no set back for males, set back 12 months for females.</p> <p>Police & Fire disable retirees: 50% PUB 2010 Disabled Retiree Tables for Safety Employees, 50% PUB 2010 Disabled Retiree Tables for Non-Safety, sex distinct, projected generationally.</p> <p>Improvement scale: Unisex Social Security Data Scale (60 year average).</p>
Turnover Rates	As developed for the valuation of benefits under Oregon PERS.
Disability Rates	As developed for the valuation of benefits under Oregon PERS.
Retirement Rates	As developed for the valuation of benefits under Oregon PERS.
Participation	Of the active employees currently enrolled in a medical plan, 50% are assumed to remain enrolled at retirement until Medicare eligibility.
Plan Enrollment	Current and future retirees are assumed to remain enrolled in the plans in which they are currently enrolled, if any.
Marital Status	70% of future retirees electing coverage are assumed to cover a spouse as well. Males are assumed to be three years older than their female spouses. Actual marital status as of the valuation date are used for current retirees.
Coverage of Eligible Children	Assumed no impact of dependent children on the implicit subsidy.
Health Care Claims Costs	2020-21 claims costs for an age 64 retiree or spouse are assumed to be \$15,455. The age-specific claims costs were developed based on the health plans' overall demographics and total premiums, to the extent the data was available.
Aging Factors	Aging factors are used to adjust the age 64 per capita claims cost.
Dental and Vision Costs	Assumed no implicit subsidy due to dental or vision costs.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2019 through June 30, 2020.

Changes since the prior actuarial valuation include:

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

- General inflation rates were modified to better reflect current market conditions and expectation of future inflation,
- Premium increase rates were modified slightly to better reflect anticipated experience,
- The payroll growth, salary merit, and demographic assumptions were revised to match those developed in the most recent experience study for Oregon PERS, and
- The participation assumption was lowered from 60% to 50% based on a review of recent plan experience.

Changes in the Total OPEB Liability

	Governmental OPEB Liability	Enterprise OPEB Liability	Total OPEB Liability
Balance at 06/30/2020	\$ 2,391,219	\$ 225,082	\$ 2,616,301
Changes for the year:			
Service cost	125,063	9,006	134,069
Interest	55,693	5,260	60,953
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(114,302)	(29,327)	(143,629)
Changes in assumptions or other inputs	(259,309)	(30,867)	(290,176)
Benefit payments	(82,064)	(624)	(82,688)
Net Changes	<u>(274,919)</u>	<u>(46,553)</u>	<u>(321,472)</u>
Balance at 06/30/21	<u>2,116,300</u>	<u>178,529</u>	<u>2,294,829</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current discount rate:

	1% Decrease (1.25%)	Discount Rate (2.25%)	1% Increase (3.25%)
Total OPEB Liability			
Governmental	\$ 2,337,826	\$ 2,116,300	\$ 1,914,977
Enterprise	191,555	178,529	166,005
Total	<u>\$ 2,529,381</u>	<u>\$ 2,294,829</u>	<u>\$ 2,080,982</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.5 percent decreasing to 3.5 percent) or 1-percentage-point higher (7.5 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

	1% Decrease (5.50% Graded Down to 3.50%)	Current Trend Rate (6.50% Graded Down to 4.50%)	1% Increase (7.50% Graded Down to 5.50%)
Total OPEB Liability			
Governmental	\$ 1,819,131	\$ 2,116,300	\$ 2,477,356
Enterprise	158,307	178,529	201,899
Total	\$ 1,977,438	\$ 2,294,829	\$ 2,679,255

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
For the year ended June 30, 2021, the City recognized an OPEB expense of \$9,847 for Governmental Funds and \$(2,560) for Enterprise Funds. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Governmental		Enterprise	
	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ 358,972	\$ -	\$ 36,654
Changes of assumptions or other inputs	305,064	1,040,059	22,758	101,859
Total	\$ 305,064	\$ 1,399,031	\$ 22,758	\$ 138,513

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Governmental	Enterprise
Year ended June 30:		
2022	\$ (170,910)	\$ (16,825)
2023	(170,910)	(16,825)
2024	(170,910)	(16,825)
2025	(170,910)	(16,825)
2026	(170,910)	(16,825)
Thereafter	(239,417)	(31,630)

Retirement Health Insurance Account (RHIA)

Plan Description

The City contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. ORS 238.420 established this trust fund and authorizes the Oregon Legislature to establish and amend the benefit provisions. PERS issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700, telephone (503) 598-7377, or by URL <http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>.

Benefits Provided

RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible employees. ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the RHIA established by the City, and any monthly cost is excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. The plan has been closed to new entrants since January 1, 2004.

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Contributions

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. Participating cities are contractually required to contribute to RHIA at a rate assessed each year by PERS.

The City's contractually required contribution rate for the year ended June 30, 2021 was 0.06% of the covered payroll, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year. Contributions to the OPEB plan from the City were \$2,531 for the year ended June 30, 2021. Employees are not required to contribute to the OPEB plan.

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

At June 30, 2021, the City reported an asset of \$216,672 for its proportionate share of net OPEB asset. The net OPEB asset was measured as of June 30, 2020, and the total OPEB liability used to calculate the OPEB asset was determined by an actuarial evaluation date as of December 31, 2018. The City's proportionate share of the RHIA net OPEB asset has been determined based on the City's contributions to the RHIA program (as reported by PERS) during the measurement period ending on the corresponding measurement date. The City's proportionate share at June 30, 2020 and June 30, 2019 was 0.10633688% and 0.10369451%, respectively.

	Net OPEB	
City of Roseburg	Asset	Allocation
Governmental activities	\$ 199,053	91.9%
Business-type activities	\$ 17,619	8.1%
Government-wide	\$ 216,672	100.0%

For the year ended June 30, 2021, the City recognized an OPEB expense of \$37,494. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Differences between expected and actual experience	\$ -	\$ (22,150)	\$ (22,150)
Changes of assumptions	-	(11,517)	(11,517)
Net difference between projected and actual earnings on investments	24,096	-	24,096
Changes in proportionate share	774	(2,711)	(1,937)
Total (prior to post-measurement data contributions)	24,870	(36,378)	(11,508)
City contributions made subsequent to measurement date	2,531	-	2,531
Net deferred outflow / (inflows) of resources	\$ 27,401	\$ (36,378)	\$ (8,978)

\$2,531 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflow of resources related to OPEB will be recognized in OPEB expense as follows:

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Deferred Inflows of Resources					
Fiscal Year Ending June 30,	Differences between Expected and Actual Experience	Changes of Assumptions	Net Difference between Projected and Actual Earnings on Investments	Changes in Proportionate Share	Net Deferred Outflow/(Inflows) of Resources
2021	\$ (5,034)	\$ (6,085)	\$ -	\$ (1,435)	\$ (12,554)
2022	(5,034)	(5,432)	-	(1,276)	\$ (11,742)
2023	(5,034)	-	-	-	\$ (5,034)
2024	(5,034)	-	-	-	\$ (5,034)
2025	(2,014)	-	-	-	\$ (2,014)
Thereafter	-	-	-	-	\$ -
	<u>\$ (22,150)</u>	<u>\$ (11,517)</u>	<u>\$ -</u>	<u>\$ (2,711)</u>	<u>\$ (36,378)</u>

Actuarial Methods & Assumptions

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

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Valuation Date	December 31, 2018
Measurement Date	June 30, 2020
Experience Study	2018, published July 24, 2019

Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.5 percent
Long-Term Expected Rate of Return	7.2 percent
Discount Rate	7.2 percent
Projected Salary Increases	3.5 percent
Retire Healthcare Participation	Healthy retirees: 32%; Disabled retirees: 20%
Healthcare Cost Trend Rate	Not applicable
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active Members: Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Discount Rate

The discount rate used to measure the total OPEB liability at June 30, 2020 was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the 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 payment 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.

Depletion Date Projection

GASB 75 generally requires that a blended discount rate be used to measure the Total OPEB Liability. The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses.

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Assumed Asset Allocation

<u>Asset Class / Strategy</u>	<u>Low Range</u>	<u>High Range</u>	<u>OIC Target</u>
Cash	0.0%	0.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	27.5%	37.5%	32.5%
Private Equity	13.5%	21.5%	17.5%
Real Estate	9.5%	15.5%	12.5%
Alternative Equity	10.0%	20.0%	15.0%
Risk Parity	0.0%	7.5%	2.5%
Total			<u>100.0%</u>

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 2019 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 an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Compounded Annual Return (Geometric)</u>
Core Fixed Income	9.60%	4.07%
Short-Term Bonds	9.60%	3.68%
Bank/Leveraged Loans	3.60%	5.19%
High Yield Bonds	1.20%	5.74%
Large/Mid Cap US Equities	16.17%	6.30%
Small Cap US Equities	1.35%	6.68%
Micro Cap US Equities	1.35%	6.79%
Developed Foreign Equities	13.48%	6.91%
Emerging Market Equities	4.24%	7.69%
Non-US Small Cap Equities	1.93%	7.25%
Private Equity	17.50%	8.33%
Real Estate (Property)	10.00%	5.55%
Real Estate (REITS)	2.50%	6.69%
Hedge Fund of Funds - Diversified	1.50%	4.06%
Hedge Fund - Event-Driven	0.38%	5.59%
Timber	1.13%	5.61%
Farmland	1.13%	6.12%
Infrastructure	2.25%	6.67%
Commodities	<u>1.13%</u>	3.79%
Total	<u>100.00%</u>	

Assumed Inflation - Mean 2.50%

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Sensitivity of the City's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate

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

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
Proportionate Share of the Net OPEB Liability (Asset)	\$ (174,926)	\$ (216,672)	\$ (252,367)

The RHIA plan is unaffected by health care cost trends since the benefit is limited to a \$60 monthly payment toward Medicare companion insurance premiums. Consequently, disclosure of a healthcare cost trend analysis is not applicable.

OPEB Plan Fiduciary Net Position

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

Aggregate NET OPEB Liability/Asset, Pension Expense, & Net Deferred Outflow/Inflow of Resourced Related to OPEB:

The tables below present the aggregate balance of the City's net OPEB liability/(asset), OPEB expense, and net deferred inflows and outflows as of June 30, 2021:

	Deferred Outflow/(Inflow) of Resources - OPEB	Net OPEB Liability/(Asset)	OPEB Expense
HIC	\$ (1,209,722)	\$ 2,294,829	\$ 7,287
RHIA	\$ (8,978)	\$ (216,672)	\$ 37,494
Total	<u>\$ (1,218,700)</u>	<u>\$ 2,078,157</u>	<u>\$ 44,781</u>

DEFERRED COMPENSATION PLANS

The City has a deferred compensation trust plan created in accordance with Internal Revenue Code Section 457. The trust holds the assets for the exclusive benefit of plan participants and their beneficiaries.

CAPITAL CONTRIBUTIONS

	Storm Drainage	Airport	Water	Total
Contributed Capital:				
System Development Charges	\$ 201,549	\$ -	\$ 278,672	\$ 480,221
Grants	-	89,669	-	89,669
Totals	<u>\$ 201,549</u>	<u>\$ 89,669</u>	<u>\$ 278,672</u>	<u>\$ 569,890</u>

TAX ABATEMENTS

As of June 30, 2021, the City of Roseburg provides tax abatements through a Nonprofit Low Income Rental Housing program and through an Enterprise Zone.

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

Nonprofit Low Income Rental Housing (ORS 307.540 to 307.548)

In 1985, Oregon legislature authorized a property tax exemption for low-income housing held by charitable, nonprofit organizations. The tax exemption is intended to benefit low-income renters by alleviating the property tax burden on those agencies that provide this type of housing. The qualifying property must be located within the City of Roseburg.

Charitable, nonprofit organizations that provide housing to low-income persons are eligible, and must be certified by the Internal Revenue Service as 501(c)(3) or (4) organization. Organizations must own or have a leasehold interest in the property or participate in a partnership as long as the nonprofit organization is responsible for the day-to-day management of the property. Applicants who are leaseholders must have a signed leasehold agreement by the application deadline. Vacant land intended to be developed as low-income housing is also eligible for the exemption.

The property tax exemption applies only to the tax levy of a governing body that adopts the provisions of ORS 307.540 to 307.548.

Enterprise Zone (ORS 285C.175)

The Oregon Enterprise Zone program is a State of Oregon economic development program that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor. The City of Roseburg along with Douglas County and the City of Winston are the local cosponsors for the Robert’s Creek Enterprise Zone which includes property within the City of Roseburg.

The Enterprise Zone program provides qualified firms that will be making a substantial new capital investment within the defined enterprise zone, a waiver of 100 percent of the amount of real property taxes attributable to the new investment for a period of five years following completion of the new investment. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

For the fiscal year ended June 30, 2021, the City of Roseburg abated property taxes totaling \$76,583 under these programs:

Tax Abatement Program	Amount of Taxes Abated during the Fiscal Year
Nonprofit Low Income Rental Housing	\$ 76,264
Enterprise Zone	319
	\$ 76,583

GASB PRONOUNCEMENTS IMPLEMENTED

During the fiscal year ended June 30, 2021, the City implemented the following GASB Pronouncements:

GASB Statement No. 87, Leases. This Statement was issued June 2017 to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments and increases the usefulness of governments’ financial statements. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 98, The Annual Comprehensive Financial Report. This Statement was issued October 2021 to address references in authoritative literature to the term *comprehensive annual financial report*. This statement replaces an existing term but does not otherwise establish new accounting and financial reporting requirements. This Statement requires financial reports to now be referred to as the Annual Comprehensive Financial Report or ACFR.

