

# FISCAL | 20 YEAR | 25

Annual Comprehensive Financial Report  
Fiscal Year Ended June 30, 2025  
City of Springfield, OR

EMBRACING |  | JOURNEY

Attachment 1  
Page 1 of 226







CITY OF SPRINGFIELD, OREGON

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

Fiscal Year Ended June 30, 2025

Prepared by:

Finance Department  
Accounting Division





City of Springfield, Oregon

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2025

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# Introductory Section







**FINANCE DEPARTMENT**  
ACCOUNTING / REPORTING  
ACCOUNTS RECEIVABLE / PAYABLE  
ASSESSMENTS  
BUDGETING / TREASURY  
PAYROLL  
PURCHASING

225 FIFTH STREET  
SPRINGFIELD, OR 97477  
(541) 726-3705  
FAX (541) 726-3782  
[www.ci.springfield.or.us](http://www.ci.springfield.or.us)

December 10, 2025

To the Citizens of Springfield, Oregon  
The Honorable Sean VanGordon  
Members of the City Council

Local ordinances and state statutes require that the City of Springfield issue a report on its financial position and activity within six months of the close of each fiscal year. In addition, this report must be audited in accordance with auditing standards generally accepted in the United States of America by an independent firm of certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the City of Springfield for the fiscal year ended June 30, 2025.

This report consists of management's representations of the City's finances. Consequently, responsibility for the accuracy of the data and for the completeness and fairness of the presentation, including all disclosures, rests with management. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls is designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Springfield's financial statements have been audited by REDW, LLC (formerly Grove, Mueller & Swank), a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Springfield for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Springfield's financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that 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 the MD&A and should be read in conjunction with it. The City of Springfield's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

The City of Springfield was incorporated on February 25, 1885. The City has a council-manager form of government. The six-member City Council sets overall city policy and goals. The City Council also makes laws, or ordinances, which govern the City. Councilors are nominated from each of the six wards and are elected at large for four-year staggered terms. The Mayor, elected at large to a four-year term, is the chief elected officer of the City and is responsible for providing political and policy leadership for the community. The Mayor has no executive power, but presides at City Council meetings and serves as the ceremonial head of the City.

Home to approximately 63,304 people, Springfield is bordered north and south by the McKenzie and Willamette Rivers, covering approximately 15 square miles in Lane County. The Springfield community has rich cultural assets, such as the Springfield Museum and Historic Interpretive Center, Washburne Historic District, Springfield Railroad Depot, Oregon Trail Mural, and Dorris Ranch Living History Farm.

The City provides a full range of municipal services. These services include police, fire, emergency medical services, municipal court, community planning and development, library, wastewater management, stormwater management, general public works, central service administration, and other functions associated with a full-service city.

For financial reporting purposes, the City includes all funds 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 Springfield, although legally separate, have been blended with those of the City by including them in the appropriate statements and schedules in this report. Other potential component units have been evaluated and determined not to be component units of the City according to the criteria provided by the Governmental Accounting Standards Board.

For financial planning and control, the City prepares and adopts an annual budget in accordance with Oregon law. The law establishes standard procedures for preparing, presenting, and administering the budget. It requires citizen involvement in the preparation of the budget and public disclosure of the budget before final adoption. The activities of all the funds of the City (except the Custodial Fund, which accounts only for non-budgeted pass-through monies) are included in the annual budget, as required by state law. The City prepares its budget, as allowed under Oregon law, using the modified accrual basis of accounting. The legally adopted budget is presented at the departmental level for current expenditures, with separate appropriations established for capital projects, debt service, interfund transfers, miscellaneous fiscal transactions, contingencies, unappropriated fund balances, and reserves.

Under the changes made by Measure 50, Oregon's municipalities now levy their annual property taxes on a partial rate-based levy system. Springfield has been assigned a permanent tax rate of \$4.7403 per thousand dollars of assessed valuation for its annual property tax operating levy. This amount can be supplemented through a voter-approved levy. In November 2020, Springfield voters renewed a special purpose five-year property tax levy for fire and life-safety services at a



rate of \$0.38 per thousand beginning July 1, 2021. In November 2022, Springfield voters renewed a special purpose five-year property tax levy for police, municipal court, and jail services at a rate of \$1.40 per thousand beginning July 1, 2023. Springfield still has the authority to levy an additional dollar value property tax levy for the retirement of its voter-approved general obligation bond debt. For the fiscal year ended June 30, 2025, the amount of the tax levy for general obligation debt was \$1.16 per thousand.

### **Local Economy July 2024-June 2025**

Springfield's accessibility, diversity of industry, and steady pace of new and redevelopment continue to bolster the desirability of the community. Springfield continues to see patterns of investments in local manufacturing and traded sector activities, increased property values, and momentum in private and public projects including infrastructure investments. Springfield is made up of a mix of industries and a balance of mature phase and startup phase companies which only reinforces the benefits of economic diversification. This diversification has contributed to the levels of stability within the local economy during FY25.

Springfield is experiencing an emphasis on delivering much needed housing to the area despite ongoing unfavorable commercial lending conditions. In recent years, the City of Springfield has approved hundreds of new units of multifamily housing. Land use applications focusing on increasing density in residential areas continue to remain steady. This indicates that the Springfield market for housing and new development continues to be favorable enough for current projects to proceed to construction and new projects to begin to take steps to development.

### **Property Values**

Per the Lane County Taxation and Assessors office, total assessed property values have steadily increased over the last decade. From tax year 2024 to 2025, median assessed value increased from \$182,487 to \$189,049, an increase of 3.6%, holding steady from FY24's increase of 3.6%. This continued growth reflects the stability of the Springfield land market as it is becoming a more desirable place for people to invest in business and households. In total, FY25 assessed property values in the City of Springfield totaled over \$6.15 billion, an increase of \$228.5 million over FY24.

### **Population Growth**

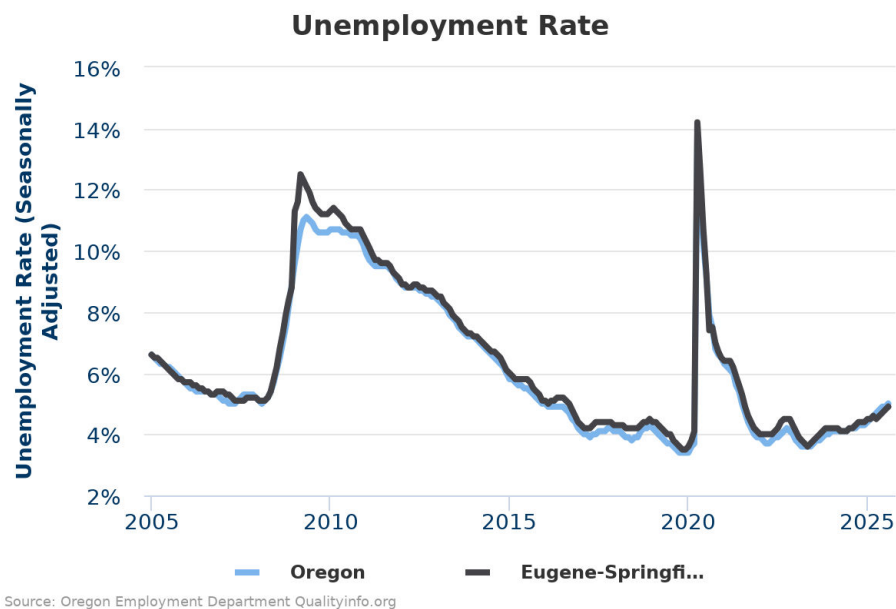
According to the Portland State University Population Research Center, Springfield's population slightly increased in FY25 with an estimated population of 63,304. With the revised 2024 population estimate at 62,996, Springfield experienced an increase of 308 community members (0.5%) from 2024. This increase is higher than the broader Lane County Region that increased .2%, but lower than the neighboring community of Eugene, which increased 1.2% from the prior year. Residential inventories continue to be competitive, despite less-than-ideal lending conditions.

In general, Springfield's population trends are attributable to several variables, including population estimation methodology used by the Portland State University Population Research

Center, but also impacts of existing limited housing supply and land, rising costs of construction which continues to see high unit and labor pricing, and trends in new single and multi-family housing starts.

## Job Growth

Notable trends are reflected in the jobs regained following initial pandemic caused layoffs. Many of these layoffs were seen temporarily in medical and retail fields, with jobs returning as early shutdowns eased and consumers regained confidence in daily activities. While some industries like hospitality and leisure continue to feel the impacts of the changing economy post-COVID, Springfield has fully recovered its employment base from February 2020 and has added three percent more jobs beyond that base due to its strength in manufacturing, transportation, construction, and financial activities sectors. In the past year, the unemployment is starting to inch higher to 4.7% in June from 4.1% the prior year.



## Springfield Target Industries

Springfield's diversity of target industries has allowed the local economy to remain active throughout FY25. That diversity is attributed most prevalently due to a high concentration of health care, retail, accommodation and food services, manufacturing, construction, and administrative services industries. Specifically, within these industries Springfield's focus has been natural resources, advanced manufacturing, health care, and construction and its supporting trades. These industries also serve as the primary employment bases for the community. The city is home to multiple timber processing facilities, two hospitals, a major health insurance provider, and an array of trades and trades-supporting businesses.

The Springfield business climate remains stable, supportive, and focused on growth and expansion opportunities for these target industries and employers. Years of establishing positive relationships, a strong connection to the Chamber of Commerce, and a reputation for being open for business assure that future opportunities for growth and expansion remains a priority in Springfield.

### **Significant Event Sampling**

- **Urban Renewal Property Tax Performance.** In FY25 both the Glenwood and Downtown Urban Renewal Areas saw greater than average increases in property tax performance due to continued investments in the areas and property taxes returning to the rolls after tax incentives. For the third year in a row since establishment of Springfield's two Urban Renewal Districts, Downtown outperformed Glenwood in terms of excess assessed value revenue. This is notable because Downtown is a significantly smaller land area with different and unique redevelopment considerations.
- **Residential Development.** Construction continues across the city for residential development. In FY25 the Springfield City Council established a new property tax incentive program to assist with the cost of developing new multi-unit buildings. This incentive has been implemented across the state and will continue to bolster investment in Springfield. Notable residential investments include the Marcola Meadows single unit and multifamily subdivision, single unit subdivision in southeastern Springfield by Hayden Homes, and downtown's first market rate, new construction units in the Rivett Building. FY24 saw the continuation of construction for multifamily units, continued marketing and sale of single-family homes, and ribbon cutting for the completed apartment units. This interest in construction in Springfield has remained high despite unpredictability in tariffs and challenges in securing financing.
- **Glenwood Riverfront Master Planning.** In FY25, the Springfield Economic Development Agency (SEDA) continued work with the consultant team of planners, engineers, land use professionals, and ecological experts for master planning services on the 23-acre parcel. Master planning assures that the area is developed in an intentional and cohesive manner, while leaving flexibility for uses in the future both by the City, SEDA, and the adjacent landowners. Major milestone for FY25 include successful relocation of residential tenants, demolition of nuisance structures, and annexation of the properties from Lane County to City of Springfield jurisdiction. Annexation is a required and essential first step to future predevelopment investments.

### **Long-term Financial Planning**

The City's long-range financial planning efforts mirror many other cities by producing trend line projections for both revenue and expenditures based upon individual analysis of both primary revenue and expenditures. The annual budget and five-year forecasts for the City's more significant funds serve as the foundation for the City's financial planning.



Financial policies are central to a strategic, long-term approach to financial management. Currently, the City of Springfield has a three-page document representing the Financial Management Policies and recently initiated a project to review the fiscal health of our organization starting with a review and revision of outdated policies. The current City policies have three different update characteristics; these are: (1) policies that *conflict* with current practices; (2) policies that are simply *out-of-date*; and (3) policies that *require clarification*. Additionally, there are important policies that are not currently addressed, as well as policies that are better left to administrative process.

The Finance Department identified nine policies for potential revision with six completed to date. Our objective is to update other financial policies in order to develop a strategic, long-term approach to: (1) minimize the cost of government and reduce financial risk; (2) maintain appropriate financial capacity for present and future needs; and (3) ensure the legal use of financial resources through an effective system of internal controls.

Another objective of the policy reviews was to better understand how budget decisions impact the long-term stability of the City's financial position. A critical component is the make-up of the different accounting funds and how each has its own unique external forces that can impact its financial stability. The last recession did not treat all funds equally and lessons can be learned about the early identification of stress signs and what can be done to be able to respond in a timely manner. A part of this exercise is to ensure that staff is providing adequate guidance for the Council and Budget Committee in these matters.

The City's General Fund, Building Code Fund, Sewer Fund, and Storm Drainage Fund all meet current Council adopted policies for maintaining adequate contingency and working capital. The City has two operating funds, the Street Fund and Ambulance Fund, that do not currently meet the guidelines for maintaining adequate contingency and working capital; however, City staff are making these funds a top priority in its fiscal health exercise.

Utility enterprise operations such as sanitary sewer and stormwater, where there is the ability for the Council to make choices about raising monthly fees, have been better able to increase revenues to meet expenditure needs. Throughout this period, the combination of tempering expenditures with modest rate increases has allowed these enterprises to continue their vital maintenance needs.

The City updates its Capital Improvement Program (CIP) every two years. The FY25-FY29 CIP was adopted by the City Council in January 2024. More capital projects for the Wastewater programs will be scheduled in the years which began in FY23 as an update of the hydraulic model has been completed and the Wastewater Master Plan has been updated. Planning and projects in the stormwater program are also scheduled in the FY23-FY27 CIP with significant efforts that began in FY24. After borrowing funds in the early 2000's to catch up on capital needs, these utilities have been able to establish adequate reserves to meet current needs.

The City's capital resources for street improvements have not been able to match capital needs and the City asked voters for the approval of a 5-year \$10 million general obligation bond in November of 2018, which passed with 55% voter approval, to address the most immediate needs. All of the bond projects were designed and constructed ahead of schedule and are now complete. In May of

2024, the citizens of Springfield approved another 5-year \$20 million general obligation bond to continue this work. All of these projects are in design and many of the projects are planned to go out for construction bid in 2026.

## **Major Initiatives**

General Fund Fiscal Stability – The City’s General Fund faces both a long-term structural imbalance and a near-term budget deficit. The structural imbalance stems from decades of limited property tax growth resulting from state ballot measures passed in the 1990’s that placed limits on the amount of property taxes that could be levied to fund local government as well as the rate at which that amount could grow. The near-term budget deficit is primarily due to inflationary pressures and broader economic constraints across federal, state, and local levels. In an effort to address these issues, the City’s Mayor convened a Fiscal Stability Task Force composed of 12 Springfield community leaders that met for nine consecutive weeks in early 2025 with the purpose of developing an understanding of City services and finances and providing the City Council with a final report with community-driven recommendations for sustainable funding of those services.

The Task Force’s final report outlined nine actionable recommendations designed to help close the City projected General Fund deficit and ensure long-term fiscal health:

- Reduce Library budget by \$500,000
- Implement a shared employee and employer payroll tax (with guardrails) to generate approximately \$2,300,000.
- Adjust Police and Life & Safety levies to reflect full-service costs, generating approximately \$1,300,000.
- Implement traffic cameras with any net revenue directed toward public safety needs.
- Reduce Police overtime.
- Review City-owned properties for potential sale or development.
- Examine development opportunities in the Gateway employment area.
- Develop and implement a business retention and expansion strategy.
- Support state-level efforts to modernize Oregon’s local revenue system, including reforms to measure 5 & 50.

Over the coming years, City staff will be engaging the City Council on the recommendations with the goal of implementing the recommendations that will best address the City’s fiscal challenges.

Urban Renewal – The City established, with voter approval, two urban renewal districts within our community that are managed by the Springfield Economic Development Agency (SEDA) Board which is comprised the full City Council and the County Commissioner representing Springfield. The Glenwood District, established in 2004, is located at the southwestern edge of the City and presents an area of riverfront opportunity immediately adjacent to Downtown Springfield and the City of Eugene’s University and Waterfront areas. The Downtown district, established in 2007, is located in Downtown Springfield and stretches from the Willamette River east to 21<sup>st</sup> Street. These urban renewal areas provide the community with the tools and resources necessary to influence and generate substantial revitalization and redevelopment.

Both Districts have seen significant growth in their respective property tax revenues and are now in a position to partner with private developers in an effort to generate new development that will help revitalize these areas and provide much needed tax increment to the City. The Glenwood District is the least developed of the two but has the greater potential due to its riverfront location. SEDA has assembled 13 acres along the river and engaged adjacent landowners to bring the total for the current Master Plan area to approximately 23 acres. The Master Plan work will continue through FY26.

Both Districts are seen as being instrumental in driving economic growth in the larger community and have been prioritized by both the City and SEDA for the coming years.

*Capital Improvements:*

- Street Bond Measure 20-351 – The bond proposed a five-year \$20 million general obligation bond to fund repairs of a list of proposed city streets. Thanks to Springfield voters’ support, the bond passed during the May 21, 2024 election. The list of streets to be fixed are:
  - Harlow Road from Interstate 5 to the roundabout at Pioneer Parkway and MLK Jr. Parkway
  - Aspen Street from Tamarack Street to Centennial Boulevard
  - ‘G’ Street from 10<sup>th</sup> Street to 23<sup>rd</sup> Street
  - 36<sup>th</sup> Street from Main Street to Commercial Avenue
  - Daisy Street from South 51<sup>st</sup> Place to Bob Straub Parkway
  - 58<sup>th</sup> Street from Main Street to Thurston Road
- Franklin Boulevard. – The Franklin Boulevard Reconstruction Project includes constructing modern urban standards improvements on the old Hwy 99 alignment in Glenwood called Franklin Boulevard between the Franklin Blvd./Glenwood Blvd. intersection and the Franklin Blvd./ Franklin Blvd (Hwy 225) intersection. The goal of this project is to support Glenwood redevelopment and regional safety and mobility for transit, bicycles/pedestrians, and autos. Phase 1 construction was complete in 2018. Phase 2 includes the remaining design and construction of the roundabout at the intersection of Mississippi Boulevard and Franklin Blvd. In partnership with the City of Eugene, the City applied for and received a federal grant for these Phase 2 improvements. The project is currently completing the design and is planned for construction in 2026, however federal funding obligation new requirements may move the construction to 2027.

## Awards and Acknowledgements

### *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 for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. This was the forty-fourth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive 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 the GFOA to determine its eligibility for another certificate.

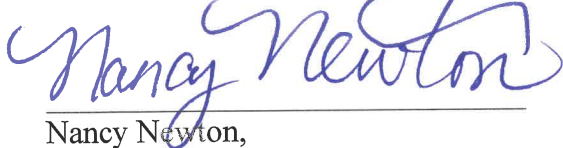
### *Acknowledgments:*

The preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. We also want to acknowledge the cooperation and assistance of other City staff who contributed to the information required for a fair presentation of the City's financial operations.

In closing, without the leadership and support of the Mayor and City Council, preparation of this report would not have been possible.

Respectfully submitted,

CITY OF SPRINGFIELD, OREGON



Nancy Newton,  
City Manager

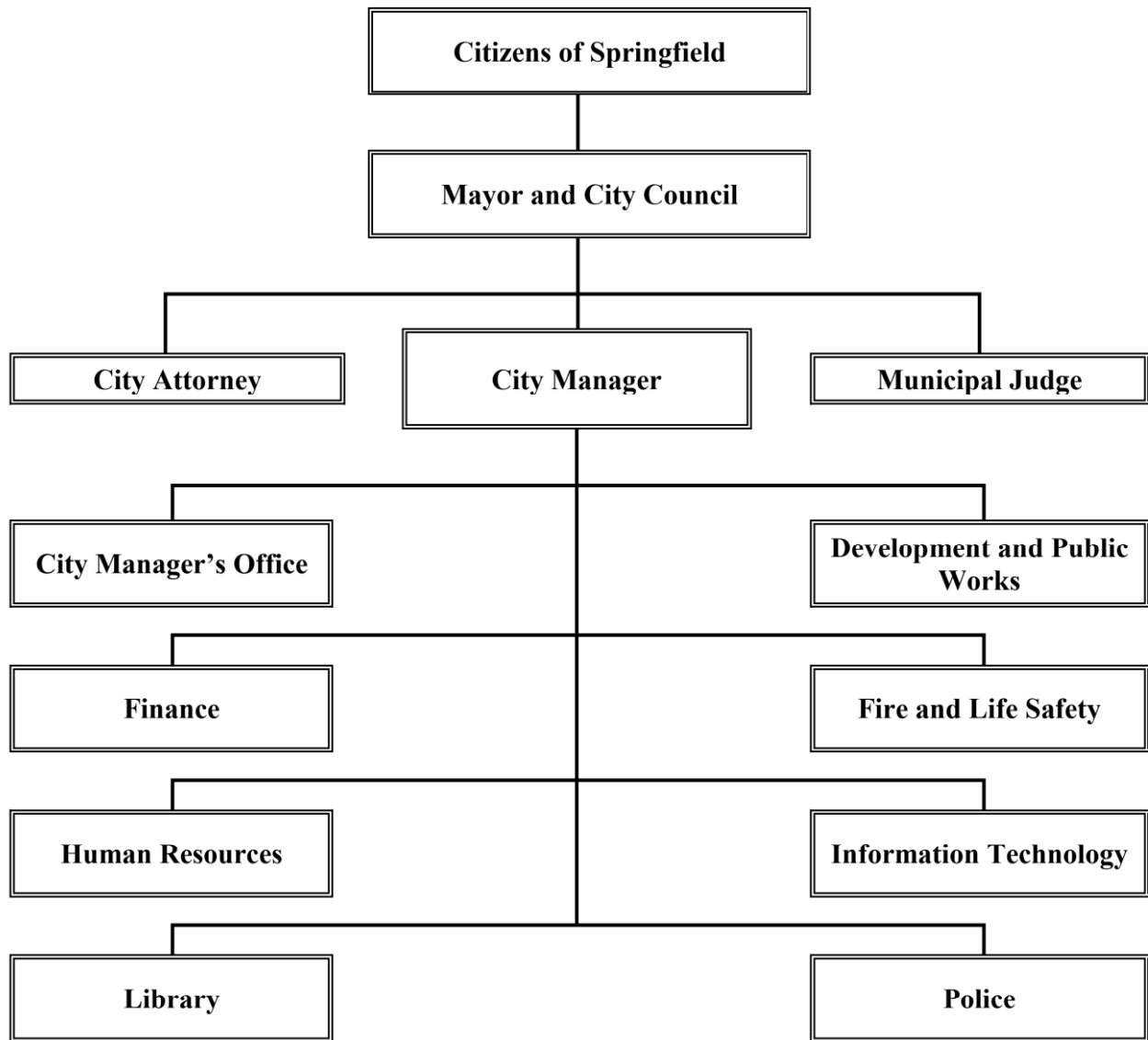


Nathan Bell,  
Finance Director



# CITY OF SPRINGFIELD

## Organization Chart





# City of Springfield, Oregon

**Principal City Officials**  
**June 30, 2025**

**Elected Officials**  
225 Fifth Street  
Springfield, Oregon 97477

## **Mayor**

Sean VanGordon

## **Term Expiration**

December 31, 2028

## **Council Members**

Michelle Webber

Ward 1

December 31, 2026

Steve Moe

Ward 2

December 31, 2026

Kori Rodley

Ward 3

December 31, 2028

Beth Blackwell

Ward 4

December 31, 2028

Victoria Doyle

Ward 5

December 31, 2026

Alan Stout

Ward 6

December 31, 2028

The City Council can be contacted at the address above.

## **Administrative Officials**

Nancy Newton  
Nathan Bell

City Manager  
Finance Director



Government Finance Officers Association

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

Presented to

**City of Springfield  
Oregon**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO



# Financial Section



# **Independent Auditor's Report**

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## Independent Auditor's Report

To the Honorable Mayor, Members of the  
City Council and the City Manager  
City of Springfield  
Springfield, Oregon

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Springfield, Oregon (the "City") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 Springfield, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and GAS, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to 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 (except as mentioned in the following paragraph) because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The schedules of revenues, expenditures, and changes in fund balance (non-GAAP budgetary basis) – budget and actual as required supplementary information, 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Supplementary Information***

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

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

### ***Reports on Other Legal and Regulatory Requirements***

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

#### ***Other Reporting Required by Oregon Minimum Standards***

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 2, 2025, 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.

A handwritten signature in black ink, appearing to read 'RP' followed by a long horizontal stroke.

Ryan T. Pasquarella, Principal  
For REDW LLC  
Salem, Oregon  
December 2, 2025

# Management's Discussion and Analysis

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**City of Springfield, Oregon**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2025**

This section of the City of Springfield's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year ended June 30, 2025. Please read it in conjunction with the City's financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

- The City's total assets and deferred outflows of resources at June 30, 2025 increased \$38.1 million from \$488.8 million to \$526.9 million, or 7.8%, from the prior year. This increase in total assets and deferred outflows of resources was primarily due to \$29.4 million increase in cash and investments, a \$3.9 million increase in the carrying value of capital assets, a \$5.3 million increase in deferred pension outflows, a \$1.8 million decrease in deposits, a \$.5 million increase in receivables, and a \$0.4 million increase in prepaids and grants receivable.
- The City's total liabilities and deferred inflows of resources increased by \$15.7 million from \$119.4 million to \$135.1 million, or 13.2%, from the prior year. This increase was primarily due to a \$13.2 million increase in long-term debt, a \$4.5 million increase in deferred inflows of resources, and a \$0.4 million increase in accrued interest payable. This is offset with a \$3.9 million decrease in unearned revenue (American Rescue Plan).
- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by \$391.8 million at the close of fiscal year 2025. Unrestricted net position totaled \$32.6 million with the remainder of the City's net position invested in capital assets (\$260.9 million), and restricted for capital projects, public safety, transportation, community development, debt service, and other purposes (\$98.3 million).
- At June 30, 2025, the City's governmental funds reported a combined ending fund balance of \$93.0 million, an increase of \$27.2 million (41.5%) from the prior year. Of this total amount, \$13.9 million (14.9%) constitutes unassigned fund balance which is available for spending at the government's discretion, \$78.3 million (84.2%) constitutes either restricted, committed, or assigned fund balance which is not available for new spending because it has already been committed to another purpose, and the remainder of the fund balance, \$.8 million (0.8%) is in a nonspendable form.
- At the end of fiscal year 2025, the unassigned fund balance in the General Fund was \$13.9 million which was 31.3% of total General Fund expenditures.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City of Springfield's basic financial statements. The City's basic financial statements consist of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

**Government-wide Financial Statements**

The government-wide financial statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position presents

information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference 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.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. 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:

- General Government
- Fire and Life Safety
- Police
- Library
- Development and Public Works

The business-type activities of the City include:

- Sanitary Sewer
- Storm Drainage
- Booth-Kelly (operation of the Booth-Kelly Center – a large commercial building and other similar activities)
- Ambulance Service

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate Urban Renewal Agency for which the City is financially accountable.

The Urban Renewal Agency, called the Springfield Economic Development Agency (SEDA), has a governing body that is substantively the same as the City's and City management is responsible for the Agency's operations. For these reasons, the SEDA special revenue and capital project funds are included as an integral part of the City.

The government-wide financial statements can be found on pages 53-55 of the basic financial statements.

## **Fund Financial Statements**

The 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 City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

***Governmental funds.*** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the acquisition and use of current spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing 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 the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and government activities. The reconciliations can be found on pages 56 and 57 in the basic financial statements.

The City maintains 15 individual governmental funds. Information is presented separately in the governmental funds 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, Police Local Option Levy Fund, Special Revenue Fund, and the Street Capital Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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 other major special revenue funds as required supplementary information on pages 123-125. Budgetary comparisons for all other governmental funds have been provided elsewhere in this report.

The governmental funds financial statements can be found at pages 56-58 in the basic financial statements.

***Proprietary funds.*** The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in government-wide financial statements. The City uses enterprise funds to account for its Sanitary Sewer operations, Storm Drainage operations, Ambulance Service, and Booth-Kelly operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its equipment, including its fleet of vehicles and its computer and telecommunication equipment, for employee benefits and risk management activities, and for administrative activities related to the System Development Charge program. Because all three of these services predominantly benefit government rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the Sewer Fund, the Storm Drainage Fund, and the Ambulance Fund, which are all considered to be major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The proprietary fund financial statements can be found on pages 59-61 in the basic financial statements.

***Fiduciary funds.*** The City is the trustee, or *fiduciary*, for certain funds. The City is responsible for ensuring that the assets reported in a fiduciary fund are used for their intended purposes. The City has one fiduciary fund, the Custodial Fund. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

The fiduciary fund financial statements can be found on pages 62-63 in the basic financial statements.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 65-119 of this report.

**Required supplementary information.** This report also presents certain required supplementary information concerning budgetary comparisons for the general and major funds as well as information about the City's progress in funding its obligation to provide pension and other post employment benefits to its employees. Required supplementary information can be found on pages 123-133 of this report.

**Other supplementary information.** The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds, as well as budgetary comparisons for proprietary funds are included in this report and can be found on pages 139-180.

### Government-wide Financial Analysis

As noted earlier, 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 \$391.8 million at the close of the most recent fiscal year.

The largest portion of the City's net position, \$261.0 million (66.6%) reflects its net investment in capital assets (e.g., land and right-of-way, buildings, improvements, equipment, and infrastructure, net of accumulated depreciation), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's net position, \$98.3 million (25.1%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$32.6 million (8.3%) may be used to meet the government's ongoing obligations to citizens and creditors.

#### City of Springfield's Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$135,591,477	\$112,883,235	\$ 84,336,126	\$ 77,705,481	\$219,927,603	\$190,588,716
Capital assets, net, where applicable, of accumulated depreciation	201,389,142	195,974,236	79,093,770	80,575,892	280,482,912	276,550,128
Total assets	336,980,619	308,857,471	163,429,896	158,281,373	500,410,514	467,138,844
Deferred outflows of resources	20,525,455	16,739,838	5,986,659	4,894,305	26,512,114	21,634,143
Current liabilities	10,975,913	17,250,287	2,591,405	2,936,314	13,567,318	20,186,601
Other liabilities	87,908,080	67,935,305	20,861,665	23,957,509	108,769,745	91,892,814
Total liabilities	98,883,993	85,185,592	23,453,070	26,893,823	122,337,063	112,079,415
Deferred inflows of resources	8,229,722	4,923,339	203,090	2,406,494	8,432,812	7,329,833
Net position:						
Net investment in capital assets	188,516,978	188,074,623	72,438,614	70,935,420	260,955,592	259,010,043
Restricted	76,359,476	52,864,162	21,930,831	17,349,448	98,290,307	70,213,610
Unrestricted	(14,484,095)	(5,450,407)	47,052,508	45,590,493	32,568,413	40,140,086
Total net position (as restated)	\$250,392,359	\$235,488,378	\$141,421,953	\$133,875,361	\$391,814,312	\$369,363,739

### City of Springfield's Statement of Activities

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 12,826,070	\$ 11,909,675	\$ 25,993,194	\$ 26,193,279	\$ 38,819,264	\$ 38,102,954
Operating grants and contributions	12,239,523	14,867,451	90,586	-	12,330,109	14,867,451
Capital grants and contributions	3,373,207	14,959,036	3,313,547	4,262,583	6,686,754	19,221,619
General revenues:						
Taxes	53,805,489	48,241,409	-	-	53,805,489	48,241,409
Payment in lieu of taxes	3,423,565	3,123,757	-	-	3,423,565	3,123,757
Shared revenue	1,840,551	2,172,133	-	-	1,840,551	2,172,133
Investment earnings	5,864,566	5,651,670	3,245,839	3,490,227	9,110,405	9,141,897
Miscellaneous receipts	1,726,811	1,798,002	(54,091)	5,484	1,672,720	1,803,486
Total revenues	95,099,782	102,723,133	32,589,075	33,951,573	127,688,857	136,674,706
Expenses:						
General government	10,005,150	7,347,528	-	-	10,005,150	7,347,528
Fire and life safety	17,342,877	15,743,196	-	-	17,342,877	15,743,196
Police	28,153,344	27,637,119	-	-	28,153,344	27,637,119
Library	2,679,743	2,377,466	-	-	2,679,743	2,377,466
Development & public works	19,950,118	21,589,929	-	-	19,950,118	21,589,929
Depreciation and amortization	42,159	42,159	-	-	42,159	42,159
Interest on long-term debt	1,180,082	258,835	-	-	1,180,082	258,835
Sanitary sewer	-	-	8,629,104	8,219,157	8,629,104	8,219,157
Storm drainage	-	-	7,854,114	6,798,561	7,854,114	6,798,561
Booth-Kelly	-	-	632,703	512,602	632,703	512,602
Ambulance	-	-	8,171,050	7,255,284	8,171,050	7,255,284
Total expenses	79,353,474	74,996,233	25,286,971	22,785,604	104,640,444	97,781,837
Increase (decrease) in net position before transfers	15,746,308	27,726,900	7,302,104	11,165,969	23,048,412	38,892,869
Transfers	(402,930)	(13,228)	402,930	13,228	-	-
Increase (decrease) in net position	15,343,378	27,713,672	7,705,034	11,179,197	23,048,412	38,892,869
Net position - beginning, as restated	235,048,981	207,774,706	133,716,919	122,696,164	368,765,900	330,470,870
Net position - ending as restated	\$250,392,359	\$235,488,378	\$141,421,953	\$133,875,361	\$391,814,312	\$369,363,739

**Entity-wide change in net position:** Entity-wide net position increased by \$23.0 million in the current fiscal year compared to an increase of \$38.9 million in the prior year. This \$15.9 million year-to-year decrease in the change in entity-wide net position can be attributed to some one-time events in both the previous and current year, the details of which are provided below.

**Governmental Activities.** The governmental activities during the fiscal year increased the City's net position by \$15.3 million, a decrease from a prior year surplus of \$27.7 million, explained by the following highlights:

- Capital grants and contributions decreased by \$11.6 million (77.5%) from the prior year and can be primarily attributed to a decrease in the transfer of infrastructure and right-of-way from developers to the City. While these transfers can be an indicator on the strength of development



occurring within the City, they can also fluctuate from year-to-year based on factors unrelated to the level of development occurring such as the timing of completion of single large projects and when the transfer occurs.

- Operating grants and contributions decreased by \$2.6 million (17.7%) from the prior year. This is primarily related to the American Rescue Plan Act (ARPA) funding that is finishing in the current year as the projects were completed in December 2024. This was one time funding that was spent over the span of 3 years.
- Charges for services increased by \$0.9 million (7.7%) from the prior year. This indicates that development was up slightly from the prior year. Development fees vary from year to year to the extent large projects are charged that may span over several accounting periods. Additionally, increased building fees were in effect for an entire fiscal year and were offset by decreased revenue from leasing jail beds.
- Property taxes increased by \$5.6 million (11.6%) from the prior year and can be partially attributed to an increase in property tax receipts resulting from a continuation of appreciation of property values in the City. Specifically, the appreciation in the economic development funds as property tax exemptions sunset and development has been very active. Fuel taxes remained flat as some industries continued the trend of working remotely.
- Shared revenue decreased 0.3 million and was relatively flat from the prior year. This was a result of a slight decrease to the City's receipts from the State of Oregon for state tax revenue from the sale of recreational marijuana.
- Investment earnings in total remained flat from the prior year increase of \$2.9 million and can be attributed to the interest rates remaining higher after the federal reserve increased them quickly to combat inflation in FY2024. These rates have been slower to come down than anticipated.
- Primary government expenses as a whole increased by \$4.4 million (5.8%), This increase was mainly in the fire and life safety department with a smaller increase in police. Driving these increases were personnel costs as fire began a new negotiated contract. Development and public works had a small decrease which was driven primarily by projects funded from the American Rescue Plan Act ending in the current fiscal year.
- Interest on long-term debt increased \$0.9 million (356%) from the prior year. This is a result of new bonds for street improvements and economic development brought new debt service.

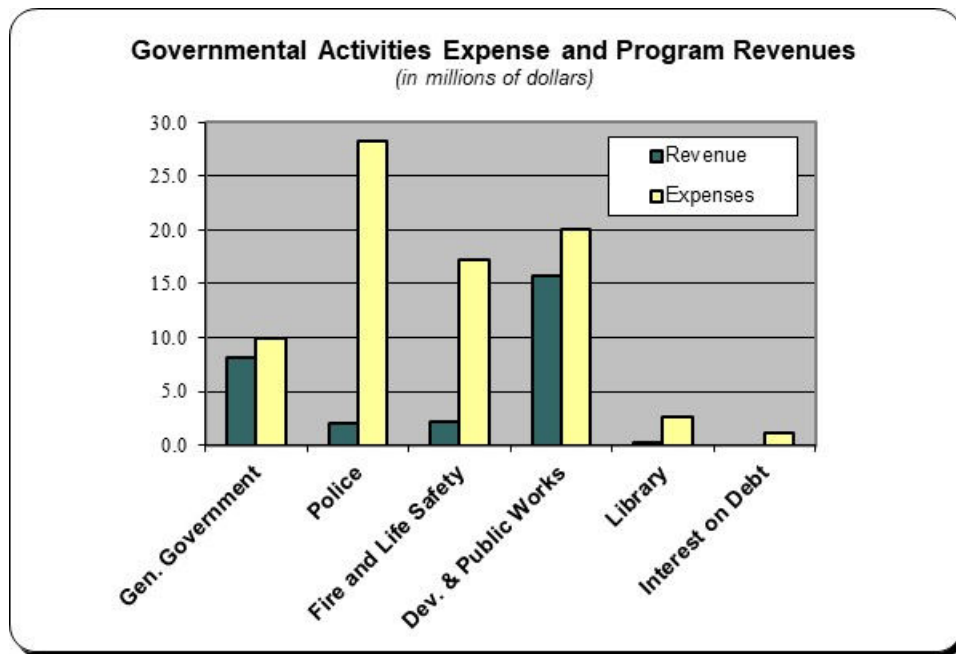


Chart 1

Chart 1 compares program revenues and expenses for the individual governmental activities for the current year. As the chart reflects, most governmental activities relied on general revenues to support the function.

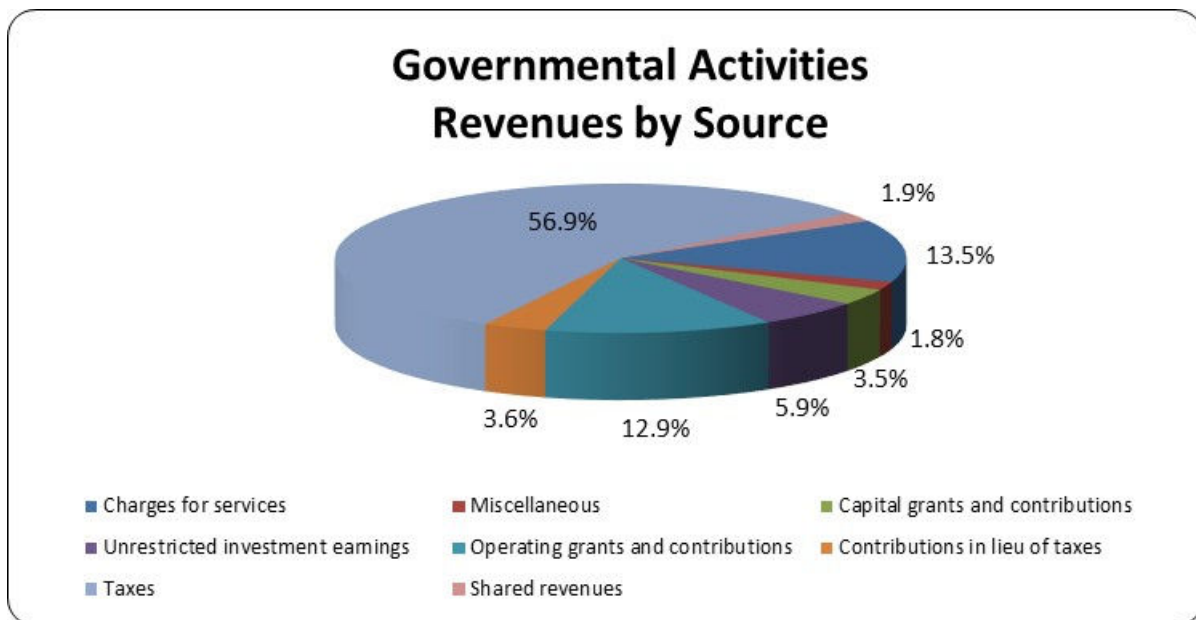


Chart 2

Chart 2 shows the percent of the total for each source of revenue supporting governmental activities. The chart demonstrates that the City depends on taxes as its major source of revenue. The City is making a deliberate effort to increase revenues generated by charges for services both by implementing new fees and by increasing the cost recovery percentage on existing fees.

**Business-type Activities.** The change in net position for business-type activities decreased from an \$11.2 million surplus in the prior year to a \$7.3 million surplus in the current year. This decrease of \$3.9 million can be explained by the following highlights:

- Total program revenues decreased by \$1.1 million (3.6%) from the prior year and can be primarily attributed to a decrease in charges for services of \$1.2 million in Ambulance revenues. There was also a \$1.0 million increase in Sewer and Storm Drainage revenues due to rate increases that was offset by a \$949 thousand decrease in capital grants and contributions from reduced capital contributions of donated sewer infrastructure. Reimbursements from the Oregon Health Authority and Coordinated Care Organizations for Ground Emergency Medical Transportation were lower than in the previous year which is why the Ambulance fund experienced a decrease in FY25.
- A decrease in investment earnings (\$0.2 million), driven by flat interest rates, as the federal reserve did not start to reduce rates yet after the big increases in the prior fiscal year.
- Total operating expenses for all business-type activities increased by \$2.0 million (8.7%) from the prior year. The Sewer and Booth-Kelly funds saw increases to expenditures from the prior year less than \$200 thousand, consistent with inflation. The Storm fund saw an increase in operating expenditures of \$861 thousand, caused primarily due to increases in personnel expenses and internal charges. Similarly, the Ambulance fund's increase of \$802 thousand was due to additional personnel costs.

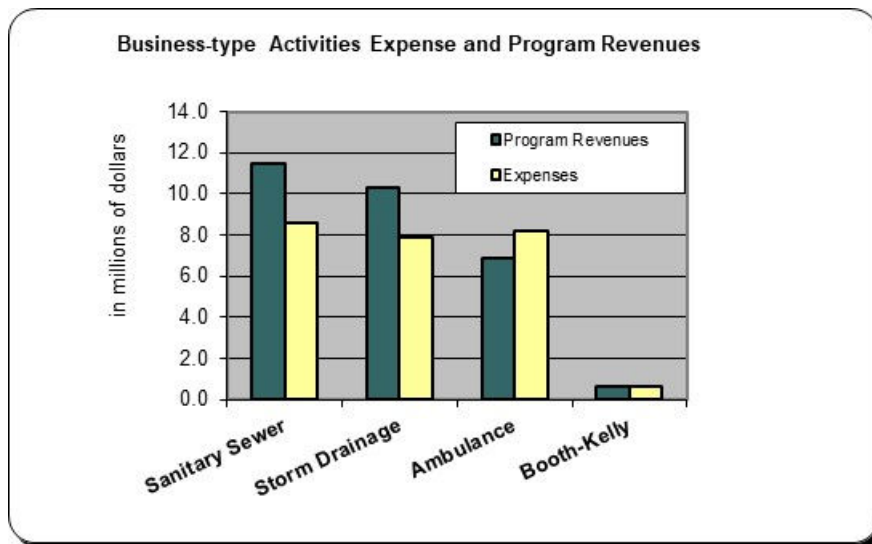


Chart 3

Chart 3 compares program revenues and expenses for the individual business-type activities for the current year.

The Sewer, Storm Drainage, Ambulance, and Booth-Kelly Funds all relied on program revenue to fund operating expenses.

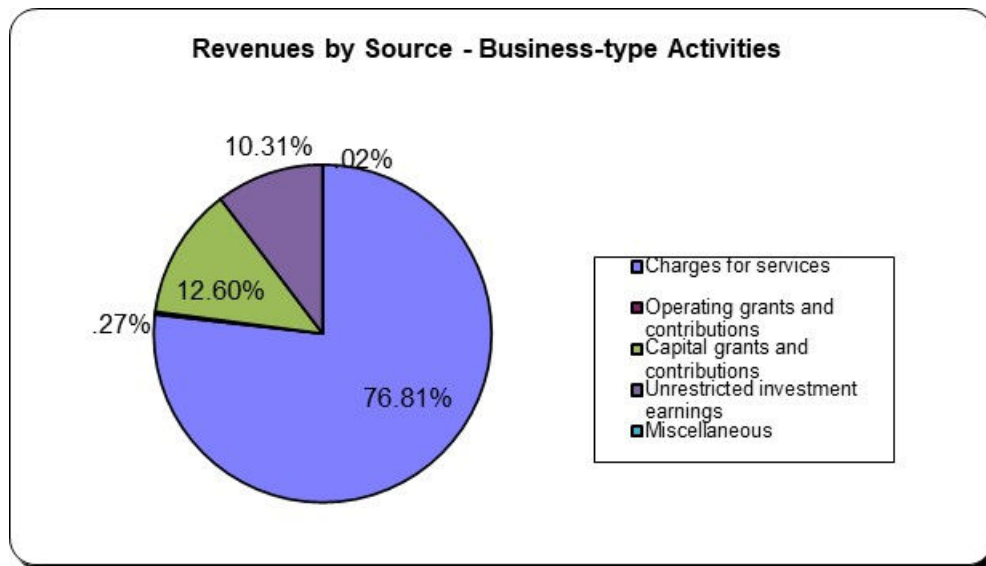


Chart 4

Chart 4 shows the percent of the total for each source of revenue supporting business-type activities. The largest component of business-type fund revenue comes from charges for services.

### Financial Analysis of the Government's 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* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$93.0 million. Of this total amount, \$13.9 million (14.9%) constitutes unassigned fund balance which is available for spending at the government's discretion, \$78.3 million (84.2%) constitutes either restricted, committed, or assigned fund balance which is not available for new spending because it has already been committed to another purpose, and the remainder of the fund balance, \$0.8 million (1.0%) is in a nonspendable form.

The General Fund is the chief operating fund of the City of Springfield. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$13.9 million, while the total fund balance was \$15.1 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 31.2% of total General Fund expenditures, while total fund balance represents 34.0% of that same amount.

The fund balance of the City's General Fund increased by \$2.1 million during the current fiscal year compared to the prior year increase of \$0.5 million. There are some highlights worth mentioning:

- Property taxes increased 3.3% from the prior year. This can be attributed to normal appreciation.

- Licenses, permits, and fees decreased 17.0% from the prior year and can be attributed to flat planning fees in the current year as new development projects are completed in Springfield. These fees vary from year to year depending on the stages of the development process.
- General government expenditures remained relatively flat in the current year and as inflation leveled out for both material and services and personnel costs. There were no labor contract changes that affected general government administrative staff.
- Fire and Life Safety expenditures increased 5.9% from the prior year as a new IAFF contract took effect. A few positions were filled that remained vacant in the prior year. That attributed to a small portion of the increase. Other positions remained unfilled but personnel savings were offset by increased overtime costs. Contractual services were higher in the current fiscal year due to positions being covered by Eugene staff and cross billed to the City of Springfield.
- Police expenditures experienced a decrease of \$1.4 million (7.7%) due to a salaries remaining flat, but decreased overtime of \$0.3 million. Additionally, the City reduced contributions to a legacy retirement plan by 0.5 million based on actuarial estimates. The insurance costs for police also fell by \$0.3 million due to policy changes made in the department to mitigate risk.
- Transfers to other funds increased by \$0.4 million over the prior year. This is due to a transfer to the ambulance fund that was not deemed necessary in the prior year.

The Police Local Option Levy fund balance decreased \$0.2 million in the current year, compared to the \$0.1 million decrease in FY24. This is driven primarily by personal services inflation that is partially offset by a reduction in liability insurance due to policy changes that mitigate risk. Revenues only increased by 0.7% driven by property taxes with an offsetting reduction in fees for leasing jail beds. The reduction in lease revenue also caused a proportionately lower costs for the jail due to decreased prisoner medical costs.

The Special Revenue Fund continues to be a major fund this year for the fifth year. Total assets decreased by \$4.2 million and liabilities decreased by \$4.7 million in the current fiscal year. This decrease is almost entirely related to the American Rescue Plan Act (ARPA) funds. ARPA funding passed through the State to the City was utilized and all direct federal ARPA funding was exhausted. The use of these funds cause cash and unearned revenues to drop significantly which is why both assets and liabilities decreased.

The Street Capital Projects Fund continues to be a major fund this year for the sixth year. This is driven by large capital project expenses as the City continues implementing the Street Improvement Plan financed by the sale of General Obligation bonds. The first set of bonds issued in fiscal year 2020 are paid in full and the second set of \$20.0 million was issued in the current year to fund a new list of street projects over the next five years. In the current year, the fund balance increased \$21.7 million due to that financing. Investment income increased \$0.8 million in the current year due to the higher fund balance.

The Non-Major Governmental fund balances increased \$3.1 million in the current year consistent with the prior year. This was driven by a combination of increased property taxes, primarily in the economic development funds, and an increase in bond proceeds as the remainder of the bond was drawn in the current year. The bond proceeds in the economic development funds were partially offset by property purchases.

***Proprietary funds.*** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

As of the end of the current fiscal year, the City's proprietary funds reported a combined ending net position of \$141.4 million. Of this amount, \$47.1 million (33.3%) constitutes unrestricted net position. Proprietary fund highlights are as follows:

The Sewer Fund reported a \$5.0 million increase in net position. The user rate increase for FY25 was 5.0%, up 2.5% from the rate increase of 2.5% in FY24. The sewer rates are set to provide for sufficient net operating revenue to fund capital projects in the sewer system, as well as comply with bond covenants. The change in net position was largely driven by underspending the capital budget, increased SDC revenues, and operating expenditures coming in under budget.

The Storm Drainage Fund reported a \$3.8 million increase in net position. The user rate increase for FY25 was 3.0%, same as the FY24 rate increase of 3.0%. The storm sewer rates are set to provide for sufficient net operating revenue to fund capital projects in the sewer system, as well as comply with bond covenants. The change in net position was largely driven by an increase in charges for services revenue, underspending in the capital budget, and operating expenditures coming in under budget.

The Ambulance Fund reported a \$1 million decrease in net position compared to last year's increase of \$0.7 million. This decrease was due to a drop of \$1.2 million in revenues which was the direct result of receiving lower reimbursements for Ground Emergency Medical Transportation services. Another contribution to the decrease in net position was an increase in personnel costs which increased expenditures by \$802 thousand. The fund continues to actively seek efficiencies to increase the health of the fund in a challenging and competitive market.

### **General Fund Budgetary Highlights**

The difference between the original budget and the final amended budget was a net increase of \$1,988,227. Details of this increase are as follows:

- \$ 138,125 increase in City Manager's Office
- 112,483 increase in Development Services
- 115,757 decrease in Fire & Life Safety
- 363,458 decrease in Finance
- 408,938 increase in Transfers
- 841,496 decrease in Contingency
- 2,649,393 increase in the City reserves
- 1,988,228 increase in beginning cash and revenues

For actual expenditures and transfers out, the City General Fund under-spent the amended budget by \$1,300,655.

Construction and development sectors have continued to experience strong growth, primarily driven by housing. This is due to a combination of a decade of suppressed housing development following the burst of the housing bubble in the mid 2000's and continued positive migration trends to the State. This has resulted in consistent growth in our property tax base as well as growth in our planning and development revenues and State shared revenues. The differences in actual revenue received compared to the amended budget are as follows:

- \$ 90,701 decrease in taxes
- 137,600 decrease in licenses, permits and fees
- 205,894 decrease in intergovernmental revenues
- 956,447 increase in interest and investment earnings

- 442,059 increase in charges for service
- 39,995 increase in fines and forfeitures
- 39,889 decrease in miscellaneous revenues
- 48,583 decrease in internal transfers and indirect charges
- 1,602,194 increase in beginning cash (amended over adopted budget)

For the year ended June 30, 2025, the total variance between the final amended budgeted revenue and the actual budget-basis revenue amounts in the General Fund (both less beginning cash) was 1.8%, where actual revenues were more than budgeted revenues. The combined actual current and delinquent property tax revenues were below budgeted amounts by .3%. Licenses and permits were below budgeted projections by 4.5% due to building activity fluctuations. However, fines and forfeitures exceeded the amended budget by 4.6% which is partly attributed to the impacts of increased abatement enforcement. Beginning fund balance on July 1, 2024 was \$1,602,194 more than budgeted (14.0%) while ending fund balance on June 30, 2025 was \$1,607,691 (11.9%) greater than was projected in the FY26 adopted budget.

### **Capital Asset and Debt Administration**

*Capital Assets.* The City's investment in capital assets for its governmental and business-type activities as of June 30, 2025 amounts to \$280.5 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, sewer pipes, improvements, machinery and equipment and roads.

Major capital asset events and improvements during the current fiscal year include the following:

- Donated streets and right-of-way were recorded at an estimated cost of \$588.7 thousand
- Donated Sewer and Storm sewer lines were recorded at an estimated cost of \$584.8 thousand
- Projects that are not yet complete will be capitalized to Work In Process (WIP) until completion. Once complete, they are reclassified to a specific asset category and depreciation begins. Among the large projects capitalized to WIP this fiscal year were the 42<sup>nd</sup> overlay from International Paper to Marcola for \$1.2 million, 2024 street bond package 1 for \$1.1 million, and the 70<sup>th</sup> street wastewater basin rehabilitation for \$842.8 thousand.
- Work was completed on several projects, the prior year Work in Process along with current year expenses were moved to corresponding asset accounts. For FY25, work was completed on the 28<sup>th</sup> street paving for \$1.3 million, the library and city manager's office remodel for \$1.1 million, and the justice center roof for \$666 thousand.
- Fire Life and Safety purchased a new ambulance cot and a new breathing air module for Station 3. Public Works added survey equipment, a stump grinder, a woodchipper, and a new copier. Total equipment purchased was \$340 thousand.
- Twenty-seven vehicles were purchased during the year, mostly as replacements for vehicles retired during the fiscal year, including a new boat for water rescues, an ambulance, three large vehicles for public works, and continued payments for three ambulances that are in the process of being built. The combined cost of these vehicles was \$3.1 million.

**City of Springfield's Capital Assets**  
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 91,920,821	\$ 91,091,703	\$ 6,406,478	\$ 6,411,506	\$ 98,327,299	\$ 97,503,209
Land improvements	-	-	21,041	25,935	21,041	25,935
Work in progress	15,549,098	10,454,553	9,337,739	9,478,137	24,886,837	19,932,690
Buildings	15,028,269	12,035,490	62,659,987	63,864,069	77,688,256	75,899,559
Infrastructure	68,492,254	72,333,669	-	-	68,492,254	72,333,669
Machinery & equipment	9,962,897	9,477,736	74,207	88,485	10,037,104	9,566,221
Machinery & equipment - leased	9,578	16,900	-	-	9,578	16,900
Subscriptions - software	94,107	374,191	-	-	94,107	374,191
Studies	332,118	189,994	594,318	707,760	926,436	897,754
Total	<u>\$ 201,389,142</u>	<u>\$ 195,974,236</u>	<u>\$ 79,093,770</u>	<u>\$ 80,575,892</u>	<u>\$ 280,482,912</u>	<u>\$ 276,550,128</u>

Additional information on the City's capital assets can be found in Note F in the Basic Financial Statement section of this report.

**Debt Administration.** At the end of the current fiscal year, the City had total bonded debt outstanding of \$32 million. Of this amount, \$26.2 million comprises debt backed by the full faith and credit of the City. The remainder of the City's debt represents bonds secured solely by specified revenue sources.

**City of Springfield's Outstanding Debt**  
General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds -2024	\$ 15,785,000	\$ -	\$ -	\$ -	\$ 15,785,000	\$ -
General obligation bonds -2022	4,517,271	3,180,147	-	-	4,517,271	3,180,147
General obligation bonds -2019	-	-	-	-	-	-
General obligation bonds - 2016	1,640,000	3,470,000	-	-	1,640,000	3,470,000
Revenue bonds series 2020	-	-	3,192,498	3,703,364	3,192,498	3,703,364
Revenue bonds series 2017	-	-	2,630,000	4,170,000	2,630,000	4,170,000
Total	<u>\$ 21,942,271</u>	<u>\$ 6,650,147</u>	<u>\$ 5,822,498</u>	<u>\$ 7,873,364</u>	<u>\$ 27,764,769</u>	<u>\$ 14,523,511</u>

The City's total bonded debt decreased by \$17.5 million during the current fiscal year. For additional information on the City's long-term debt, see Note I in the Basic Financial Statement section of this report.



## **Economic Factors and Next Year's Budgets and Rates**

During the preparation of the budget for the ensuing fiscal year, the long-term impacts of the local economy were examined in conjunction with business decisions made by the City. The following are the major assumptions used in developing the FY26 budget:

### **Revenue Assumptions**

- Property Tax Receipts - Assessed (taxable) value for the City is projected to increase by 3.4%, in-line with the historical average.
- Land Development Revenues - FY24 planning revenue significantly outperformed the estimated budget. That is resulting in building permit revenues being on track to come in significantly higher than the FY25 budget. FY25 planning revenues are back on track to come in at historical levels, and it is anticipated they will remain steady through FY26. Similar for building permit revenues, after a significant increase in FY25, it is anticipated they will be back to historical levels in FY26.
- Sanitary Sewer & Stormwater User Fees - User rates for both the City's sewer and storm water drainage programs are forecast to increase on July 1, 2025, by 5% and 3% respectively for FY26.
- Transient Lodging Tax Revenues - Transient lodging tax receipts are on track to come in as budgeted and are close to their historical highs. This is positive news after they underperformed in FY24. Given some uncertainties in the current economy, this revenue is projected to remain steady in FY26.
- Interest Income - With the Federal Reserve continuing to hold interest rates steady, this is expected to have a positive impact on the City's investments. With some uncertainty in the economy, and recent volatility in interest rates, a conservative approach to rates and projected interest earnings is assumed at approximately 4%.

### **Expenditure Assumptions**

- Personnel Services Inflation - While inflation has come down from its historically high levels over the past few years, it remains higher than the historically low levels that were experienced in the decades leading up to the pandemic. The impact of the high inflation years is now reflected in all of the City's current labor contracts. Inflation remains a significant factor in the FY26 personnel services budgets.
- Materials & Services (M&S) Inflation - Inflation continues to be experienced in contractual services and material purchases, and the FY26 budget reflects a 3% increase in M&S budgets.
- Oregon Public Employees Retirement System (PERS) - PERS set the City's new two-year rates beginning July 1, 2025 (FY26), and those rates will remain in place through FY27. All rates have increased by more than anticipated due to the PERS portfolio significantly underperforming its target rate of return on investments in the most recent actuarial valuation. In addition to the rates shown below, the City continues to pick-up the employees 6% contribution, except for members of IAFF. For the current biennium (FY26-FY27), the City has three separate PERS retirement rates for its employees. The lowest rate increase was 14.2% for PERS Tier 1/Tier 2. The rate increase for OPSRP (public safety) was 20.4%. The highest rate increase was 23.4% for OPSRP (general service). The estimated dollar impact over the biennium is \$5.4 million, as compared to the prior biennium.

- Health Insurance - The plan year for health insurance occurs on a calendar year schedule. Beginning January 2013, the City initiated a self-funded insurance program with the administration of the program contracted out to a private provider. The City's experience factors since becoming self-insured have been very positive. For January 1, 2025, the City held rates flat. For the plan year beginning January 1, 2026, the City is not projecting an increase.

### **Personnel Services Assumption by Labor Group**

- American Federation of State, County and Municipal Employees (AFSCME) - The AFSCME employee's current contract covers the three-year period from July 1, 2024, through June 30, 2027. It provides for a cost-of-living increase of 2.77% effective July 1, 2025, based on CPI-W from the most recent December, with a collar not less than 2% and not more than 4%.
- Service Employees International Union (SEIU) - SEIU and non-represented employees received market pay adjustments on July 1, 2024, based on a market survey completed by the City's compensation consultants, and implemented on a methodology agreed to in labor negotiations in the spring of 2021. Implementation of the new market-based pay plan involving moving employees to the nearest pay step that allowed for a minimum increase of 3%. This typically resulted in employees that were at the top pay step to drop down a few steps, while still receiving the minimum increase, and having annual merit steps in future years. The current contract expires June 30, 2025. Negotiations for a new contract remain ongoing at this time.
- Springfield Police Association (SPA) - The SPA employee's current contract covers the three-year period from July 1, 2023, to June 30, 2026. It provides for a cost-of-living increase of 3% effective July 1, 2025.
- International Association of Fire Fighters (IAFF) - IAFF now has two contracts with the City, as the battalion chiefs are now a separate represented unit. Both contracts expired June 30, 2024. Negotiations for new contracts are still ongoing, and the full potential impacts on the FY26 wages are unknown at this time.