The following GASB pronouncements have been issued, but are not effective as of June 30, 2021. Management has not determined the effect on the financial statements from implementing any of these pronouncements. The City of Roseburg will implement new GASB pronouncements no later than the required effective date unless otherwise indicated

GASB Statement No. 89, Accounting for Interest Costs Incurred Before the End of a Construction Period. This statement was issued June 2018 to establish accounting requirements for interest cost incurred before the end of a construction period. The objectives of the Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. GASB Statement No. 89 will be effective for the City for fiscal year ending June 30, 2021. *GASB Statement No. 95 postpones implementation by one year.*

GASB Statement No. 91, Conduit Debt Obligations. This statement was issued May 2019, this Statement establishes accounting requirements for conduit debt obligations by issuers. The objectives of this Statement are to eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB Statement No. 91 will be effective for the City for fiscal year ending June 30, 2022. *GASB Statement No. 95 postpones implementation for one year.*

GASB Statement No. 92, Omnibus 202. This statement was issued January 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. GASB Statement No. 92 will be effective for fiscal years beginning after June 15, 2020. *GASB Statement No. 95 postpones implementation for one year.*

GASB Statement No. 93, Replacement of Interbank Offered Rates. This statement was issued March 2020. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an IBOR (Interbank Offered Rate). GASB Statement No. 93 will be effective for reporting periods beginning after June 15, 2020. *GASB Statement No. 95 postpones implementation for one year.*

GASB Statement No. 94, Public-Private and Public-Public Partnership and Availability Payment Arrangements. This Statement was issued March 2020 to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). It also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). GASB Statement No. 94 will be effective for the City for the fiscal year ending June 30, 2023.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). The statement was issued May 2020 to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlay other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. GASB Statement No. 96 will be effective for the City for the fiscal year ending June 30, 2023.

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statement No. 14 and No. 84, and a suppression of GASB Statement No. 32. This Statement was issued June 2020. The primary objectives are to (1) increase consistency and compatibility related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically

CITY OF ROSEBURG, OREGON
Notes to Basic Financial Statements
June 30, 2021

would perform; (2) mitigate costs associated with the reporting of certain defined contribution plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meets the definition of a pension plan and for benefits provided through those plans. GASB Statement No. 97 will be effective for the City for the fiscal year ending June 30, 2022.

SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 10, 2021, the date on which the financial statements were available to be issued.

Changes in OPERS Pension Plan Provisions Subsequent to Measurement Date

On July 23, 2021, the PERS Board made the decision to reduce the assumed rate of return on the fund from 7.20% to 6.90% beginning with the 2020 valuation. The assumed rate of investment return (including inflation) that the PERS Fund's regular account is expected to earn over the long term. Oregon Administrative Rule 459-007-0001(2) states that the assumed rate "means the actuarial assumed rate of return on investments as adopted by the Board for the most recent actuarial valuation."

This change, which is estimated to raise employer cost of payroll by an average 2.70%, will not affect rates until the 2023-25 biennium. At the December meeting, the Board will review and accept employer-specific rates from the 2020 valuation.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROSEBURG, OREGON

General Fund

**Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual**

For the year ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 20,242,300	\$ 20,242,300	\$ 20,489,721	\$ 247,421
Intergovernmental	1,208,400	1,338,698	1,418,794	80,096
Licenses and permits	192,000	192,000	197,220	5,220
Charges for services	3,752,169	3,752,169	3,703,385	(48,784)
Fines and forfeitures	450,000	450,000	360,178	(89,822)
Investment revenue	235,000	235,000	78,561	(156,439)
Other revenues	40,000	40,000	63,098	23,098
Total revenues	<u>26,119,869</u>	<u>26,250,167</u>	<u>26,310,957</u>	<u>60,790</u>
EXPENDITURES				
Administration	2,752,331	2,756,670	2,510,794	245,876
Community development	853,411	853,411	836,826	16,585
Library	484,585	494,385	467,855	26,530
Public works	3,827,772	3,827,772	3,013,268	814,504
Parks and recreation	1,903,895	1,914,629	1,801,792	112,837
Municipal court	525,058	525,058	506,056	19,002
Police	7,830,923	7,854,722	7,389,193	465,529
Fire	7,583,193	7,664,819	7,346,361	318,458
Intergovernmental	201,000	338,500	95,318	243,182
Capital outlay	25,000	25,000	7,067	17,933
Contingency	1,000,000	862,500	-	862,500
Total expenditures	<u>26,987,168</u>	<u>27,117,466</u>	<u>23,974,530</u>	<u>3,142,936</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(867,299)</u>	<u>(867,299)</u>	<u>2,336,427</u>	<u>3,203,726</u>
OTHER FINANCING USES				
Proceeds from asset sales	-	-	100,004	100,004
Transfers in	10,000	10,000	10,000	-
Transfers out	(925,000)	(925,000)	(925,000)	-
Total other financing uses	<u>(915,000)</u>	<u>(915,000)</u>	<u>(814,996)</u>	<u>100,004</u>
Net change in fund balances	(1,782,299)	(1,782,299)	1,521,431	3,303,730
Fund balances--beginning	7,901,427	7,901,427	8,467,378	565,951
Fund balances--ending	<u>\$ 6,119,128</u>	<u>\$ 6,119,128</u>	<u>\$ 9,988,809</u>	<u>\$ 3,869,681</u>

RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS

NET CHANGE IN FUND BALANCE	\$ 1,521,431
Unrealized gain (loss) on investments	-
CHANGE IN FUND BALANCE - GAAP BASIS	<u>\$ 1,521,431</u>

CITY OF ROSEBURG, OREGON
Transportation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual

For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 517,000	\$ 517,000	\$ 508,506	\$ (8,494)
Intergovernmental	2,751,488	2,751,488	1,833,159	(918,329)
System development fees	104,000	104,000	268,511	164,511
Investment revenue	50,000	50,000	19,427	(30,573)
Other revenues	-	-	-	-
Total revenues	<u>3,422,488</u>	<u>3,422,488</u>	<u>2,629,603</u>	<u>(792,885)</u>
EXPENDITURES				
Materials and services	1,265,817	1,265,817	1,259,716	6,101
Capital outlay	1,532,520	1,532,520	1,513,066	19,454
Total expenditures	<u>2,798,337</u>	<u>2,798,337</u>	<u>2,772,782</u>	<u>25,555</u>
Deficiency of revenues under expenditures	<u>624,151</u>	<u>624,151</u>	<u>(143,179)</u>	<u>(767,330)</u>
OTHER FINANCING USES				
Transfers out	(10,000)	(10,000)	(10,000)	-
Reserved for future expenditures	(3,087,312)	(3,087,312)	-	3,087,312
Total other financing uses	<u>(3,097,312)</u>	<u>(3,097,312)</u>	<u>(10,000)</u>	<u>3,087,312</u>
Net change in fund balances	(2,473,161)	(2,473,161)	(153,179)	2,319,982
Fund balances--beginning	<u>2,473,161</u>	<u>2,473,161</u>	<u>2,454,911</u>	<u>(18,250)</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,301,732</u>	<u>\$ 2,301,732</u>
RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS				
NET CHANGE IN FUND BALANCE			\$ (153,179)	
Unrealized gain (loss) on investments			<u>-</u>	
CHANGE IN FUND BALANCE - GAAP BASIS			<u>\$ (153,179)</u>	

CITY OF ROSEBURG, OREGON
Urban Renewal General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 352,100	\$ 352,100	\$ 396,746	\$ 44,646
Investment revenue	3,000	3,000	1,740	(1,260)
Total revenues	<u>355,100</u>	<u>355,100</u>	<u>398,486</u>	<u>43,386</u>
EXPENDITURES				
Materials and services	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>355,100</u>	<u>355,100</u>	<u>398,486</u>	<u>43,386</u>
OTHER FINANCING USES				
Transfers out	(200,000)	(200,000)	(200,000)	-
Reserved for Future Expenditures	(274,109)	(274,109)	-	274,109
Total other financing uses	<u>(474,109)</u>	<u>(474,109)</u>	<u>(200,000)</u>	<u>274,109</u>
Net change in fund balances	(119,009)	(119,009)	198,486	317,495
Fund balances--beginning	<u>119,009</u>	<u>119,009</u>	<u>119,884</u>	<u>875</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 318,370</u>	<u>\$ 318,370</u>
RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS				
NET CHANGE IN FUND BALANCE			\$ 198,486	
Unrealized gain (loss) on investments			<u>-</u>	
CHANGE IN FUND BALANCE - GAAP BASIS			<u>\$ 198,486</u>	

CITY OF ROSEBURG, OREGON
SCHEDULE OF THE CHANGES IN THE CITY'S
TOTAL HIC OPEB LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years

	<u>Service Cost</u>	<u>Interest</u>	<u>Changes in Benefit Terms</u>	<u>Differences Between Expected and Actual Experience</u>	<u>Changes in Assumptions or Other Inputs</u>
2021	\$ 134,069	\$ 60,953	\$ -	\$ (143,629.00)	\$ (290,176)
2020	129,535	85,524	-	-	421,486
2019	196,041	110,227	-	(399,539)	(1,321,137)
2018	190,332	100,375	-	-	-
2017	190,332	93,993	-	-	-

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been complied, information is presented for the years for which the required supplementary schedule information is available. The City implemented GASB 75 for its HIC OPEB in the fiscal year ending June 30, 2017.

<u>Benefit Payments</u>	<u>Net Change in Total OPEB Liability</u>	<u>Total OPEB Liability - Beginning</u>	<u>Total OPEB Liability - Ending</u>	<u>Covered Employee Payroll</u>	<u>Total OPEB Liability as a Percentage of Covered Employee Payroll</u>
\$ (82,688)	\$ (321,471)	2,616,301	2,294,829	\$ 13,590,547	16.89%
(57,644)	578,901	2,037,400	2,616,301	12,191,792	21.46%
(52,779)	(1,467,187)	3,504,587	2,037,400	11,779,509	17.30%
(73,564)	217,143	3,287,444	3,504,587	11,193,571	31.31%
(69,590)	214,735	3,072,709	3,287,444	10,867,545	30.25%

CITY OF ROSEBURG, OREGON
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY/(ASSET)
RHIA OTHER POSTEMPLOYMENT BENEFITS
Last 10 Fiscal Years

	Proportion of the OPEB pension liability / (asset)	Proportionate share of the net OPEB liability / (asset)	Covered payroll *	Proportionate share of the OPEB liability / (asset) as a percentage of covered employee payroll	Plan net position as a percentage of the total OPEB liability
2021	0.10633688%	(216,672)	12,171,616	-1.78%	150.1%
2020	0.10369451%	(200,375)	11,327,587	-1.77%	144.4%
2019	0.10639145%	(118,762)	11,124,357	-1.07%	124.0%
2018	0.10540825%	(44,022)	10,858,272	-0.41%	108.9%
2017	0.10873998%	29,530	10,394,458	0.28%	94.2%

* As of the measurement date which is one year in arrears.

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The City implemented GASB 75 for its HIC OPEB in the fiscal year ending June 30, 2017.

CITY OF ROSEBURG, OREGON
SCHEDULE OF CONTRIBUTIONS
RHIA OTHER POSTEMPLOYMENT BENEFITS
Last 10 Fiscal Years

	Contractually required contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered employee payroll
2021	2,531	2,531	-	12,864,713	0.02%
2020	7,594	7,594	-	12,171,616	0.06%
2019	51,066	51,066	-	11,327,587	0.45%
2018	52,515	52,515	-	11,124,357	0.47%
2017	53,045	53,045	-	10,858,272	0.49%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The City implemented GASB 75 for its HIC OPEB in the fiscal year ending June 30, 2017.

CITY OF ROSEBURG, OREGON
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Last Eight Fiscal Years

Measurement Date June 30,	Roseburg's proportion of the net pension liability (asset)	Roseburg's proportionate share of the net pension liability (asset)	Roseburg's covered payroll	Roseburg's proportionate share of the net pension liability (asset) as a percentage of its	Plan fiduciary net position as a percentage of the total pension liability
2020	0.12619166%	\$ 27,539,361	\$ 12,171,616	226.26%	75.8%
2019	0.13639041%	23,592,275	11,327,587	208.27%	80.2%
2018	0.13165072%	19,943,350	11,124,357	179.28%	82.1%
2017	0.13572377%	18,295,616	10,858,272	168.49%	83.1%
2016	0.14796181%	22,212,503	10,394,458	213.70%	80.5%
2015	0.16631823%	9,549,097	10,172,066	93.88%	91.9%
2014	0.16626276%	(3,768,702)	9,875,133	-38.16%	103.6%
2013	0.16631823%	8,484,632	10,051,512	84.41%	92.0%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**CITY OF ROSEBURG, OREGON
SCHEDULE OF CONTRIBUTIONS
For the Last Eight Fiscal Years**

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Roseburg's covered payroll	Contributions as a percent of covered payroll
2021	\$ 2,995,697	\$ 2,995,697	\$ -	\$ 12,864,713	23.29%
2020	\$ 2,812,187	2,812,187	-	12,171,616	23.10%
2019	2,144,589	2,144,589	-	11,327,587	18.93%
2018	2,130,663	2,130,663	-	11,124,357	19.15%
2017	1,697,077	1,697,077	-	10,858,272	15.63%
2016	1,623,991	1,623,991	-	10,394,458	15.62%
2015	1,495,152	1,495,152	-	10,172,066	14.70%
2014	6,385,362	6,385,362	-	9,875,133	64.66%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**SUPPLEMENTAL
SECTION**

COMBINING STATEMENTS

Non-Major Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are restricted to expenditure for particular purposes.

Grant

Fund established to account for federal and state funds received through grants.

Hotel/Motel

Accounts for revenues from hotel/motel taxes received and expenditures restricted to tourism promotion, streelights, signals, sidewalks and economic development as provided by City Ordinance No. 2366.

Streetlight/Sidewalk

Accounts for capital improvements with funding provided by the City's Hotel/Motel tax.