### **Requests for Information**

This financial report is designed to provide a general overview of the City's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Accounting Manager  
City of Springfield  
225 Fifth Street  
Springfield, OR 97477



# **City of Springfield, Oregon**

## **Basic Financial Statements**

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City of Springfield, Oregon  
STATEMENT OF NET POSITION  
June 30, 2025

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 125,032,532	\$ 73,128,965	\$ 198,161,497
Receivables, net of allowance for uncollectible receivables	7,114,936	7,894,729	15,009,665
Internal balances	(22,616)	22,616	-
Inventories	377,280	-	377,280
Investment in foreclosed properties	1,970	-	1,970
Prepaid items	572,323	86,108	658,431
Grant receivable	647,642	60,212	707,854
Lease receivable	-	229,932	229,932
Deposits	200,613	1,000	201,613
Accrued interest	846,733	464,279	1,311,012
Net OPEB asset - RHIA	820,064	243,625	1,063,689
Due from other governments	-	2,204,660	2,204,660
Capital assets:			
Land and work in progress	107,469,918	15,744,217	123,214,135
Other capital assets, net of accumulated depreciation	93,919,224	63,349,553	157,268,777
Total assets	336,980,619	163,429,896	500,410,515
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred pension outflow	19,569,210	5,550,225	25,119,435
Deferred OPEB outflow	921,211	267,192	1,188,403
Deferred charge for debt refunding	35,034	169,242	204,276
Total deferred outflows of resources	20,525,455	5,986,659	26,512,114
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	5,597,483	1,002,652	6,600,135
Accrued payroll and other liabilities	2,467,171	1,513,613	3,980,784
Unearned revenue	2,387,439	100	2,387,539
Accrued interest payable	415,177	42,061	457,238
Deposits	58,200	32,979	91,179
Due to other governments	50,443	-	50,443
Noncurrent liabilities:			
Due within one year:			
Accrued absence payable	3,595,040	-	3,595,040
Subscription liability	54,091	-	54,091
Lease payable	125,900	-	125,900
General obligation long-term debt	5,445,745	-	5,445,745
Revenue bonds payable	-	2,119,820	2,119,820
Notes payable	350,000	-	350,000
OPEB liability - City Plan current portion	331,190	98,090	429,280
Due in more than one year:			
Accrued absence payable	1,753,884	278,742	2,032,626
General obligation long-term debt (net of unamortized premium)	17,767,325	-	17,767,325
Revenue bonds payable (net of unamortized discount)	-	4,005,237	4,005,237
Notes and contracts payable	1,260,000	470,314	1,730,314
Lease liability	1,269,221	-	1,269,221
Net pension liability	51,271,335	13,889,462	65,160,797
OPEB liability - City Plan	4,684,349	978,722	5,663,071
Total liabilities	98,883,993	24,431,792	123,315,785
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred pension inflow	6,090,846	2,411,377	8,502,223
Deferred OPEB inflow	2,138,876	811,081	2,949,957
Deferred on refunding	-	137,262	137,262
Deferred lease resources	-	203,090	203,090
Total deferred inflows of resources	8,229,722	3,562,810	11,792,532
<b>NET POSITION</b>			
Net investment in capital assets	188,516,978	72,438,614	260,955,592
Restricted for:			
Capital projects	1,815,436	21,687,206	23,502,642
Public safety	7,059,570	-	7,059,570
Transportation	48,198,509	-	48,198,509
Urban renewal	3,985,781	-	3,985,781
Community development	12,675,360	-	12,675,360
Debt service	1,029,850	-	1,029,850
Net OPEB asset	820,064	243,625	1,063,689
Other purposes	774,906	-	774,906
Unrestricted	(14,484,095)	47,052,508	32,568,413
Total net position	\$ 250,392,359	\$ 141,421,953	\$ 391,814,312

The accompanying notes are an integral part of this statement

City of Springfield, Oregon  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2025

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 10,005,150	\$ 4,066,313	\$ 4,091,095	\$ -
Fire and life safety	17,342,877	2,154,817	92,008	-
Police	28,153,344	1,044,837	922,759	-
Library	2,679,743	106,858	231,214	-
Development and public works	19,950,118	5,453,245	6,902,447	3,373,207
Depreciation and amortization, unallocated	42,159	-	-	-
Interest on long-term debt	1,180,082	-	-	-
Total governmental activities	<u>79,353,473</u>	<u>12,826,070</u>	<u>12,239,523</u>	<u>3,373,207</u>
Business-type activities:				
Sanitary sewer	8,629,104	8,986,155	108	2,542,591
Storm drainage	7,854,114	9,571,793	125	770,956
Booth-Kelly	632,703	628,592	-	-
Ambulance	8,171,050	6,806,654	90,353	-
Total business-type activities	<u>25,286,971</u>	<u>25,993,194</u>	<u>90,586</u>	<u>3,313,547</u>
Total primary government	<u>\$ 104,640,444</u>	<u>\$ 38,819,264</u>	<u>\$ 12,330,109</u>	<u>\$ 6,686,754</u>

General revenues:

- Property taxes
- Payment in lieu of taxes
- Franchise & utility taxes
- Local fuel tax
- Transient room tax
- Shared revenue
- Investment earnings
- Miscellaneous
- Gain (loss) on disposal of assets

Transfers

        Total general revenues and transfers

        Change in net position

Net position, beginning

Restatement for correction of error (Note S)

Net position, beginning (as restated)

Net position, ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Total Governmental Activities	Total Business-type Activities	Total
\$ (1,847,742)	\$ -	\$ (1,847,742)
(15,096,052)	-	(15,096,052)
(26,185,748)	-	(26,185,748)
(2,341,671)	-	(2,341,671)
(4,221,219)	-	(4,221,219)
(42,159)	-	(42,159)
(1,180,082)	-	(1,180,082)
(50,914,673)	-	(50,914,673)
-	2,899,750	2,899,750
-	2,488,760	2,488,760
-	(4,111)	(4,111)
-	(1,274,043)	(1,274,043)
-	4,110,356	4,110,356
(50,914,673)	4,110,356	(46,804,317)
47,689,072	-	47,689,072
3,423,565	-	3,423,565
3,082,529	-	3,082,529
841,920	-	841,920
2,191,968	-	2,191,968
1,840,551	-	1,840,551
5,864,565	3,245,839	9,110,404
1,726,811	12,021	1,738,832
-	(66,112)	(66,112)
(402,930)	402,930	-
66,258,051	3,594,678	69,852,729
15,343,378	7,705,034	23,048,412
235,488,378	133,875,361	369,363,739
(439,397)	(158,442)	(597,839)
235,048,981	133,716,919	368,765,900
\$ 250,392,359	\$ 141,421,953	\$ 391,814,312



City of Springfield, Oregon  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2025

	General	Police Local Option Levy	Special Revenue	Street Capital	Nonmajor Governmental	Total Governmental
<b>ASSETS</b>						
Cash and investments	\$ 16,342,879	\$ 4,111,903	\$ 7,112,957	\$ 42,939,020	\$ 25,780,451	\$ 96,287,210
Receivables:						
Accounts	1,284,992	9,405	26,287	774,320	1,842,393	3,937,397
Taxes	1,085,676	355,451	-	-	533,217	1,974,344
Grants	10,349	-	179,119	61,109	397,065	647,642
Accrued interest	198,666	28,375	-	247,730	182,527	657,298
Assessments and liens	-	-	-	-	17,944	17,944
Notes	-	-	-	-	971,118	971,118
Deferred system development charges	1,233	-	-	1,134,956	26	1,136,215
Inventories	1,819	-	-	-	334,341	336,160
Investment in foreclosed property	1,970	-	-	-	-	1,970
Deposits	-	-	-	-	613	613
Prepaid items	231,463	127,074	42,672	-	42,497	443,706
Advance to other funds	1,079,367	-	-	36,946	4,457	1,120,770
Total assets	<u>\$ 20,238,414</u>	<u>\$ 4,632,208</u>	<u>\$ 7,361,035</u>	<u>\$ 45,194,081</u>	<u>\$ 30,106,649</u>	<u>\$ 107,532,387</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 2,113,423	\$ 90,649	\$ 623,534	\$ 539,004	\$ 865,734	\$ 4,232,344
Accrued payroll and other liabilities	1,381,013	236,111	9,497	-	284,905	1,911,526
Unearned revenue	134,049	499,160	1,682,509	-	-	2,315,718
Due to other funds	-	-	74,797	-	-	74,797
Deposits	-	-	-	53,075	5,125	58,200
Total liabilities	<u>3,628,485</u>	<u>825,920</u>	<u>2,390,337</u>	<u>592,079</u>	<u>1,155,764</u>	<u>8,592,585</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	<u>1,452,888</u>	<u>346,731</u>	<u>25,885</u>	<u>1,909,276</u>	<u>2,174,934</u>	<u>5,909,714</u>
<b>FUND BALANCES</b>						
Nonspendable	235,252	127,074	42,672	-	377,451	782,449
Restricted	-	3,332,483	2,042,371	42,692,726	21,888,707	69,956,287
Committed	-	-	1,003,232	-	3,343,402	4,346,634
Assigned	1,000,000	-	1,856,538	-	1,166,391	4,022,929
Unassigned	<u>13,921,789</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,921,789</u>
Total fund balances	<u>15,157,041</u>	<u>3,459,557</u>	<u>4,944,813</u>	<u>42,692,726</u>	<u>26,775,951</u>	<u>93,030,088</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 20,238,414</u>	<u>\$ 4,632,208</u>	<u>\$ 7,361,035</u>	<u>\$ 45,194,081</u>	<u>\$ 30,106,649</u>	
<b>Reconciliation to the statement of net position</b>						
The statement of net position reports receivables at their net realizable value. However, receivables not available to pay for current period expenditures are deferred in governmental funds.						5,909,714
Capital assets are not financial resources in governmental funds, but are reported in the statement of net position at their net depreciable value.						189,664,122
All liabilities are reported in the statement of net position. However, if they are not due and payable in the current period, they are not recorded in the governmental funds.						(74,987,587)
Internal service funds are used by management to charge the cost of fleet and equipment management, risk management, and system development charge administration to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position.						36,776,022
Net position of governmental activities						<u>\$ 250,392,359</u>

The accompanying notes are an integral part of this statement.

City of Springfield, Oregon  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2025

	General	Police Local Option Levy	Special Revenue	Street Capital	Nonmajor Governmental	Total Governmental
<b>Revenues:</b>						
Taxes	\$ 27,078,921	\$ 7,724,615	\$ -	\$ -	\$ 15,558,841	\$ 50,362,377
Licenses, permits and fees	2,952,531	69,003	242,907	-	241,470	3,505,911
Intergovernmental	6,260,851	184,868	5,997,380	181,337	6,656,087	19,280,523
Charges for services	7,402,342	713,996	-	1,963,989	3,986,063	14,066,390
Fines and forfeitures	909,874	-	109,910	-	-	1,019,784
Investment earnings	1,269,012	-	28,129	1,980,055	1,280,712	4,557,908
Miscellaneous revenues	326,816	4,425	303,939	244,274	167,425	1,046,879
Total revenues	<u>46,200,347</u>	<u>8,696,907</u>	<u>6,682,265</u>	<u>4,369,655</u>	<u>27,890,598</u>	<u>93,839,772</u>
<b>Expenditures:</b>						
Current operating:						
General government	7,266,772	697,389	2,112,458	-	1,273,232	11,349,851
Fire and life safety	14,133,287	-	165,098	-	2,780,812	17,079,197
Police	17,131,943	8,168,309	1,922,884	-	-	27,223,136
Library	2,154,755	-	224,306	-	285,827	2,664,888
Development and public works	3,703,424	-	1,657,310	67,748	10,399,506	15,827,988
Capital projects	-	-	-	3,641,338	2,932,370	6,573,708
Debt service:						
Principal	129,206	-	-	-	6,849,136	6,978,342
Interest	3,787	-	-	-	1,086,367	1,090,154
Total expenditures	<u>44,523,174</u>	<u>8,865,698</u>	<u>6,082,056</u>	<u>3,709,086</u>	<u>25,607,250</u>	<u>88,787,264</u>
Excess of revenues over (under) expenditures	<u>1,677,173</u>	<u>(168,791)</u>	<u>600,209</u>	<u>660,569</u>	<u>2,283,348</u>	<u>5,052,508</u>
<b>Other financing sources (uses):</b>						
Issuance of debt	-	-	-	21,240,332	1,650,000	22,890,332
Bond costs of issuance	-	-	-	(133,204)	-	(133,204)
Transfers in	1,503,510	-	38,250	36,946	653,563	2,232,269
Transfers out	(1,033,434)	-	(163,843)	-	(1,537,389)	(2,734,666)
Total other financing sources (uses)	<u>470,076</u>	<u>-</u>	<u>(125,593)</u>	<u>21,144,074</u>	<u>766,174</u>	<u>22,254,731</u>
Net change in fund balance	2,147,249	(168,791)	474,616	21,804,643	3,049,522	27,307,239
Fund balances, beginning	<u>13,009,792</u>	<u>3,628,348</u>	<u>4,470,197</u>	<u>20,888,083</u>	<u>23,726,429</u>	<u>65,722,849</u>
Fund balances, ending	<u>\$ 15,157,041</u>	<u>\$ 3,459,557</u>	<u>\$ 4,944,813</u>	<u>\$ 42,692,726</u>	<u>\$ 26,775,951</u>	<u>\$ 93,030,088</u>

The accompanying notes are an integral part of this statement.

City of Springfield, 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, 2025

Net change in fund balances - total governmental funds	\$ 27,307,239
Amounts reported for governmental activities in the statement of activities are different because:	
Internal service funds are used by management to charge the costs of certain activities, such as insurance, vehicle and equipment replacement, and SDC administration to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	2,361,402
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.	8,675
Capital outlay is reported as expenditures in governmental funds. However, the Statement of Activities allocates the cost of capital outlays over their estimated useful lives as depreciation expense.	1,972,435
Governmental funds do not report expenditures for unpaid compensated absences, pension liability, or other post employment benefits since they do not require the use of current financial resources. However, the statement of activities reports such expenses when incurred, regardless of when settlement ultimately occurs.	1,077,716
Proceeds from the issuance of long-term debt provide current financial resources to governmental funds and are reported as revenues. In the same way, repayments of long-term debt use current financial resources and are reported as expenditures in governmental funds. However, neither the receipt of debt proceeds nor the payment of debt principal affect the Statement of Activities, but are reported as increases and decreases in noncurrent liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	<u>(17,384,089)</u>
Change in net position of governmental activities	<u>\$ 15,343,378</u>

The accompanying notes are an integral part of this statement.

City of Springfield, Oregon  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
June 30, 2025

	Business-type Activities - Enterprise Funds					Governmental Activities
				Nonmajor		Internal Service Funds
	Sewer	Storm Drainage	Ambulance	Booth-Kelly	Total	
<b>ASSETS</b>						
Current assets:						
Cash and investments	\$ 42,046,494	\$ 29,612,086	\$ -	\$ 1,470,385	\$ 73,128,965	\$ 28,745,322
Accounts receivable, net of allowance for estimated uncollectibles	2,926,654	1,625,267	3,243,747	99,061	7,894,729	214,133
Prepays	20,535	13,802	51,771	-	86,108	128,617
Grant receivable	-	17,607	42,605	-	60,212	-
Deposits	-	-	-	1,000	1,000	200,000
Accrued interest	268,373	186,812	-	9,093	464,278	189,434
Lease receivable, current portion	-	-	-	126,575	126,575	-
Deferred system development fees	668,732	42,545	-	-	711,277	98,261
Inventory	-	-	-	-	-	41,120
Due from other funds	126	33,267	-	-	33,393	-
Total current assets	45,930,914	31,531,386	3,338,123	1,706,114	82,506,537	29,616,887
Noncurrent assets:						
Capital assets - net	46,806,116	15,969,786	66,116	507,535	63,349,553	7,335,430
Work in progress	5,349,894	3,987,845	-	-	9,337,739	4,389,590
Land and land rights	2,043,042	1,721,879	-	2,641,557	6,406,478	-
Lease receivable	-	-	-	103,357	103,357	-
Net OPEB asset - RHIA	87,489	67,759	86,783	1,594	243,625	14,633
Due from other governments	2,204,660	-	-	-	2,204,660	-
Total noncurrent assets	56,491,201	21,747,269	152,899	3,254,043	81,645,412	11,739,653
Total assets	102,422,115	53,278,655	3,491,022	4,960,157	164,151,949	41,356,540
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred pension outflow	2,012,829	1,627,478	1,860,844	49,074	5,550,225	332,689
Deferred OPEB outflows	91,868	83,451	89,467	2,406	267,192	9,586
Deferred charge for debt refunding	169,242	-	-	-	169,242	-
Total deferred outflows of resources	2,273,939	1,710,929	1,950,311	51,480	5,986,659	342,275
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	119,114	83,909	781,099	18,530	1,002,652	1,365,139
Accrued payroll and other liabilities	561,054	353,843	592,262	6,454	1,513,613	555,645
Subscription liability, current portion	-	-	-	-	-	5,680
Lease obligation, current portion	-	-	-	-	-	118,575
Accrued interest payable	26,156	9,525	6,380	-	42,061	2,186
Due to other funds	-	-	1,079,367	-	1,079,367	-
Deposits	-	-	-	32,979	32,979	-
Unearned revenues	-	-	-	100	100	71,721
Revenue bonds payable - current maturity	1,605,000	514,820	-	-	2,119,820	-
OPEB obligation payable - current	26,647	41,050	29,127	1,266	98,090	5,254
Total current liabilities	2,337,971	1,003,147	2,488,235	59,329	5,888,682	2,124,200
Noncurrent liabilities:						
Accrued absence payable	210,251	56,161	12,329	-	278,741	9,801
Lease obligation, less current portion	-	-	-	-	-	1,266,768
Revenue bonds payable (net of unamortized premium)	1,327,559	2,677,678	-	-	4,005,237	-
Contracts payable	470,314	-	-	-	470,314	-
Net pension liability	5,033,484	4,175,084	4,528,082	152,812	13,889,462	883,819
Net OPEB obligation payable	235,112	200,600	533,774	9,236	978,722	52,951
Total noncurrent liabilities	7,276,720	7,109,523	5,074,185	162,048	19,622,476	2,213,339
Total liabilities	9,614,691	8,112,670	7,562,420	221,377	25,511,158	4,337,539
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred pension inflow	731,825	659,735	1,015,167	4,650	2,411,377	132,052
Deferred OPEB inflow	307,786	284,307	209,630	9,358	811,081	45,447
Deferred amount on refunding	-	137,262	-	-	137,262	-
Deferred lease resources	-	-	-	203,090	203,090	-
Total deferred inflows of resources	1,039,611	1,081,304	1,224,797	217,098	3,562,810	177,499
<b>NET POSITION</b>						
Net investment in capital assets	50,909,135	18,314,271	66,116	3,149,092	72,438,614	10,177,740
Restricted:						
Capital assets	17,136,771	4,550,435	-	-	21,687,206	-
Net OPEB asset	87,489	67,759	86,783	1,594	243,625	14,633
Unrestricted	25,908,357	22,863,145	(3,498,783)	1,422,476	46,695,195	26,991,404
Total net position	\$ 94,041,752	\$ 45,795,610	\$ (3,345,884)	\$ 4,573,162	141,064,640	\$ 37,183,777
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds.					357,313	
Net position of business-type activities					\$ 141,421,953	

The accompanying notes are an integral part of this statement.

City of Springfield, Oregon  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
Year Ended June 30, 2025

	Business-type Activities - Enterprise Funds					Governmental Activities
				Nonmajor		Internal Service Funds
	Sewer	Storm Drainage	Ambulance	Booth-Kelly	Total	
Operating revenues						
Charges for services	\$ 8,986,155	\$ 9,497,606	\$ 20,648,160	\$ 628,592	\$ 39,760,513	15,209,259
Less: Contractual adjustments	-	-	(13,857,113)	-	(13,857,113)	-
Licenses, permits, and fees	-	-	-	-	-	270,390
Intergovernmental revenues	-	74,187	15,607	-	89,794	47,832
Miscellaneous revenue	-	522	11,499	-	12,021	77,817
Total operating revenues	<u>8,986,155</u>	<u>9,572,315</u>	<u>6,818,153</u>	<u>628,592</u>	<u>26,005,215</u>	<u>15,605,298</u>
Operating expenses:						
City manager's office	53,601	53,703	-	102,336	209,640	-
Legal and judicial services	-	-	-	-	-	7,238
Human resources	-	-	-	-	-	11,572,810
Finance	33,558	33,560	-	-	67,118	35,723
Information technology	-	-	-	-	-	657,394
Library	-	-	-	-	-	6,546
Fire and life safety	-	-	8,091,701	-	8,091,701	139,069
Police	-	-	-	-	-	7,425
Development and public works	5,416,790	6,971,569	-	480,875	12,869,234	972,820
Depreciation	2,874,460	676,983	11,668	52,502	3,615,613	1,877,641
Total operating expenses	<u>8,378,409</u>	<u>7,735,815</u>	<u>8,103,369</u>	<u>635,713</u>	<u>24,853,306</u>	<u>15,276,666</u>
Operating income (loss)	<u>607,746</u>	<u>1,836,500</u>	<u>(1,285,216)</u>	<u>(7,121)</u>	<u>1,151,909</u>	<u>328,632</u>
Nonoperating revenues (expenses):						
Investment earnings/(loss)	1,956,107	1,278,018	(55,508)	67,222	3,245,839	1,328,780
Grant revenues	108	125	90,353	-	90,586	-
Interest expense	(84,550)	(13,797)	-	-	(98,347)	(99,471)
Gain/(loss) on disposition of equipment	(37,695)	(24,385)	-	(4,032)	(66,112)	304,190
Total nonoperating revenues (expenses)	<u>1,833,970</u>	<u>1,239,961</u>	<u>34,845</u>	<u>63,190</u>	<u>3,171,966</u>	<u>1,533,499</u>
Income (loss) before contributions and transfers	<u>2,441,716</u>	<u>3,076,461</u>	<u>(1,250,371)</u>	<u>56,069</u>	<u>4,323,875</u>	<u>1,862,131</u>
Transfers in	127	33,267	346,078	192,925	572,397	99,467
Transfers out	(30,000)	(39,467)	-	(100,000)	(169,467)	-
Capital contributions	<u>2,542,591</u>	<u>770,956</u>	<u>-</u>	<u>-</u>	<u>3,313,547</u>	<u>-</u>
Change in fund net position	<u>4,954,434</u>	<u>3,841,217</u>	<u>(904,293)</u>	<u>148,994</u>	<u>8,040,352</u>	<u>1,961,598</u>
Net position, beginning of year as originally stated	<u>89,142,953</u>	<u>41,981,601</u>	<u>(2,365,992)</u>	<u>4,424,168</u>		<u>35,222,179</u>
Restatement for GASB101 Implementation	<u>(55,635)</u>	<u>(27,208)</u>	<u>(75,599)</u>	<u>-</u>		<u>-</u>
Net position, beginning of year	<u>89,087,318</u>	<u>41,954,393</u>	<u>(2,441,591)</u>	<u>4,424,168</u>		<u>35,222,179</u>
Net position, end of year	<u>\$ 94,041,752</u>	<u>\$ 45,795,610</u>	<u>\$ (3,345,884)</u>	<u>\$ 4,573,162</u>		<u>\$ 37,183,777</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					(335,318)	
Change in net position of business-type activities					<u>\$ 7,705,034</u>	

The accompanying notes are an integral part of this statement.

City of Springfield, Oregon  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended June 30, 2025

	Business type Activities - Enterprise Funds					Governmental Activities
				Nonmajor		Internal Service Funds
	Sewer	Storm Drainage	Ambulance	Booth-Kelly	Total	
Cash flows from operating activities:						
Cash received from customers	\$ 9,049,319	\$ 9,380,911	\$ 6,659,003	\$ 547,511	\$ 25,636,744	\$ 15,316,882
Cash paid for employee services	(2,837,380)	(4,356,675)	(4,907,279)	(129,056)	(12,230,390)	(1,154,812)
Cash paid to suppliers for goods and services	(3,086,636)	(3,119,881)	(2,122,402)	(440,386)	(8,769,305)	(12,263,340)
Other operating receipts	(16,451)	41,442	(15,499)	-	9,492	396,035
Net cash provided by (used in) operating activities	3,108,852	1,945,797	(386,177)	(21,931)	4,646,541	2,294,765
Cash flows from noncapital financing activities:						
Capital contributions	147,649	4,295	-	-	151,944	-
Grant contributions	108	125	90,353	-	90,586	-
Transfers (to)/from other funds	(29,873)	(6,200)	346,078	92,925	402,930	99,467
Net cash provided by (used in) noncapital financing activities	117,884	(1,780)	436,431	92,925	645,460	99,467
Cash flows from capital and related financing activities:						
System development charges	2,273,000	455,762	-	-	2,728,762	-
Acquisition and construction of capital assets	(1,350,336)	(416,425)	-	-	(1,766,761)	(3,442,306)
Proceeds from the sale of assets	-	-	-	-	-	515,305
Principal paid on due to developer	(1,225)	-	-	-	(1,225)	-
Principal paid on long-term debt	(1,524,684)	(483,302)	-	-	(2,007,986)	(522,710)
Interest paid on long-term debt	(267,086)	(42,885)	-	-	(309,971)	(99,648)
Net cash used in capital and related financing activities	(870,331)	(486,850)	-	-	(1,357,181)	(3,549,359)
Cash flows from investing activities:						
Interest on investments	1,886,359	1,235,769	(50,254)	64,708	3,136,582	1,277,843
Net change in cash and investments	4,242,764	2,692,936	-	135,702	7,071,402	122,716
Cash and investments, beginning of year	37,803,730	26,919,150	-	1,334,683	66,057,563	28,622,606
Cash and investments, end of year	\$ 42,046,494	\$ 29,612,086	\$ -	\$ 1,470,385	\$ 73,128,965	\$ 28,745,322
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ 607,746	\$ 1,836,500	\$ (1,285,216)	\$ (7,121)	\$ 1,151,909	\$ 328,632
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation and amortization	2,874,460	676,983	11,668	52,502	3,615,613	1,877,641
Changes in assets and liabilities:						
Accounts receivable	63,164	(116,695)	(163,835)	(78,381)	(295,747)	107,619
Due from other governments	(16,451)	322	-	-	(16,129)	-
Prepaid expenses	31	(84)	(2,934)	(1,000)	(3,987)	(49,432)
Accounts payable	(567,314)	(433,752)	190,983	16,488	(793,595)	434,845
Due to/from other funds	-	(33,267)	761,369	-	728,102	-
Accrued payroll and other liabilities	39,098	82,806	138,560	2,901	263,365	(300,667)
Accrued claims liabilities	-	-	-	-	-	(117,963)
Net pension liability and related deferrals	342,016	143,751	125,710	11,241	622,718	19,866
Net OPEB obligation and related deferrals	(233,898)	(210,767)	(151,668)	(6,493)	(602,826)	(11,542)
Net lease receivable	-	-	-	(10,368)	(10,368)	-
Unearned revenue	-	-	(10,814)	(1,700)	(12,514)	7,367
Inventory	-	-	-	-	-	(1,601)
Net cash provided by (used in) operating activities	\$ 3,108,852	\$ 1,945,797	\$ (386,177)	\$ (21,931)	\$ 4,646,541	\$ 2,294,765
Noncash capital and related financing activities:						
Contributed capital assets	\$ 121,942	\$ 310,899	\$ -	\$ -	\$ 432,841	\$ -
Accounts payable on capital assets	-	-	-	-	-	12,295
Subscription liability on capital assets	-	-	-	-	-	144,301
	\$ 121,942	\$ 310,899	\$ -	\$ -	\$ 432,841	\$ 156,596

The accompanying notes are an integral part of this statement.

City of Springfield, Oregon  
STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUND  
June 30, 2025

ASSETS

Cash and investments	\$ 138,185,150
Total assets	<u>138,185,150</u>

LIABILITIES

Accounts payable	<u>6,192,171</u>
Total liabilities	<u>6,192,171</u>

NET POSITION

Restricted for:	
HRA participants	2,280,125
Bail	15,818
Regional Fiber Consortium	720,646
Metropolitan Wastewater Management Commission	127,611,107
Individuals, organizations, and other governments	<u>1,365,283</u>
Total net position	<u><u>\$ 131,992,979</u></u>

City of Springfield, Oregon  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUND  
Year Ended June 30, 2025

ADDITIONS

HRA contributions from employer	\$ 958,074
Ambulance service collections for other governments	50,880
Bail receipts from individuals	188,085
Miscellaneous receipts from individuals, organizations	2,928,029
Receipts from Regional Fiber Consortium	1,930,849
Receipts from Metropolitan Wastewater Management Commission	<u>309,244,736</u>
Total additions	<u>315,300,653</u>

DEDUCTIONS

HRA disbursements by employer	814,067
Ambulance service disbursements to other governments	50,880
Bail refunds to individuals	251,008
Miscellaneous disbursements to individuals, organizations	2,981,273
Disbursements by Regional Fiber Consortium	1,875,864
Disbursements by Metropolitan Wastewater Management Commission	<u>303,235,652</u>
Total deductions	<u>309,208,744</u>

CHANGE IN NET POSITION	6,091,909
Net position - beginning	<u>125,901,070</u>
Net position - ending	<u><u>\$ 131,992,979</u></u>

The accompanying notes are an integral part of this statement.





City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

The more significant accounting policies of the City are described below.

**1. Financial Reporting Entity**

The accompanying financial statements present the City of Springfield and its component unit.

**BLENDED COMPONENT UNIT**

The Springfield Economic Development Agency (SEDA) is a legally separate body, acting as the Urban Renewal Agency of the City of Springfield. Because the SEDA governing body is substantively the same as the City's, and because City management is responsible for the Agency's operations, the funds of the Agency are blended with those of the City by including them in the appropriate statements and schedules of this Annual Comprehensive Financial Report. Separate financial statements for the Agency can be obtained from the Finance Department of the City of Springfield or viewed on the City's website at [www.springfield-or.gov](http://www.springfield-or.gov).

**2. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on charges for services for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**3. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

Measurement focus refers to what is being measured by a fund. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The government-wide, proprietary, and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected 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 30 days of the end of the year being reported. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise fees, transient room taxes, and state shared revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period when collected within 30 days following the year end. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received.

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 comprise its assets, deferred outflows, liabilities, deferred inflows, fund balance, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

There are stated minimum criteria for the determination of major funds: percentage of the assets plus deferred outflows, liabilities plus deferred inflows, revenues or expenditures/expenses of either fund category, or the governmental and enterprise funds combined. The City electively added funds as major funds if those funds had debt outstanding or a specific community focus. 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:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Police Local Option Levy Fund accounts for revenue received from a five-year Police Local Option Levy to enhance public safety services by adding staff to the Police and Court Departments as well as funding jail operations.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The Special Revenue Fund accounts for revenue received for specific, restricted purposes. Included in this fund are American Rescue Plan Act funding which was received in FY21 and FY22.

The Street Capital Fund accounts for revenue and expenses related to public transportation capital improvements. Financing is provided by bond sales and system development charges.

The City reports the following major proprietary funds:

The Sewer Fund accounts for the operation, construction, and maintenance of the wastewater collection system. Revenue is derived from sewer user fees and system development charges.

The Storm Drainage Fund accounts for operation, construction, and maintenance of the stormwater drainage system. Revenue is derived from storm drainage fees and system development charges.

The Ambulance Fund accounts for the City's ambulance operations. Revenue is derived mainly from ambulance fees. The fund also performs billing and collection of ambulance operations for other Oregon cities. This service is provided for a fee.

Additionally, the government reports the following fund types:

Internal Service Funds account for the ownership and use of rolling vehicle stock and computer equipment, the City's risk and employee benefit program, and costs related to the administration of system development charges. Resources are provided by charges to other funds, including component units.

The Custodial Fund is a fiduciary fund used to account for funds received and held by the City in a custodial capacity. The majority of the activity in this fund is made up of transactions related to being the fiscal agent for the Metropolitan Wastewater Management Commission and Regional Fiber Consortium, Ambulance billing fees collected for other agencies, Health Reimbursement Accounts held on behalf of City employees, and fees collected by the municipal court that are passed on to other entities and government agencies.

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

Accounts recorded as program revenues include charges to customers, operating grants and contributions, and capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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 principal ongoing operations. Operating revenues of the Ambulance Fund are ambulance fees and billing and collection charges. Operating revenues of the Sewer Fund are sewer user fees. Operating revenues of the Storm Drainage Fund are drainage fees. Operating revenues of the internal service funds are charges to other funds for depreciation on equipment and for services provided. Operating expenses for the enterprise funds and internal service funds include administrative expenses, depreciation on capital assets and the cost of providing services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

4. Assets, Liabilities, and Net Position

a. Cash and Investments

State statutes authorize the City to invest in obligations of the U.S. Treasury and its agencies, bankers' acceptances, high grade commercial paper, the State of Oregon Local Government Investment Pool and repurchase agreements.

Investments are reported at fair value.

For purposes of the statement of cash flows for proprietary fund types, cash and investments in the City-wide investment pool (including restricted cash and investments) are considered cash and cash equivalents.

The pool has the general characteristics of a demand deposit account in that funds may deposit additional cash at any time and may withdraw cash at any time without prior notice or penalty.

b. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Real and personal property taxes attach as an enforceable lien on property as of July 1st. All taxes are levied as of July 1st and are payable in three installments on November 15th, February 15<sup>th</sup>, and May 15th. All property taxes are billed and collected by Lane County, Oregon and then turned over to the City. For the year ended June 30, 2025 the City's tax levy did not exceed the Oregon constitutional limitation. The total property tax levy was \$48,935,048. This includes general property taxes to support general obligation bond debt service of \$7,120,419.

The City has foreclosed on properties, collateralizing assessments receivable over the past twenty years. The properties collateralizing the assessments receivable, where the right to redemption still exists by the benefited property owner, are recorded as liens receivable, which include the cost of the original assessment, foreclosure costs and interest to the date of foreclosure, as provided by Oregon Statutes. Once the right to redeem these properties no longer exists (after one year), the properties are deeded to the City and then become investment in foreclosed property. Liens receivable and investment in foreclosed property are offset by unavailable revenue and, accordingly, have not been recorded as revenue in the governmental funds.

The value of these properties, both liens and investment in foreclosed property, has been adjusted to the lower of net realizable value or cost. Net realizable value for the City has been determined by reviewing the true cash value of these properties as recorded by the Lane County assessor, less the underlying property taxes that must be paid upon the sale of the property by the City.

c. Inventories

Inventories of materials and supplies are valued at cost or average cost using the first-in/first-out method and are shown on the balance sheet as an asset with a corresponding nonspendable fund balance. Inventories are charged to operations as consumed in both the government-wide and fund financial statements.

d. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2025 are recorded as prepaid items. These prepaid amounts are recorded in the balance sheet as an asset with a corresponding nonspendable fund balance and are shown as expenditures in the periods that the service is provided, consistent with the "consumption method" of accounting for prepaids.

e. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, multi-use paths and traffic control devices), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life greater than one year. Such assets are recorded at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

As permitted by GAAP, the City has limited the retroactive capitalization of governmental fund infrastructure to fiscal years ending after June 30, 1980. Although the majority of such infrastructure was placed in service before that date, it has not been included in these financial statements since it has been substantially depreciated.

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

Depreciation and amortization of capital assets are computed on the straight-line method over the estimated useful lives of the related assets. Upon disposal of such assets, the accounts are relieved of the related historical costs and accumulated depreciation, and resulting gains or losses are reflected in income. The estimated useful lives of the various categories of assets are as follows:

<u>Category</u>	<u>Estimated Useful Life</u>
Buildings	10-50 years
Equipment	3-20 years
Infrastructure	20-50 years
Studies	10 years

f. Compensated Absences

Compensated Absences are recognized in accordance with *Governmental Accounting Standards Board (GASB) 101, Compensated Absences*.

It is the City's policy to permit employees to accumulate earned but unused vacation leave within limits set by collective bargaining agreements. All employees with accrued vacation leave are paid the outstanding vacation accrual balance, within limits, at separation at the employee's current pay rate. Employees with sick leave accruals and meeting longevity requirements are paid the outstanding sick leave accrual balance, within limits, upon retirement at the employee's current pay rate. All vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund statements. In addition, a liability for the estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences. The governmental fund financial statements do not report liabilities for compensated absences unless they are due for payment.

g. Long-term Liabilities

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. Bond issuance costs are recognized in the year incurred. Deferred charges for refunding are amortized straight-line over the life of the new debt.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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 debt service expenditures.

h. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

The other instance of deferred inflows arises only under a modified accrual basis of accounting. Accordingly, *unavailable revenue* is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

i. Leases

Leases are recognized in accordance with *Governmental Accounting Standards Board (GASB) 87, Leases*.

*Leases Receivable.* As Lessor, the City recognizes a lease receivable and a deferred inflow of resources. The lease receivable is recognized at the net present value of the rents to be received at a borrowing rate stated in the lease agreement or determined by the City. The receivable is reduced by the payments received. A deferred inflow of resources is recognized in the amount equal to the amount of the initial lease receivable. The deferred inflow of resources is amortized using the straight-line method over the lease term.

*Leases Payable.* As Lessee, the City reports the right-to-use lease assets and related leases payable in the Statement of Net Position of the government-wide and proprietary statements. In the governmental fund financial statements, the present value of the lease payments for new leases is reported under both other financing sources as issuance of long-term debt, and as capital outlay; payments are recorded as principal and interest payments.

j. Subscription-Based Information Technology Arrangements (SBITA)

Subscription-based information technology arrangements (SBITA) are recognized in accordance with Government Accounting Standards Board (GASB) 96, *Subscription based Information Technology Arrangements*. The City reports the right-to-use SBITA assets and related SBITA payable in the Statement of Net Position of the government-wide and proprietary statements. In the governmental fund financial statements, the present value of SBITA payments for new subscriptions is reported under both other financing sources as issuance of long-term debt, and as capital outlay; payments are recorded as principal and interest payments.



City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

k. Pensions

Oregon Public Employees Retirement System (OPERS) – 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 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.

City Retirement Plan (CRP) – For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of CRP and additions to/deductions from CRP fiduciary net position have been determined on the same basis as they are reported by the City's actuary. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

l. Net Position

Net position represents the difference between assets plus deferred outflows of resources less liabilities and deferred inflows of resources. The City reports the following subcategories of net position:

*Net Investment in capital assets* represents the difference between capital assets less accumulated depreciation and amortization, deferred outflows of resources, and the outstanding balance of debt (excluding unexpended proceeds) directly attributable to the acquisition, construction, or improvement of those assets.

*Restricted net positions* are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

*Unrestricted* represents all other net positions that are not restricted and do not meet the definition of net investment in capital assets.

m. Fund Balance

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

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

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

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

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

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

When both restricted and unrestricted (committed, assigned, or unassigned) resources are available for use, it is the City's practice to use restricted resources first, then unrestricted resources as needed. When an expenditure is incurred where an unrestricted fund balance classification could be used, the City's practice is to use committed resources first, assigned resources second, and then unassigned amounts as they are needed.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Fund balances by classification for the year ended June 30, 2025, were as follows:

<u>Fund Balances</u>	<u>General</u>	<u>Police Local Option Levy</u>	<u>Special Revenue</u>	<u>Street Capital</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
Nonspendable:						
Inventories	\$ 1,819	\$ -	\$ -	\$ -	\$ 334,341	\$ 336,160
Prepays	231,463	127,074	42,672	-	42,497	443,706
Investment in foreclosed property	1,970	-	-	-	-	1,970
Deposits	-	-	-	-	613	613
Restricted:						
Debt service	-	-	-	-	752,196	752,196
Urban renewal	-	-	-	-	3,792,249	3,792,249
Capital projects	-	-	-	-	1,856,099	1,856,099
Street repairs and maintenance	-	-	-	-	2,543,641	2,543,641
Street improvements	-	-	-	42,692,726	-	42,692,726
Public Safety - Fire	-	-	1,000	-	1,240,540	1,241,540
Public Safety - Police general	-	3,332,483	1,226,530	-	-	4,559,013
Public Safety - Police forfeitures	-	-	805,650	-	-	805,650
Building code	-	-	-	-	8,486,973	8,486,973
Economic development	-	-	7,203	-	3,217,009	3,224,212
Library services	-	-	1,988	-	-	1,988
Committed:						
Development assessment	-	-	-	-	1,042,009	1,042,009
Capital projects	-	-	-	-	2,301,393	2,301,393
Technology fee reserve	-	-	1,003,232	-	-	1,003,232
Assigned:						
Administrative fee reserve	-	-	28,379	-	-	28,379
Capital projects	-	-	-	-	1,166,391	1,166,391
Contingency reserve	1,000,000	-	-	-	-	1,000,000
Public Safety - Police K9	-	-	92,899	-	-	92,899
Public Safety - Police general	-	-	926,983	-	-	926,983
Other purposes	-	-	808,277	-	-	808,277
Unassigned	13,921,789	-	-	-	-	13,921,789
Total fund balances	<u>\$ 15,157,041</u>	<u>\$ 3,459,557</u>	<u>\$ 4,944,813</u>	<u>\$ 42,692,726</u>	<u>\$ 26,775,951</u>	<u>\$ 93,030,088</u>

n. Indirect Expenses Allocation

In the government-wide statement of activities, program costs include incidental indirect costs.

o. Contingency and Working Capital Policy

The City will maintain adequate cash reserves for both contingencies and working capital. Each fund will maintain adequate cash reserves, borrow internally from another City fund, or as a last resort, borrow externally to provide for cash flow and contingency requirements.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

5. New Accounting Pronouncements

During the fiscal year ended June 30, 2025, the City implemented the following GASB pronouncements:

- GASB Statement No. 101 – *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The effects of adoption and implementation of Statement No. 101 are referenced in Note S of the financial statements.
- GASB Statement No. 102 – *Certain Risk Disclosures*. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. The adoption and implementation of Statement No. 102 did not have a significant impact to the City.
- *GASB Statement No. 103 and 104* – These are other pronouncements that have been issued by the GASB but not yet implemented by the City.

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

1. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “all liabilities are reported in the statement of net position. However, if they are not due and payable in the current period, they are not recorded in the governmental funds.” The details of this \$74,987,587 difference are as follows:

Bonds payable, net of original issue premium and deferred charges	\$ 23,178,036
Notes payable	1,400,000
Interfund loan payable	1,945,752
Due to developer (contracts payable)	210,000
Accrued interest payable	412,991
Lease and subscription liability	58,189
Compensated absences	5,339,124
Net pension liability and related deferrals	37,109,790
Net OPEB obligation and related deferrals	<u>5,333,705</u>
Total	<u>\$ 74,987,587</u>

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS –  
Continued

Another element of that reconciliation states that capital assets are not financial resources in governmental funds, but are reported in the statement of net position at their net depreciable value. The details of this \$189,664,122 are as follows:

Capital assets (net of accumulated depreciation) reported in the Statement of Net Position - governmental activities column:	
Land and work in progress	\$ 107,469,918
Other capital assets (net of accumulated depreciation)	93,919,224
Total capital assets reported in internal service funds included in the Statement of Net Position - governmental activities column (net of accumulated depreciation)	<u>(11,725,020)</u>
	<u>\$ 189,664,122</u>

2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net position of government activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Capital outlay is reported as expenditures in governmental funds. However, the Statement of Activities allocates the cost of capital outlays over their estimated useful lives as depreciation expense.” The details of this \$1,972,435 difference are as follows:

Capital outlay	\$ 8,480,229
Donated capital assets	588,682
Leased equipment	(117,163)
Subscription assets	(7,322)
Depreciation	<u>(6,971,991)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,972,435</u>

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS –  
Continued

Another element of that reconciliation states that the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this \$(17,384,089) difference are as follows:

Issuance of bonds payable	\$ (22,890,332)
Issuance of note payable	(1,400,000)
Principal repayment of general obligation debt	6,357,876
Principal repayment of note payable	492,323
Amortization of deferred charges	(35,034)
Amortization of bond premiums	430,495
Increase in interfund loan payable	(81,643)
Decrease in lease liability	7,375
Decrease in subscription liability	121,832
Increase in rebatable arbitrage	(256,833)
Increase in accrued interest payable	<u>(130,148)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (17,384,089)</u>

Another element of the reconciliation states that governmental funds do not report expenditures for unpaid compensated absences or other post-employment benefits since they do not use current financial resources. The details of this \$1,077,716 difference are as follows:

Decrease in accrued compensated absences	\$ 458,041
Decrease in net pension liability and related deferrals	452,695
Decrease in net OPEB obligation and related deferrals	<u>166,980</u>
Net adjust to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,077,716</u>

NOTE C – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

In April of each year, the City Manager submits a recommended budget to the Budget Committee (which consists of the City Council and an equal number of citizens of the City). The City's budget is prepared for each fund on the modified accrual basis of accounting. Estimated receipts and expenditures are budgeted for by fund, program and object. Information on the past two years' actual receipts and expenditures and current year amended budgets are included in the budget document.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE C – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

The Budget Committee conducts public hearings for the purpose of obtaining citizens' comments.

The Budget Committee then presents an approved budget to the City Council for final adoption. The adopted expenditures for each fund may not be increased by more than 10% during the year without a special public hearing of the governing body with notice to the citizens published 5 to 30 days in advance. After the Council adopts the budget and certifies the total of ad valorem taxes to be levied, no additional tax levy may be made for that fiscal year.

The City Council legally adopts the budget before July 1, by resolution. The resolution authorizes fund appropriations as current annual departmental requirements, debt service, capital projects, interfund transfers, interfund loans, statutory payments, contingencies, unappropriated fund balances and reserves. Expenditures cannot legally exceed appropriations at these control levels. Appropriations lapse as of the end of the year.

The City Council may change the budget throughout the year by transferring appropriations between levels of control and by adopting supplemental budgets as authorized by Oregon Revised statutes. Management may administratively transfer budget amounts between individual line items within the control level but cannot make changes between the legal levels of control. During the fiscal year ended June 30, 2025, the City Council approved several transfer resolutions and supplemental budgets for a net increase in appropriations of \$67,805,516.

The Ambulance Fund reported a GAAP basis negative fund balance of \$3,345,884. This negative fund balance was the result of the Fund not receiving the anticipated ambulance billing revenue in the current and prior fiscal years dating back to June 30, 2017. The City has acknowledged the regularity of these shortfalls from year to year and will be transferring additional funds from the General Fund to support the operations of the Ambulance Fund. Additionally, the Ambulance Fund will continue to look for ways to reduce its costs in order to eliminate its negative fund balance over the next 5 years.

NOTE D – CASH AND INVESTMENTS

The City of Springfield maintains a common cash and investment pool that is available for use by all funds. As of June 30, 2025, cash and investments are comprised of the following:

Cash on hand	\$ 4,740
Cash with fiscal agent	5,500
Deposits	19,343,726
Local government investment pool accounts	116,967,531
Investments	200,025,150
Total	<u>\$ 336,346,647</u>

Each fund's portion of this pool is displayed in the Statement of Net Position.

Governmental activities	\$ 125,032,532
Business-type funds	73,128,965
Not appearing on statement of net position	
Fiduciary fund	<u>138,185,150</u>
Total	<u>\$ 336,346,647</u>

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE D – CASH AND INVESTMENTS – Continued

Deposits

Deposits with financial institutions are comprised of checking, money market and certificate of deposit accounts. As of June 30, 2025, the City of Springfield had a book balance of \$ 19,343,726 and a bank balance of \$ 19,128,962. The difference is due to transactions in process. Of this amount, \$1,000,000 was covered by federal depository insurance, and the remainder was collateralized by the statewide pool.

Effective July 1, 2008, the State of Oregon formed the Oregon Public Funds Collateralization Program under ORS 295. The collateralization program creates a statewide pool of qualified bank depositories for local governments, providing collateralization for bank balances that exceed the limits of federal depository insurance, and eliminating the need for certificates of participation. The legislation creates a shared liability structure for depository banks but does not guarantee that public funds are 100% protected. The City is also required to verify that amounts in excess of FDIC insurance limits are deposited only in qualified depository banks listed by the Office of the State Treasurer.

Local Government Investment Pool

The City participates in the State of Oregon Local Investment Pool (LGIP or Pool) which is an open-ended, load diversified portfolio created under ORS 294.805 to 294.895 and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. 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, like that of a prudent investor, exercising reasonable care, skill, and caution. Investments in the funds are further governed by portfolio guidelines issued by the Oregon short-term Funds Board, which establish diversification percentages and specify the types of 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, 2025 was unmodified and may be obtained at the Oregon State Treasury, 350 Winter St. NE, Ste 100, Salem, OR 97310 or at [www.oregon.gov/treasury](http://www.oregon.gov/treasury). As of June 30, 2025, the fair value of the City's deposits with the LGIP approximates cost.

Cash and Investments

As of June 30, 2025, the City of Springfield held \$200,025,150 of investments in government agency securities.

The City's investment policy requires that the City diversify investments across maturities, security type, and institution to avoid incurring unreasonable risks. Specifically, except for the Local Government Investment Pool and U.S. Treasury Obligations, no more than 25% of the City's total investment portfolio will be invested with a single financial institution, no more than 20% of the total portfolio will be invested with any one security, and lastly, no more than 5% of the total portfolio will be invested with any one corporate entity. The City was in compliance with all of the above stated City investment policy guidelines.



City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE D – CASH AND INVESTMENTS – Continued

The City's policy for custodial credit risk is outlined in the City's Investment and Portfolio Policies, adopted by the City Council. This investment policy applies to all cash-related assets included within the scope of the City of Springfield's audited financial statements and held directly by the City. Funds will be invested in compliance with the provisions of, but not necessarily limited to the Oregon Revised Statutes (ORS), Chapter 295, other applicable statutes and this policy. Investment of any tax-exempt borrowings proceeds and any related debt service funds will comply with the arbitrage restrictions in all applicable Internal Revenue Service codes. The City will limit investment activities in order to ensure safety, legality, liquidity, diversity, and yield. The standard of prudence used by the City's investment officer in the context of managing the overall portfolio shall be the prudent investor rule.

The scope of the City's investment policy includes not only investments, but all cash-related assets included within the scope of the City of Springfield's financial statements and held directly by the City. The investment policy establishes the City's permitted investments and provides guidelines for managing the various types of risk associated with these investments. The different risks will be discussed below.

A. Interest rate risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. City staff manages this risk by limiting the maturity of the investments held by the City. The investment policy requires that all short-term investments mature in less than 18 months. The investment policy defines short-term investments as those not reserved for specific capital projects or debt payments. Long-term investments are required to have maturities less than 3 years. Commercial paper is required to have a maturity which does not

exceed 270 days. On June 30, 2025, 100% of the total investments were considered short-term and had maturities less than 18 months and none were considered long-term with maturities of more than 18 months but less than 3 years. The table below displays the liquidity requirements of the investment policy and the liquidity characteristics of the City's cash and investments on June 30, 2025.

Short-Term Investments:

<u>Maturity</u>	<u>Amount</u>	<u>Actual %</u>	<u>Investment Policy %</u>
Under 30 days	\$ 146,316,198	44%	10 % minimum
Under 90 days	156,299,198	46%	25 % minimum
Under 270 days	246,269,198	73%	50 % minimum
Under one year	301,128,198	90%	80 % minimum
Under 18 months	336,346,647	100%	100 % minimum

B. Credit risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The City's investment policy provides that all corporate debt securities be rated at a minimum of A1 or AA by Standard and Poor's rating service or P1 or Aa by Moody's rating service, or for an Oregon issuer, a minimum of A1 or A or better by S & P; or P1 or Aa by Moody's. As of June 30, 2025, all of the corporate debt in the City's portfolio is in compliance with the investment policy. The Local Government Investment Pool is not rated and is not registered with the U.S. Securities and Exchange Commission.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE D – CASH AND INVESTMENTS – Continued

C. Custodial credit risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of an investment or collateral securities in the possession of an outside party. The City's investment policy requires that broker/dealers meet certain qualifications and that purchased investment securities will be delivered by FED book entry, DTC, or physical delivery, and held in third party safekeeping, registered to the City of Springfield - with a designated custodian. All of the City's investments as of June 30, 2025 were delivered by book entry to the account of BNY Mellon Trust Company, who held the securities for the benefit of the City.

D. Concentration of credit risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy provides concentration guidelines by both institution and by type of investment. The City diversifies investments across maturities, security type and institution to avoid incurring unreasonable risks. In particular, except for the Local Government Investment Pool, no more than 25% of the City's total investment portfolio will be invested with a single financial institution. In addition, no more than 20% of the total portfolio will be invested with any one security and no more than 5% of the total portfolio will be invested with any one corporate entity. As of June 30, 2025, the City was in compliance with the City's investment policy.

NOTE D – CASH AND INVESTMENTS – Continued

Diversification by Financial Instrument:

Instrument	Amount	% Invested	Maximum % of Portfolio
State of Oregon investment pool	\$ 116,967,531	35%	100%
Interest bearing checking account	9,153,813	3%	50%
Money market account	3,695,808	1%	50%
Time certificates of deposit	6,494,103	2%	25%
Corporate bonds	-	0%	25%
U.S. treasury bonds	200,025,150	59%	100%
Other	10,242	0%	0%
Total	<u>\$ 336,346,647</u>	<u>100%</u>	

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE D – CASH AND INVESTMENTS – Continued

E. Fair value measurements

Fair value is defined as the price that would be received at the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes fair value measurements within the hierarchy established by GASB Statement 72. This hierarchy defines three levels of inputs used to assess fair value which allows financial statement users to identify the level of reliability and determine variance risk between actual amounts received during a sale of assets or transfer of liabilities to that which is reported in the financial statements for the measurement date.

The classification of securities within this fair value hierarchy is based on activity level in the market for the security type, and the inputs used to determine their fair value are as follows:

- Level 1 – Unadjusted quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable based on market data obtained from sources independent of the reporting entity.
- Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable (based on the best information available regarding assumptions market participants would use in pricing the asset).

As of June 30, 2025, the City's investments in corporate and municipal bonds are classified as level 2.

F. Foreign currency

The City of Springfield has not made any investments that are not in US dollar denominations, therefore, the City is not exposed to this risk.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

**NOTE E – RECEIVABLES AND UNAVAILABLE REVENUE**

Receivables as of June 30, 2025 consisted of the following:

Fund	Accounts	Property Taxes and Other	Grants	Accrued Interest	Assessments and Liens	Lease	Mortgage Notes	Total Net Receivables
General	\$ 1,284,992	\$ 1,085,676	\$ 10,349	\$ 198,666	\$ -	\$ -	\$ -	\$ 2,579,683
Police local option levy	9,405	355,451	-	28,375	-	-	-	393,231
Special revenue	26,287	-	179,119	-	-	-	-	205,406
Street capital	774,320	-	61,109	247,730	-	-	-	1,083,159
Sewer	2,926,654 *	-	-	268,373	-	-	-	3,195,027
Storm drainage	1,625,267 *	-	17,607	186,812	-	-	-	1,829,686
Ambulance	3,243,747 *	-	42,605	-	-	-	-	3,286,352
Nonmajor governmental	1,842,393	533,217	397,065	182,528	17,944	-	971,118	3,944,265
Nonmajor enterprise	99,061	-	-	9,094	-	229,932	-	338,087
Internal service	214,133	-	-	189,434	-	-	-	403,567
Totals	<u>\$ 12,046,259</u>	<u>\$ 1,974,344</u>	<u>\$ 707,854</u>	<u>\$ 1,311,012</u>	<u>\$ 17,944</u>	<u>\$ 229,932</u>	<u>\$ 971,118</u>	<u>\$ 17,258,463</u>

\*Net of allowances for uncollectible accounts totalling \$3,567,763

Assessments, liens, and mortgage notes are collateralized by real estate.

Mortgage notes within the non-major governmental Community Development fund are a result of loans made under the CDBG federal program. Repayment is dependent on the type of mortgage note. Deferred payment loans, housing improvement loans, and SHOP loans are due and payable at the time of sale or transfer of title. Most loans are interest free. In all cases, loans become immediately due and payable if the client fails to meet any contract requirements.

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

As of June 30, 2025, the various components of unavailable revenue (deferred inflows of resources) consisted of the following:

Fund	Property Taxes Receivable	Fees and Charges	Mortgage Notes Receivable	Assessments	Total Unavailable Revenue
General	\$ 1,002,981	\$ 449,907	\$ -	\$ -	\$ 1,452,888
Police local option levy	342,267	4,464	-	-	346,731
Special revenue	-	25,885	-	-	25,885
Street capital	-	1,909,276	-	-	1,909,276
Nonmajor governmental	510,025	675,847	971,118	17,944	2,174,934
Total unavailable revenue	<u>\$ 1,855,273</u>	<u>\$ 3,065,379</u>	<u>\$ 971,118</u>	<u>\$ 17,944</u>	<u>\$ 5,909,714</u>

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE E – RECEIVABLES AND UNAVAILABLE REVENUE – Continued

**Lease Receivables:**

The City is involved in various leasing arrangements for land, buildings, equipment and land use rights which are leased mainly to commercial and retail customers. The implementation of GASB Statement No. 87 Leases, establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

Lessor lease receivables

In March 2025, the City entered into a 18-month lease as Lessor for the use of Booth Kelly Center - Suites 112 and 127 with an initial lease receivable of \$125,382 and an interest rate of 2.599%. As of June 30, 2025, the values of the lease receivable and deferred inflow of resources were \$89,945 and \$69,657, respectively. The lessee is required to make annual fixed payments of \$9,102 with the first 4 months deferred. Principal and interest payments received were \$35,437 and \$971, respectively, during the 2025 fiscal year. The building was fully depreciated as of contract commencement.

In January 2023, the City entered into a 36-month lease as Lessor for the use of Booth Kelly Center - Suite 150 with an initial lease receivable of \$59,983 with an interest rate of 2.656%. As of June 30, 2025, the values of the lease receivable and deferred inflow of resources were \$15,581 and \$9,997, respectively. The lessee was required to make annual fixed payments of \$2,396 through December 31, 2024. The payments increased to \$2,875 beginning January 1, 2025. Principal and interest payments received were \$30,748 and \$877, respectively, during the 2025 fiscal year. The building was fully depreciated as of contract commencement.

In December 2019, the City entered into a 40-month lease as Lessor for the use of Kelly Butte ATT Cell Tower with an initial lease receivable of \$69,875 and an interest rate of 0.727%. As of June 30, 2025, the values of the lease receivable and the deferred inflow of resources were \$0 and \$0, respectively. The lessee was required to make monthly fixed payments of \$1,725. Principal and interest payments received were \$8,609 and \$16, respectively, during the 2025 fiscal year.

In May 2025, the City entered into a 72-month lease as Lessor for the use of Kelly Butte ATT Cell Tower with an initial lease receivable of \$136,730 and an interest rate of 2.570%. As of June 30, 2025, the values of the lease receivable and deferred inflow of resources were \$124,406 and \$123,437, respectively. The lessee is required to make monthly fixed payments of \$2,000 with a 15% increase occurring in month 60. Principal and interest payments received were \$12,324 and \$1,676, respectively, during the 2025 fiscal year.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE E – RECEIVABLES AND UNAVAILABLE REVENUE – Continued

The changes in lease receivables during the 2025 fiscal year were as follows:

<u>Business-type activities</u>	<u>Balance as of July 1, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance as of June 30, 2025</u>
Lease Receivables				
Buildings				
Booth-Kelly Center - Suites 112 and 127	\$ -	\$ 125,382	\$ (35,437)	\$ 89,945
Booth-Kelly Center - Suite 150	46,329	-	(30,748)	15,581
Total building lease receivables	46,329	125,382	(66,185)	105,526
Land:				
Kelly Butte ATT cell tower 1	8,609	-	(8,609)	-
Kelly Butte ATT cell tower 2	-	136,730	(12,324)	124,406
Total land lease receivables	8,609	136,730	(20,933)	124,406
Total lease receivables	\$ 54,938	\$ 262,112	\$ (87,118)	\$ 229,932

The lease receivables principal and interest payments expected to maturity are as follows:

<u>Fiscal Year</u>	<u>Business-Type Activities</u>		
	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2026	\$ 126,575	\$ 4,138	\$ 130,713
2027	21,597	2,403	24,000
2028	22,159	1,841	24,000
2029	22,735	1,265	24,000
2030	25,440	660	26,100
2031	11,426	74	11,500
Total	\$ 229,932	\$ 10,381	\$ 240,313

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE E – RECEIVABLES AND UNAVAILABLE REVENUE – Continued

The changes in deferred inflow of resources during the 2025 fiscal year were as follows:

<u>Business-type activities</u>	<u>Balance as of July 1, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance as of June 30, 2025</u>
Deferred Inflows of Resources				
Buildings				
Booth-Kelly Center - Suites 112 and 127	\$ -	\$ 125,382	\$ (55,726)	\$ 69,656
Booth-Kelly Center - Suite 150	29,992	-	(19,995)	9,997
Total building deferred inflow of resources	29,992	125,382	(75,721)	79,653
Land				
Kelly Butte ATT cell tower 1	8,473	-	(8,473)	-
Kelly Butte ATT cell tower 2	-	136,730	(13,293)	123,437
Total land deferred inflow of resources	8,473	136,730	(21,766)	123,437
Total deferred inflow of resources	\$ 38,465	\$ 262,112	\$ (97,487)	\$ 203,090

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

**NOTE F – CAPITAL ASSETS**

Governmental activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated or amortized:				
Land	\$ 91,091,703	\$ 912,477	\$ (83,359)	\$ 91,920,821
Work in progress	10,454,553	7,161,604	(2,067,060)	15,549,097
Total capital assets, not being depreciated or amortized	101,546,256	8,074,081	(2,150,419)	107,469,918
Capital assets, being depreciated or amortized:				
Buildings	50,537,033	4,826,890	(134,489)	55,229,434
Infrastructure	133,084,224	819,122	(42,787)	133,860,559
Machinery & equipment	31,338,129	3,082,073	(3,116,202)	31,304,000
Leased machinery & equipment	37,085	-	-	37,085
Studies	1,350,348	-	-	1,350,348
Subscriptions - software	868,766	272,647	(15,866)	1,125,547
Total capital assets, being depreciated or amortized	217,215,585	9,000,732	(3,309,344)	222,906,973
Less accumulated depreciation or amortization for:				
Buildings	(38,501,543)	(1,798,346)	98,724	(40,201,165)
Infrastructure	(60,750,555)	(4,641,837)	24,087	(65,368,305)
Machinery & equipment	(21,860,393)	(2,116,005)	2,635,297	(21,341,101)
Leased machinery & equipment	(20,185)	(7,322)	-	(27,507)
Studies	(1,160,354)	(95,887)	-	(1,256,241)
Subscriptions - software	(494,575)	(314,720)	15,866	(793,429)
Total depreciation or amortization	(122,787,605)	(8,974,117)	2,773,974	(128,987,748)
Total capital assets, being depreciated or amortized, net	94,427,980	26,615	(535,370)	93,919,224
Governmental activities capital assets, net	\$ 195,974,236	\$ 8,100,696	\$ (2,685,789)	\$ 201,389,142

Business-type activities:

	Ending Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated or amortized:				
Land	\$ 6,411,506	\$ -	\$ (5,028)	\$ 6,406,478
Work in progress	9,478,137	1,466,655	(1,607,053)	9,337,739
Total capital assets, not being depreciated or amortized	15,889,643	1,466,655	(1,612,081)	15,744,217
Capital assets, being depreciated or amortized:				
Buildings & infrastructure	119,319,327	2,340,050	(150,133)	121,509,244
Land improvements	547,420	-	(14,227)	533,193
Equipment	1,855,770	-	(50,769)	1,805,001
Leased equipment				
Studies	2,775,243	-	(38,307)	2,736,936
Total capital assets, being depreciated or amortized	124,497,760	2,340,050	(253,436)	126,584,374
Less accumulated depreciation for:				
Land improvements	(521,485)	(2,268)	11,601	(512,152)
Buildings & infrastructure	(55,455,258)	(3,489,657)	95,658	(58,849,257)
Equipment	(1,767,285)	(14,279)	50,770	(1,730,794)
Leased equipment				
Studies	(2,067,483)	(109,409)	34,274	(2,142,618)
Total depreciation or amortization	(59,811,511)	(3,615,613)	192,303	(63,234,821)
Total capital assets, being depreciated or amortized, net	64,686,249	(1,275,563)	(61,133)	63,349,553
Business-type activities capital assets, net	\$ 80,575,892	\$ 191,092	\$ (1,673,214)	\$ 79,093,770



City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE F – CAPITAL ASSETS – Continued

Depreciation and amortization expense was charged to functions of the City as follows:

Governmental activities:	
General government	\$ 582,172
Fire and life safety	697,496
Police	1,695,709
Library	64,116
Development and public works	5,892,466
Unallocated	<u>42,159</u>
Total depreciation and amortization expense - governmental activities	<u>\$ 8,974,117</u>
Business activities:	
Sanitary sewer	\$ 2,874,461
Storm drainage	676,983
Booth-Kelly	52,501
Ambulance	<u>11,668</u>
Total depreciation and amortization expense - business-type activities	<u>\$ 3,615,613</u>

**NOTE G – LEASES AND SUBSCRIPTIONS**

1. Leases

The City is involved in leasing arrangements equipment which are leased from outside parties. The implementation of GASB Statement No. 87 Leases, establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset. For additional information, refer to the disclosures below.