Bike Trail Improvement

Accounts for 1% State of Oregon gasoline tax received by the City and dedicated by Oregon law to bike trail development and maintenance.

Economic Development

Fund established to provide a comprehensive program of effective community development.

Golf

Accounts for revenues received from golf concessionaire and ground lease.

Library

Accounts for grants and donations received for use by the Library and its programs.

Stewart Trust

This expendable trust fund is used to account for the Stewart Trust donations. Expenditures from this trust are limited to Stewart Park and/or Legion Field improvements and maintenance.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of principal and interest on long-term obligations of the City.

Pension Debt Service Fund

Accounts for the accumulation of resources for, and payment of, the Pension Obligation debt.

Capital Projects Funds

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Park Improvement

Accounts for acquisition and development of parks and open spaces that are paid from system development charges, donations, grants and transfers from operating funds.

Equipment Replacement

Accumulates resources for replacement of vehicles and other major equipment that the City must plan and save for over a period of years.

Assessment Improvement

Accounts for construction costs of local improvement districts. Financing is provided by the City and assessments on benefiting property owners.

Facilities Replacement

Accounts for resources for the replacement or improvement of major City owned facilities.

CITY OF ROSEBURG, OREGON
Nonmajor Governmental Funds
Combining Balance Sheet

June 30, 2021
(continued on next page)

	Special Revenue Funds							
	Grant	Hotel/Motel Tax	Streetlight/ Sidewalk	Bike Trail Improvement	Economic Development	Golf	Library	Stewart Trust
ASSETS								
Cash and investments	\$ 1,591,802	\$ 738,282	\$ 540,296	\$ 205,884	\$ 177,119	\$ 134,821	\$ 108,636	\$ 102,813
Interest receivable	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-
Taxes receivable	-	423,426	-	-	-	-	-	-
Due from other funds	-	-	136,433	-	40,901	-	-	-
Lease receivable	-	-	-	-	-	124,424	-	-
Intergovernmental receivable	2,099	-	-	1,648	-	-	4,889	-
Total assets	<u>\$ 1,593,901</u>	<u>\$ 1,161,708</u>	<u>\$ 676,729</u>	<u>\$ 207,532</u>	<u>\$ 218,020</u>	<u>\$ 259,245</u>	<u>\$ 113,525</u>	<u>\$ 102,813</u>
LIABILITIES								
Accounts payable	1,053	112,500	168,846	-	6,125	1,057	3,664	-
Due to other funds	-	177,334	-	-	-	-	-	-
Total liabilities	<u>1,053</u>	<u>289,834</u>	<u>168,846</u>	<u>-</u>	<u>6,125</u>	<u>1,057</u>	<u>3,664</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue, leases	-	-	-	-	-	124,424	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>124,424</u>	<u>-</u>	<u>-</u>
FUND BALANCES								
Restricted	1,592,848	-	-	207,532	-	-	-	102,813
Committed	-	871,874	507,883	-	211,895	133,764	109,861	-
Assigned	-	-	-	-	-	-	-	-
Total fund balances	<u>1,592,848</u>	<u>871,874</u>	<u>507,883</u>	<u>207,532</u>	<u>211,895</u>	<u>133,764</u>	<u>109,861</u>	<u>102,813</u>
Total liabilities and fund balances	<u>\$ 1,593,901</u>	<u>\$ 1,161,708</u>	<u>\$ 676,729</u>	<u>\$ 207,532</u>	<u>\$ 218,020</u>	<u>\$ 259,245</u>	<u>\$ 113,525</u>	<u>\$ 102,813</u>

CITY OF ROSEBURG, OREGON
Nonmajor Governmental Funds
Combining Balance Sheet
 June 30, 2021
 (continued from previous page)

	Debt Service	Capital Project Funds				Total Nonmajor Governmental Funds
		Pension Debt	Park Improvement	Equipment Replacement	Assessment Improvement	
ASSETS						
Cash and investments	\$ 106,142	\$ 454,321	\$ 1,391,003	\$ 1,694,551	\$ 269,025	\$ 7,514,695
Accounts receivable	-	-	11,830	-	21,112	32,942
Taxes receivable	-	-	-	-	-	423,426
Due from other funds	-	-	-	-	-	177,334
Lease receivable	-	-	-	-	-	124,424
Intergovernmental receivable	-	101,979	-	-	-	110,615
Total assets	\$ 106,142	\$ 556,300	\$ 1,402,833	\$ 1,694,551	\$ 290,137	\$ 8,383,436
LIABILITIES						
Accounts payable		85,045	419,359	-	46,268	843,917
Due to other funds	37,000	-	-	-	-	214,334
Total liabilities	37,000	85,045	419,359	-	46,268	1,058,251
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue, leases	-	-	-	-	-	124,424
Total deferred inflows of resources	-	-	-	-	-	124,424
FUND BALANCES						
Nonspendable						1,972,335
Restricted	69,142	-	-	-	-	2,079,146
Committed	-	-	-	-	243,869	3,149,280
Assigned	-	471,255	983,474	1,694,551	-	7,200,761
Total fund balances	69,142	471,255	983,474	1,694,551	243,869	12,000,531
Total liabilities and fund balances	\$ 106,142	\$ 556,300	\$ 1,402,833	\$ 1,694,551	\$ 290,137	\$ 8,383,436

CITY OF ROSEBURG, OREGON
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2021
(continued on next page)

	Special Revenue Funds							
	Grant	Hotel/Motel Tax	Streetlight/Sidewalk	Bike Trail Improvement	Economic Development	Golf	Library	Stewart Trust
REVENUES								
Taxes	\$ -	\$ 1,376,131	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,376,916	-	-	18,517	-	-	189,830	-
Charges for services	-	-	-	-	-	49,450	-	-
System development fees	-	-	-	-	-	-	-	-
Investment revenue	1,278	11,375	3,267	1,465	1,286	1,063	621	87
Other revenues	-	5,057	-	-	-	-	9,221	10,308
Total revenues	<u>2,378,194</u>	<u>1,392,563</u>	<u>3,267</u>	<u>19,982</u>	<u>1,286</u>	<u>50,513</u>	<u>199,672</u>	<u>10,395</u>
EXPENDITURES								
Current operating:								
General government	555,412	-	-	-	-	-	-	-
Public safety	127,814	-	-	-	-	-	-	-
Public works	-	-	84,335	-	-	-	-	-
Culture and recreation	-	-	-	-	-	28,499	104,149	-
Community development	170,073	485,827	-	-	126,863	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Capital outlay	24,089	-	268,819	3,300	5,000	-	39,915	11,836
Total expenditures	<u>877,388</u>	<u>485,827</u>	<u>353,154</u>	<u>3,300</u>	<u>131,863</u>	<u>28,499</u>	<u>144,064</u>	<u>11,836</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,500,806</u>	<u>906,736</u>	<u>(349,887)</u>	<u>16,682</u>	<u>(130,577)</u>	<u>22,014</u>	<u>55,608</u>	<u>(1,441)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	441,284	10,000	132,292	-	-	-
Transfers out	-	(573,576)	-	-	-	-	(25,500)	-
Total other financing sources (uses)	-	<u>(573,576)</u>	<u>441,284</u>	<u>10,000</u>	<u>132,292</u>	-	<u>(25,500)</u>	-
Net change in fund balances	1,500,806	333,160	91,397	26,682	1,715	22,014	30,108	(1,441)
Fund balances--beginning	92,042	538,714	416,486	180,850	210,180	111,750	79,753	104,254
Fund balances--ending	<u>\$ 1,592,848</u>	<u>\$ 871,874</u>	<u>\$ 507,883</u>	<u>\$ 207,532</u>	<u>\$ 211,895</u>	<u>\$ 133,764</u>	<u>\$ 109,861</u>	<u>\$ 102,813</u>

CITY OF ROSEBURG, OREGON
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2021
(continued from previous page)

	Capital Project Funds					Total Nonmajor Governmental Funds
	Debt Service Fund	Pension Debt	Park Improvement	Equipment Replacement	Assessment Improvement	
REVENUES						
Taxes	\$	-	\$	-	\$	-
Intergovernmental	506,529	-	178,479	-	-	51,111
Charges for services	-	-	-	-	-	-
System development fees	-	-	95,540	-	-	-
Investment revenue	-	-	4,954	10,636	12,868	2,168
Other revenues	-	-	7,218	40,329	-	-
Total revenues	506,529	-	286,191	50,965	12,868	53,279
EXPENDITURES						
Current operating:						
General government	-	-	-	-	-	16,223
Public safety	-	-	-	300,346	-	-
Public works	-	-	-	-	-	-
Culture and recreation	-	-	7,553	-	-	-
Community development	-	-	-	-	-	-
Debt service:						
Principal	325,000	-	-	-	-	-
Interest	165,188	-	-	-	-	-
Capital outlay	-	-	248,309	1,204,743	-	143,844
Total expenditures	490,188	-	255,862	1,505,089	-	160,067
Excess (deficiency) of revenues over (under) expenditures	16,341	-	30,329	(1,454,124)	12,868	(106,788)
OTHER FINANCING SOURCES						
Proceeds from asset sales	-	-	-	18,960	-	-
Proceeds from insurance reimbursements	-	-	-	-	-	-
Transfers in	-	-	50,000	775,000	-	115,500
Transfers out	-	-	-	-	-	-
Total other financing sources	-	-	50,000	793,960	-	115,500
Net change in fund balances	16,341	-	80,329	(660,164)	12,868	8,712
Fund balances--beginning	52,801	-	390,926	1,643,638	1,681,683	235,157
Fund balances--ending	\$ 69,142	\$	\$ 471,255	\$ 983,474	\$ 1,694,551	\$ 243,869
						\$ 7,200,761

BUDGETARY COMPARISON SCHEDULES

Pursuant to the provisions of Oregon Revised Statute 297.465, Oregon Administrative Rule #162-010-0130, *Minimum Standards for Audits of Oregon Municipal Corporations*, requires an individual schedule of revenues, expenditures/expenses, and changes in fund.

In accordance with GASB Statement #34 the City's General Fund and any major special revenue fund (currently the Urban Renewal General Fund) are presented in the basic financial statements. All other fund budgetary comparisons are displayed in the following pages.

**SCHEDULE OF REVENUES,
EXPENDITURES/EXPENSES
AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL**

Governmental Funds

Special Revenue Funds

- ◆ Grant
- ◆ Hotel/Motel Tax
- ◆ Streetlight/Sidewalk
- ◆ Bike Trail Improvement
- ◆ Economic Development
- ◆ Golf
- ◆ Library
- ◆ Stewart Trust

Debt Service Funds

- ◆ Pension Obligation Debt Service

Capital Projects Funds

- ◆ Park Improvement
- ◆ Equipment Replacement
- ◆ Assessment Improvement
- ◆ Facilities Replacement
- ◆ Urban Renewal Diamond Lake Capital Projects

CITY OF ROSEBURG, OREGON

Grant Fund

**Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual**

For the year ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 724,000	\$ 1,453,502	\$ 2,376,916	\$ 923,414
Investment revenue	3,000	3,000	1,278	(1,722)
Other revenues	25,000	25,000	-	(25,000)
Total revenues	<u>752,000</u>	<u>1,481,502</u>	<u>2,378,194</u>	<u>896,692</u>
EXPENDITURES				
Materials and services	755,500	1,458,613	853,299	605,314
Capital outlay		26,389	24,089	2,300
Total expenditures	<u>755,500</u>	<u>1,485,002</u>	<u>877,388</u>	<u>607,614</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,500)</u>	<u>(3,500)</u>	<u>1,500,806</u>	<u>1,504,306</u>
OTHER FINANCING SOURCES				
Reserved for future expenditures	<u>(84,659)</u>	<u>(84,659)</u>	<u>-</u>	<u>84,659</u>
Total other financing sources	<u>(84,659)</u>	<u>(84,659)</u>	<u>-</u>	<u>84,659</u>
Net change in fund balances	(88,159)	(88,159)	1,500,806	1,588,965
Fund balances--beginning	<u>88,159</u>	<u>88,159</u>	<u>92,042</u>	<u>3,883</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,592,848</u>	<u>\$ 1,592,848</u>

CITY OF ROSEBURG, OREGON
Hotel/Motel Tax Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 1,240,000	\$ 1,377,800	\$ 1,376,131	\$ (1,669)
Investment revenue	12,000	12,000	11,375	(625)
Other revenues	-	-	5,057	5,057
Total revenues	<u>1,252,000</u>	<u>1,389,800</u>	<u>1,392,563</u>	<u>2,763</u>
EXPENDITURES				
Materials and services	<u>734,432</u>	<u>734,432</u>	<u>485,827</u>	<u>248,605</u>
Total expenditures	<u>734,432</u>	<u>734,432</u>	<u>485,827</u>	<u>248,605</u>
Excess of revenues over expenditures	<u>517,568</u>	<u>655,368</u>	<u>906,736</u>	<u>251,368</u>
OTHER FINANCING USES				
Transfers out	(519,655)	(657,455)	(573,576)	83,879
Reserved for future expenditures	(618,931)	(618,931)	-	618,931
Total other financing uses	<u>(1,138,586)</u>	<u>(1,276,386)</u>	<u>(573,576)</u>	<u>702,810</u>
Net change in fund balances	(621,018)	(621,018)	333,160	954,178
Fund balances--beginning	<u>621,018</u>	<u>621,018</u>	<u>538,714</u>	<u>(82,304)</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 871,874</u>	<u>\$ 871,874</u>