In November 2021, the City entered into a 60-month lease as Lessee for the use of Ricoh Printers - Police Department. An initial lease liability was recorded in the amount of \$29,126. As of June 30, 2025, the value of the lease liability is \$8,291. The City is required to make monthly fixed payments of \$492 and the lease has an interest rate of 1.177%. Total principal and interest payments made during the 2025 fiscal year were \$5,769 and \$134, respectively. The equipment's estimated useful life was 60 months as of the contract commencement. The value of the right to use asset is \$29,145 with accumulated amortization of \$21,023 and is included in Note F - Capital Assets under Leased machinery & equipment.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE G – LEASES AND SUBSCRIPTIONS – Continued

In July 2021, the City entered into a 58-month lease as Lessee for the use of Konica Minolta Copier/Printer/Scanner - CMO. An initial lease liability was recorded in the amount of \$7,816. As of June 30, 2025, the value of the lease liability is \$1,487. The City is required to make monthly fixed payments of \$136 and the lease has an interest rate of 1.059%. Total principal and interest payments made during the 2025 fiscal year were \$1,606 and \$25, respectively. The equipment's estimated useful life was 60 months as of the contract commencement. The value of the right to use asset is \$7,940 with accumulated amortization of \$6,484 and is included in Note F - Capital Assets under Leased machinery & equipment.

In June 2024, the City entered into a 10-year lease for the purchase of a fire vehicle in the amount of \$1,496,785 along with a \$17,129 down payment. The lease requires annual payments of \$207,237 over the next 10 years at a 6.4% interest rate. Total principal and interest payments made during the 2025 fiscal year were \$111,442 and \$95,794, respectively, with \$2,186 of accrued interest. The vehicle will not be delivered until fiscal year 2028 and so has been recorded as a work in progress asset with no associated depreciation expense in Note F - Capital Assets.

The changes in lease liabilities during the 2025 fiscal year were as follows:

<u>Governmental activities</u>	<u>Balance as of July 1, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance as of June 30, 2025</u>
Lease Liabilities				
Work-in-progress				
Fire truck	\$ 1,496,785	\$ -	\$ (111,442)	\$ 1,385,343
Equipment				
Ricoh printers	14,060	-	(5,769)	8,291
Konica Minolta copier/printer/scanner	3,093	-	(1,606)	1,487
Total equipment	17,153	-	(7,375)	9,778
Total lease liability	<u>\$ 1,513,938</u>	<u>\$ -</u>	<u>\$ (118,817)</u>	<u>\$ 1,395,121</u>

The lease liability principal and interest payments expected to maturity are as follows:

<u>Fiscal Year</u>	<u>Governmental Activities</u>		
	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2026	\$ 125,900	\$ 88,736	\$ 214,636
2027	128,616	81,080	209,696
2028	134,238	72,997	207,235
2029	142,829	64,407	207,236
2030	151,970	55,266	207,236
2031-2034	711,568	117,378	828,946
Total	<u>\$ 1,395,121</u>	<u>\$ 479,864</u>	<u>\$ 1,874,985</u>

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE G – LEASES AND SUBSCRIPTIONS – Continued

2. Subscriptions

The City is involved in various subscription based information technology arrangements. Under these arrangements, the City recognizes a subscription liability and an intangible right-to-use subscription asset. The useful life of the right-to-use assets is equal to the subscription term. These subscription assets and their related accumulated amortization are included in Note F - Capital Assets under Subscriptions - Software. For additional information, refer to the disclosures below:

In September 2022, the City entered into a 36-month subscription for the use of Dell's Volume Licensing Agreement for Microsoft Enterprise software with an initial subscription liability of \$400,196 and an interest rate of 2.656%. Annual payments are required in the amount of \$136,911. As of June 30, 2025, the value of the subscription liability was \$0. Principal and interest payments were \$133,368 and \$3,543, respectively, for the 2025 fiscal year.

In July 2022, the City entered into a 44-month subscription for the use of Incode - Court Case Management Suite software with an initial subscription liability of \$189,429 and an interest rate of 2.275%. Annual payments are required in the amount of \$65,548. As of June 30, 2025, the value of the subscription liability was \$0. Principal and interest payments were \$64,090 and \$1,458, respectively, for the 2025 fiscal year.

In July 2022, the City entered into a 66-month subscription for the use of SirisiDynix BLUEcloud software with an initial subscription liability of \$176,369 and an interest rate of 2.520%. Annual payments are required in the amount of \$49,631. As of June 30, 2025, the value of the subscription liability was \$48,411. Principal and interest payments were \$47,221 and \$1,940, respectively, for the 2025 fiscal year.

In March 2025, the City entered into a 36-month subscription for the use of KnowBe4 Anti-phishing software with an initial subscription liability of \$25,952 and an interest rate of 2.838%. The entire amount owed was paid in the first year, and so, as of June 30, 2025, the value of the subscription liability was \$0. Principal and interest payments were \$25,952 and \$0, respectively, for the 2025 fiscal year.

In August 2022, the City entered into a 36-month subscription for the use of DebtBook software with an initial subscription liability of \$13,950 and an interest rate of 2.184%. Graduated annual payments are required which was \$10,750 for the final 12 months of the subscription. As of June 30, 2025, the value of the subscription liability was \$0. Principal and interest payments were \$10,520 and \$230, respectively, for the 2025 fiscal year.

In November 2025, the City entered into a 36-month subscription for the use of Sophos Interceptor software with an initial subscription liability of \$246,695 and an interest rate of 2.321%. The entire amount owed was paid in the first year, and so, as of June 30, 2025, the value of the subscription liability was \$0. Principal and interest payments were \$246,695 and \$0, respectively, for the 2025 fiscal year.

In July 2023, the City entered into a 36-month subscription for the use of VelocityEHS MSDS software with an initial subscription liability of \$16,232 and an interest rate of 2.848%. Graduated annual payments are required which was \$5,564 for the second 12 months of the subscription. As of June 30, 2025, the value of the subscription liability was \$5,680. Principal and interest payments were \$5,253 and \$311, respectively, for the 2025 fiscal year.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE G – LEASES AND SUBSCRIPTIONS – Continued

The changes in subscription liabilities during the 2025 fiscal year were as follows:

<u>Governmental activities</u>	<u>Balance as of June 30, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance as of June 30, 2025</u>
Subscription liability				
Software				
DebtBook Services	\$ 10,520	\$ -	\$ (10,520)	\$ -
SirsiDynix Blue Cloud	95,632	-	(47,221)	48,411
Incode - Tyler Court Case Management Suite	64,090	-	(64,090)	-
Know B4 Anti-Phishing 2025	-	25,952	(25,952)	-
Sophos Interceptor X	-	246,695	(246,695)	-
Volume Licensing Agreement Microsoft/Dell	133,368	-	(133,368)	-
MSDS Velocity EHS	10,933	-	(5,253)	5,680
Total subscription liability	<u>\$ 314,543</u>	<u>\$ 272,647</u>	<u>\$ (533,099)</u>	<u>\$ 54,091</u>

The subscription liability principal and interest payments expected to maturity are as follows:

<u>Fiscal Year</u>	<u>Governmental Activities</u>		
	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2026	\$ 54,091	\$ 1,382	\$ 55,473
Total	<u>\$ 54,091</u>	<u>\$ 1,382</u>	<u>\$ 55,473</u>

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

**NOTE H - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts, errors and omissions, loss or damage to assets, employee injury or illness, and natural disasters.

The City maintains professional risk management and health and wellness programs. Various loss-control techniques are used to minimize or prevent losses. These techniques and programs include but are not limited to contracting for risk and benefit broker services, contracting for legal services, operation of a wellness clinic, accident investigation and training, fleet management, verification of employee qualifications, and employee and supervisory training.

The City has established an internal service fund to account for and finance its risks of loss. The City maintains a self-insured health benefit program that provides medical, dental, and vision coverage to all regular full and part-time employees and their dependents as well as non-Medicare eligible retirees and their dependents. The City has established a self-insurance reserve to pay medical, dental, and vision claims up to the self-insurance retention limit of \$150,000 per covered individual.

The following changes occurred in the health and dental claims liability in the current and previous fiscal years:

Fiscal year ended June 30	Liability balance at beginning of year	Current year claims and changes in estimates	Claim Payments	Liability balance at end of year
2015	\$ 399,575	\$ 6,007,389	\$ (5,359,049)	\$ 1,047,915
2016	1,047,915	5,343,218	(5,895,677)	495,456
2017	495,456	5,771,608	(5,531,337)	735,727
2018	735,727	6,293,791	(6,292,611)	736,907
2019	736,907	6,417,464	(6,040,112)	1,114,259
2020	1,114,259	5,599,898	(5,975,269)	738,888
2021	738,888	5,699,761	(5,638,464)	800,185
2022	800,185	5,551,941	(5,886,199)	465,927
2023	465,927	5,151,040	(5,244,899)	372,068
2024	372,068	5,822,650	(5,505,541)	689,177
2025	372,068	6,546,305	(6,086,613)	831,760

The City purchases third-party coverage or is part of the City County Insurance Services Insurance Pool for all lines of coverage. These include but are not limited to personal injury, public officials' errors and omissions, automobile, employer's liability, workers' compensation, and property. Settled claims have not exceeded insurance coverage in any of the past five fiscal years.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

**NOTE I - LONG-TERM DEBT**

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are backed by the full faith and credit of the City and are serviced by general property tax revenues.

The original amount of the Series 2016 general obligation bonds was \$14,690,000 which was a refunding of earlier general obligation bonds.

On November 29, 2022 SEDA issued an Urban Renewal Bond in the amount of \$5,000,000 to be accessed on a draw down basis. At closing, a draw of \$250,000 occurred with an additional draw on May 26, 2023 of \$2,000,000. On July 13, 2023, draw two happened in the amount of \$1,100,000, with the final draw of \$1,650,000 on October 4, 2024. This bond was issued to finance land purchases for development of the Glenwood district. The bond is backed with tax increment revenue pledged as collateral.

The original amount of the Series 2024 general obligation bonds issued September 24, 2024 was \$20,000,000. This issue was comprised of Series 2024A (Tax-Exempt) \$14,805,000 and Series 2024B (Federally Taxable) of \$5,195,000. These bonds, approved by voters and authorized by City Council, will be used to fund the next portion of Street projects from the Capital Improvement Plan. The bonds will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution. The City will levy taxes for five years to repay the bonds. Final maturity for Series 2024A is June 1, 2029 and maturity for Series 2024B is June 1, 2026. A default is defined as failure to pay principal or interest when due or failure to observe or perform any covenant, condition or agreement for a period of 60 days after written notice to the City.

General obligation bonds payable transactions for the year ended June 30, 2025 are as follows:

	Issue Date	Final Maturity Date	Effective Interest Rate	Outstanding July 1, 2024	Issued During year	Retired During Year	Outstanding June 30, 2025	Due Within One Year
Series 2016	6/29/2016	2026	1.36%	\$ 3,470,000	\$ -	\$ (1,830,000)	\$ 1,640,000	\$ 1,640,000
Series 2022	11/29/2022	2037	5.73%	3,180,147	1,650,000	(312,876)	4,517,271	320,745
Series 2024A	9/24/2024	2029	2.60%	-	14,805,000	-	14,805,000	2,505,000
Series 2024B	9/24/2024	2026	5.08%	-	5,195,000	(4,215,000)	980,000	980,000
					Unamortized premium		1,270,799	
					Due in current year		(5,445,745)	
					Total general obligation long-term debt		<u>\$ 17,767,325</u>	

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE I - LONG-TERM DEBT – Continued

Revenue Bonds

The City issues revenue bonds to finance major construction projects in business-type activities. Revenue bonds are secured and serviced by system revenues. The original amount of revenue bonds issued in prior years was \$18,809,936.

In a prior fiscal year, the City did an advance refunding of the 2010 issuance and replaced it with the 2020 series. The 2020 issue was a direct placement and is subject to a default interest rate that is 4.0% higher than the bond interest rate until such time that the default is cured. A default is defined as failure to pay principal or interest when due, a failure to comply with any obligations or to perform any of its duties under the bonds, which continues and is not cured for a period of more than 60 days after the lender has made a written demand, or a material misrepresentation by the borrower to the lender. The Series 2010 Sewer System Revenue bonds were retired.

Also in a prior fiscal year, the City did an advance refunding of the 2009 sewer bonds and replaced them with the 2017 series. These are not secured by a reserve and the City has pledged future sewer revenues to be used to pay interest and principal on these bonds. The Series 2009 Sewer System Revenue bonds were retired.

The City has committed to establish utility user charges sufficient to pay principal and interest when due. If user charges are not sufficient, the City is required by covenant to raise utility rates sufficient to pay maturing principal and interest. Debt service on the revenue bonds is paid solely from user fees.

Revenue obligation bonds payable transactions for the year ended June 30, 2025 are as follows:

	Issue Date	Final Maturity Date	Effective Interest Rate	Outstanding July 1, 2024	Issued During year	Retired During Year	Outstanding June 30, 2025	Due Within One Year
Series 2017	6/27/2017	2027	1.725%	\$ 4,170,000	\$ -	\$ (1,540,000)	\$ 2,630,000	\$ 1,605,000
Series 2020	11/10/2020	2031	1.200%	3,703,364	-	(510,866)	3,192,498	514,820
							Unamortized premium	302,559
							Deferred on refunding	(169,242)
							Due in current year	(2,119,820)
							Total revenue bonds payable	<u>\$ 3,835,995</u>

Maturities of bond principal and interest are as follows:

Year	General Obligation Bonds		Revenue Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025-26	\$ 5,445,745	\$ 986,475	\$ 2,119,820	\$ 140,421	\$ 7,565,565	\$ 1,126,896
2026-27	4,099,935	1,019,911	1,547,947	69,994	5,647,882	1,089,905
2027-28	4,434,387	836,556	530,166	22,676	4,964,553	859,231
2028-29	4,784,111	628,609	536,466	16,276	5,320,577	644,885
2029-30	359,113	403,855	541,835	9,806	900,948	413,661
2030-37	2,818,980	664,349	546,264	3,278	3,365,244	667,627
Total	<u>\$ 21,942,271</u>	<u>\$ 4,539,755</u>	<u>\$ 5,822,498</u>	<u>\$ 262,451</u>	<u>\$ 27,764,769</u>	<u>\$ 4,802,205</u>

NOTE I - LONG-TERM DEBT – Continued

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

The City issues debt backed solely by future fees received for certain services. At June 30, 2025, future pledged revenues are as follows:

Purpose	Revenue Stream	Year end of final payments	Future pledged revenue debt outstanding	Approx % of future revenues pledged to gross revenues	Revenue, net of related expenses Y/E 6/30/2025	Debt payments Y/E 6/30/2025	2025 Gross Revenues
Revenue bonds:							
Sewer System series 2017	Sewer system fees	2027	\$ 1,950,800	8.9%	\$ 8,028,000	* \$ 1,710,200	\$ 19,321,384
Revenue bonds:							
Storm System series 2020	Sewer system fees	2031	<u>3,050,142</u>	2.9%	8,028,000	* <u>552,241</u>	
Business-type activities			<u>\$ 5,000,942</u>			<u>\$ 2,262,441</u>	

\* same revenue source pledged for two purposes

The Springfield Economic Development Agency (SEDA) entered into two direct placement Notes Payable, one in 2016 and one in 2018. The Notes are not subject to any acceleration clauses and are not subject to finance related consequences due to events of default. Both notes were paid in full during the current fiscal year.

The Springfield Economic Development Agency (SEDA) entered into a promissory note on September 1, 2024 with The Motors, LLC in the amount of \$1,400,000 for the purchase of property in Downtown Springfield. The note is subject to 5% annual interest with annual installment payments of \$350,000 plus interest due August 1 of each year with the final payment due August 1, 2028. The note is subject to prepayment provisions outlined in the promissory note.

Notes Payable

At June 30, 2025 notes payable are as follows:

SEDA Downtown Buick Building Note, payable in annual installments of \$350,000 plus interest at 5% per annum, due 2028	<u>\$ 1,400,000</u>
Total governmental activities	<u><u>\$ 1,400,000</u></u>

Principal amounts due on these notes payable in each of the next five years and thereafter are as follows:

Fiscal Year	Governmental Activities
2025-26	\$ 350,000
2026-27	350,000
2027-28	350,000
2028-29	<u>350,000</u>
	<u><u>\$ 1,400,000</u></u>

NOTE I - LONG-TERM DEBT – Continued



City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

The contract payable included in governmental activities represents an amount due to Sycan B Corporation for a land purchase, with a due date to be established by mutual agreement of both parties.

The contract payable included in business-type activities represents an amount due to Peacehealth. The City gave Peacehealth a credit against future System Development Charges in return for Peacehealth constructing infrastructure that exceeded capacity requirements at the time the Riverbend Hospital was built, in anticipation of future development's demand for that infrastructure.

Legal Debt Margin

The City of Springfield is subject to a debt limit that is 3% of the real fair value of taxable property. As of June 30, 2025, that amount was \$407,938,433. As of June 30, 2025, the total outstanding debt applicable to the limit was \$26,469,083 which is 1.14% of the total debt limit.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE I - LONG-TERM DEBT – Continued

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2025 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
General obligation bonds	\$ 6,650,147	\$ 21,650,000	\$ (6,357,876)	\$ 21,942,271	\$ 5,445,745
Less deferred amounts for issuance premiums	460,961	1,240,332	(430,494)	1,270,799	-
Total bonds payable	7,111,108	22,890,332	(6,788,370)	23,213,070	5,445,745
Notes payable	492,323	1,400,000	(492,323)	1,400,000	350,000
Contracts payable	210,000	-	-	210,000	-
Leases	1,513,938	-	(118,817)	1,395,121	125,900
Subscription liability	314,544	272,647	(533,100)	54,091	54,091
Accrued claims liability	117,963	-	(117,963)	-	-
Compensated absences	5,391,650	3,141,610	(3,593,942)	4,939,318	3,185,433
OPEB liability - City Plan	6,676,163	-	(1,660,624)	5,015,539	331,190
Net pension liability	49,643,683	1,627,652	-	51,271,335	-
Governmental activity long-term liabilities	<u>\$ 71,471,372</u>	<u>\$ 29,332,241</u>	<u>\$ (13,305,139)</u>	<u>\$ 87,498,474</u>	<u>\$ 9,492,359</u>
<u>Business-type activities:</u>					
Bonds payable:					
Revenue bonds	\$ 7,873,364	\$ -	\$ (2,050,866)	\$ 5,822,498	\$ 2,119,820
Less deferred amounts for issuance premiums	454,463	-	(151,904)	302,559	-
Total bonds payable	8,327,827	-	(2,202,770)	6,125,057	2,119,820
Notes and contracts payable	471,539	-	(1,225)	470,314	-
Compensated absences	995,232	821,125	(729,768)	1,086,589	807,849
OPEB liability - City Plan	1,662,366	-	(585,553)	1,076,813	98,090
Net pension liability	13,166,080	723,382	-	13,889,462	-
Business-type activities long-term liabilities	<u>\$ 24,623,044</u>	<u>\$ 1,544,507</u>	<u>\$ (3,519,316)</u>	<u>\$ 22,648,235</u>	<u>\$ 3,025,759</u>

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

**NOTE J – RECEIVABLES AND PAYABLES WITHIN THE REPORTING ENTITY**

Interfund Payables & Receivables

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Sewer	Internal service funds	\$ 40,091
Storm Drainage	Internal service funds	125,761
Booth-Kelly	Internal service funds	17,730
Ambulance	Internal service funds	173,731
Total due to/from other funds (different fund types)		<u>\$ 357,313</u>

The balances shown above are for services rendered and are generally paid within 30 days.

In an effort to encourage development within the two urban renewal districts, the Springfield Economic Development Agency (SEDA) implemented a program to pay the system development fees on any new commercial or industrial development within the boundaries of the two districts. Additionally, the City has agreed to defer payment from SEDA up to the date the Agency sunsets. That date is not defined and is dependent on the Agency accomplishing its stated goals. The earliest it would reasonably sunset is late 2024. Being a noncash transaction and due to the uncertainty and timing of the payments, authoritative accounting standards indicate that no transaction would need to be recorded (GASB statement No. 34, paragraph 112a(1)). However, due to the size of these deferred payments and impact they would have on affected funds, the City has chosen to recognize a receivable and deferred revenue in the governmental funds statements and a receivable and revenue in the government-wide and proprietary fund statements. For the offsetting liability, a corresponding expense and liability has been recognized in the government-wide statements, however, no expenditure or corresponding liability has been recognized in the governmental funds statements. The details of these deferred fees are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Sewer	SEDA Glenwood	\$ 498,057
Sewer	SEDA Downtown	170,675
Storm Drainage	SEDA Glenwood	42,545
Storm Drainage	SEDA Downtown	-
Total Advance to/from other funds (different fund types)		<u>\$ 711,277</u>

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Street Capital	SEDA Glenwood	\$ 669,424
Street Capital	SEDA Downtown	465,532
Internal Service Funds	SEDA Glenwood	66,451
Internal Service Funds	SEDA Downtown	31,810
General Fund	SEDA Glenwood	1,233
Building Code	SEDA Glenwood	26
Total due to/from other funds (similar fund types)		<u>\$ 1,234,476</u>

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE J – RECEIVABLES AND PAYABLES WITHIN THE REPORTING ENTITY – Continued

Interfund Transfers

Fund description	General	Street Capital	Special Revenue	Nonmajor Governmental Funds	Internal Service	Ambulance	Sewer	Storm Drainage	Nonmajor Enterprise	Total Transfers Out
General	\$ -	\$ -	\$ 38,250	\$ 649,106	\$ -	\$ 346,078	\$ -	\$ -	\$ -	\$ 1,033,434
Special Revenue	89,046	36,946	-	4,457	-	-	127	33,267	-	163,843
Nonmajor Governmental	1,314,464	-	-	-	30,000	-	-	-	192,925	1,537,389
Sanitary Sewer	-	-	-	-	30,000	-	-	-	-	30,000
Storm Drainage	-	-	-	-	39,467	-	-	-	-	39,467
Nonmajor Proprietary	100,000	-	-	-	-	-	-	-	-	100,000
Total Transfers In	<u>\$ 1,503,510</u>	<u>\$ 36,946</u>	<u>\$ 38,250</u>	<u>\$ 653,563</u>	<u>\$ 99,467</u>	<u>\$ 346,078</u>	<u>\$ 127</u>	<u>\$ 33,267</u>	<u>\$ 192,925</u>	<u>\$ 2,904,133</u>

Transfers are routinely made for the following purposes:

- To move unrestricted revenues collected in the General Fund to finance various programs and activities accounted for in other funds in accordance with budgetary authorizations.
- To move unrestricted revenues collected in other funds to the General Fund to finance government programs.
- To move revenues appropriated for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due.
- To move revenues from the fund the statute or budget requires to collect them in, to the fund the statute or budget requires to expend them.

**NOTE K – REBATABLE ARBITRAGE**

The City has three general obligation bonds payable. The Series 2016 bond, originally issued for \$14,690,000, has no arbitrage liability as of June 30, 2025.

The Series 2022 bond, originally issued for \$5,000,000 is taxable and has no arbitrage liability as of June 30, 2025.

The Series 2024A bond, originally issued September 24, 2024, has a contingent liability of \$256,833 as of June 30, 2025.

The City has two revenue bonds payable. The Sewer Series 2017 bond, originally issued for \$13,610,000 and the Series 2020 Sewer Refunding bond, originally issued for \$5,199,936 have no arbitrage liability as of June 30, 2025.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

**NOTE L – CITY DEFINED BENEFIT PENSION PLAN**

**Plan Description** – The City sponsors a pension plan for Springfield Police Association employees hired before April 1, 1996 (City of Springfield, Oregon Retirement Plan – CRP). CRP is a governmental single-employer plan maintained and operated by the City of Springfield. The plan is closed to new entrants and all participants are fully vested. The CRP covers full-time regular employees covered by the Springfield Police Association, Fire management, and all Police management employees hired before April 1, 1996, and all disability retirees formerly in the Money Purchase Pension Plan. As of June 30, 2025, there were 5 participants in the plan, of which 2 are active employees and 3 are inactive employees or their beneficiaries. The CRP is subject to Oregon PERS “equal to or better than” statutory requirements. PERS completed its latest “equal to or better than” testing in July of 2005. The most recent testing prior to July 2005 was in 1995. The plan does not issue a separate stand-alone report.

**City Retirement Plan Benefits**

*Pension Benefits* – The City will contribute, as an employer’s contribution to an individual’s retirement account, a percentage of pay for all annual covered salary. The current percentage is 12.8% for sworn public safety employees, 10% for police dispatchers and 7% for other union employees. In addition, the City contributes 6% of salaries as employee contributions. The annual interest earnings to be credited to plan participants’ accounts remains at a guarantee of 9% for emergency service employees while employed with the City, but includes additional provisions on the withdrawal of individual retirement funds once employment is terminated. Police management employees accepted the same terms and conditions for their participation in the CRP.

*Distribution of Benefits* – Upon severance of employment of a participant other than by death, a participant’s vested account balances shall be distributed to the participant as soon as administratively feasible. Participants who retired prior to June 30, 2006 could elect to leave their account balances in the plan up until the age of 70-1/2 with a 9% interest guarantee. Participants that terminate employment with the City subsequent to June 30, 2006 and have reached the age of 50 may elect to leave their account balances in the plan up until the age of 70-1/2 with a 9% interest guarantee the 1<sup>st</sup> year, 6% for years 2 and 3, 4% for years 4 and 5, and 0% thereafter. For participants who terminate employment with the City after June 30, 2006 and before the age of 50, the interest guarantee is 9% for the 1<sup>st</sup> year and 0% thereafter. All distributions must be lump sum.

*Death Benefits* – Upon the death of a participant, the participant’s vested account balances shall be distributed to the participant’s beneficiary no later than one year after the date of death.

*Disability Benefits* – A participant who becomes permanently disabled while employed by the City so that the participant is unable to perform all essential duties will continue to earn credits for service up through the earlier of age 60, death, or the date the participant is no longer disabled. Participant accounts will be distributed at the earlier of age 65 or death.

**Contributions** – The CRP is funded through a tax-exempt trust that holds assets and funds benefits for the plan. The assets of the CRP are held for the exclusive benefit of participants and beneficiaries under the terms of the plan and cannot be used to pay any benefits or expenses of any other retirement plan or trust. The benefits are funded by employer contributions and earnings from plan investments. The City’s Council adopted a formal CRP Funding Policy in 2015 that established a policy to systematically fund the liabilities of the plan on a sound actuarial basis, taking into account the closed status of the plan. The funding policy may be amended by the City Council at any time for any reason.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE L – CITY DEFINED BENEFIT PENSION PLAN – Continued

The City completes an actuarial study of the CRP as of June 30 every two years. In part, because of the closed membership nature of the plan, the City has implemented a new funding strategy for the CRP. The City now contributes annually to the plan a consistent percentage for all covered salary across all employee groups and an annual single lump sum in each year of the bi-annual cycle. The percentage contribution for all covered salary was 28.3% through June 30, 2025. The annual lump sum contribution for the current bi-annual period is \$800,020.

Employer contributions for the year ended June 30, 2025 were \$917,712. The General Fund is the governmental fund that will be used to liquidate the net CRP pension liability.

**Pension Assets, Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** – At June 30, 2025, the City reported a net pension liability of \$65,160,797 between the City Retirement Plan and PERS. The net pension liability and fiduciary net position for the City Retirement Plan were measured as of June 30, 2025. The total pension liability was determined using actuarial valuation results as of July 1, 2024 rolled forward to June 30, 2025. The following table presents the changes in the net pension liability for the fiscal year ended June 30, 2025:

<u>Changes in Net Pension Liability</u>	<u>Total Pension Liability City Plan</u>	<u>Plan Fiduciary Net Position City Plan</u>	<u>Net Pension Liability City Plan</u>	<u>Net Pension Liability PERS (Note M)</u>	<u>Total NPL</u>
Balances as of June 30, 2024	\$ 12,473,943	\$ 10,316,913	\$ 2,157,030	\$ 60,652,732	\$ 62,809,762
Changes for the year:					
PERS changes	-	-	-	3,408,253	3,408,253
Service cost	122,381	-	122,381	-	122,381
Interest on total pension liability	492,249	-	492,249	-	492,249
Effect of economic/demographic (gains) or losses	27,628	-	27,628	-	27,628
Benefit payments	(5,502,671)	(5,502,671)	-	-	-
Administrative expenses	-	(46,888)	46,888	-	46,888
Net investment income	-	828,652	(828,652)	-	(828,652)
Employer contributions	-	917,712	(917,712)	-	(917,712)
Net changes	<u>(4,860,413)</u>	<u>(3,803,195)</u>	<u>(1,057,218)</u>	<u>3,408,253</u>	<u>2,351,035</u>
Balances as of June 30, 2025	<u>\$ 7,613,530</u>	<u>\$ 6,513,718</u>	<u>\$ 1,099,812</u>	<u>\$ 64,060,985</u>	<u>\$ 65,160,797</u>

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE L – CITY DEFINED BENEFIT PENSION PLAN – Continued

For the year ended June 30, 2025, the City recognized pension expense of \$8,903,818 between the City Retirement Plan and PERS, the details of which are presented in the following table:

	City Retirement Plan	PERS (Note M)	Total July 1, 2023 to June 30, 2024
<u>Pension expense</u>			
Service Cost	\$ 122,381	\$ 11,365,187	\$ 11,487,568
Interest on total pension liability	492,249	-	492,249
Administrative expenses	46,888	-	46,888
Expected investment return net of investment expenses	(400,049)	-	(400,049)
Net amortization of employer-specific deferred amounts from:			
Changes in proportionate share	-	(752,179)	(752,179)
Differences between employer contributions and proportionate share of system contributions	-	(1,503,267)	(1,503,267)
Recognition of Deferred (Inflows)/Outflows of Resources:			
Recognition of economic/demographic (gains) losses	16,252	-	16,252
Recognition of assumption changes or inputs	-	-	-
Recognition of investment (gains) losses	(483,644)	-	(483,644)
Pension Expense	<u>\$ (205,923)</u>	<u>\$ 9,109,741</u>	<u>\$ 8,903,818</u>

At June 30, 2025, the City reported deferred inflows and outflows of resources related to pensions from the following sources:

	City Plan Deferred Inflows of Resources	City Plan Deferred Outflows of Resources	PERS (Note M) Deferred Inflows of Resources	PERS (Note M) Deferred Outflows of Resources
<u>Deferred Inflows/Outflows of Resources</u>				
Differences between expected and actual experience	\$ -	\$ 11,376	\$ (152,893)	\$ 3,795,021
Changes of assumptions or inputs	-	-	(8,251)	6,440,712
Net difference between projected and actual earnings	(331,720)	-	-	4,069,664
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-	(5,066,155)	2,258,756
Differences between employer contributions and employer's proportionate share of system contributions	-	-	(2,943,204)	20,881
Total (prior to post measurement date contributions)	<u>(331,720)</u>	<u>11,376</u>	<u>(8,170,503)</u>	<u>\$ 16,585,034</u>
Contributions subsequent to the measurement date	-	-	-	8,523,025
Total Deferred Outflow/Inflow of Resources	<u>\$ (331,720)</u>	<u>\$ 11,376</u>	<u>\$ (8,170,503)</u>	<u>\$ 25,108,059</u>

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE L – CITY DEFINED BENEFIT PENSION PLAN – Continued

The \$(320,344) net deferred inflows/outflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	Amount
2026	\$ 370,082
2027	(406,863)
2028	(197,844)
2029	(85,719)
Total	<u>\$ (320,344)</u>

**Actuarial Valuations** – The total pension liability in the July 1, 2024 actuarial valuation rolled forward to June 30, 2025 was determined using the following actuarial assumptions:

Actuarial Valuation Assumptions

Valuation date	July 1, 2024 rolled forward to June 30, 2025.
Actuarial cost method	Individual entry age normal, level percentage of base salary
Amortization method	Fixed amortization period of 12 years starting July 1, 2024, with payments calculated in level dollar installments.
Asset valuation method	Five-year smoothing of fair value investment gains and losses, with the resulting smoothed asset value within 10% of market value.
Actuarial assumptions:	
Investment rate of return	5.00%
Projected salary increases	3.0% per year for wage inflation with merit increases
Administrative expenses	\$75,000 per year
Mortality	None assumed

**Discount Rate** – The Plan’s fiduciary net position plus anticipated future contributions in adherence with the funding policy is projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return of 5.0%.

**Discount Rate Sensitivity Analysis** – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 5.0%, 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 (4.0%) or 1-percentage-point higher (6.0%) than the current rate:



City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE L – CITY DEFINED BENEFIT PENSION PLAN – Continued

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Total pension liability	\$ 7,913,532	\$ 7,613,530	\$ 7,334,419
Fiduciary net position	6,513,718	6,513,718	6,513,718
Net pension liability	<u>\$ 1,399,814</u>	<u>\$ 1,099,812</u>	<u>\$ 820,701</u>

**Long-Term Expected Rate of Return** – To help select the long-term expected rate of return assumption, the plan’s actuary, Milliman Inc, reviewed the plan’s asset allocation as of the most recent July 1, 2024 valuation date. The table below shows Milliman’s assumptions for the general asset classes in which the plan was invested at that time. Each asset class return 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.

Asset Class	Allocation	Compound Annual Return (20-Year Geometric)
Cash	3.7%	3.41%
Core Fixed Income	36.8%	4.32%
Broad US Equities	5.3%	5.32%
Large Cap US Equities	24.0%	4.99%
Small/Mid Cap US Equities	16.9%	5.65%
Developed Economy Foreign Equities	11.8%	6.69%
Emerging Markets Equity	1.5%	7.80%
Assumed Inflation – Mean		2.30%

NOTE M – PUBLIC EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN (PERS)

**Plan Description** – Qualifying employees of the city, consisting of police public safety personnel – covered by the Springfield Police Association (SPA) – and fire public safety personnel, hired on or after April 1, 1996, as well as all general service personnel beginning April 1, 2002, are provided pensions through the Oregon Public Employees Retirement System (OPERS). These pensions are part of a cost-sharing multiple-employer defined benefit plan administered and managed by the Public Employees Retirement System Board. All related benefits were

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE M – PERS DEFINED BENEFIT PENSION PLAN – Continued

established by the legislature pursuant to ORS Chapters 238 and 238A. 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>, or by calling (888) 320-7377, or by writing the Oregon Public Employees Retirement System at PO Box 23700, Tigard, Oregon 97281-3700.

**Tier One/Tier Two Plan Benefits**

*Pension Benefits* – This pension program (ORS Chapter 238A) is closed to new members hired on or after August 29, 2003. 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% for police and fire employees, 1.67% for general service employees) is multiplied by the number of years of service and the final average salary.

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). General Service members may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service member 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 plans are 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* – 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 may change annually through cost-of-living adjustments (COLA). Under current law, the COLA is capped at 2.0%.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE M – PERS DEFINED BENEFIT PENSION PLAN – Continued

**Oregon Public Service Retirement Plan (OPSRP) Plan Benefits**

*Pension Benefits* – This 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 a formula for members who attain normal retirement age; for Police and Fire, age 60 or 53 with 25 years of retirement credit, 1.8% is multiplied by the number of years of service and the final average salary; for General Service, age 65 or 58 with 30 years of retirement credit, 1.5% is multiplied by the number of years of service and the final average salary.

To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement. A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

*Death Benefits* – Upon the death of a non-retired member, the spouse – or other person who is constitutionally required to be treated in the same manner as the spouse – receives, for life, 50% 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 the age of their federally required minimum distribution.

*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% of the member's salary determined by the last full month of employment before the disability occurred.

*Benefit Changes After Retirement* – Under ORS 238A.210, post retirement monthly benefits will change annually through cost-of-living adjustments. Under current law, the cap on the COLA in fiscal year 2018 and beyond will vary based on 1.25% on the first \$60,000 of annual benefit and 0.15% on annual benefits above \$60,000.

**Contributions** – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and Other Postemployment Benefit Plans.

Employer contribution rates during the period were based on the December 31, 2021 actuarial valuation. The City contribution rates in effect for the fiscal year ended June 30, 2025 were 23.11% for Tier One/Tier Two covered members, 21.07% for OPSRP Pension Program Police and Fire Members, and 16.28% for OPSRP Pension Program General Service Members.

Employer contributions for the year ended June 30, 2025 were \$8,523,025. The General Fund is the governmental fund that will be primarily used to liquidate the net PERS pension liability based on the high level of staffing that is funded from this fund.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE M – PERS DEFINED BENEFIT PENSION PLAN – Continued

**Pension Assets, Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** – At June 30, 2025, the City reported a liability of \$64,060,985 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to June 30, 2025. 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, 2024, the City's proportion was 0.28821%, which was changed from 0.32381% measured as of June 30, 2023.

For the year ended June 30, 2025, the City recognized pension expense of \$9,109,741. At June 30, 2025, 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	\$ 3,795,021	\$ ( 152,893)
Changes of assumptions	6,440,712	( 8,251)
Net difference between projected and actual earnings of pension plan investments	4,069,664	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,258,756	( 5,066,155)
Differences between employer contributions and employer's proportionate share of system contributions	20,881	( 2,943,204)
Total (prior to post measurement date contributions)	16,585,034	( 8,170,503)
Contributions subsequent to the measurement date	8,523,034	-
Total Deferred Outflow/Inflow of Resources	\$ 25,108,068	\$ ( 8,170,503)

The \$8,523,034 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2026	\$ (1,341,767)
2027	5,856,843
2028	2,756,868
2029	1,067,334
2030	75,253
Total	\$ 8,414,531

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE M – PERS DEFINED BENEFIT PENSION PLAN – Continued

**Actuarial Valuations** – The employer contribution rates effective July 1, 2023, through June 30, 2025, were set using the entry age normal actuarial cost method. Under this cost method, each active member's entry age present value of projected benefits is allocated over the member's service from their date of entry until their assumed date of exit, taking into consideration expected future compensation increases.

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Actuarial Assumptions

Valuation Date	December 31, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, published July, 2023
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.40 percent
Long-term expected rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increases	3.40 percent
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision: Blend based on service.
Mortality	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.  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.  Disabled Retirees: Pub-2010 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE M – PERS DEFINED BENEFIT PENSION PLAN – Continued

The actuarial valuation calculations are based on the benefit provided under the terms of the plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2022 Experience Study which reviewed experience for the four-year period ending on December 31, 2022.

**Discount Rate** – The discount rate used to measure the total pension liability was 6.90% for the Defined Benefit Pension Plan, same as the prior year. 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.

**Depletion Date Projection** – GASB Statement No. 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 (fair market 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.

**Discount Rate Sensitivity Analysis** – The following presents the City’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.90%, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1 % Decrease (5.90%)	Current Discount Rate (6.90%)	1 % Increase (7.90%)
City’s proportionate share of the net pension liability (asset)	\$101,053,602	\$64,060,985	\$33,077,861

**Long-Term Expected Rate of Return** – To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2024 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 following table 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

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE M – PERS DEFINED BENEFIT PENSION PLAN – Continued

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.

<u>Long-Term Expected Rate of Return</u>		<b>20-Year Annualized (Geometric) Mean</b>
<u>Asset Class</u>	<u>Target Allocation</u>	
Global Equity	27.50 %	7.07 %
Private Equity	25.50	8.83
Core Fixed Income	25.00	4.50
Real Estate	12.25	5.83
Master Limited Partnerships	0.75	6.02
Infrastructure	1.50	6.51
Hedge Fund of Funds - Multistrategy	1.25	6.27
Hedge Fund Equity - Hedge	0.63	6.48
Hedge Fund - Macro	5.62	4.83
Assumed Inflation - Mean	-	2.35 %

**Pension plan fiduciary net position** – Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report. The effect of OPERS on the City's net position has been determined on the same basis used by OPERS.

NOTE N – PERS DEFINED CONTRIBUTION PENSION PLAN

**Plan Description** – OPSRP Individual Account Program (IAP) is a defined contribution pension plan for Tier One/Tier Two and OPSRP plan members. All benefits of the system are established by the legislature pursuant to ORS Chapters 238 and 238A.

**Plan 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 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-, or 20-year period or anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE N – PERS DEFINED CONTRIBUTION PENSION PLAN – Continued

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

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

**Contributions** – State statute requires that covered employees contribute 6% of their covered salary to the IAP plan effective January 1, 2004. Statute allows that the employer may elect to pay any or all of the employee's required IAP contributions.

The City has elected to pay all of the employees' required IAP contribution, except for employees who are members of the City's International Association of Fire Fighters (IAFF) union, which elected to pay the required employee contribution.

For the fiscal year ending June 30, 2025, the City's contribution to the IAP plan was \$2,070,375.

NOTE O – OTHER POSTEMPLOYMENT BENEFITS

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

**Financial Statement Presentation**

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



City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE O – OTHER POSTEMPLOYMENT BENEFITS – Continued

	Implicit Rate Subsidy Plan	RHIA Cost Sharing Plan	Total Reported
OPEB Liability	\$ (6,092,352)	\$ -	\$ (6,092,352)
OPEB Asset	-	1,063,689	1,063,689
Deferred Outflows of Resources			
Difference in expected and actual experience	596,232	30,033	626,265
Changes of assumptions	110,465	-	110,465
Changes in proportionate share	-	20,552	20,552
Contributions after the measurement date	431,121	-	431,121
Deferred Inflows of Resources			
Difference in expected and actual experience	(355,612)	(20,804)	(376,416)
Changes of assumptions	(2,560,086)	(13,455)	(2,573,541)
Net difference between projected and actual earnings on investments	-	-	-
Change in proportionate share	-	-	-
OPEB Expense	239,141	(59,531)	179,610

**IMPLICIT RATE SUBSIDY PLAN**

Plan Description

**Plan Description** - The City administers a single-employer defined benefit healthcare plan as established through negotiations between the City and collective bargaining units. The healthcare plan provides post-retirement medical, dental, vision and wellness center only coverage for eligible retirees, spouses, and dependents. The following groups are eligible: Non-Medicare eligible regular retirees, disability retirees, Non-Medicare eligible early retirees eligible for pension under a City Plan or OPERS with at least 2 years of benefitted service at the City, and Non-Medicare eligible early retirees whose age plus years of service equal 70 or greater at their time of retirement. At June 30, 2025, 44 qualified retirees are eligible to receive this benefit. The retiree is responsible for the full premium as established by the City for all participants of the plan less a subsidy of \$115 per month provided by the City. The City treats this subsidy as a single-employer, defined benefit OPEB plan administered by the City only to satisfy the accounting and financial reporting requirements of GASB 75, and a separate financial report is not issued. The total cost of providing this subsidy for the fiscal year ended June 30, 2025 was \$60,286. There are no investments as this is a pay-as you-go plan and all cash is held in a cash account.

The City also provides disability retirement contributions for employees who cease working because of a permanent disability. The following groups are eligible: employees, who at the time of disability retirement were covered under the City Retirement Plan, and employees, who at the time of disability retirement were covered under the Money Purchase Pension Plan. The authority for this coverage is in the pension plan documents. All of the disability retirees are members of the City Retirement Plan.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE O – OTHER POSTEMPLOYMENT BENEFITS – Continued

For these employees, the amount of the pension contribution is either 7%, 8%, or 9% of the employee's last monthly salary, depending on what the employee's contribution rate was before retirement. At June 30, 2025, there were no employees receiving this benefit.

**Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** - The City's total OPEB liability of \$6,092,352 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024 (plan details outlined in the next page).

For the fiscal year ended June 30, 2025, the City recognized OPEB expense from this plan of \$239,141. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources	Net Deferred (Inflows)/Outflows of Resources
Difference in expected and actual experience	\$ (355,612)	\$ 596,232	\$ 240,620
Changes of assumptions or inputs	(2,560,086)	110,465	(2,449,621)
Contributions made subsequent to measurement date	-	431,121	431,121
	<u>\$ (2,915,698)</u>	<u>\$ 1,137,818</u>	<u>\$ (1,777,880)</u>

Deferred outflows of resources related to OPEB of \$431,121 resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2026. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	Annual Recognition
2026	\$ (409,907)
2027	(359,759)
2028	(292,111)
2029	(248,619)
2030	(207,516)
Thereafter	<u>(691,089)</u>
Total	<u>\$ (2,209,001)</u>

**Actuarial Assumptions and Other Inputs** - The total OPEB liability in the July 1, 2024 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE O – OTHER POSTEMPLOYMENT BENEFITS – Continued

Valuation date	July 1, 2024
Measurement Date	June 30, 2024
Discount rate	3.93%
Inflation	2.40%
Salary Increases	3.40%
Withdrawal, retirement, and mortality rates	December 31, 2023 Oregon PERS valuation and July 1, 2024 Springfield Retirement Plan valuation
Election and Lapse Rates	55% of members eligible for the explicit employer-paid benefit. 30% of other eligible employees. 60% of male members and 35% of female members will elect spouse coverage. 3% annual lapse rate
Actuarial cost method	Entry Age Normal

**Changes in the Total OPEB Liability (Implicit Rate Subsidy Plan)**

Balance as of June 30, 2024	\$ 8,338,530
Changes for the year:	
Service cost	346,820
Interest on total OPEB liability	307,798
Effect of economic/demographic gains or losses	(402,403)
Effect of assumptions changes or inputs	(1,993,327)
Benefit payments	<u>(505,066)</u>
Balance as of June 30, 2025	<u>\$ 6,092,352</u>

**Sensitivity of the Total OPEB Liability** - The following presents the total OPEB liability of the Plan, calculated using the discount rate of 3.93%, as well as what the Plan's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.93%) or 1 percentage point higher (4.93%) than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE O – OTHER POSTEMPLOYMENT BENEFITS – Continued

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	\$ 6,551,423	\$ 6,092,352	\$ 5,668,069

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 5,583,602	\$ 6,092,352	\$ 6,681,556

**PERS RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA)**

**Plan Description** - The City contributes to the Oregon Public Employees Retirement System' (PERS) Retiree Health Insurance Account (RHIA), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the Public Employees Retirement Board (PERB). The authority to establish and amend the benefit provisions of the plan rests with the Oregon Legislature. The plan, which was established under ORS 238.420, provides a payment of up to \$60 per month towards the costs of health insurance for eligible PERS retirees. RHIA post-employment benefits are set by state statute. The annual comprehensive financial report of the funds administered by the PERB may be obtained by writing to Oregon Public Employees Retirement System at PO Box 23700, Tigard, Oregon 97281-3700, by calling (888) 320-7377, or by accessing the PERS website at <http://www.oregon.gov/PERS/>.

**Funding Policy and contributions** - Participating employers are contractually required to contribute at a rate assessed bi-annually by the PERB, currently 0.00% of annual covered payroll for PERS Plan members, and 0.0% for OPSRP Plan members. The PERB sets the employer contribution rate based on an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any actuarial liabilities of the plan over a period not to exceed five years. The City's total for the year ended June 30, 2025 contributions was \$ 0.00.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflow of Resources Related to OPEB** - For the employer cost-sharing plan, the OPEB liability was based on the employer's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. At June 30, 2025, the City's proportion was 0.2633%, which was a decrease from its proportion of 0.2683% at the prior measurement date.

For the year ended June 30, 2025, the City recognized deferred outflows of resources and deferred inflows of resources in the amount of \$50,585 and \$34,259. For the year ended June 30, 2025, the City recognized OPEB expense of \$(59,531) for this plan.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE O – OTHER POSTEMPLOYMENT BENEFITS – Continued

	Deferred Inflows of Resources	Deferred Outflows of Resources	Net Deferred (Inflows)/Outflows of Resources
Differences in expected and actual experience	\$ (20,804)	\$ -	\$ (20,804)
Changes of assumptions	(13,455)	-	(13,455)
Net difference between projected and actual earnings	-	30,033	30,033
Changes in proportionate share	-	20,552	20,552
Subtotal	(34,259)	50,585	16,326
Contributions subsequent to the measurement date	-	-	-
Total	<u>\$ (34,259)</u>	<u>\$ 50,585</u>	<u>\$ 16,326</u>

Other amounts reported as deferred inflows related to the Oregon's PERS cost-sharing plan will be recognized in OPEB expense as follows:

Year Ended June 30,	Annual Recognition
2026	\$ (40,572)
2027	37,183
2028	16,248
2029	<u>3,467</u>
Total	<u>\$ 16,326</u>

Change in Net OPEB Liability (RHIA)

Oregon Public Employees Retirement System Cost-sharing Plan	2025
Net OPEB Liability:	
Difference between expected and actual experience	\$ (20,804)
Changes in assumptions	(13,455)
Net difference between projected and actual earnings	30,033
Change in proportionate share	(17,624)
OPEB income	(59,531)
Benefit payments	-
Net changes in OPEB liability	<u>(81,381)</u>
Net OPEB liability (asset) - beginning	<u>(982,308)</u>
Net OPEB liability (asset) - ending	<u><u>\$ (1,063,689)</u></u>
City's proportionate share at measurement date	0.26334903%
City's covered employee payroll	\$ 44,926,065
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-2.4%

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE O – OTHER POSTEMPLOYMENT BENEFITS – Continued

**Discount Rate** - The discount rate used to measure the net OPEB liability for the RHIA Plan was 6.90%, unchanged from the prior year. The projection of cash flows used to determine the discount rate assumed that the contributions from plan members and those 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 payments. Therefore, the long term expected rate of return on pension plan investments for the RHIA Plan was applied to all periods of projected benefit payments to determine the net OPEB liability.

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate** - The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 6.90%, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Net OPEB Liability (Asset)	\$ (984,653)	\$ (1,063,689)	\$ (1,131,741)

**Actuarial Methods and Assumptions** - All actuarial methods and assumptions are consistent with those disclosed for the OPERS Pension Plan. See Note M for additional information on assumptions and methods, the Long-Term Expected Rate of Return, and the Discount Rate.

NOTE P – COMMITMENTS AND CONTINGENCIES

At June 30, 2025, the City was obligated under incomplete construction contracts in the amount of \$7,980,259.

The Sick Leave Reserve Program allows AFSCME, SEIU and Non-Union employees to join annually for a calendar year of coverage during open enrollment by contributing hours from their accrued sick leave or PTO bank. The number of hours required to join is based on the employee's FTE and is pro-rated for mid-year hires who elect to join the program for the remainder of the calendar year at hire. Employees may draw from the reserve bank under certain circumstances as defined in the policy. Prior to drawing, employees must exhaust all their own leave accruals first. At June 30, 2025, the Sick Leave Reserve Program bank contained 8,275 hours. The value of these hours is not included in the liability for compensated absences because there is no estimate of the number of hours that will be used.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

**NOTE P – COMMITMENTS AND CONTINGENCIES – Continued**

The City provides funding for health reimbursement accounts for its employees to offset the high deductible medical plan. Once charged to the department, the funds are owned by the individual employees and are held in a fiduciary capacity in the Custodial fund until either paid to the Plan Administrator if the funds are used, or rolled into the employees outside Voluntary Employees Beneficiary Association (VEBA) account upon retirement. These funds no longer belong to the City of Springfield, but are sometimes held for years until employees draw on them.

**NOTE Q – CONSTITUTIONAL PROPERTY TAX LIMITATION**

The State of Oregon has a constitutional limit on property taxes for governmental operations. The limitation specifies a maximum rate for local government operations of \$10.00 per \$1,000 of assessed value.

In May 1997, the voters approved a citizen initiative (Measure 50) that rolls back assessed property values to 90 percent of their 1995-96 real fair value amount and limits future increases to 3 percent per year, except for major improvements. Under Measure 50, voters may approve new local initiatives provided a majority approves at either a general election in an even numbered year, or at any other election in which at least 50 percent of registered voters cast a ballot. This double majority requirement for local initiatives is no longer required as a result of the passage of statewide measure 56, passed on November 4, 2008.

**NOTE R – TAX ABATEMENT**

As of June 30, 2025, the City of Springfield provided tax abatements through the Enterprise Zone and Low Income Rental Housing programs.

**Enterprise Zone (ORS 285C.175)**

The purpose of the Enterprise Zone program is to stimulate and protect economic success by providing tax incentives for employment, business, industry and commerce and by providing adequate levels of complementary assistance to community strategies for such interrelated goals as environmental protection, growth management and efficient infrastructure. To be an eligible business firm, a business firm must be engaged, or proposing to engage, within the enterprise zone, in the business of providing goods, products or services to businesses or other organizations through activities including, but not limited to, manufacturing, assembly, fabrication, processing, shipping or storage. Qualified real and personal property owned or leased and newly placed into service by a qualified business in an enterprise zone is exempt from property tax for three years. The exemption period may be increased to a total of four or five consecutive years. For the basic, three-year enterprise zone exemption period, the business needs to:

- Increase full-time, permanent employment of the firm inside the enterprise zone by the greater of one new job or 10% (or less with special-case local sponsor waivers);
- Generally have no concurrent job losses outside the zone boundary inside Oregon;
- Maintain minimum employment level during the exemption period;
- Enter into a first-source agreement with local job training providers; and
- Satisfy any additional local condition that has been established (only) in an urban zone.

City of Springfield, Oregon

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2025

NOTE R – TAX ABATEMENT – Continued

Low Income Rental Housing (ORS 307.517)

Low Income Rental Housing property, or a portion of the property, qualifies for this exemption if it is offered for rent or held for the purpose of developing low-income rental housing for a period not exceeding a reasonable maximum period, if any, adopted by the governing body. The property, if occupied, must be occupied solely by low income persons; the required rent payment reflects the full value of the property tax exemption; the exemption has been approved as provided in ORS 307-523, pursuant to an application filed before July 1, 2030; the housing units on the property were constructed after the local governing body adopted the provisions of ORS 307.515 to 307.523 and the information disclosed on the application filed pursuant to ORS 307.521 meets any other criteria adopted by the governing body.

For the fiscal year ended June 30, 2025, the City of Springfield abated taxes totaling \$417,140 under the Enterprise Zone and Low-Income Rental Housing programs.

<u>Tax Abatement Program</u>	<u>Amount of Taxes Abated During the Fiscal Year</u>
Enterprise zone	\$ 413,667
Housing for low-income rental	3,473
	<u>\$ 417,140</u>

NOTE S – RESTATEMENT OF NET POSITION

As required during the implementation of GASB Statement 101- *Compensated Absences*, the sick time calculation portion of compensated absences was increased to better reflect the estimated sick time usage expected during the next fiscal year. This was reflected in a restatement to prior year financial statements. These adjustments resulted in a decrease to beginning net position in the amount of \$597,839 to the government. These are recorded on the basic financial statements as follows:

<u>Description</u>	<u>Government-wide</u>		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Change in net position	\$ 15,343,378	\$ 7,705,034	\$ 23,048,412
Net position - beginning as previously reported	235,488,378	133,875,361	369,363,739
Adjustment for implementation of GASB101:			
Implementation entity-wide	(439,397)	-	(439,397)
Implementation ambulance fund	-	(75,599)	(75,599)
Implementation sewer fund	-	(55,635)	(55,635)
Implementation storm fund	-	(27,208)	(27,208)
Net position - beginning as restated	<u>235,048,981</u>	<u>133,716,919</u>	<u>368,765,900</u>
Net position - ending	<u>\$ 250,392,359</u>	<u>\$ 141,421,953</u>	<u>\$ 391,814,312</u>





# **Required Supplementary Information**



City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
GENERAL FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Taxes	\$ 27,169,622	\$ 27,169,622	\$ 27,078,921	\$ (90,701)	\$ -	\$ 27,078,921
Licenses, permits and fees	3,090,131	3,090,131	2,952,531	(137,600)	-	2,952,531
Intergovernmental	6,379,067	6,482,085	6,276,191	(205,894)	(15,340)	6,260,851
Charges for services	6,960,283	6,960,283	7,402,342	442,059	-	7,402,342
Fines and forfeitures	859,879	869,879	909,874	39,995	-	909,874
Investment earnings	260,000	260,000	1,216,447	956,447	52,565	1,269,012
Miscellaneous	366,706	366,705	326,816	(39,889)	-	326,816
Total revenues	<u>45,085,688</u>	<u>45,198,705</u>	<u>46,163,122</u>	<u>964,417</u>	<u>37,225</u>	<u>46,200,347</u>
Expenditures:						
Current operating:						
City manager's office	1,759,484	1,897,609	1,714,690	182,919	(38,651)	1,676,039
Legal and judicial services	1,045,115	1,045,115	913,393	131,722	-	913,393
Human resources	829,394	829,394	828,855	539	-	828,855
Finance	2,801,586	2,438,128	2,307,954	130,174	(76,213)	2,231,741
Information technology	1,670,423	1,670,423	1,616,744	53,679	-	1,616,744
Fire and life safety	14,271,424	14,155,667	14,138,173	17,494	(4,886)	14,133,287
Police	17,824,949	17,824,949	17,138,159	686,790	(6,216)	17,131,943
Library	2,207,834	2,207,834	2,203,916	3,918	(49,161)	2,154,755
Development and public works	3,682,133	3,794,616	3,701,196	93,420	2,228	3,703,424
Contingency	1,000,000	158,504	-	158,504	-	-
Debt service:						
Principal	-	-	-	-	129,206	129,206
Interest	-	-	-	-	3,787	3,787
Total expenditures	<u>47,092,342</u>	<u>46,022,239</u>	<u>44,563,080</u>	<u>1,459,159</u>	<u>(39,906)</u>	<u>44,523,174</u>
Excess of revenues over (under) expenditures	<u>(2,006,654)</u>	<u>(823,534)</u>	<u>1,600,042</u>	<u>2,423,576</u>	<u>77,131</u>	<u>1,677,173</u>
Other financing sources (uses):						
Transfers in	1,305,000	1,578,016	1,465,260	(112,756)	38,250	1,503,510
Transfers out	(624,496)	(1,033,434)	(1,033,434)	-	-	(1,033,434)
Total other financing sources (uses)	<u>680,504</u>	<u>544,582</u>	<u>431,826</u>	<u>(112,756)</u>	<u>38,250</u>	<u>470,076</u>
Net change in fund balance	<u>(1,326,150)</u>	<u>(278,952)</u>	<u>2,031,868</u>	<u>2,310,820</u>	<u>115,381</u>	<u>2,147,249</u>
Fund balance, beginning of year	<u>11,433,854</u>	<u>13,036,048</u>	<u>13,036,048</u>	<u>-</u>	<u>(26,256)</u>	<u>13,009,792</u>
Fund balance, end of year	<u>\$ 10,107,704</u>	<u>\$ 12,757,096</u>	<u>\$ 15,067,916</u>	<u>\$ 2,310,820</u>	<u>\$ 89,125</u>	<u>\$ 15,157,041</u>

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
POLICE LOCAL OPTION LEVY FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Taxes	\$ 7,766,900	\$ 7,766,900	\$ 7,724,615	\$ (42,285)	\$ -	\$ 7,724,615
Licenses, permits, and fees	61,000	61,000	69,003	8,003	-	69,003
Charge for services	847,700	847,700	713,996	(133,704)	-	713,996
Investment earnings	120,000	120,000	177,071	57,071	7,797	184,868
Miscellaneous	-	-	4,425	4,425	-	4,425
Total revenues	<u>8,795,600</u>	<u>8,795,600</u>	<u>8,689,110</u>	<u>(106,490)</u>	<u>7,797</u>	<u>8,696,907</u>
Expenditures:						
Current operating:						
Finance	765,675	765,675	604,216	161,459	-	604,216
Legal services	95,101	95,101	93,173	1,928	-	93,173
Police	8,344,345	8,344,345	8,172,291	172,054	(3,982)	8,168,309
Contingency	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>9,355,121</u>	<u>9,355,121</u>	<u>8,869,680</u>	<u>485,441</u>	<u>(3,982)</u>	<u>8,865,698</u>
Net change in fund balance	(559,521)	(559,521)	(180,570)	378,951	11,779	(168,791)
Fund balance, beginning of year	<u>3,501,312</u>	<u>3,625,102</u>	<u>3,625,102</u>	<u>-</u>	<u>3,246</u>	<u>3,628,348</u>
Fund balance, end of year	<u>\$ 2,941,791</u>	<u>\$ 3,065,581</u>	<u>\$ 3,444,532</u>	<u>\$ 378,951</u>	<u>\$ 15,025</u>	<u>\$ 3,459,557</u>

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Licenses, permits and fees	\$ 230,000	\$ 230,000	\$ 242,911	\$ 12,911	\$ (4)	\$ 242,907
Intergovernmental	526,086	1,749,770	1,609,123	(140,647)	4,388,257	5,997,380
Fines and forfeitures	15,000	15,000	109,910	94,910	-	109,910
Investment earnings	-	-	28,129	28,129	-	28,129
Miscellaneous	98,750	214,188	306,272	92,084	(2,333)	303,939
Total revenues	869,836	2,208,958	2,296,345	87,387	4,385,920	6,682,265
Expenditures:						
Current operating:						
City manager's office	2,267,891	1,004,753	915,837	88,916	(5,788)	910,049
Information Technology	134,379	112,026	110,940	1,086	-	110,940
Human Resources	56,845	50,062	50,061	1	-	50,061
Finance	315,292	1,237,746	1,041,408	196,338	-	1,041,408
Fire	175,380	165,099	165,098	1	-	165,098
Police	1,320,231	2,446,241	1,917,405	528,836	5,479	1,922,884
Library	152,806	325,835	225,306	100,529	(1,000)	224,306
Development and public works	3,191,099	3,096,629	1,657,310	1,439,319	-	1,657,310
Total expenditures	7,613,923	8,438,391	6,083,365	2,355,026	(1,309)	6,082,056
Excess of revenues over (under) expenditures	(6,744,087)	(6,229,433)	(3,787,020)	2,442,413	4,387,229	600,209
Other financing sources (uses):						
Transfers in	-	38,250	38,250	-	-	38,250
Transfers out	-	(50,796)	(50,796)	-	(113,047)	(163,843)
Total other financing sources (uses)	-	(12,546)	(12,546)	-	(113,047)	(125,593)
Net change in fund balance	(6,744,087)	(6,241,979)	(3,799,566)	2,442,413	4,274,182	474,616
Fund balance, beginning of year	9,935,729	10,491,584	10,491,584	-	(6,021,387)	4,470,197
Fund balance, end of year	\$ 3,191,642	\$ 4,249,605	\$ 6,692,018	\$ 2,442,413	\$ (1,747,205)	\$ 4,944,813

City of Springfield, Oregon  
REQUIRED SUPPLEMENTARY INFORMATION  
CITY RETIREMENT PLAN (CRP)  
Year Ended June 30, 2025

**Schedule of CRP Employer Contributions**

	<b><u>2025</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Actuarially determined contribution	\$ 634,000	\$ 748,000	\$ 1,130,000
Actual employer contribution	918,000	1,480,000	1,568,000
Contribution deficiency (Excess)	(284,000)	(732,000)	(438,000)
Covered payroll	322,752	666,589	655,186
Contribution as a % of covered payroll	284.43%	222.03%	239.32%
Valuation Date	7/1/2022	7/1/2022	7/1/2020
Investment Rate of Return Assumption	5.00%	5.00%	5.00%