CITY OF ROSEBURG, OREGON
Streetlight/Sidewalk Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment revenue	\$ 6,000	\$ 6,000	\$ 3,267	\$ (2,733)
Total revenues	<u>6,000</u>	<u>6,000</u>	<u>3,267</u>	<u>(2,733)</u>
EXPENDITURES				
Materials and services	84,335	84,335	84,335	-
Capital outlay	475,000	475,000	268,819	206,181
Contingency	259,868	365,974	-	365,974
Total expenditures	<u>819,203</u>	<u>925,309</u>	<u>353,154</u>	<u>572,155</u>
Deficiency of revenues under expenditures	<u>(813,203)</u>	<u>(919,309)</u>	<u>(349,887)</u>	<u>569,422</u>
OTHER FINANCING SOURCES				
Transfers in	399,800	505,906	441,284	(64,622)
Total other financing sources	<u>399,800</u>	<u>505,906</u>	<u>441,284</u>	<u>(64,622)</u>
Net change in fund balances	(413,403)	(413,403)	91,397	504,800
Fund balances--beginning	<u>413,403</u>	<u>413,403</u>	<u>416,486</u>	<u>3,083</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 507,883</u>	<u>\$ 507,883</u>

CITY OF ROSEBURG, OREGON
Bike Trail Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual

For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 214,712	\$ 214,712	\$ 18,517	\$ (196,195)
Investment revenue	2,500	2,500	1,465	(1,035)
Total revenues	<u>217,212</u>	<u>217,212</u>	<u>19,982</u>	<u>(197,230)</u>
EXPENDITURES				
Materials and services	10,000	10,000	-	10,000
Capital outlay	250,000	250,000	3,300	246,700
Contingency	148,198	148,198	-	148,198
Total expenditures	<u>408,198</u>	<u>408,198</u>	<u>3,300</u>	<u>404,898</u>
Deficiency of revenues under expenditures	<u>(190,986)</u>	<u>(190,986)</u>	<u>16,682</u>	<u>207,668</u>
OTHER FINANCING SOURCES				
Transfers in	10,000	10,000	10,000	-
Total other financing sources	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Net change in fund balances	(180,986)	(180,986)	26,682	207,668
Fund balances--beginning	<u>180,986</u>	<u>180,986</u>	<u>180,850</u>	<u>(136)</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 207,532</u>	<u>\$ 207,532</u>

CITY OF ROSEBURG, OREGON
Economic Development Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenue	\$ 105,000	\$ 105,000	\$ -	\$ (105,000)
Investment revenue	3,000	3,000	1,286	(1,714)
Total revenues	<u>108,000</u>	<u>108,000</u>	<u>1,286</u>	<u>(106,714)</u>
EXPENDITURES				
Materials and services	201,363	201,363	126,863	74,500
Capital outlay	130,000	130,000	5,000	125,000
Total expenditures	<u>331,363</u>	<u>331,363</u>	<u>131,863</u>	<u>199,500</u>
Deficiency of revenues under expenditures	<u>(223,363)</u>	<u>(223,363)</u>	<u>(130,577)</u>	<u>92,786</u>
OTHER FINANCING SOURCES				
Transfers in	119,855	151,549	132,292	(19,257)
Reserved for future expenditures	(98,061)	(129,755)	-	129,755
Total other financing sources	<u>21,794</u>	<u>21,794</u>	<u>132,292</u>	<u>110,498</u>
Net change in fund balances	(201,569)	(201,569)	1,715	203,284
Fund balances--beginning	<u>201,569</u>	<u>201,569</u>	<u>210,180</u>	<u>8,611</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 211,895</u>	<u>\$ 211,895</u>

CITY OF ROSEBURG, OREGON

Golf Fund

**Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual**

For the year ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 49,739	\$ 49,739	\$ 49,450	\$ (289)
Investment revenue	2,300	2,300	1,063	(1,237)
Total revenues	<u>52,039</u>	<u>52,039</u>	<u>50,513</u>	<u>(1,526)</u>
EXPENDITURES				
Maintenance	35,780	35,780	28,499	7,281
Capital outlay	25,000	25,000	-	25,000
Contingency	92,756	92,756	-	92,756
Total expenditures	<u>153,536</u>	<u>153,536</u>	<u>28,499</u>	<u>125,037</u>
Deficiency of revenues under expenditures	<u>(101,497)</u>	<u>(101,497)</u>	<u>22,014</u>	<u>123,511</u>
Net change in fund balances	(101,497)	(101,497)	22,014	123,511
Fund balances--beginning	101,497	101,497	111,750	10,253
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 133,764</u>	<u>\$ 133,764</u>

CITY OF ROSEBURG, OREGON
Library Special Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 153,200	\$ 208,700	\$ 189,830	\$ (18,870)
Investment revenue	3,000	3,000	621	(2,379)
Other revenues	<u>50,000</u>	<u>50,000</u>	<u>9,221</u>	<u>(40,779)</u>
Total revenues	<u>206,200</u>	<u>261,700</u>	<u>199,672</u>	<u>(62,028)</u>
EXPENDITURES				
Materials and services	216,150	229,150	104,149	125,001
Capital outlay	<u>10,000</u>	<u>52,500</u>	<u>39,915</u>	<u>12,585</u>
Total expenditures	<u>226,150</u>	<u>281,650</u>	<u>144,064</u>	<u>137,586</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19,950)</u>	<u>(19,950)</u>	<u>55,608</u>	<u>75,558</u>
OTHER FINANCING SOURCES				
Transfers out	(25,500)	(25,500)	(25,500)	-
Reserved for future expenditures	<u>(56,131)</u>	<u>(56,131)</u>	<u>-</u>	<u>56,131</u>
Total other financing sources	<u>(81,631)</u>	<u>(81,631)</u>	<u>(25,500)</u>	<u>56,131</u>
Net change in fund balances	(101,581)	(101,581)	30,108	131,689
Fund balances--beginning	<u>101,581</u>	<u>101,581</u>	<u>79,753</u>	<u>(21,828)</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 109,861</u>	<u>\$ 109,861</u>

CITY OF ROSEBURG, OREGON
Stewart Trust Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment revenue	\$ 250	\$ 250	\$ 87	\$ (163)
Other revenues	20,500	20,500	10,308	(10,192)
Total revenues	<u>20,750</u>	<u>20,750</u>	<u>10,395</u>	<u>(10,355)</u>
EXPENDITURES				
Capital outlay	55,000	55,000	11,836	43,164
Total expenditures	<u>55,000</u>	<u>55,000</u>	<u>11,836</u>	<u>43,164</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(34,250)</u>	<u>(34,250)</u>	<u>(1,441)</u>	<u>32,809</u>
OTHER FINANCING USES				
Reserved for future expenditures	(89,317)	(89,317)	-	89,317
Total other financing uses	<u>(89,317)</u>	<u>(89,317)</u>	<u>-</u>	<u>89,317</u>
Net change in fund balances	(123,567)	(123,567)	(1,441)	122,126
Fund balances--beginning	<u>123,567</u>	<u>123,567</u>	<u>104,254</u>	<u>(19,313)</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,813</u>	<u>\$ 102,813</u>

CITY OF ROSEBURG, OREGON
Pension Obligation Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 522,500	\$ 522,500	\$ 506,529	\$ (15,971)
Total revenues	<u>522,500</u>	<u>522,500</u>	<u>506,529</u>	<u>(15,971)</u>
EXPENDITURES				
Debt service:				
Principal	325,000	325,000	325,000	-
Interest	<u>165,200</u>	<u>165,200</u>	<u>165,188</u>	<u>12</u>
Total expenditures	<u>490,200</u>	<u>490,200</u>	<u>490,188</u>	<u>12</u>
Excess of revenues over expenditures	<u>32,300</u>	<u>32,300</u>	<u>16,341</u>	<u>(15,959)</u>
Net change in fund balances	32,300	32,300	16,341	(15,959)
Fund balances--beginning	<u>53,069</u>	<u>53,069</u>	<u>52,801</u>	<u>(268)</u>
Fund balances--ending	<u>\$ 85,369</u>	<u>\$ 85,369</u>	<u>\$ 69,142</u>	<u>\$ (16,227)</u>

CITY OF ROSEBURG, OREGON
Park Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual

For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 233,000	\$ 233,000	\$ 178,479	\$ (54,521)
System development fees	41,600	41,600	95,540	53,940
Investment revenue	6,000	6,000	4,954	(1,046)
Other revenues	30,000	30,000	7,218	(22,782)
Total revenues	<u>310,600</u>	<u>310,600</u>	<u>286,191</u>	<u>(24,409)</u>
EXPENDITURES				
Materials and services	30,000	30,000	7,553	22,447
Capital outlay	258,125	258,125	248,309	9,816
Total expenditures	<u>288,125</u>	<u>288,125</u>	<u>255,862</u>	<u>32,263</u>
Excess (deficiency) of revenues over (under) expenditures	<u>22,475</u>	<u>22,475</u>	<u>30,329</u>	<u>7,854</u>
OTHER FINANCING SOURCES				
Transfers in	50,000	50,000	50,000	-
Reserved for future expenditures	<u>(387,804)</u>	<u>(387,804)</u>	<u>-</u>	<u>387,804</u>
Total other financing sources	<u>(337,804)</u>	<u>(337,804)</u>	<u>50,000</u>	<u>387,804</u>
Net change in fund balances	(315,329)	(315,329)	80,329	395,658
Fund balances--beginning	<u>315,329</u>	<u>315,329</u>	<u>390,926</u>	<u>75,597</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 471,255</u>	<u>\$ 471,255</u>

CITY OF ROSEBURG, OREGON
Equipment Replacement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment revenue	\$ 28,000	\$ 28,000	\$ 10,636	\$ (17,364)
Other revenues	-	-	40,329	40,329
Total revenues	<u>28,000</u>	<u>28,000</u>	<u>50,965</u>	<u>22,965</u>
EXPENDITURES				
Materials and services	37,000	300,500	300,346	154
Capital outlay	<u>1,241,400</u>	<u>1,241,400</u>	<u>1,204,743</u>	<u>36,657</u>
Total expenditures	<u>1,278,400</u>	<u>1,541,900</u>	<u>1,505,089</u>	<u>36,811</u>
Deficiency of revenues under expenditures	<u>(1,250,400)</u>	<u>(1,513,900)</u>	<u>(1,454,124)</u>	<u>59,776</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from asset sales	15,000	15,000	18,960	3,960
Transfers in	775,000	775,000	775,000	-
Reserved for future expenditures	<u>(947,063)</u>	<u>(683,563)</u>	<u>-</u>	<u>683,563</u>
Total other financing sources (uses)	<u>(157,063)</u>	<u>106,437</u>	<u>793,960</u>	<u>687,523</u>
Net change in fund balances	(1,407,463)	(1,407,463)	(660,164)	747,299
Fund balances--beginning	<u>1,407,463</u>	<u>1,407,463</u>	<u>1,643,638</u>	<u>236,175</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 983,474</u>	<u>\$ 983,474</u>

CITY OF ROSEBURG, OREGON
Assessment Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment revenue	\$ 43,000	\$ 43,000	\$ 12,868	\$ (30,132)
Total revenues	<u>43,000</u>	<u>43,000</u>	<u>12,868</u>	<u>(30,132)</u>
EXPENDITURES				
Capital outlay	1,000,000	1,000,000	-	1,000,000
Total expenditures	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(957,000)</u>	<u>(957,000)</u>	<u>12,868</u>	<u>969,868</u>
OTHER FINANCING USES				
Reserved for future expenditures	<u>(726,833)</u>	<u>(726,833)</u>	<u>-</u>	<u>726,833</u>
Total other financing uses	<u>(726,833)</u>	<u>(726,833)</u>	<u>-</u>	<u>726,833</u>
Net change in fund balances	(1,683,833)	(1,683,833)	12,868	1,696,701
Fund balances--beginning	<u>1,683,833</u>	<u>1,683,833</u>	<u>1,681,683</u>	<u>(2,150)</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,694,551</u>	<u>\$ 1,694,551</u>

CITY OF ROSEBURG, OREGON
Facilities Replacement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 109,800	\$ 109,800	\$ 51,111	\$ (58,689)
Investment Income	4,500	4,500	2,168	(2,332)
Other revenues	36,200	36,200	-	(36,200)
Total revenues	<u>150,500</u>	<u>150,500</u>	<u>53,279</u>	<u>(97,221)</u>
EXPENDITURES				
Materials and services	35,328	35,328	16,223	19,105
Capital outlay	239,800	239,800	143,844	95,956
Total expenditures	<u>275,128</u>	<u>275,128</u>	<u>160,067</u>	<u>115,061</u>
Deficiency of revenues under expenditures	<u>(124,628)</u>	<u>(124,628)</u>	<u>(106,788)</u>	<u>17,840</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from asset sales	-	-	-	-
Transfers in	115,500	115,500	115,500	-
Reserved for future expenditures	(149,646)	(149,646)	-	149,646
Total other financing sources (uses)	<u>(34,146)</u>	<u>(34,146)</u>	<u>115,500</u>	<u>149,646</u>
Total other financing sources (uses) and special items				
Net change in fund balances	(158,774)	(158,774)	8,712	167,486
Fund balances--beginning	158,774	158,774	235,157	76,383
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 243,869</u>	<u>\$ 243,869</u>

CITY OF ROSEBURG, OREGON
Urban Renewal Diamond Lake Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual

For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 160,000	\$ 160,000	\$ 210,730	\$ 50,730
Investment revenue	-	-	1,351	1,351
Total revenues	<u>160,000</u>	<u>160,000</u>	<u>212,081</u>	<u>52,081</u>
EXPENDITURES				
Materials and services	204,517	204,517	200,540	3,977
Capital outlay	<u>100,000</u>	<u>100,000</u>	-	<u>100,000</u>
Total expenditures	<u>304,517</u>	<u>304,517</u>	<u>200,540</u>	<u>103,977</u>
Deficiency of revenues under expenditures	<u>(144,517)</u>	<u>(144,517)</u>	<u>11,541</u>	<u>156,058</u>
OTHER FINANCING SOURCES				
Transfers in	200,000	200,000	200,000	-
Reserved for future expenditures	<u>(208,690)</u>	<u>(208,690)</u>	-	<u>208,690</u>
Total other financing sources	<u>(8,690)</u>	<u>(8,690)</u>	<u>200,000</u>	<u>208,690</u>
Net change in fund balances	(153,207)	(153,207)	211,541	364,748
Fund balances--beginning	<u>153,207</u>	<u>153,207</u>	<u>154,806</u>	<u>1,599</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 366,347</u>	<u>\$ 366,347</u>