**Schedule of Changes in Total Pension Liability, Fiduciary Net Position, and Related Ratios**

	<b><u>2025</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Total Pension Liability			
Service cost	\$ 122,381	\$ 166,585	\$ 178,979
Interest on total pension liability	492,249	785,372	1,132,491
Effect of economic/demographic (gains) or losses	27,628	-	(1,813,512)
Effect of assumptions changes or inputs	-	-	-
Benefit payments	(5,502,671)	(8,037,754)	(4,818,111)
Net change in total pension liability	(4,860,413)	(7,085,797)	(5,320,153)
Total pension liability, beginning	12,473,943	19,559,740	24,879,893
Total pension liability, ending (a)	7,613,530	12,473,943	19,559,740
Fiduciary Net Position			
Employer contributions	917,712	1,479,816	1,567,966
Investment income net of investment expenses	828,652	1,182,539	1,824,255
Benefit payments	(5,502,671)	(8,037,754)	(4,818,111)
Administrative expenses	(46,888)	(50,436)	(79,241)
Net change in plan net position	(3,803,195)	(5,425,835)	(1,505,131)
Fiduciary net position, beginning	10,316,913	15,742,748	17,247,879
Fiduciary net position, ending (b)	6,513,718	10,316,913	15,742,748
Net pension liability, ending (a) - (b)	\$ 1,099,812	\$ 2,157,030	\$ 3,816,992
Fiduciary net position as a % of total pension liability	86%	83%	80%
Covered payroll	\$ 322,752	\$ 666,589	\$ 655,186
Net pension liability as a % of covered payroll	341%	324%	583%

\* Note: GAAP serves as the basis of budgeting

Fiscal Year Ended June 30,

2022	2021	2020	2019	2018	2017	2016
\$ 1,190,000	\$ 1,336,000	\$ 1,469,000	\$ 1,652,000	\$ 1,754,000	\$ 1,874,000	\$ 1,875,000
1,633,149	1,700,288	1,895,516	1,842,671	1,949,686	1,916,262	1,953,954
(443,149)	(364,288)	(426,516)	(190,671)	(195,686)	(42)	(79)
836,804	1,085,680	1,529,732	1,573,655	1,915,136	2,027,175	2,034,238
195.17%	156.61%	123.91%	117.09%	101.80%	94.52%	96.07%
7/1/2020	7/1/2018	7/1/2018	7/1/2016	7/1/2016	7/1/2014	7/1/2014
5.00%	5.50%	5.50%	6.50%	6.50%	6.50%	6.50%

Fiscal Year Ended June 30,

2022	2021	2020	2019	2018	2017	2016
\$ 442,046	\$ 424,658	\$ 473,416	\$ 409,467	\$ 576,750	\$ 596,684	\$ 608,191
1,346,214	1,648,210	1,690,860	1,942,409	2,137,457	2,333,205	2,199,860
-	(313,972)	-	(606,741)	-	(1,642,892)	-
-	492,811	-	1,241,053	-	70,885	-
(6,781,187)	(3,843,362)	(1,938,600)	(2,442,290)	(8,653,011)	(45,910)	(1,444,246)
(4,992,927)	(1,591,655)	225,676	543,898	(5,938,804)	1,311,972	1,363,805
29,872,820	31,464,475	31,238,799	30,694,901	36,633,705	35,321,733	33,957,928
24,879,893	29,872,820	31,464,475	31,238,799	30,694,901	36,633,705	35,321,733
1,633,149	1,700,288	1,895,516	1,842,671	1,949,686	1,916,262	1,953,954
(2,699,056)	5,264,296	1,123,428	1,387,284	1,973,759	2,717,812	(12,259)
(6,781,187)	(3,843,362)	(1,938,600)	(2,442,290)	(8,653,011)	(45,910)	(1,444,246)
(109,447)	(78,351)	(73,200)	(71,812)	(86,436)	(76,423)	(68,077)
(7,956,541)	3,042,871	1,007,144	715,853	(4,816,002)	4,511,741	429,372
25,204,420	22,161,549	21,154,405	20,438,552	25,254,554	20,742,813	20,313,441
17,247,879	25,204,420	22,161,549	21,154,405	20,438,552	25,254,554	20,742,813
\$ 7,632,014	\$ 4,668,400	\$ 9,302,926	\$ 10,084,394	\$ 10,256,349	\$ 11,379,151	\$ 14,578,920
69%	84%	70%	68%	67%	69%	59%
\$ 836,804	\$ 1,085,680	\$ 1,529,732	\$ 1,573,655	\$ 1,915,136	\$ 2,027,175	\$ 2,034,238
912%	430%	608%	641%	536%	561%	717%



City of Springfield, Oregon  
REQUIRED SUPPLEMENTARY INFORMATION  
OREGON PUBLIC EMPLOYEE RETIREMENT SYSTEM (OPERS)  
Year Ended June 30, 2025

**OPERS RETIREMENT PLAN PENSION BENEFITS**

**Schedule of Proportionate Share of the Net Pension Liability (Asset)**

	2025	2024	2023
Proportion of the net pension liability (asset)	0.2882%	0.3238%	0.2999%
Proportionate share of the net pension liability (asset)	\$ 64,060,985	\$ 60,652,732	\$ 45,925,635
Covered payroll	42,941,217	38,495,936	36,805,071
Proportionate share of the pension liability (asset) as a percentage of its covered payroll	149.18%	157.56%	124.78%
Plan net position as a percentage of the total pension liability	79.3%	81.7%	84.5%

\* Amounts presented are as of the measurement date, which is one year in arrears.

\*\* No assets accumulated in a trust that meets the criteria of GASB to pay related benefits for the pension plan.

**Schedule of Contributions**

	2025	2024	2023
Contractually required contribution	\$ 8,523,025	\$ 7,434,626	\$ 6,988,773
Contributions in relation to the contractually required contribution	8,523,025	7,434,626	6,988,773
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 44,926,065	\$ 42,941,217	\$ 38,495,936
Contributions as a percentage of covered payroll	18.97%	17.31%	18.15%

\* Note: GAAP serves as the basis of budgeting

Fiscal Year Ended June 30,

2022	2021	2020	2018	2017	2017	2016
0.3044%	0.3059%	0.3141%	0.3053%	0.2894%	0.2894%	0.3089%
\$ 36,420,240	\$ 66,759,811	\$ 54,332,518	\$ 41,153,474	\$ 43,443,622	\$ 43,443,622	\$ 17,733,343
34,220,410	31,984,379	31,987,774	29,371,018	28,785,414	28,785,414	27,340,088
106.43%	208.73%	169.85%	140.12%	150.92%	150.92%	64.86%
87.6%	75.8%	80.2%	83.1%	80.5%	80.5%	91.9%

Fiscal Year Ended June 30,

2022	2021	2020	2018	2017	2017	2016
\$ 6,422,871	\$ 5,878,193	\$ 5,667,777	\$ 3,930,696	\$ 2,875,247	\$ 2,875,247	\$ 2,718,458
6,422,871	5,878,193	5,667,777	3,930,696	2,875,247	2,875,247	2,718,458
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 36,805,071	\$ 34,220,410	\$ 31,984,379	\$ 29,957,604	\$ 29,371,018	\$ 29,371,018	\$ 28,785,414
17.45%	17.18%	17.72%	13.12%	9.79%	9.79%	9.44%

City of Springfield, Oregon  
REQUIRED SUPPLEMENTARY INFORMATION  
IMPLICIT RATE SUBSIDY PLAN  
Year Ended June 30, 2025

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY**

	Fiscal Year Ended June 30,		
	2025	2024	2023
Total OPEB Liability:			
Services cost	\$ 346,820	\$ 341,710	\$ 424,442
Interest on total OPEB liability	307,798	295,974	164,180
Difference between expected and actual experience			
Effect of economic/demographic (gains) or losses	(402,403)	-	636,440
Effect of assumptions, changes or inputs	(1,993,327)	(67,676)	20,044
Benefit payments	(505,066)	(501,230)	(303,646)
Net change in total OPEB liability	<u>\$ (2,246,178)</u>	<u>\$ 68,778</u>	<u>\$ 941,460</u>
Total OPEB liability - beginning	8,338,530	8,269,752	7,328,292
Restatement for GASB 75 Implementation	-	-	-
Total OPEB liability - beginning as restated	8,338,530	8,269,752	7,328,292
Total OPEB liability - ending	<u>\$ 6,092,352</u>	<u>\$ 8,338,530</u>	<u>\$ 8,269,752</u>
Covered-employee payroll	\$ 42,941,217	\$ 38,495,936	\$ 36,805,071
Total OPEB liability as a percentage of covered-employee payroll	14.2%	21.7%	22.5%

\*This schedule is intended to show a 10-year trend of changes in the net pension liability. However, until a full 10-year trend is compiled, information will only be presented for those years in which it is available.

\*\*Amounts presented are as of the measurement date, which is one year in arrears

\*\*\* No assets accumulated in a trust that meets the criteria of GASB to pay related benefits for the OPEB plan.

\*\*\*\* Note: GAAP serves as the basis of budgeting

2022	2021	2020	2019	2018
\$ 411,626	\$ 414,080	\$ 372,531	\$ 395,930	\$ 453,737
161,350	262,383	266,338	273,058	223,423
-	326,881	-	159,236	-
28,478	(892,059)	226,366	(1,219,048)	(495,892)
(324,876)	(284,290)	(300,212)	(361,763)	(309,306)
<u>\$ 276,578</u>	<u>\$ (173,005)</u>	<u>\$ 565,023</u>	<u>\$ (752,587)</u>	<u>\$ (128,038)</u>
7,051,714	7,224,719	6,659,696	7,412,283	6,559,960
-	-	-	-	980,361
7,051,714	7,224,719	6,659,696	7,412,283	7,540,321
<u>\$ 7,328,292</u>	<u>\$ 7,051,714</u>	<u>\$ 7,224,719</u>	<u>\$ 6,659,696</u>	<u>\$ 7,412,283</u>
\$ 34,220,410	31,984,379	\$ 31,987,774	\$ 29,957,604	\$ 29,371,018
21.4%	22.0%	22.6%	22.2%	25.2%

City of Springfield, Oregon  
REQUIRED SUPPLEMENTARY INFORMATION  
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM  
RHIA COST SHARING PLAN  
Year Ended June 30, 2025

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)**

	Fiscal Year Ended June 30,		
	2025	2024	2023
Net OPEB Liability:			
Proportion of the net pension liability (asset)	0.2966%	0.2683%	0.2966%
Proportionate share of the net pension liability (asset)	\$ (1,063,689)	\$ (982,308)	\$ (1,053,827)
Covered payroll	42,941,217	38,495,936	36,805,071
Proportionate share of the pension liability (asset) as a percentage of its covered payroll	-2.5%	-2.6%	-2.7%
Plan net position as a percentage of the total pension liability	220.6%	201.6%	194.6%

\*This schedule is intended to show a 10-year trend of contributions. However, until a full 10-year trend is compiled, information will only be presented for those years in which it is available.

\*\*Amounts presented are as of the measurement date, which is one year in arrears

**SCHEDULE OF CONTRIBUTIONS**

	Fiscal Year Ended June 30,		
	2025	2024	2023
Contractually required contribution	\$ -	\$ 223	\$ 5,287
Contributions in relation to the contractually required contribution	-	5,738	7,291
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (5,515)</u>	<u>\$ (2,004)</u>
Covered payroll	\$ 44,926,065	\$ 42,941,217	\$ 38,495,936
Contributions as a percentage of covered payroll	0.00%	0.00%	0.01%

\*This schedule is intended to show a 10-year trend of contributions. However, until a full 10-year trend is compiled, information will only be presented for those years in which it is available.

\*\*Note: GAAP serves as the basis of budgeting

2022	2021	2020	2019	2018
0.3370%	0.1955%	0.2985%	0.2885%	0.2986%
\$ (1,157,375)	\$ (398,376)	\$ (576,806)	\$ (322,081)	\$ (124,618)
34,220,410	31,984,379	31,987,774	29,957,604	29,371,018
-3.4%	-1.2%	-1.8%	-1.1%	-0.4%
183.9%	150.1%	144.4%	124.0%	108.9%

2022	2021	2020	2019	2018
\$ 7,310	\$ 9,018	\$ 13,962	\$ 147,942	\$ 139,708
9,988	12,434	148,101	138,490	148,660
<u>\$ (2,678)</u>	<u>\$ (3,416)</u>	<u>\$ (134,139)</u>	<u>\$ 9,452</u>	<u>\$ (8,952)</u>
\$ 36,805,071	\$ 34,220,410	\$ 31,984,379	\$ 31,987,774	\$ 29,957,604
0.02%	0.03%	0.04%	0.46%	0.47%



# Other Supplementary Information

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# **Nonmajor Governmental Funds Combining Statements**



City of Springfield, Oregon  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2025

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 18,991,520	\$ 716,699	\$ 6,072,232	\$ 25,780,451
Receivables:				
Accounts	1,842,393	-	-	1,842,393
Taxes	244,883	288,334	-	533,217
Grants	111,379	-	285,686	397,065
Accrued interest	117,808	24,818	39,901	182,527
Assessments and liens	-	-	17,944	17,944
Notes	971,118	-	-	971,118
Deferred system development charges	26	-	-	26
Due from other funds	4,457	-	-	4,457
Prepaid items	42,497	-	-	42,497
Deposits	613	-	-	613
Inventory	334,341	-	-	334,341
Total assets	<u>\$ 22,661,035</u>	<u>\$ 1,029,851</u>	<u>\$ 6,415,763</u>	<u>\$ 30,106,649</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 833,807	\$ -	\$ 31,927	\$ 865,734
Accrued payroll and other liabilities	284,905	-	-	284,905
Deposits	5,125	-	-	5,125
Total liabilities	<u>1,123,837</u>	<u>-</u>	<u>31,927</u>	<u>1,155,764</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	<u>1,879,335</u>	<u>277,655</u>	<u>17,944</u>	<u>2,174,934</u>
<b>FUND BALANCES</b>				
Nonspendable	377,451	-	-	377,451
Restricted	19,280,412	752,196	1,856,099	21,888,707
Committed	-	-	3,343,402	3,343,402
Assigned	-	-	1,166,391	1,166,391
Total fund balances	<u>19,657,863</u>	<u>752,196</u>	<u>6,365,892</u>	<u>26,775,951</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 22,661,035</u>	<u>\$ 1,029,851</u>	<u>\$ 6,415,763</u>	<u>\$ 30,106,649</u>

City of Springfield, Oregon

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2025

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 8,727,851	\$ 6,830,990	\$ -	\$ 15,558,841
Licenses, permits and fees	241,470	-	-	241,470
Intergovernmental	6,370,393	-	285,694	6,656,087
Charges for services	3,668,211	-	317,852	3,986,063
Investment earnings	824,355	189,037	267,320	1,280,712
Miscellaneous	167,425	-	-	167,425
Total revenues	<u>19,999,705</u>	<u>7,020,027</u>	<u>870,866</u>	<u>27,890,598</u>
Expenditures:				
Current operating:				
General government	1,273,232	-	-	1,273,232
Fire and life safety	2,780,812	-	-	2,780,812
Library	285,827	-	-	285,827
Development and public works	10,399,506	-	-	10,399,506
Capital projects	2,432,971	-	499,399	2,932,370
Debt service:				
Principal	804,136	6,045,000	-	6,849,136
Interest	285,532	800,835	-	1,086,367
Total expenditures	<u>18,262,016</u>	<u>6,845,835</u>	<u>499,399</u>	<u>25,607,250</u>
Excess of revenues over (under) expenditures	<u>1,737,689</u>	<u>174,192</u>	<u>371,467</u>	<u>2,283,348</u>
Other financing sources (uses):				
Issuance of debt	1,650,000	-	-	1,650,000
Transfers in	554,067	-	99,496	653,563
Transfers out	(1,439,995)	-	(97,394)	(1,537,389)
Total other financing sources (uses)	<u>764,072</u>	<u>-</u>	<u>2,102</u>	<u>766,174</u>
Net change in fund balances	2,501,761	174,192	373,569	3,049,522
Fund balance, beginning of year	<u>17,156,102</u>	<u>578,004</u>	<u>5,992,323</u>	<u>23,726,429</u>
Fund balance, end of year	<u>\$ 19,657,863</u>	<u>\$ 752,196</u>	<u>\$ 6,365,892</u>	<u>\$ 26,775,951</u>

# Special Revenue Funds

Combining statements for all individual nonmajor special revenue funds are reported here. The combined totals are reported in the combining nonmajor governmental fund statements. Fund statements for major special revenue funds are reported in the basic financial statements.

Schedules of revenues, expenses, and changes in fund balance – budget and actual are presented here for each individual nonmajor special revenue fund. Budget and actual comparisons for major special revenue funds are reported as required supplementary information.

## **Major Special Revenue Funds:**

Police Local Option Levy Fund – This fund accounts for revenue received from a five-year Police Local Option Levy to enhance public safety services by adding staff to the Police and Court Departments as well as funding jail operations.

Special Revenue Fund – This fund accounts for the receipt of 911 taxes collected to provide an emergency communications system and the receipt and expenditure of grant monies from various state and federal government agencies.

## **Nonmajor Special Revenue Funds:**

Street Fund – This fund accounts for revenues from state gasoline taxes apportioned from the State of Oregon and expenditures as specified under Article IX, Section 3 of the Constitution of the State of Oregon.

Transient Room Tax Fund – This fund accounts for revenues from hotel and motel taxes and expenditures related and restricted to the economic development of the area.

Community Development Fund – This fund accounts for the receipt and expenditure of monies received from the United States Government under the Community Development Block Grant Program.

Building Code Fund – This fund accounts for the dedicated revenues generated in providing building permit and inspection services.

SEDA Glenwood Fund – This fund accounts for the general fund of the Springfield Economic Development Agency Glenwood Urban Renewal District.

SEDA Downtown General Fund – This fund accounts for the general fund of the Springfield Economic Development Agency Downtown Urban Renewal District.

Fire Local Option Levy Fund – This fund accounts for revenue received from a five-year Fire Local Option Levy to restore staffing to Fire Station #3.



City of Springfield, Oregon  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
June 30, 2025

	Street	Transient Room Tax	Community Development	Building Code	SEDA Glenwood General	SEDA Downtown General	Fire Local Option Levy	Total
<b>ASSETS</b>								
Cash and investments	\$ 2,423,760	\$ 2,885,964	\$ 54,791	\$ 8,501,111	\$ 1,798,362	\$ 2,023,358	\$ 1,304,174	\$ 18,991,520
Receivables:								
Accounts	1,276,832	565,326	-	235	-	-	-	1,842,393
Taxes	-	-	-	-	66,096	77,765	101,022	244,883
Grants	14,458	-	96,921	-	-	-	-	111,379
Accrued interest	15,159	17,636	-	49,828	10,009	11,488	13,688	117,808
Notes	-	-	971,118	-	-	-	-	971,118
Deferred system development fees	-	-	-	26	-	-	-	26
Due from other funds	4,457	-	-	-	-	-	-	4,457
Prepaid items	42,497	-	-	-	-	-	-	42,497
Deposits	-	-	-	-	613	-	-	613
Inventory	334,341	-	-	-	-	-	-	334,341
Total assets	<u>\$ 4,111,504</u>	<u>\$ 3,468,926</u>	<u>\$ 1,122,830</u>	<u>\$ 8,551,200</u>	<u>\$ 1,875,080</u>	<u>\$ 2,112,611</u>	<u>\$ 1,418,884</u>	<u>\$ 22,661,035</u>
<b>LIABILITIES</b>								
Accounts payable	\$ 367,072	\$ 318,472	\$ 58,977	\$ 7,231	\$ 48,237	\$ 6,542	\$ 27,276	\$ 833,807
Accrued payroll and other liabilities	148,367	13,069	13,111	56,735	-	-	53,623	284,905
Deposits	-	-	-	-	5,125	-	-	5,125
Total liabilities	<u>515,439</u>	<u>331,541</u>	<u>72,088</u>	<u>63,966</u>	<u>53,362</u>	<u>6,542</u>	<u>80,899</u>	<u>1,123,837</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue	675,586	-	971,118	261	62,051	72,874	97,445	1,879,335
<b>FUND BALANCES</b>								
Nonspendable	376,838	-	-	-	613	-	-	377,451
Restricted	2,543,641	3,137,385	79,624	8,486,973	1,759,054	2,033,195	1,240,540	19,280,412
Total fund balances	<u>2,920,479</u>	<u>3,137,385</u>	<u>79,624</u>	<u>8,486,973</u>	<u>1,759,667</u>	<u>2,033,195</u>	<u>1,240,540</u>	<u>19,657,863</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,111,504</u>	<u>\$ 3,468,926</u>	<u>\$ 1,122,830</u>	<u>\$ 8,551,200</u>	<u>\$ 1,875,080</u>	<u>\$ 2,112,611</u>	<u>\$ 1,418,884</u>	<u>\$ 22,661,035</u>



City of Springfield, Oregon  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NONMAJOR SPECIAL REVENUE FUNDS  
Year ended June 30, 2025

	Street	Transient Room Tax	Community Development	Building Code	SEDA Glenwood General	SEDA Downtown General	Fire Local Option Levy	Total
Revenues:								
Taxes	\$ 840,497	\$ 2,191,968	\$ -	\$ -	\$ 1,606,910	\$ 1,991,761	\$ 2,096,715	\$ 8,727,851
Licenses, permits and fees	241,470	-	-	-	-	-	-	241,470
Intergovernmental	5,337,951	5	907,305	-	7,309	1,023	116,800	6,370,393
Charges for services	329,459	-	-	3,321,406	17,346	-	-	3,668,211
Investment earnings	71,956	126,627	-	361,860	85,800	87,346	90,767	824,355
Miscellaneous	36,029	-	103,832	-	1,822	25,742	-	167,425
Total revenues	<u>6,857,362</u>	<u>2,318,600</u>	<u>1,011,137</u>	<u>3,683,266</u>	<u>1,719,187</u>	<u>2,105,872</u>	<u>2,304,282</u>	<u>19,999,705</u>
Expenditures:								
Current operating:								
General government:								
City manager's office	43,819	159,831	-	13,788	143,082	845,272	-	1,205,792
Finance	14,748	-	29,961	-	11,159	11,572	-	67,440
Fire and life safety	-	-	-	96,795	-	-	2,684,017	2,780,812
Library	-	285,827	-	-	-	-	-	285,827
Development and public works	7,747,939	26,304	984,215	1,641,048	-	-	-	10,399,506
Capital projects	-	-	-	-	623,621	1,809,350	-	2,432,971
Debt service:								
Principal	-	-	-	-	804,136	-	-	804,136
Interest	-	-	-	-	285,532	-	-	285,532
Total expenditures	<u>7,806,506</u>	<u>471,962</u>	<u>1,014,176</u>	<u>1,751,631</u>	<u>1,867,530</u>	<u>2,666,194</u>	<u>2,684,017</u>	<u>18,262,016</u>
Excess of revenues over (under) expenditures	<u>(949,144)</u>	<u>1,846,638</u>	<u>(3,039)</u>	<u>1,931,635</u>	<u>(148,343)</u>	<u>(560,322)</u>	<u>(379,735)</u>	<u>1,737,689</u>
Other financing sources (uses):								
Issuance of debt	-	-	-	-	1,650,000	-	-	1,650,000
Transfers in	529,457	-	24,610	-	-	-	-	554,067
Transfers out	(30,000)	(1,217,070)	-	-	(192,925)	-	-	(1,439,995)
Total other financing sources (uses)	<u>499,457</u>	<u>(1,217,070)</u>	<u>24,610</u>	<u>-</u>	<u>1,457,075</u>	<u>-</u>	<u>-</u>	<u>764,072</u>
Net change in fund balances	<u>(449,687)</u>	<u>629,568</u>	<u>21,571</u>	<u>1,931,635</u>	<u>1,308,732</u>	<u>(560,322)</u>	<u>(379,735)</u>	<u>2,501,761</u>
Fund balances, beginning of year	<u>3,370,166</u>	<u>2,507,817</u>	<u>58,053</u>	<u>6,555,338</u>	<u>450,935</u>	<u>2,593,517</u>	<u>1,620,275</u>	<u>17,156,102</u>
Fund balances, end of year	<u>\$2,920,479</u>	<u>\$ 3,137,385</u>	<u>\$ 79,624</u>	<u>\$ 8,486,973</u>	<u>\$ 1,759,667</u>	<u>\$ 2,033,195</u>	<u>\$ 1,240,540</u>	<u>\$19,657,863</u>

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
STREET FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Taxes	\$ 829,800	\$ 829,800	\$ 840,497	\$ 10,697	\$ -	\$ 840,497
Licenses, permits and fees	208,800	208,800	241,470	32,670	-	241,470
Intergovernmental	4,675,000	4,675,000	5,337,951	662,951	-	5,337,951
Charges for services	180,800	180,800	329,459	148,659	-	329,459
Investment earnings	30,000	30,000	70,285	40,285	1,671	71,956
Miscellaneous	15,800	15,800	36,029	20,229	-	36,029
Total revenues	5,940,200	5,940,200	6,855,691	915,491	1,671	6,857,362
Expenditures:						
Current operating:						
City managers office	59,960	59,960	37,402	22,558	6,417	43,819
Development and public works	7,639,660	8,425,747	8,004,238	421,509	(256,299)	7,747,939
Finance	75,128	23,033	14,748	8,285	-	14,748
Contingency	150,000	-	-	-	-	-
Total expenditures	7,924,748	8,508,740	8,056,388	452,352	(249,882)	7,806,506
Excess of revenues over (under) expenditures	(1,984,548)	(2,568,540)	(1,200,697)	1,367,843	251,553	(949,144)
Other financing sources (uses):						
Transfers in	525,000	615,000	525,000	(90,000)	4,457	529,457
Transfers out	-	-	-	-	(30,000)	(30,000)
Total other financing sources (uses)	525,000	615,000	525,000	(90,000)	(25,543)	499,457
Net change in fund balance	(1,459,548)	(1,953,540)	(675,697)	1,277,843	226,010	(449,687)
Fund balance, beginning of year	1,647,087	3,249,792	3,249,792	-	120,374	3,370,166
Fund balance, end of year	\$ 187,539	\$ 1,296,252	\$ 2,574,095	\$ 1,277,843	\$ 346,384	\$ 2,920,479

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
TRANSIENT ROOM TAX FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Taxes	\$ 1,800,000	\$ 2,200,000	\$ 2,191,968	\$ (8,032)	\$ -	\$ 2,191,968
Investment earnings	50,000	50,000	120,688	70,688	5,939	126,627
Intergovernmental	-	-	5	5	-	5
Total revenues	<u>1,850,000</u>	<u>2,250,000</u>	<u>2,312,661</u>	<u>62,661</u>	<u>5,939</u>	<u>2,318,600</u>
Expenditures:						
Current operating:						
City manager's office	247,571	247,571	159,831	87,740	-	159,831
Library	287,807	288,431	285,327	3,104	500	285,827
Development and public works	<u>30,765</u>	<u>30,765</u>	<u>26,304</u>	<u>4,461</u>	<u>-</u>	<u>26,304</u>
Total expenditures	<u>566,143</u>	<u>566,767</u>	<u>471,462</u>	<u>95,305</u>	<u>500</u>	<u>471,962</u>
Excess of revenues over (under) expenditures	1,283,857	1,683,233	1,841,199	157,966	5,439	1,846,638
Other financing sources (uses):						
Transfers out	<u>(1,100,000)</u>	<u>(1,322,220)</u>	<u>(1,217,070)</u>	<u>105,150</u>	<u>-</u>	<u>(1,217,070)</u>
Fund balance, beginning of year	<u>2,338,594</u>	<u>2,504,418</u>	<u>2,504,418</u>	<u>-</u>	<u>3,399</u>	<u>2,507,817</u>
Fund balance, end of year	<u>\$ 2,522,451</u>	<u>\$ 2,865,431</u>	<u>\$ 3,128,547</u>	<u>\$ 263,116</u>	<u>\$ 8,838</u>	<u>\$ 3,137,385</u>

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
COMMUNITY DEVELOPMENT FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Intergovernmental	\$ 1,577,834	\$ 1,577,834	\$ 907,305	\$ (670,529)	\$ -	\$ 907,305
Miscellaneous	34,802	34,802	103,832	69,030	-	103,832
Total revenues	1,612,636	1,612,636	1,011,137	(601,499)	-	1,011,137
Expenditures:						
Current operating:						
Finance	33,367	33,367	29,961	3,406	-	29,961
Development and public works	1,579,269	1,579,269	984,215	595,054	-	984,215
Total expenditures	1,612,636	1,612,636	1,014,176	598,460	-	1,014,176
Excess of revenues over (under) expenditures	-	-	(3,039)	3,039	-	(3,039)
Other financing sources (uses):						
Transfers in	-	24,610	24,610	-	-	24,610
Net change in fund balance	-	24,610	21,571	3,039	-	21,571
Fund balance, beginning of year	7,891	58,053	58,053	-	-	58,053
Fund balance, end of year	\$ 7,891	\$ 82,663	\$ 79,624	\$ 3,039	\$ -	\$ 79,624

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
BUILDING CODE FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Charges for services	\$ 1,976,000	\$ 1,976,000	\$ 3,321,406	\$ 1,345,406	\$ -	\$ 3,321,406
Investment earnings	75,000	75,000	344,700	269,700	17,160	361,860
Total revenues	2,051,000	2,051,000	3,666,106	1,615,106	17,160	3,683,266
Expenditures:						
Current operating:						
City manager office	24,111	24,111	13,788	10,323	-	13,788
Fire and life safety	96,795	96,795	96,795	-	-	96,795
Development and public works	1,651,522	1,651,522	1,641,048	10,474	-	1,641,048
Contingency	35,000	35,000	-	35,000	-	-
Total expenditures	1,807,428	1,807,428	1,751,631	55,797	-	1,751,631
Net change in fund balance	243,572	243,572	1,914,475	1,670,903	17,160	1,931,635
Fund balance, beginning of year	6,008,600	6,546,113	6,546,113	-	9,225	6,555,338
Fund balance, end of year	<u>\$ 6,252,172</u>	<u>\$ 6,789,685</u>	<u>\$ 8,460,588</u>	<u>\$ 1,670,903</u>	<u>\$ 26,385</u>	<u>\$ 8,486,973</u>

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
SEDA GLENWOOD GENERAL FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Taxes	\$ 1,520,550	\$ 1,520,550	\$ 1,606,910	\$ 86,360	\$ -	\$ 1,606,910
Intergovernmental	6,000	6,000	7,309	1,309	-	7,309
Charges for services	55,000	55,000	17,346	(37,654)	-	17,346
Investment earnings	15,000	15,000	81,557	66,557	4,243	85,800
Miscellaneous revenue	-	-	1,822	1,822	-	1,822
Total revenues	1,596,550	1,596,550	1,714,944	118,394	4,243	1,719,187
Expenditures:						
Current operating:						
City manager's office	289,815	289,815	145,621	144,194	(2,539)	143,082
Finance	12,000	12,000	11,159	841	-	11,159
Capital projects	1,250,000	1,250,000	578,890	671,110	44,731	623,621
Debt service:						
Principal	1,066,705	1,066,705	804,136	262,569	-	804,136
Interest	295,560	295,560	285,532	10,028	-	285,532
Total expenditures	2,914,080	2,914,080	1,825,338	1,088,742	42,192	1,867,530
Excess of revenues over (under) expenditures	(1,317,530)	(1,317,530)	(110,394)	1,207,136	(37,949)	(148,343)
Other financing sources (uses):						
Issuance of debt	1,000,000	1,650,000	1,650,000	-	-	1,650,000
Transfers out	-	(192,925)	(192,925)	-	-	(192,925)
Total other financing sources (uses)	1,000,000	1,457,075	1,457,075	-	-	1,457,075
Net change in fund balance	(317,530)	139,545	1,346,681	1,207,136	(37,949)	1,308,732
Fund balance, beginning of year	622,041	452,418	452,418	-	(1,483)	450,935
Fund balance, end of year	\$ 304,511	\$ 591,963	\$ 1,799,099	\$ 1,207,136	\$ (39,432)	\$ 1,759,667

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
SEDA DOWNTOWN GENERAL FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Taxes	\$ 1,966,000	\$ 1,966,000	\$ 1,991,761	\$ 25,761	\$ -	\$ 1,991,761
Intergovernmental	800	800	1,023	223	-	1,023
Charges for services	7,000	7,000	-	(7,000)	-	-
Investment earnings	47,000	47,000	86,810	39,810	536	87,346
Miscellaneous	-	-	25,742	25,742	-	25,742
Total revenues	<u>2,020,800</u>	<u>2,020,800</u>	<u>2,105,336</u>	<u>84,536</u>	<u>536</u>	<u>2,105,872</u>
Expenditures:						
Current operating:						
City manager's office	903,114	903,114	740,111	163,003	105,161	845,272
Finance	12,000	12,000	11,572	428	-	11,572
Capital projects	3,250,000	3,250,000	1,809,350	1,440,650	-	1,809,350
Debt service:						
Interest	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>4,240,114</u>	<u>4,165,114</u>	<u>2,561,033</u>	<u>1,604,081</u>	<u>105,161</u>	<u>2,666,194</u>
Excess of revenues over (under) expenditures	(2,219,314)	(2,144,314)	(455,697)	1,688,617	(104,625)	(560,322)
Other financing sources (uses):						
Loan proceeds	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(719,314)	(2,144,314)	(455,697)	1,688,617	(104,625)	(560,322)
Fund balance, beginning of year	<u>2,221,907</u>	<u>2,483,108</u>	<u>2,483,108</u>	<u>-</u>	<u>110,409</u>	<u>2,593,517</u>
Fund balance, end of year	<u>\$ 1,502,593</u>	<u>\$ 338,794</u>	<u>\$ 2,027,411</u>	<u>\$ 1,688,617</u>	<u>\$ 5,784</u>	<u>\$ 2,033,195</u>

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
FIRE LOCAL OPTION LEVY FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Taxes	\$ 2,121,328	\$ 2,121,328	\$ 2,096,715	\$ (24,613)	\$ -	\$ 2,096,715
Investment earnings	45,000	45,000	86,858	41,858	3,909	90,767
Intergovernmental	-	88,178	116,800	28,622	-	116,800
Total revenues	<u>2,166,328</u>	<u>2,254,506</u>	<u>2,300,373</u>	<u>45,867</u>	<u>3,909</u>	<u>2,304,282</u>
Expenditures:						
Current operating:						
Fire and life safety	1,833,986	2,706,967	2,684,017	22,950	-	2,684,017
Contingency	<u>45,000</u>	<u>45,000</u>	<u>-</u>	<u>45,000</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,878,986</u>	<u>2,751,967</u>	<u>2,684,017</u>	<u>67,950</u>	<u>-</u>	<u>2,684,017</u>
Net change in fund balance	287,342	(497,461)	(383,644)	113,817	3,909	(379,735)
Fund balance, beginning of year	<u>2,131,820</u>	<u>1,616,936</u>	<u>1,616,936</u>	<u>-</u>	<u>3,339</u>	<u>1,620,275</u>
Fund balance, end of year	<u>\$ 2,419,162</u>	<u>\$ 1,119,475</u>	<u>\$ 1,233,292</u>	<u>\$ 113,817</u>	<u>\$ 7,248</u>	<u>\$ 1,240,540</u>





# Debt Service Funds

Combining statements for all individual nonmajor debt service funds are reported here. The combined totals are reported in the combining nonmajor governmental fund statements. The City has no major debt service funds.