**SCHEDULE OF REVENUES,
EXPENDITURES/EXPENSES
AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL**

Proprietary Funds

- ◆ *Storm Drainage*
- ◆ *Airport*
- ◆ *Off Street Parking*
- ◆ *Water*

CITY OF ROSEBURG, OREGON
Storm Drainage Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2021

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Charges for services	\$ 2,401,000	\$ 2,401,000	\$ 2,322,695	\$ (78,305)
System development fees	44,000	44,000	201,549	157,549
Investment revenue	52,000	52,000	35,443	(16,557)
Other revenues	2,000	2,000	1,783	(217)
Total revenues	2,499,000	2,499,000	2,561,470	62,470
EXPENDITURES				
Materials and services	911,394	911,394	850,429	60,965
Capital outlay	1,260,500	1,260,500	868,947	391,553
Contingency	1,000,000	1,000,000	-	1,000,000
Total expenditures	3,171,894	3,171,894	1,719,376	1,452,518
Excess (deficiency) of revenues over (under) expenditures	(672,894)	(672,894)	842,094	1,514,988
OTHER FINANCING SOURCES				
Proceeds from asset sales	-	-	13,199	13,199
Total other financing sources	-	-	13,199	13,199
Total other financing sources (uses) and special items	-	-	13,199	13,199
Net change in fund balances	(672,894)	(672,894)	855,293	1,528,187
Fund balances--beginning	3,916,483	3,916,483	3,922,692	6,209
Fund balances--ending	\$ 3,243,589	\$ 3,243,589	\$ 4,777,985	\$ 1,534,396
Adjustment from budgetary basis to generally accepted accounting basis:				
Net change in fund balances per above			\$ 855,293	
Add: Capital outlay			868,947	
Less: Depreciation and amortization			(1,213,518)	
Net income (loss) as reported in Proprietary Statement of Revenues, Expenses and Changes in Fund Net Position			\$ 510,722	

CITY OF ROSEBURG, OREGON

Airport Fund

**Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual**

For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 522,179	\$ 522,179	\$ 89,669	\$ (432,510)
Charges for services	412,200	412,200	405,111	(7,089)
Investment revenue	10,000	10,000	6,190	(3,810)
Other revenues	300	300	7,267	6,967
Total revenues	<u>944,679</u>	<u>944,679</u>	<u>508,237</u>	<u>(436,442)</u>
EXPENDITURES				
Airport Operations	239,079	239,079	218,658	20,421
Capital outlay	458,000	458,000	159,696	298,304
Debt service:				
Principal	84,000	84,000	83,988	12
Interest	26,065	26,065	26,003	62
Intergovernmental				
Contingency	746,798	746,798	-	746,798
Total expenditures	<u>1,553,942</u>	<u>1,553,942</u>	<u>488,345</u>	<u>1,065,597</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(609,263)</u>	<u>(609,263)</u>	<u>19,892</u>	<u>629,155</u>
Net change in fund balances	<u>(609,263)</u>	<u>(609,263)</u>	<u>19,892</u>	<u>629,155</u>
Fund balances--beginning	<u>609,263</u>	<u>609,263</u>	<u>739,095</u>	<u>129,832</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 758,987</u>	<u>\$ 758,987</u>

Adjustment from budgetary basis to
generally accepted accounting basis:

Net change in fund balances per above

\$ 19,892

Add: Capital outlay

159,696

 Principal bonded debt

83,988

 Budget/GAAP interest accrual difference

158

Less: Depreciation and amortization

(778,469)

Net income (loss) as reported in Proprietary Statement of
Revenues, Expenses and Changes in Fund Net Position

\$ (514,735)

CITY OF ROSEBURG, OREGON
Off Street Parking Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual

For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 48,925	\$ 48,925	\$ 39,856	\$ (9,069)
Investment revenue	500	500	195	(305)
Other revenues	200	200	188	(12)
Total revenues	<u>49,625</u>	<u>49,625</u>	<u>40,239</u>	<u>(9,386)</u>
EXPENDITURES				
Enforcement	59,569	59,569	34,274	25,295
Contingency	6,473	6,473	-	6,473
Total expenditures	<u>66,042</u>	<u>66,042</u>	<u>34,274</u>	<u>31,768</u>
Deficiency of revenues under expenditures	<u>(16,417)</u>	<u>(16,417)</u>	<u>5,965</u>	<u>22,382</u>
OTHER FINANCING SOURCES				
Proceeds fom insurance reimbursements	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(16,417)</u>	<u>(16,417)</u>	<u>5,965</u>	<u>22,382</u>
Fund balances--beginning	<u>16,417</u>	<u>16,417</u>	<u>39,273</u>	<u>22,856</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,238</u>	<u>\$ 45,238</u>
Adjustment from budgetary basis to generally accepted accounting basis:				
Net change in fund balances per above			\$ 5,965	
Less: Depreciation and amortization			<u>(89,934)</u>	
Net income (loss) as reported in Proprietary Statement of Revenues, Expenses and changes in Fund Net Position			<u>\$ (83,969)</u>	

CITY OF ROSEBURG, OREGON
Water Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual

For the year ended June 30, 2021

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 6,780,250	\$ 6,780,250	\$ 7,149,583	\$ 369,333
System development fees	83,500	83,500	278,672	195,172
Investment revenue	200,000	200,000	85,827	(114,173)
Other revenues	6,000	6,000	23,419	17,419
Total revenues	7,069,750	7,069,750	7,537,501	467,751
EXPENDITURES				
Production	1,274,182	1,274,182	1,148,495	125,687
Transmission and Distribution	1,547,925	1,547,925	1,454,341	93,584
General Overhead	1,798,232	1,848,232	1,799,838	48,394
Capital outlay	5,333,000	5,283,000	1,118,137	4,164,863
Contingency	1,000,000	1,000,000	-	1,000,000
Total expenditures	10,953,339	10,953,339	5,520,811	5,432,528
Excess (deficiency) of revenues over (under) expenditures	(3,883,589)	(3,883,589)	2,016,690	5,900,279
OTHER FINANCING SOURCES (USES)				
Proceeds from asset sales	-	-	10,853	10,853
Total other financing sources (uses)	-	-	10,853	10,853
Net change in fund balances	(3,883,589)	(3,883,589)	2,027,543	5,911,132
Fund balances--beginning	9,799,943	9,799,943	10,284,504	484,561
Fund balances--ending	\$ 5,916,354	\$ 5,916,354	\$ 12,312,047	\$ 6,395,693
Adjustment from budgetary basis to generally accepted accounting basis: Net change in fund balances per above			\$ 2,027,543	
Add: Capital outlay			1,118,137	
Less: Depreciation and amortization			(1,840,425)	
Budget/GAAP Pension Adjustment			(172,535)	
Budget/GAAP OPEB Adjustment			6,009	
Net income as reported in Proprietary Statement of Revenues, Expenses and Changes in Fund Net Position			\$ 1,138,729	

**SCHEDULE OF REVENUES,
EXPENDITURES/EXPENSES
AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL**

Internal Service Fund

Workers Compensation

CITY OF ROSEBURG, OREGON
Workers Compensation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2021

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Charges for services	\$ 250,000	\$ 250,000	\$ 249,999	\$ (1)
Investment revenue	17,500	17,500	6,517	(10,983)
Other revenues	-	-	750	750
Total revenues	267,500	267,500	257,266	(10,234)
EXPENDITURES				
Personal services				
Materials and services	419,981	419,981	232,704	187,277
Contingency	739,248	739,248	-	739,248
Total expenditures	1,159,229	1,159,229	232,704	926,525
Deficiency of revenues under expenditures	(891,729)	(891,729)	24,562	916,291
OTHER FINANCING SOURCES				
Proceeds from insurance reimbursements	-	-	34,366	34,366
Total other financing sources	-	-	34,366	34,366
Net change in fund balances	(891,729)	(891,729)	58,928	950,657
Fund balances--beginning	891,729	891,729	909,140	17,411
Fund balances--ending	\$ -	\$ -	\$ 968,068	\$ 968,068
Adjustment from budgetary basis to generally accepted accounting basis:				
Net change in fund balances per above			\$ 58,928	
Add: Change of Incurred But Not Reported expense			(34,410)	
Add: Capital outlay				
Less: Depreciation and amortization			(279)	
Net income (loss) as reported in Proprietary Statement of Revenues, Expenses and Changes in Fund Net Position			\$ 24,239	

STATISTICAL SECTION

CITY OF ROSEBURG, OREGON

Statistical Section

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

Contents

Page

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.

108

Revenue Capacity

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

118

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.

122

Demographic and Economic Information

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

125

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 performs.

128

Sources: Unless otherwise noted, the information in these schedules is derived from the City's annual comprehensive financial reports for the relevant year. This City implemented GASB Statement 34 in fiscal year 2003; all schedules include information beginning in that fiscal year and going forward.

CITY OF ROSEBURG, OREGON
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2012	2013	2014	2015
Governmental Activities				
Net investment in capital assets	\$ 122,202,187	\$ 121,131,760	\$ 119,999,473	\$ 119,274,886
Restricted	1,233,796	329,485	322,748	344,067
Unrestricted	<u>16,865,280</u>	<u>17,203,680</u>	<u>17,411,834</u>	<u>14,399,653</u>
Total governmental activities net position	140,301,263	138,664,925	137,734,055	134,018,606
Business-type activities				
Net investment in capital assets	70,429,132	72,405,783	76,162,913	77,480,016
Restricted	97,069	148,979	-	-
Unrestricted	<u>7,088,688</u>	<u>6,440,719</u>	<u>5,917,642</u>	<u>6,118,386</u>
Total business-type activities net position	77,614,889	78,995,481	82,080,555	83,598,402
Primary government				
Net investment in capital assets	192,631,319	193,537,543	196,162,386	196,754,902
Restricted	1,330,865	478,464	322,748	344,067
Unrestricted	<u>23,953,968</u>	<u>23,644,399</u>	<u>23,329,476</u>	<u>20,518,039</u>
Total primary government net position	<u>\$ 217,916,152</u>	<u>\$ 217,660,406</u>	<u>\$ 219,814,610</u>	<u>\$ 217,617,008</u>

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 121,413,376	\$ 121,816,094	\$ 128,850,637	\$ 129,982,304	\$ 129,914,625	\$ 129,222,779
28,422	38,521	45,596	277,703	429,947	1,972,335
3,779,917	2,109,992	(1,644,763)	504,906	(2,216,203)	(3,395,845)
125,221,715	123,964,607	127,251,470	130,764,913	128,128,369	127,799,269
75,700,736	75,087,602	74,567,894	73,999,473	74,440,430	72,748,852
-	-	-	-	-	-
6,764,028	7,714,260	8,846,109	12,019,596	13,362,802	16,105,127
82,464,764	82,801,862	83,414,003	86,019,069	87,803,232	88,853,979
197,114,112	196,903,696	203,418,531	203,981,777	204,355,055	201,971,631
28,422	38,521	45,596	277,703	429,947	1,972,335
10,543,945	9,824,252	7,201,346	12,524,502	11,146,599	12,709,282
<u>\$ 207,686,479</u>	<u>\$ 206,766,469</u>	<u>\$ 210,665,473</u>	<u>\$ 216,783,982</u>	<u>\$ 215,931,601</u>	<u>\$ 216,653,248</u>

CITY OF ROSEBURG, OREGON

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

(continued on next page)

	Fiscal Year			
	2012	2013	2014	2015
Expenses				
Governmental Activities				
General government	\$ 2,301,621	\$ 2,581,807	\$ 2,665,034	\$ 2,863,453
Public safety	12,086,382	12,351,730	12,380,935	9,782,042
Public works	9,547,088	9,569,423	11,379,821	10,071,557
Culture and recreation	1,658,199	1,742,796	1,857,692	1,673,298
Community development	843,907	1,093,141	980,529	1,079,491
Interest on long-term debt	531,303	454,242	511,628	511,175
Total governmental activities expenses	26,968,500	27,793,139	29,775,639	25,981,016
Business-type activities:				
Storm drain	1,774,078	1,609,192	1,681,894	1,678,702
Airport	947,272	943,358	921,620	1,007,830
Off street parking	201,700	199,155	181,101	194,695
Water	4,733,448	4,840,458	4,908,909	4,667,882
Golf	334,764	258,938	-	-
Total business-type activities expenses	7,991,262	7,851,101	7,693,524	7,549,109
Total primary government expenses	\$ 34,959,762	\$ 35,644,240	\$ 37,469,163	\$ 33,530,125
Program Revenues				
Governmental activities:				
Charges for services				
General government	\$ 1,355,643	\$ 1,383,602	\$ 2,533,710	\$ 3,295,586
Public safety	431,660	380,763	379,818	386,665
Public works	1,785,594	2,004,167	48,900	55,741
Culture and recreation	58,283	56,816	109,454	102,072
Community development	16,231	28,367	19,652	34,331
Operating grants and contributions	2,075,380	2,256,907	4,190,383	4,299,408
Capital grants and contributions	385,883	668,899	618,354	474,902
Total governmental activities program revenues	6,108,674	6,779,521	7,900,271	8,648,705
Business-type activities:				
Charges for services:				
Storm drain	940,955	975,116	1,281,501	1,423,750
Airport	410,576	342,509	348,257	349,233
Off street parking	134,227	111,315	117,711	144,419
Water	4,497,257	4,806,774	4,780,383	4,923,835
Golf	301,768	214,192	-	-
Operating grants and contributions	-	-	-	-
Capital grants and contributions	1,308,671	2,622,706	4,397,181	2,376,460
Total business-type activities program revenues	7,593,454	9,072,612	10,925,033	9,217,697
Total primary government program revenues	\$ 13,702,128	\$ 15,852,133	\$ 18,825,304	\$ 17,866,402
Net (Expense)/Revenue				
Governmental activities	\$ (20,859,826)	\$ (21,013,618)	\$ (21,875,368)	\$ (17,332,311)
Business-type activities	(397,808)	1,221,511	3,231,509	1,668,588
Total primary government net expense	\$ (21,257,634)	\$ (19,792,107)	\$ (18,643,859)	\$ (15,663,723)

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 4,466,584	\$ 3,650,618	\$ 3,455,286	\$ 3,975,489	\$ 3,679,224	\$ 4,388,243
18,058,464	15,180,934	15,498,590	15,420,769	17,723,135	18,070,775
12,307,748	11,096,517	9,641,812	8,904,662	7,783,923	7,696,715
2,358,375	2,182,612	2,119,521	2,562,905	2,870,286	2,937,885
1,432,439	1,374,057	1,744,992	4,461,579	2,534,009	1,724,006
422,746	311,094	247,245	209,384	178,385	163,866
<u>39,046,356</u>	<u>33,795,832</u>	<u>32,707,446</u>	<u>35,534,788</u>	<u>34,768,962</u>	<u>34,981,490</u>
1,671,645	1,750,092	1,823,067	1,876,178	2,009,999	2,063,947
1,199,630	1,108,229	1,125,206	1,104,571	1,033,822	1,022,972
178,735	175,272	127,663	134,137	124,750	124,208
5,862,763	5,448,567	5,658,712	5,647,251	6,013,051	6,409,625
-	-	-	-	-	-
<u>8,912,773</u>	<u>8,482,160</u>	<u>8,734,648</u>	<u>8,762,137</u>	<u>9,181,622</u>	<u>9,620,752</u>
<u>\$ 47,959,129</u>	<u>\$ 42,277,992</u>	<u>\$ 41,442,094</u>	<u>\$ 44,296,925</u>	<u>\$ 43,950,584</u>	<u>\$ 44,602,242</u>
\$ 3,307,718	\$ 3,556,864	\$ 3,735,729	\$ 3,930,981	\$ 3,968,740	\$ 3,969,189
443,671	317,735	521,703	496,034	438,951	401,243
61,634	64,007	54,205	68,326	29,270	30,543
112,752	100,302	71,829	93,707	106,845	122,775
37,529	38,397	40,435	49,699	66,106	47,026
4,481,256	3,822,946	3,109,489	6,061,615	3,295,718	3,408,324
524,767	622,607	6,031,918	3,469,110	1,255,683	2,350,443
<u>8,969,327</u>	<u>8,522,858</u>	<u>13,565,308</u>	<u>14,169,472</u>	<u>9,161,313</u>	<u>10,329,543</u>
1,574,742	1,758,504	1,962,338	2,198,028	2,303,927	2,322,695
362,318	369,928	379,909	404,512	409,633	405,111
120,785	42,500	41,250	47,500	29,881	39,856
5,099,393	5,376,613	5,901,252	6,431,978	6,598,935	7,149,583
-	-	-	-	-	-
-	-	-	-	14,121	-
<u>546,538</u>	<u>1,060,056</u>	<u>681,087</u>	<u>1,945,625</u>	<u>1,304,983</u>	<u>569,890</u>
<u>7,703,776</u>	<u>8,607,601</u>	<u>8,965,836</u>	<u>11,027,643</u>	<u>10,661,480</u>	<u>10,487,135</u>
<u>\$ 16,673,103</u>	<u>\$ 17,130,459</u>	<u>\$ 22,531,144</u>	<u>\$ 25,197,115</u>	<u>\$ 19,822,793</u>	<u>\$ 20,816,678</u>
\$ (30,077,029)	\$ (25,272,974)	\$ (19,142,138)	\$ (21,365,316)	\$ (25,607,649)	\$ (24,651,947)
(1,208,997)	125,441	231,188	2,265,506	1,479,858	866,383
<u>\$ (31,286,026)</u>	<u>\$ (25,147,533)</u>	<u>\$ (18,910,950)</u>	<u>\$ (19,099,810)</u>	<u>\$ (24,127,791)</u>	<u>\$ (23,785,564)</u>

CITY OF ROSEBURG, OREGON

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

(continued from previous page)

	Fiscal Year			
	2012	2013	2014	2015
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property taxes	\$ 14,913,045	\$ 15,114,422	\$ 15,517,666	\$ 15,818,547
Franchise taxes	4,036,584	4,015,410	4,782,836	4,335,939
Unrestricted grant and contributions	-	-	-	-
Investment earnings	121,645	125,839	114,687	115,796
Miscellaneous	288,805	204,703	373,857	509,885
Transfers	(93,013)	(66,040)	170,453	-
Proceeds from insurance	-	-	-	-
Proceeds from Line of Credit	-	-	-	-
Gain (Loss) on disposition of capital assets	84,596	(17,054)	-	(601,001)
Total governmental activities	<u>19,351,662</u>	<u>19,377,280</u>	<u>20,959,499</u>	<u>20,179,166</u>
Business-type activities:				
Investment earnings	39,966	40,081	35,020	31,401
Miscellaneous	16,320	24,726	18,979	15,715
Transfers	93,013	66,040	(170,453)	-
Proceeds from insurance	-	-	-	-
Gain on disposition of capital assets	3,564	28,253	25,710	-
Total business-type activities	<u>152,863</u>	<u>159,100</u>	<u>(90,744)</u>	<u>47,116</u>
Total primary government	<u>\$ 19,504,525</u>	<u>\$ 19,536,380</u>	<u>\$ 20,868,755</u>	<u>\$ 20,226,282</u>
Change in Net Position				
Governmental activities	\$ (1,508,164)	\$ (1,636,338)	\$ (915,869)	\$ 2,846,855
Business-type activities	(244,945)	1,380,611	3,140,765	1,715,704
Total primary government	<u>\$ (1,753,109)</u>	<u>\$ (255,727)</u>	<u>\$ 2,224,896</u>	<u>\$ 4,562,559</u>

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 16,137,423	\$ 16,590,532	\$ 17,359,467	\$ 18,318,833	\$ 16,486,961	\$ 17,372,899
4,480,949	5,181,645	5,549,481	5,567,873	5,471,470	6,100,327
-	-	-	-	-	-
133,816	213,352	314,021	448,961	374,720	152,460
527,950	541,987	901,150	554,412	637,954	550,091
-	-	(216,609)	-	-	-
-	4,545	-	-	-	-
-	1,500,000	-	-	-	-
-	111,465	-	(11,320)	-	147,070
<u>21,280,138</u>	<u>24,143,526</u>	<u>23,907,510</u>	<u>24,878,759</u>	<u>22,971,105</u>	<u>24,322,847</u>
40,203	85,070	149,551	272,526	287,370	127,655
11,100	186,405	10,457	67,034	13,325	32,657
-	-	216,609	-	-	-
-	-	2,312	-	-	-
24,056	6,818	-	-	3,610	24,052
<u>75,359</u>	<u>278,293</u>	<u>378,929</u>	<u>339,560</u>	<u>304,305</u>	<u>184,364</u>
<u>\$ 21,355,497</u>	<u>\$ 24,421,819</u>	<u>\$ 24,286,439</u>	<u>\$ 25,218,319</u>	<u>\$ 23,275,410</u>	<u>\$ 24,507,211</u>
\$ (8,796,891)	\$ (1,129,448)	\$ 4,765,372	\$ 3,513,443	\$ (2,636,544)	\$ (329,100)
(1,133,638)	403,734	610,117	2,605,066	1,784,163	1,050,747
<u>\$ (9,930,529)</u>	<u>\$ (725,714)</u>	<u>\$ 5,375,489</u>	<u>\$ 6,118,509</u>	<u>\$ (852,381)</u>	<u>\$ 721,647</u>

CITY OF ROSEBURG, OREGON
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2012	2013	2014	2015
General Fund				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Nonspendable	274,946	28,120	37,487	46,058
Restricted	-	110,059	12,355	44,505
Committed	-	-	-	-
Assigned	396,882	452,920	11,178	13,495
Unassigned	6,780,066	6,825,229	7,532,132	7,640,493
Total general fund	\$ 7,451,894	\$ 7,416,328	\$ 7,593,152	\$ 7,744,551
All Other Governmental Funds				
Reserved	\$ n/a	\$ n/a	\$ n/a	\$ n/a
Unreserved, reported in:				
Special revenue funds	n/a	n/a	n/a	n/a
Capital project funds	n/a	n/a	n/a	n/a
Nonspendable	-	-	-	-
Restricted	1,402,837	468,211	-	280,419
Committed	6,373,087	6,923,490	7,189,910	6,756,702
Assigned	3,171,717	3,329,738	3,885,043	4,760,749
Unassigned	-	-	-	-
Total all other governmental funds	\$ 10,947,641	\$ 10,721,439	\$ 11,074,953	\$ 11,797,870

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
33,189	37,928	46,667	43,046	40,482	40,800
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,517,736	7,472,448	7,251,032	7,220,858	8,426,896	9,948,009
<u>\$ 7,550,925</u>	<u>\$ 7,510,376</u>	<u>\$ 7,297,699</u>	<u>\$ 7,263,904</u>	<u>\$ 8,467,378</u>	<u>\$ 9,988,809</u>
\$ n/a	\$ n/a	\$ n/a	\$ n/a	\$ n/a	\$ n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
-	-	-	-	-	-
331,253	311,227	341,425	277,703	429,947	1,972,335
2,679,880	3,108,328	2,986,438	2,652,712	1,866,730	2,763,863
5,904,760	5,172,111	5,340,616	5,963,374	6,171,158	5,451,012
-	-	-	-	-	-
<u>\$ 8,915,893</u>	<u>\$ 8,591,666</u>	<u>\$ 8,668,479</u>	<u>\$ 8,893,789</u>	<u>\$ 8,467,835</u>	<u>\$ 10,187,210</u>

CITY OF ROSEBURG, OREGON
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2012	2013	2014	2015
Revenues				
Taxes	\$ 18,409,230	\$ 18,677,896	\$ 19,214,004	\$ 19,673,851
Bond Proceeds	-	-	4,840,000	-
Intergovernmental	2,932,200	2,916,052	5,402,286	5,479,846
Licenses and permits	146,272	142,731	155,044	168,459
Charges for services	3,001,089	3,360,043	3,121,991	3,103,190
System development fees	33,935	77,666	63,130	186,166
Fines and forfeitures	391,455	350,711	354,859	362,139
Special assessments	55,010	22,818	60,074	17,699
Investment revenue	112,293	121,909	111,375	112,778
Other revenues	354,690	408,992	256,668	184,316
Total revenues	<u>25,436,174</u>	<u>26,078,818</u>	<u>33,579,431</u>	<u>29,288,444</u>
Expenditures				
General government	1,893,380	2,164,271	6,763,202	1,971,127
Public safety	11,419,245	11,754,970	11,670,985	11,766,454
Public works	5,562,538	5,611,140	7,426,096	7,017,802
Culture and recreation	1,204,291	1,277,381	1,389,143	1,417,287
Community development	844,489	1,078,105	973,067	1,101,936
Intergovernmental	-	-	-	-
Capital Outlay	1,523,601	2,030,180	2,345,027	2,244,975
Debt service:				
Interest	531,403	454,342	499,802	520,112
Principal	1,780,000	2,000,000	1,768,061	2,645,000
Total expenditures	<u>24,758,947</u>	<u>26,370,389</u>	<u>32,835,383</u>	<u>28,684,693</u>
Excess (deficiency) of revenues over (under) expenditures	677,227	(291,571)	744,048	603,751
Other Financing Sources (Uses)				
Proceeds from line of credit	-	-	-	-
Proceeds from capital asset sales	95,659	15,397	25,033	12,750
Proceeds from insurance reimbursements	2,216	14,406	-	-
Contribution in aid of construction	-	-	-	-
Transfers in	4,382,367	4,589,859	2,210,730	2,804,255
Transfers out	(4,382,367)	(4,589,859)	(2,210,730)	(2,804,255)
Total other financing sources (uses)	<u>97,875</u>	<u>29,803</u>	<u>25,033</u>	<u>12,750</u>
Net changes in fund balances	<u>\$ 775,102</u>	<u>\$ (261,768)</u>	<u>\$ 769,081</u>	<u>\$ 616,501</u>
Debt service as a percentage of noncapital expenditures	9.95%	10.08%	7.44%	11.97%

		Fiscal Year									
		2016	2017	2018	2019	2020	2021				
\$	20,072,165	\$	21,101,887	\$	22,149,701	\$	23,184,608	\$	21,455,256	\$	22,771,104
	-		-		-		-		-		-
	5,741,195		5,071,880		6,038,782		9,858,339		5,690,709		6,784,065
	184,364		184,142		168,220		182,449		187,802		197,220
	3,060,657		3,192,173		3,514,035		3,618,452		3,717,722		3,752,835
	187,358		262,642		90,325		119,484		149,896		364,051
	416,438		295,817		344,892		427,921		347,169		360,178
	9,498		26,036		17,688		27,729		8,439		-
	128,422		209,348		306,093		430,226		356,985		152,147
	171,296		287,487		424,124		544,411		203,011		135,231
	<u>29,971,393</u>		<u>30,631,412</u>		<u>33,053,860</u>		<u>38,393,619</u>		<u>32,116,989</u>		<u>34,516,831</u>
	2,065,221		2,143,756		2,391,680		2,491,017		2,459,310		3,177,747
	12,103,430		12,574,010		13,681,015		13,682,966		14,992,552		15,669,770
	8,027,164		7,352,901		5,910,784		5,710,568		4,726,429		4,557,859
	1,438,558		1,573,602		1,533,127		1,936,538		2,270,035		2,409,848
	1,217,236		1,317,514		1,667,695		4,385,555		2,410,649		1,619,589
	-		-		-		-		-		-
	4,956,310		5,171,802		6,722,222		8,838,050		4,070,257		3,469,988
	-		-		-		-		-		-
	412,860		318,615		248,201		965,000		295,000		82,594
	<u>2,925,000</u>		<u>2,210,000</u>		<u>1,235,000</u>		<u>210,463</u>		<u>179,584</u>		<u>407,594</u>
	<u>33,145,779</u>		<u>32,662,200</u>		<u>33,389,724</u>		<u>38,220,157</u>		<u>31,403,816</u>		<u>31,394,989</u>
	(3,174,386)		(2,030,788)		(335,864)		173,462		713,173		3,121,842
	-		1,500,000		200,000		-		-		-
	98,783		166,012		-		18,053		64,347		118,964
	-		-		-		-		-		-
	-		-		-		-		-		-
	1,952,449		2,592,455		3,746,528		4,875,514		1,924,132		1,734,076
	(1,952,449)		(2,592,455)		(3,746,528)		(4,875,514)		(1,924,132)		(1,734,076)
	<u>98,783</u>		<u>1,666,012</u>		<u>200,000</u>		<u>18,053</u>		<u>64,347</u>		<u>118,964</u>
\$	<u>(3,075,603)</u>	\$	<u>(364,776)</u>	\$	<u>(135,864)</u>	\$	<u>191,515</u>	\$	<u>777,520</u>	\$	<u>3,240,806</u>
	11.84%		9.20%		5.56%		4.00%		1.74%		1.76%

CITY OF ROSEBURG, OREGON
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Real Property	Personal Property	Utilities	Total Taxable Assessed Value(4)	(Less) Urban Renewal Excess	Value Used to Compute Tax Rate (1)(2)	Real Market Valuation (3)	Assessed to Real Market Valuation	Total Direct Tax Rate
2021	\$ 1,906,896,493	\$ 82,700,278	\$ 81,234,080	\$ 2,070,830,851	\$ 27,907,894	\$ 2,042,922,957	\$ 3,120,035,141	65.48%	8.48
2020	1,851,120,370	86,847,519	73,600,030	2,011,567,919	22,637,271	1,988,930,648	3,068,010,320	64.83%	8.48
2019	1,848,438,874	87,649,000	74,813,620	2,010,901,484	278,995,414	1,731,906,000	3,167,156,261	54.68%	8.48
2018	1,759,590,553	87,451,298	64,105,139	1,911,146,990	255,972,875	1,655,219,115	2,879,174,915	57.49%	8.48
2017	1,689,380,795	89,220,648	59,067,640	1,837,663,191	249,176,156	1,588,470,819	2,701,406,536	58.80%	8.48
2016	1,634,945,620	87,255,557	58,428,840	1,776,796,089	241,454,574	1,538,459,989	2,595,503,901	59.27%	8.48
2015	1,602,226,927	95,023,543	52,312,018	1,745,840,226	235,603,952	1,513,414,338	2,628,895,414	57.57%	8.48
2014	1,566,041,335	93,275,613	47,332,170	1,703,035,271	22,855,022	1,477,874,387	2,564,871,831	57.62%	8.48
2013	1,529,246,929	90,372,056	44,888,200	1,664,507,185	217,671,955	1,446,835,230	2,572,361,801	56.25%	8.48
2012	1,502,843,982	87,005,502	49,035,604	1,638,885,088	210,368,317	1,428,516,771	2,699,065,887	52.93%	8.48

Douglas County Department of Assessment and Taxation

- (1): In May of 1997, Oregon voters approved Measure 50 which reduced property tax levies by local government for operations by about 17% state wide. It also reduces assessed values on individual properties to 1995-96 levels less 10%. Measure 50 also restricts future growth of assessed value of individual properties to 3% per year plus the value of any improvements. Bonded debt is exempt from Measure 50.
- (2): Assessed Valuation is the total dollar value placed on real and personal property as a basis for imposing taxes.
- (3): Real Market Value represents the amount of cash that could reasonably be expected by an informed seller from an informed buyer.
- (4): Total Taxable Assessed Value is Assessed Value less tax-exempt properties.

CITY OF ROSEBURG, OREGON
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Per \$1,000 of Assessed Value)

Fiscal Year	City Direct Rates			Overlapping Rates				
	Basic Rate	General Obligation Debt Service	Total Direct Rates	City's Downtown Rates	Douglas County	School Districts	4H Extension Service	Total Direct & Overlapping
2020-21	\$ 8.48	\$ -	\$ 8.48	\$ -	\$ 1.11	\$ 5.39	\$ 0.06	\$ 15.04
2019-20	8.48	-	8.48	-	1.11	5.50	0.06	\$ 15.15
2018-19	8.48	-	8.48	-	1.11	5.56	0.06	\$ 15.21
2017-18	8.48	-	8.48	-	1.11	5.55	0.06	\$ 15.20
2016-17	8.48	-	8.48	-	1.11	5.49	0.06	\$ 15.14
2015-16	8.48	-	8.48	-	1.11	5.61	0.06	\$ 15.26
2014-15	8.48	-	8.48	-	1.11	5.62	0.06	\$ 15.27
2013-14	8.48	-	8.48	-	1.11	5.62	0.06	\$ 15.27
2012-13	8.48	-	8.48	-	1.11	5.64	0.06	\$ 15.29
2011-12	8.48	-	8.48	-	1.11	5.64	0.06	\$ 15.29

*Source: County Assessor's Annual Certified Levy

CITY OF ROSEBURG, OREGON
Principal Property Taxpayers
Current Year and Ten Years Ago

	2021			2011		
	Private Enterprises	Taxable Assessed Valuation	Rank	Percentage of Total City Taxable		Rank
				Assessed Value	Assessed Valuation	
Charter Communications	\$ 16,970,500	1	0.82%	\$ -	-	0.00%
PAPF Roseburg LLC	16,380,507	2	0.79%	-	-	0.00%
Avista Corp	16,374,000	3	0.79%	-	-	0.00%
Centurylink	15,188,000	4	0.73%	-	-	0.00%
Pacificorp	14,337,000	5	0.69%	-	-	0.00%
CHI Living Communities	12,949,711	6	0.63%	-	-	0.00%
Harvard West LLC	12,383,315	7	0.60%	-	-	0.00%
Mactrust-Oakridge LLC	11,960,783	8	0.58%	-	-	0.00%
Costco Wholesale Corporation	11,075,000	9	0.53%	13,999,726	1	0.85%
Metropolitan Life Insurance Co	10,837,573	10	0.52%	11,611,382	3	0.71%
Qwest	-	-	0.00%	13,319,700	2	0.81%
Lowe's HIW Inc.	-	-	0.00%	11,247,522	4	0.69%
Emmi, Laudon & Wasselle Partnership	-	-	0.00%	11,166,538	5	0.68%
Home Depot USA, Inc.	-	-	0.00%	10,352,699	6	0.63%
Oakridge Associates Limited	-	-	0.00%	9,551,921	7	0.58%
Crown Development LLC	-	-	0.00%	8,809,811	8	0.54%
Parkway Medical Buildings, Inc.	-	-	0.00%	8,780,539	9	0.54%
Wal-Mart Real Estate Business Trust	-	-	0.00%	8,757,026	10	0.53%
TOTAL	\$ 138,456,389		6.68%	\$ 107,596,864		6.57%

Source: Douglas County Department of Assessment & Taxation

CITY OF ROSEBURG, OREGON
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied For the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2020-21	\$ 17,759,644	\$ 16,552,929	93.21%	\$ -	\$ 16,552,929	93.21%
2019-20	17,212,564	16,217,098	94.22%	282,593	16,499,691	95.86%
2018-19	18,786,242	17,580,925	93.58%	382,909	17,963,834	95.62%
2017-18	17,744,722	16,630,202	93.72%	541,049	17,171,251	96.77%
2016-17	17,018,378	15,856,752	93.17%	607,051	16,463,803	96.74%
2015-16	16,401,287	15,371,695	93.72%	622,309	15,994,004	97.52%
2014-15	16,201,733	15,091,169	93.15%	672,484	15,763,653	97.30%
2013-14	15,829,005	14,723,862	93.02%	708,775	15,432,637	97.50%
2012-13	15,402,819	14,265,195	92.61%	738,419	15,003,614	97.41%
2011-12	15,219,532	14,001,445	92.00%	880,673	14,882,118	97.78%

Source: Douglas County Department of Assessment & Taxation

CITY OF ROSEBURG, OREGON
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income (3)	Per Capita (3)
	General Obligation Bonds	Full Faith & Credit Bonds	Tax Increment Bonds	General Obligation Bonds	Full Faith & Credit Bonds				
2020-21	\$ -	\$ 3,060,000	\$ -	\$ -	\$ 1,074,290		4,134,290	0.38%	165.94
2019-20	-	3,385,000	-	-	1,158,278		4,543,278	0.43%	182.53
2018-19	-	3,680,000	-	-	1,243,352		4,923,352	0.48%	198.36
2017-18	-	4,645,000	-	-	1,324,402		5,969,402	0.64%	248.57
2016-17	-	5,680,000	-	-	1,407,930		7,087,930	0.79%	310.60
2015-16	-	6,390,000	-	-	1,425,000		7,815,000	0.91%	347.33
2014-15	-	9,315,000	-	-	1,490,000		10,805,000	1.29%	480.01
2013-14	-	11,960,000	-	-	1,550,000		13,510,000	1.66%	600.44
2012-13	-	9,455,000	-	-	1,610,000		11,065,000	1.44%	504.79
2011-12	-	9,485,000	1,970,000	-	1,665,000		13,120,000	1.78%	604.89

Source:

(3) See the Schedule of Demographic and Economic Statistics for personal income and population data.

**Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years**

<u>General Bonded Debt Outstanding</u>					
<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Total</u>	<u>Percentage of Actual Taxable Value of Property (1)</u>	<u>Per Capita</u>	
2020-21	\$ -	-	0.00%	-	
2019-20	-	-	0.00%	-	
2018-19	-	-	0.00%	-	
2017-18	-	-	0.00%	-	
2016-17	-	-	0.00%	-	
2015-16	-	-	0.00%	-	
2014-15	-	-	0.00%	-	
2013-14	-	-	0.00%	-	
2012-13	-	-	0.00%	-	

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

(1) Population data can be found in the Schedule of Demographic and Economic Statistics.

CITY OF ROSEBURG, OREGON
Legal Debt Margin
Last Ten Fiscal Years

Fiscal Year	Real Market Value	Legal Debt Margin			Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
		General Obligation Debt Capacity (3% of RMV)	Debt Applicable to Limitation	Legal Debt Margin	
2021	\$ 3,120,035,141	\$ 93,601,054	\$ -	\$ 93,601,054	0.00%
2020	3,068,010,320	92,040,310	-	92,040,310	0.00%
2019	3,167,156,261	95,014,688	-	95,014,688	0.00%
2018	2,879,174,915	86,375,247	-	86,375,247	0.00%
2017	2,701,406,536	81,042,196	-	81,042,196	0.00%
2016	2,595,503,901	77,865,117	-	77,865,117	0.00%
2015	2,628,895,414	78,866,862	-	78,866,862	0.00%
2014	2,564,871,831	76,946,155	-	76,946,155	0.00%
2013	2,572,361,801	77,170,854	-	77,170,854	0.00%
2012	2,699,065,887	80,971,977	-	80,971,977	0.00%

Source: Douglas County Department of Assessment and Taxation

CITY OF ROSEBURG, OREGON
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	City Population (1)	Personal Income (2)	Per Capita Personal Income (3)	School Enrollment (4)	Unemployment Rate (5)
2020-21	24,915	N/A	N/A	5,581	6.3%
2019-20	24,870	1,052,846,580	42,334	5,690	10.8%
2018-19	24,820	1,002,926,560	40,408	5,663	5.3%
2017-18	24,015	930,629,280	38,752	5,736	5.2%
2016-17	22,820	846,097,140	37,077	5,791	4.7%
2015-16	22,500	809,482,500	35,977	5,827	7.3%
2014-15	22,510	777,067,710	34,521	5,842	9.7%
2013-14	22,275	753,362,775	33,821	5,927	11.0%
2012-13	21,920	709,966,880	32,389	5,928	12.2%
2011-12	21,690	677,205,180	31,222	6,236	13.3%

Source: (1) Population Research Center, Portland State University.
(2) Population Multiplied by Per Capita Personal Income.
(3) Oregon Bureau of Economic Analysis
(4) Roseburg School District.
(5) Oregon State Division of Employment.

N/A: Data was not available for this year.

CITY OF ROSEBURG, OREGON
Principal Employers
Current Year and Ten Years Ago

<u>Employer</u>	<u>2021</u>			<u>2011</u>		
	<u>Estimated No. Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Estimated No. Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Roseburg Forest Products	1,599	1	4.23%	1,936	1	5.63%
VA Medical Center	1,275	2	3.37%	725	6	2.11%
CHI -Mercy Healthcare, Inc	1,272	3	3.37%	1,065	2	3.10%
Seven Feathers Hotel & Gaming Center	700	4	1.85%	779	4	2.26%
Swanson Group	632	5	1.67%	292	7	0.85%
Roseburg School District	598	6	1.58%	765	5	2.22%
Douglas County	475	7	1.26%	785	3	2.28%
Oregon Department of Transportation	460	8	1.22%	n/a		
Orengo	384	9	1.02%	n/a		
First Call Resolution	345	10	0.91%	n/a		
Umpqua Bank				286	8	0.83%
Wal-Mart				263	9	0.76%
DCIPA				251	10	0.73%
	<u>7,740</u>		<u>20.48%</u>	<u>7,147</u>		<u>20.77%</u>

Source: Umpqua Economic Development Partnership, Oregon Employment Department

CITY OF ROSEBURG, OREGON
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	Full-time Equivalent Employees at June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
City Manager's Department	4	5	4.5	4.5	4.5	4.5	5	5	5	6
Finance Department	9	8	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3
Information Technology Division	2	2	2	2	2	2	2	2	2.5	2.5
Community Development Dept.										
Planning Division	3.5	3.5	3.5	3.6	4.5	5	5	6	6	6
Library	0	0	0	0	0	0	0	2	3.5	3.5
Total General Government:	18.5	18	17.3	17.4	18.3	18.8	19.3	22.3	24.3	25.3
Police										
Officers	35	39	36	36	36	36	38	38	39	39
Civilians	4	4	4	4	4	4	4	4	4	4
Total Police Department:	39	43	40	40	40	40	42	42	43	43
Fire Department										
Firefighters and officers	39	43	41	40	40	40	40	40	40	40
Civilians	1.5	1.5	1	1	1.5	1.5	1.75	1.75	2	2
Total Fire Department:	40.5	44	42	41	41.5	41.5	41.75	41.75	42	42
Municipal Court	3.5	3.7	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
Airport	1	1	1	0.5	0.5	0.5	0.5	0	0	0
Public Works Department										
Administration	4	4	3.5	3	3	3	3	3	3	3
Engineering	7	7	7	6.25	6.5	7.5	7.5	7.5	7.5	7
Building Maintenance Division	3	3	3	3	3	3	3	3	3	3
Street Division	12	12.8	12.6	12.6	12.6	12.6	12.6	12.6	12.6	12.6
Water Service										
Production	6	6	6	6	6	6	6	6	6	6
Transmission & Distribution	11	11	11	11	11	11	11	11	11	11
Parks and Recreation Dept.										
Administration	2	2	2.3	2.25	2.25	2.25	2.25	2.25	2.25	2.25
Parks Maintenance Division	8	10	11	11	11	11	12	12	13	13
Golf Maintenance Division	1	0	0	0	0	0	0	0	0	0
Total Public Works Department:	54	55.8	56.4	55.1	55.35	56.35	57.35	57.35	58.35	57.85
Total City Employees:	156.5	165.5	159.9	157.2	158.9	160.35	164.1	166.6	170.85	171.35

Source: City Payroll Department

CITY OF ROSEBURG, OREGON
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year		
	2012	2013	2014
Police Protection:			
Physical arrests	5,095	5,145	4,774
Traffic violations	5,183	5,063	4,157
Parking violations	3,923	2,971	2,738
Calls for service	20,792	20,573	21,393
Number of police personnel and officers	39	39	40
Fire Protection			
Emergency responses	4,676	4,853	4,722
Inspections	660	374	510
Number fire personnel and officers	42	43	42
Highways and streets			
Street resurfacing (miles)	4.78	2.80	4.65
Water system:			
Number of services	10,655	10,683	10,835
Daily average production in gallons	4,340,000	4,530,000	4,460,000
Facilities and services not included in the reporting entity:			
Sewerage System:			
Daily average treatment in gallons	4,060,000	3,740,000	3,480,000
Maximum daily capacity of treatment plant in gallons	7,900,000	7,900,000	7,900,000
Number of service connections	10,266	10,275	10,326
Education:			
Total school enrollment	5,928	5,927	5,842
Number of elementary school instructors	110	108	118
Number of secondary school instructors	124	124	165
Hospitals			
Number of patient beds (includes V.A. Medical center)	315	315	315

Sources: Various city departments and Roseburg Urban Sanitary District.

Fiscal Year						
2015	2016	2017	2018	2019	2020	2021
4,755	4,814	4,254	2,896	2,946	3,165	3,045
5,023	3,841	2,616	2,183	1,710	1,976	2,027
2,630	3,469	2,378	3,466	3,093	N/A	N/A
22,049	23,540	23,219	34,779	33,454	34,023	32,813
40	40	40	40	40	43	43
5,249	5,843	6,309	6,156	5,970	5,935	5,886
309	212	257	316	718	298	387
41	43	42	43	42	42	42
4.65	4.65	0.64	1.05	1.18	3.00	3.28
10,862	11,062	11,280	11,339	11,384	11,364	11,410
4,670,000	4,675,000	4,472,000	4,522,000	4,558,750	4,560,000	4,980,000
3,480,000	3,480,000	3,480,000	4,830,000	3,630,000	4,390,000	3,670,000
7,900,000	7,900,000	7,900,000	7,900,000	7,900,000	30,000,000	30,000,000
10,360	10,423	10,474	10,504	10,554	10,600	10,634
5,827	5,785	5,791	5,736	5,663	5,690	5,581
132	147	133	148	157	162	164
148	157	147	144	156	155	157
315	315	264	273	273	268	268

CITY OF ROSEBURG, OREGON
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year		
	2012	2013	2014
Police Protection:			
Number of stations	1	1	1
Number of patrol units (including motorcycles)	12	12	12
Fire Protection:			
Number of stations	3	3	3
Highways and Streets:			
Streets (miles)	118	118	118
Streetlights	1,895	1,895	1,895
Traffic signals	32	32	32
Water system:			
Miles of water mains	195	195	196
Number of fire hydrants	1,297	1,301	1,317
Miles of storm sewers	95	95	95
Culture and Recreation:			
Parks	20	20	20
Park acreage	428	428	428
Golf courses	1	1	1
Tennis courts	18	18	18
Regional Airport:			
Runway (length in feet)	4,600	5,000	5,000
Hangars	98	98	98
Fuel Facility	1	1	1
Facilities and services not included in the reporting entity:			
Sewerage System:			
Miles of sanitary sewers	160	160	160
Number of treatment plants	1	1	1
Education:			
Number of elementary schools	9	9	9
Number of secondary schools	3	3	3
Number of community colleges (overlapping district)	1	1	1
Hospitals:			
Number of hospitals (includes V.A. Medical center)	2	2	2

Sources: Various city departments and Roseburg Urban Sanitary District.

Fiscal Year						
2015	2016	2017	2018	2019	2020	2021
1	1	1	1	1	1	1
13	13	14	14	13	14	15
3	3	3	3	3	3	3
118	118	120	120	121	131	132
1,895	1,932	1,976	1,976	1,996	2,026	2,050
33	33	33	33	31	32	32
196	196	197	197	197	197	198
1,320	1,324	1,332	1,342	1,362	1,358	1,365
95	92	75	76	77	77	77
20	20	20	20	20	20	20
428	428	428	428	428	428	428
1	1	1	1	1	1	1
18	18	18	17	17	17	17
5,000	5,000	5,000	5,000	5,000	5,000	5,000
98	98	98	98	98	98	98
1	1	1	1	1	1	1
160	160	162	160	162	165	165
1	1	1	1	1	1	1
8	8	8	8	8	8	8
3	3	3	3	3	4	4
1	1	1	1	1	1	1
2	2	2	2	2	2	2

AUDIT COMMENTS



INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATION

The Honorable Mayor and City Council Members
City of Roseburg
900 SE Douglas Ave
Roseburg, OR 97470

We have audited the financial statements of the City of Roseburg for the year ended June 30, 2021 and have issued our report thereon dated December 10, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial 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.

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

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

In connection with our testing, nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Municipal Corporations, with the following exceptions:

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 opinions 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

Restrictions on Use

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

Neuner Davidson & Co.



By: _____
Jeffrey R. Cooley
Roseburg, Oregon
December 10, 2021



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Mayor and City Council Members
City of Roseburg
900 SE Douglas Ave
Roseburg, OR 97470

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of CITY OF ROSEBURG, OREGON as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 10, 2021.

Internal Control over Financial Reporting

In planning and performing our audit, we considered CITY OF ROSEBURG'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 OF ROSEBURG's internal control. Accordingly, we do not express an opinion on the effectiveness of the CITY OF ROSEBURG's internal control.

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

Our consideration of internal control 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 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.

CITY OF ROSEBURG
GAS Report of Internal Control and Compliance

Compliance and Other Matters

As part of obtaining reasonable assurance about whether CITY OF ROSEBURG's financial statements are free of material misstatement, we performed test 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 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 of 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.

Neuner Davidson & Co



Jeffrey R. Cooley, CPA
Roseburg, Oregon
December 10, 2021

SINGLE AUDIT ACT SECTION



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

The Honorable Mayor and City Council Members
City of Roseburg
900 SE Douglas Ave
Roseburg, OR 97470

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

CITY OF ROSEBURG
Independent Auditor's Report on Compliance

Report on Internal Control over Compliance

Management of the CITY OF ROSEBURG's 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 OF ROSEBURG'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 OF ROSEBURG's internal control over compliance.

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

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

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.

Neuner Davidson & Co



Jeffrey R. Cooley, CPA
Roseburg, Oregon
December 10, 2021

CITY OF ROSEBURG, OREGON
Schedule of Expenditures of Federal Awards By Grant
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Grant Period	Grant Number	Grant Amount	2020-21 Revenues	2020-21 Expenditures
Highway Safety Cluster-Cluster						
Department of Transportation						
State an Community Highway Safety						
National Priority Safety Programs	20.600	10/1/19-9/30/20	20-GR-10	1,500	1,153	1,153
National Priority Safety Programs	20.616	10/1/20-9/30/21	21-GR-08	3,500	1,001	1,001
National Priority Safety Programs	20.616	10/1/19-9/30/20	20-GR-07	3,500	2,192	2,192
National Priority Safety Programs	20.616	10/1/20-9/30/21	20-GR-07	2,000	636	636
National Priority Safety Programs	20.616	10/1/19-9/30/20	FHX-19-60-021801.9	2,500	217	217
Total National Priority Safety Programs						<u>5,199</u>
Total Department of Transportation						<u>5,199</u>
Total Highway Safety Cluster-Cluster						
						<u>5,199</u>
Other Programs						
Department of the Treasury						
Coronavirus Relief Fund Grant-CARES Act						
Coronavirus Relief Fund Grant-CARES Act	21.019	7/1/20-12/30/21		699,455	699,455	699,455
Coronavirus Relief Fund Grant-CARES Act	21.019	9/15/20-12/30/20		2,500	2,077	2,077
Total Department of the Treasury-CARES ACT						<u>701,532</u>
Department of Homeland Security						
Fire Management Assistance Grant						
Fire Management Assistance Grant	97.046	9/1/20-11/30/20		68,396	68,396	68,396
Total Department of Homeland Security						<u>68,396</u>
United States Department of Justice						
National Criminal History Improvement Program (NCHIP)						
Bulletproof Vest Partnership Program						
Bulletproof Vest Partnership Program	16.607	10/1/18-8/31/20		10,430	472	472
Justice and Mental Health Collaboration Program	16.745	1/1/19-12/31/21	2018-MO-BX-0025	750,000	126,871	126,871
Total United States Department of Justice						<u>127,343</u>
Department of Transportation						
Airport Improvement Program						
Airport Improvement Program-Runway Lights						
Airport Improvement Program-Runway Lights	20.106	7/1/18-6/30/19	3-41-0054-026-2019	642,165	508,918	45,546
Airport Improvement Program-CARES Act	20.106	1/20/20-7/3/20	3-41-0054-027-2020	102,000	23,000	23,000
Total Airport Improvement Program						<u>68,546</u>
Total Department of Transportation						<u>68,546</u>
Department of Housing and Urban Development						
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii						
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii						
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.218	9/30/19-9/30/20		100,000	5,059	5,059
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	7/1/20-6/30/21	CDBG 2020	150,000	150,000	150,000
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	7/1/18-6/30/19	H17013 236-27	400,000	15,014	15,014
Total Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii						<u>170,073</u>
Total Department of Housing and Urban Development						<u>170,073</u>
Federal Institute of Museum and Library Services						
State Library of Oregon Passthrough Agency						
Roseburg Library STAM Programming						
Roseburg Library STAM Programming	45.310	7/1/20-6/30/21		24,757	24,757	24,757
Teen Service Grant	45.310	5/1/21-8/31/21		2,000	2,000	2,000
WIFI Hot Spots	45.310	9/30/20-6/30/21		11,794	11,321	11,321
Total Library Program						<u>38,078</u>
Total Federal Institute of Museum and Library Services						<u>38,078</u>
Total Other Programs						<u>1,173,968</u>
Total Expenditures of Federal Awards						<u>1,179,167</u>

The accompanying notes are an integral part of this schedule.

CITY OF ROSEBURG
Notes to Schedule of Expenditures of Federal Awards
June 30, 2021

Note 1. **Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of CITY OF ROSEBURG and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. **Sub-recipients**

Of the federal expenditures presented in the schedule, CITY OF ROSEBURG provided no federal awards to sub-recipients.

CITY OF ROSEBURG
Auditors Comments
For the Fiscal Year ended June 30, 2021

Summary of the Auditor's Results

The audit report issued December 10, 2021, on the general purpose financial statements of CITY OF ROSEBURG as of and for the year ended June 30, 2021, was an unqualified opinion. The audit did not disclose any reportable conditions in internal control for either major or nonmajor programs, nor did the audit disclose any noncompliance which may be material to the financial statements. The audit report on compliance for major programs was an unqualified opinion. There were no audit findings required to be reported in accordance with 2 CFR section 200.216(a).

The major programs identified by CITY OF ROSEBURG were:

Treasury Coronavirus Relief Fund 21.019

The threshold used to distinguish between Type A and Type B programs was \$750,000. The City did not qualify as a low-risk auditee under Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Findings required to be reported in accordance with generally accepted government auditing standards (GAGAS):

No Findings.

Findings and questioned costs for Federal awards:

Current Year:

No Findings or Questioned Costs.

Summary Schedule of Prior Audit Findings:

No Findings or Questioned Costs