Schedules of revenues, expenses, and changes in fund balance – budget and actual are presented here for each individual debt service fund.

## **Nonmajor Debt Service Funds:**

General Obligation Debt Service Fund – This fund is used to account for payments on all general obligation debt, except for debt secured by assessment liens. Ad valorem property taxes are levied to make the debt service payments.



City of Springfield, Oregon  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NONMAJOR DEBT SERVICE FUNDS  
June 30, 2025  
Year Ended June 30, 2025

	General Obligation Debt Service
ASSETS	
Cash and investments	\$ 716,699
Receivables:	
Property taxes	288,334
Accrued interest	<u>24,818</u>
Total assets	<u><u>\$ 1,029,851</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	
Deferred inflows of resources:	
Unavailable revenue	<u>\$ 277,655</u>
Fund balances:	
Fund balance restricted	<u>752,196</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 1,029,851</u></u>

City of Springfield, Oregon  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NONMAJOR DEBT SERVICE FUNDS  
Year Ended June 30, 2025

	General Obligation Debt Service
Revenues:	
Taxes	\$ 6,830,990
Investment earnings	<u>189,037</u>
Total revenues	<u>7,020,027</u>
Expenditures:	
Debt service:	
Principal	6,045,000
Interest	<u>800,835</u>
Total expenditures	<u>6,845,835</u>
Excess of revenues over (under) expenditures	<u>174,192</u>
Net change in fund balance	174,192
Fund balance, beginning of year	<u>578,004</u>
Fund balance, end of year	<u><u>\$ 752,196</u></u>

City of Springfield, Oregon  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
GENERAL OBLIGATION DEBT SERVICE FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Budget Basis Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Taxes	\$ 6,853,000	\$ 6,853,000	\$ 6,830,990	\$ (22,010)	\$ -	\$ 6,830,990
Investment earnings	35,000	35,000	179,670	144,670	9,367	189,037
Total revenues	6,888,000	6,888,000	7,010,660	122,660	9,367	7,020,027
Expenditures:						
Debt service:						
Principal	6,105,000	6,105,000	6,045,000	60,000	-	6,045,000
Interest	860,805	860,805	800,835	59,970	-	800,835
Total expenditures	6,965,805	6,965,805	6,845,835	119,970	-	6,845,835
Excess of revenues over (under) expenditures	(77,805)	(77,805)	164,825	242,630	9,367	174,192
Net change in fund balance	(77,805)	(77,805)	164,825	242,630	9,367	174,192
Fund balance, beginning of year	498,818	574,230	574,230	-	3,774	578,004
Fund balance, end of year	<u>\$ 421,013</u>	<u>\$ 496,425</u>	<u>\$ 739,055</u>	<u>\$ 242,630</u>	<u>\$ 13,141</u>	<u>\$ 752,196</u>



# Capital Projects Funds

The City has three nonmajor capital projects funds. The combining Balance Sheet and the combining Statement of Revenues, Expenditures and Changes in Fund Balance for these funds are presented here. The combined totals are reported on the combining nonmajor governmental fund statements.

Schedules of revenues, expenses, and changes in fund balance – budget and actual are presented here for each individual capital projects fund.

## **Major Capital Projects Funds:**

Street Capital Projects Fund – This fund accounts for public transportation capital improvement costs and local capacity-increasing public transportation improvements. Financing is provided by transfers from the Street Fund, interest on investments, and system development charges.

## **Nonmajor Capital Projects Funds:**

Development Assessments Capital Projects Fund – This fund is used to account for costs of constructing public improvements. Financing is provided by assessing benefiting property owners.

Development Capital Projects Fund – This fund is used to account for costs of constructing and improving City-owned buildings and for infrastructure projects with shared funding. Financing is provided by grants, contracts, intergovernmental revenues, and other non-recurring revenues.

SEDA Glenwood Capital Projects Fund – This fund is used to account for capital projects undertaken by the Springfield Economic Development Agency in Glenwood. Tax increment financing is in place.





City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
STREET CAPITAL PROJECTS FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Budget Basis Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Investment earnings	\$ 180,000	\$ 180,000	\$ 1,882,369	\$ 1,702,369	\$ 97,686	\$ 1,980,055
Charges for services	1,143,600	1,143,600	1,963,989	820,389	-	1,963,989
Miscellaneous	-	-	244,274	244,274	-	244,274
Intergovernmental	3,472,000	3,472,000	120,228	(3,351,772)	61,109	181,337
Total revenues	4,795,600	4,795,600	4,210,860	(584,740)	158,795	4,369,655
Expenditures:						
Current operating						
Development and public works	-	114,256	67,748	46,508	-	67,748
Capital projects	4,487,500	26,586,226	3,641,830	22,944,396	(492)	3,641,338
Total expenditures	4,487,500	26,700,482	3,709,578	22,990,904	(492)	3,709,086
Excess of revenues over (under) expenditures	308,100	(21,904,882)	501,282	22,406,164	159,287	660,569
Other financing sources (uses):						
Proceeds from bond sales	-	21,240,333	21,240,332	(1)	-	21,240,332
Transfer in	-	-	-	-	36,946	36,946
Transfer out	-	(90,000)	-	90,000	-	-
Bond sale costs	-	(136,000)	(133,204)	2,796	-	(133,204)
Total other financing sources	-	21,014,333	21,107,128	92,795	36,946	21,144,074
Net change in fund balance	308,100	(890,549)	21,608,410	22,498,959	196,233	21,804,643
Fund balance, beginning of year	14,653,960	20,855,086	20,855,086	-	32,997	20,888,083
Fund balance, end of year	\$ 14,962,060	\$ 19,964,537	\$ 42,463,496	\$ 22,498,959	\$ 229,230	\$ 42,692,726

City of Springfield, Oregon  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
June 30, 2025

	Development Assessments Capital Projects	Development Capital Projects	SEDA Glenwood Capital Projects	Total
<b>ASSETS</b>				
Cash and investments	\$ 1,035,905	\$ 4,977,720	\$ 58,607	\$ 6,072,232
Receivables:				
Grants	-	285,686	-	285,686
Accrued interest	6,104	33,797	-	39,901
Assessments and liens	17,944	-	-	17,944
Total assets	<u>\$ 1,059,953</u>	<u>\$ 5,297,203</u>	<u>\$ 58,607</u>	<u>\$ 6,415,763</u>
<b>LIABILITIES</b>				
Accounts and contracts payable	<u>\$ -</u>	<u>\$ 31,927</u>	<u>\$ -</u>	<u>\$ 31,927</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	<u>17,944</u>	<u>-</u>	<u>-</u>	<u>17,944</u>
<b>FUND BALANCES</b>				
Restricted	-	1,797,492	58,607	1,856,099
Committed	1,042,009	2,301,393	-	3,343,402
Assigned	<u>-</u>	<u>1,166,391</u>	<u>-</u>	<u>1,166,391</u>
Total fund balances	<u>1,042,009</u>	<u>5,265,276</u>	<u>58,607</u>	<u>6,365,892</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,059,953</u>	<u>\$ 5,297,203</u>	<u>\$ 58,607</u>	<u>\$ 6,415,763</u>

City of Springfield, Oregon  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NONMAJOR CAPITAL PROJECTS FUNDS  
Year Ended June 30, 2025

	Development Assessments Capital Projects	Development Capital Projects	SEDA Glenwood Capital Projects	Total
Revenues:				
Intergovernmental	\$ 8	\$ 285,686	\$ -	\$ 285,694
Charges for services	-	317,852	-	317,852
Investment earnings	43,006	224,314	-	267,320
Total revenues	43,014	827,852	-	870,866
Expenditures:				
Capital projects	-	499,399	-	499,399
Excess of revenues over (under) expenditures	43,014	328,453	-	371,467
Other financing sources (uses):				
Transfer in	99,496	-	-	99,496
Transfer out	-	(97,394)	-	(97,394)
Total other financing sources (uses)	99,496	(97,394)	-	2,102
Net change in fund balance	142,510	231,059	-	373,569
Fund balance, beginning of year	899,499	5,034,217	58,607	5,992,323
Fund balance, end of year	\$ 1,042,009	\$ 5,265,276	\$ 58,607	\$ 6,365,892

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
DEVELOPMENT ASSESSMENTS CAPITAL PROJECTS FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Budget Basis Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Taxes	\$ -	\$ -	\$ 8	\$ 8	\$ -	\$ 8
Investment earnings	16,590	16,590	41,027	24,437	1,979	43,006
Special assessments	1,500	1,500	-	(1,500)	-	-
Total revenues	18,090	18,090	41,035	22,945	1,979	43,014
Other financing sources (uses):						
Transfer in	99,496	99,496	99,496	-	-	99,496
Net change in fund balance	117,586	117,586	140,531	22,945	1,979	142,510
Fund balance, beginning of year	375,690	898,246	898,246	-	1,253	899,499
Fund balance, end of year	<u>\$ 493,276</u>	<u>\$ 1,015,832</u>	<u>\$ 1,038,777</u>	<u>\$ 22,945</u>	<u>\$ 3,232</u>	<u>\$ 1,042,009</u>

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
DEVELOPMENT CAPITAL PROJECTS FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Budget Basis Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 285,686	\$ 285,686
Charges for services	344,332	344,332	317,852	(26,480)	-	317,852
Investment earnings	275,000	275,000	214,643	(60,357)	9,671	224,314
Total revenues	619,332	619,332	532,495	(86,837)	295,357	827,852
Expenditures:						
Capital projects	437,000	894,153	499,399	394,754	-	499,399
Excess of revenues over (under) expenditures	182,332	(274,821)	33,096	(86,837)	295,357	328,453
Other financing sources (uses):						
Transfer out	(105,000)	(105,000)	(97,394)	7,606	-	(97,394)
Total other financing sources (uses)	(1,605,000)	(1,605,000)	(97,394)	1,507,606	-	(97,394)
Net change in fund balance	(1,422,668)	(1,879,821)	(64,298)	1,420,769	295,357	231,059
Fund balance, beginning of year	4,140,269	5,025,992	5,025,992	-	8,225	5,034,217
Fund balance, end of year	<u>\$ 2,717,601</u>	<u>\$ 3,146,171</u>	<u>\$ 4,961,694</u>	<u>\$ 1,420,769</u>	<u>\$ 303,582</u>	<u>\$ 5,265,276</u>

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
SEDA GLENWOOD CAPITAL PROJECTS FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Budget Basis Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Expenditures:						
Capital projects	\$ 56,191	\$ 56,191	\$ -	\$ 56,191	\$ -	\$ -
Net change in fund balance	(56,191)	(56,191)	-	56,191	-	-
Fund balance, beginning of year	58,607	58,607	58,607	-	-	58,607
Fund balance, end of year	<u>\$ 2,416</u>	<u>\$ 2,416</u>	<u>\$ 58,607</u>	<u>\$ 56,191</u>	<u>\$ -</u>	<u>\$ 58,607</u>

# Enterprise Funds

Combining statements for all individual nonmajor enterprise funds are reported in this section. Fund statements for major enterprise funds are reported in the basic financial statements.

Schedules of revenues, expenses, and changes in fund net position – budget and actual are presented here for each individual enterprise fund.

## **Major Enterprise Funds:**

Sewer Fund – This fund accounts for the operation, construction, and maintenance of the wastewater collection system. Primary revenues are sewer user fees and system development charges.

Storm Drainage Fund – This fund accounts for the operation, construction, and maintenance of the stormwater drainage system. Primary revenues are storm drainage fees and system development charges.

Ambulance Fund – This fund accounts for the City's ambulance operations. Revenue sources include ambulance transport fees, ambulance billing services fees, and FireMed program memberships.

## **Nonmajor Enterprise Fund:**

Booth-Kelly Fund – This fund accounts for the cost of managing and maintaining City-owned income properties. The primary revenue source is rental income.





City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
SEWER FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Budget Basis Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Charges for services	\$ 8,711,444	\$ 8,711,444	\$ 8,940,812	\$ 229,368	\$ 45,343	\$ 8,986,155
Investment earnings	600,000	600,000	1,871,459	1,271,459	84,648	1,956,107
Intergovernmental	-	-	108	108	-	108
Miscellaneous	-	-	-	-	(37,695)	(37,695)
Total revenues	9,311,444	9,311,444	10,812,379	1,500,935	92,296	10,904,675
Expenses:						
Current operating:						
Development and public works	5,639,842	5,850,874	5,149,088	701,786	267,702	5,416,790
City managers office	88,897	88,897	53,601	35,296	-	53,601
Finance	66,734	66,734	33,558	33,176	-	33,558
Debt service:						
Principal	1,540,000	1,540,000	1,540,000	-	(1,540,000)	-
Interest	166,800	166,800	166,800	-	(82,250)	84,550
Capital projects	8,097,350	13,810,926	1,566,448	12,244,478	(1,566,448)	-
Depreciation	-	-	-	-	2,874,460	2,874,460
Contingency	150,000	150,000	-	150,000	-	-
Total expenses	15,749,623	21,674,231	8,509,495	13,164,736	(46,536)	8,462,959
Excess of revenues over (under) expenses	(6,438,179)	(12,362,787)	2,302,884	14,665,671	138,832	2,441,716
Other financing sources (uses):						
Capital contributions	1,743,100	1,743,100	2,419,424	676,324	123,167	2,542,591
Transfers in	-	-	-	-	127	127
Transfers out	-	-	-	-	(30,000)	(30,000)
Total other financing sources (uses)	1,743,100	1,743,100	2,419,424	676,324	93,294	2,512,718
Change in net position	(4,695,079)	(10,619,687)	4,722,308	15,341,995	232,126	4,954,434
Net position, beginning of year	29,471,238	37,868,359	37,868,359	-	51,274,594	89,142,953
Restatement for correction of an error (Note S)	-	-	-	-	(55,635)	(55,635)
Net position, beginning of year, as restated	29,471,238	37,868,359	37,868,359	-	51,218,959	89,087,318
Net position, end of year	\$ 24,776,159	\$ 27,248,672	\$ 42,590,667	\$ 15,341,995	\$ 51,451,085	\$ 94,041,752

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
STORM DRAINAGE FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Budget Basis Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Charges for services	\$ 8,722,200	\$ 8,722,200	\$ 9,423,752	\$ 701,552	\$ 73,854	\$ 9,497,606
Investment earnings	247,200	247,200	1,220,985	973,785	57,033	1,278,018
Intergovernmental	34,100	34,100	74,312	40,212	-	74,312
Miscellaneous	-	-	522	522	(24,385)	(23,863)
Total revenues	9,003,500	9,003,500	10,719,571	1,716,071	106,502	10,826,073
Expenses:						
Current operating:						
Development and public works	8,047,499	8,104,763	6,996,755	1,108,008	(25,186)	6,971,569
City managers office	89,158	89,158	53,703	35,455	-	53,703
Finance	66,734	66,734	33,560	33,174	-	33,560
Debt service:						
Principal	510,866	510,866	510,866	-	(510,866)	-
Interest	41,375	41,375	41,375	-	(27,578)	13,797
Capital projects	5,065,000	9,363,539	505,697	8,857,842	(505,697)	-
Depreciation	-	-	-	-	676,983	676,983
Contingency	200,000	200,000	-	200,000	-	-
Total expenses	14,020,632	18,376,435	8,141,956	10,034,479	(392,344)	7,749,612
Excess of revenues over (under) expenses	(5,017,132)	(9,372,935)	2,577,615	11,950,550	498,846	3,076,461
Other financing sources (uses):						
Capital contributions	559,900	559,900	451,467	(108,433)	319,489	770,956
Transfers in	-	-	-	-	33,267	33,267
Transfers out	-	-	-	-	(39,467)	(39,467)
Total other financing sources (uses)	559,900	559,900	451,467	(108,433)	313,289	764,756
Change in net position	(4,457,232)	(8,813,035)	3,029,082	11,842,117	812,135	3,841,217
Net position, beginning of year, as originally stated	19,801,949	27,137,924	27,137,924	-	14,843,677	41,981,601
Restatement for correction of an error (Note S)	-	-	-	-	(27,208)	(27,208)
Net position, beginning of year	19,801,949	27,137,924	27,137,924	-	14,816,469	41,954,393
Net position, end of year	\$ 15,344,717	\$ 18,324,889	\$ 30,167,006	\$ 11,842,117	\$ 15,628,604	\$ 45,795,610

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
AMBULANCE FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Budget Basis Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Charges for services	\$ 7,154,626	\$ 7,581,626	\$ 6,607,186	\$ (974,440)	\$ 14,040,974	\$ 20,648,160
Less: Contractual adjustments	-	-	-	-	(13,857,113)	(13,857,113)
Intergovernmental	-	115,608	95,146	(20,462)	10,814	105,960
Investment earnings	500	500	(52,455)	(52,955)	(3,053)	(55,508)
Miscellaneous	5,000	5,000	11,499	6,499	-	11,499
Total revenues	<u>7,160,126</u>	<u>7,702,734</u>	<u>6,661,376</u>	<u>(1,041,358)</u>	<u>191,622</u>	<u>6,852,998</u>
Expenses:						
Current operating:						
Fire and life safety	6,857,495	7,741,602	7,740,974	628	350,727	8,091,701
Depreciation	-	-	-	-	11,668	11,668
Contingency	150,000	73,500	-	73,500	-	-
Total expenses	<u>7,007,495</u>	<u>7,815,102</u>	<u>7,740,974</u>	<u>74,128</u>	<u>362,395</u>	<u>8,103,369</u>
Excess of revenues over (under) expenses	152,631	(112,368)	(1,079,598)	(967,230)	(170,773)	(1,250,371)
Other financing sources (uses):						
Transfers in	-	346,078	346,078	-	-	346,078
Change in net position	152,631	233,710	(733,520)	(967,230)	(170,773)	(904,293)
Net position, beginning of year as originally stated	378,235	(307,209)	(307,209)	-	(2,058,783)	(2,365,992)
Prior period adjustment (Note S)	-	-	-	-	(75,599)	(75,599)
Net position, beginning of year	<u>378,235</u>	<u>(307,209)</u>	<u>(307,209)</u>	<u>-</u>	<u>(2,134,382)</u>	<u>(2,441,591)</u>
Net position, end of year	<u>\$ 530,866</u>	<u>\$ (73,499)</u>	<u>\$ (1,040,729)</u>	<u>\$ (967,230)</u>	<u>\$ (2,305,155)</u>	<u>\$ (3,345,884)</u>

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
BOOTH-KELLY FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Budget Basis Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Charges for services	\$ 631,013	\$ 631,013	\$ 596,159	\$ (34,854)	\$ 32,433	\$ 628,592
Investment earnings	25,000	25,000	60,769	35,769	6,453	67,222
Total revenues	656,013	656,013	656,928	915	38,886	695,814
Expenses:						
Current operating:						
City Manager's Office	119,669	119,669	102,336	17,333	-	102,336
Development and public works	528,477	528,476	467,041	61,435	13,834	480,875
Capital projects	190,000	190,000	-	190,000	-	-
Depreciation	-	-	-	-	52,502	52,502
Contingency	15,000	15,000	-	15,000	-	-
Total expenses	853,146	853,145	569,377	283,768	66,336	635,713
Excess of revenues over (under) expenses	(197,133)	(197,132)	87,551	284,683	(27,450)	60,101
Other financing sources (uses):						
Loss on disposal of assets	-	-	-	-	(4,032)	(4,032)
Transfers out	(100,000)	(100,000)	(100,000)	-	-	(100,000)
Transfers in	-	192,925	192,925	-	-	192,925
Total other financing sources (uses)	(100,000)	92,925	92,925	-	(4,032)	88,893
Change in net position	(297,133)	(104,207)	180,476	284,683	(31,482)	148,994
Net position, beginning of year	1,133,111	1,299,303	1,299,303	-	3,124,865	4,424,168
Net position, end of year	\$ 835,978	\$ 1,195,096	\$ 1,479,779	\$ 284,683	\$ 3,093,383	\$ 4,573,162

# Internal Service Funds

Combining statements for all internal service funds are reported here. The combined totals are reported alongside the individual enterprise funds in the basic financial statements.

Schedules of revenues, expenses, and changes in fund net position – budget and actual are presented here for each individual internal service fund.

Vehicle and Equipment Fund – This fund accounts for the ownership and use of major equipment. Resources are provided by charges to other City funds.

Insurance Fund – This fund accounts for the accumulation of resources to provide for the City's insurance, the worker's compensation program, and the employee benefits programs. Resources are provided by charges to other City funds.

SDC Administration Fund – This fund accounts for the activities required to administer the City's various system development charges. Resources are provided primarily by charges to other City funds.



City of Springfield, Oregon  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
Year Ended June 30, 2025

	Vehicle and Equipment	Insurance	SDC Administration	Total
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 7,646,642	\$ 20,362,808	\$ 735,872	\$ 28,745,322
Prepays	39,573	86,388	2,656	128,617
Deposits	-	200,000	-	200,000
Accounts receivable	13,172	6,396	194,565	214,133
Accrued interest receivable	56,349	128,361	4,724	189,434
Deferred system development fees	-	-	98,261	98,261
Inventory	41,120	-	-	41,120
Total current assets	7,796,856	20,783,953	1,036,078	29,616,887
Noncurrent assets:				
Capital assets				
Machinery and equipment	23,214,906	-	-	23,214,906
Less accumulated depreciation	(16,123,234)	-	-	(16,123,234)
Subscription asset	672,843	16,232	-	689,075
Less accumulated amortization	(434,947)	(10,370)	-	(445,317)
Total net depreciable assets	7,329,568	5,862	-	7,335,430
Construction in progress	4,389,590	-	-	4,389,590
Total net capital assets	11,719,158	5,862	-	11,725,020
Net OPEB asset - RHIA	-	7,425	7,208	14,633
Total non-current assets	11,719,158	13,287	7,208	11,739,653
Total assets	19,516,014	20,797,240	1,043,286	41,356,540
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred pension outflow	-	171,804	160,885	332,689
Deferred OPEB outflow	-	5,724	3,862	9,586
Total deferred outflows	-	177,528	164,747	342,275
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	309,431	1,055,576	132	1,365,139
Accrued interest payable	2,186	-	-	2,186
Lease obligation, current portion	118,575	-	-	118,575
Subscription liability, current portion	-	5,680	-	5,680
Accrued payroll and other related liabilities	-	542,981	12,664	555,645
Unearned revenue	-	71,721	-	71,721
Total current liabilities	430,192	1,675,958	12,796	2,118,946
Noncurrent liabilities:				
Accrued absence payable	-	9,801	-	9,801
Lease obligation, less current portion	1,266,768	-	-	1,266,768
Net pension liability	-	455,143	428,676	883,819
Net OPEB obligation payable	-	31,244	26,961	58,205
Total noncurrent liabilities	1,266,768	496,188	455,637	2,218,593
Total liabilities	1,696,960	2,172,146	468,433	4,337,539
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred pension inflow	-	54,674	77,378	132,052
Deferred OPEB inflow	-	24,242	21,205	45,447
Total deferred inflows	-	78,916	98,583	177,499
<b>NET POSITION</b>				
Net investment in capital assets	10,177,558	182	-	10,177,740
Restricted	-	7,425	7,208	14,633
Unrestricted	7,641,496	18,716,099	633,809	26,991,404
Total net position	\$ 17,819,054	\$ 18,723,706	\$ 641,017	\$ 37,183,777



City of Springfield, Oregon  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
Year Ended June 30, 2025

	Vehicle and Equipment	Insurance	SDC Administration	Total
Operating revenues:				
Intergovernmental	\$ -	\$ 47,828	\$ 4	\$ 47,832
Charges for services	3,282,916	11,780,069	146,274	15,209,259
Licenses and permits	-	-	270,390	270,390
Miscellaneous	402	77,415	-	77,817
Total operating revenues	3,283,318	11,905,312	416,668	15,605,298
Operating expenses:				
Current operating:				
Legal and judicial services	7,238	-	-	7,238
Human resources	-	11,572,810	-	11,572,810
Finance	-	-	35,723	35,723
Information technology	657,394	-	-	657,394
Library	6,546	-	-	6,546
Fire and life safety	139,069	-	-	139,069
Police	7,425	-	-	7,425
Development and public works	592,218	-	380,602	972,820
Depreciation and amortization	1,872,230	5,411	-	1,877,641
Total operating expenses	3,282,120	11,578,221	416,325	15,276,666
Operating income	1,198	327,091	343	328,632
Nonoperating revenues (expenses):				
Investment earnings	364,068	922,095	42,617	1,328,780
Interest expense	(99,160)	(311)	-	(99,471)
Gain/(loss) on disposition of equipment	304,190	-	-	304,190
Total nonoperating revenues (expenses)	569,098	921,784	42,617	1,533,499
Income before capital contributions and transfers	570,296	1,248,875	42,960	1,862,131
Other financing sources (uses)				
Transfers in	99,467	-	-	99,467
Change in net position	669,763	1,248,875	42,960	1,961,598
Net position, beginning of year	17,149,291	17,474,831	598,057	35,222,179
Net position, end of year	\$ 17,819,054	\$ 18,723,706	\$ 641,017	\$ 37,183,777

City of Springfield, Oregon  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
Year Ended June 30, 2025

	Vehicle and Equipment	Insurance	SDC Administration	Total
Cash flows from operating activities:				
Cash received from interfund services provided	\$ 3,285,222	\$ 11,896,105	\$ 135,555	\$ 15,316,882
Cash paid for employee services	-	(822,699)	(332,113)	(1,154,812)
Cash paid to suppliers for goods and services	(1,224,486)	(10,959,937)	(78,917)	(12,263,340)
Other operating receipts	402	125,243	270,390	396,035
Net cash provided by operating activities	2,061,138	238,712	(5,085)	2,294,765
Cash flows from noncapital financing activities:				
Transfers (to)/from other funds	99,467	-	-	99,467
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(3,442,306)	-	-	(3,442,306)
Proceeds from the sale of assets	515,305	-	-	515,305
Principal on long term debt	(517,457)	(5,253)	-	(522,710)
Interest on long term debt	(99,337)	(311)	-	(99,648)
Net cash used in capital and related financing activities	(3,543,795)	(5,564)	-	(3,549,359)
Cash flows from investing activities:				
Interest received	358,287	879,063	40,493	1,277,843
Net change in cash and investments	(1,024,903)	1,112,211	35,408	122,716
Cash and investments, beginning of year	8,671,545	19,250,597	700,464	28,622,606
Cash and investments, end of year	\$ 7,646,642	\$ 20,362,808	\$ 735,872	\$ 28,745,322
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 1,198	\$ 327,091	\$ 343	\$ 328,632
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	1,872,230	5,411	-	1,877,641
Changes in assets and liabilities:				
Prepays	33,016	(82,208)	(240)	(49,432)
Accounts receivable	2,306	116,036	(10,723)	107,619
Inventory	(1,601)	-	-	(1,601)
Net pension liability and related deferrals	-	6,573	13,293	19,866
Accounts payable	153,989	281,089	(233)	434,845
Accrued payroll and other liabilities	-	(303,302)	2,635	(300,667)
Accrued claims liabilities	-	(117,963)	-	(117,963)
Unearned revenue	-	7,367	-	7,367
Net OPEB obligation and related deferrals	-	(1,382)	(10,160)	(11,542)
Net cash provided by operating activities	\$ 2,061,138	\$ 238,712	\$ (5,085)	\$ 2,294,765
Noncash capital and related financing activities:				
Accounts payable on capital assets	\$ 12,295	\$ -	\$ -	\$ 12,295
Subscription liability on capital assets	133,368	10,933	-	144,301
	\$ 145,663	\$ 10,933	\$ -	\$ 156,596

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
VEHICLE AND EQUIPMENT FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Budget Basis Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Charges for services	\$ 3,362,033	\$ 3,362,033	\$ 3,283,326	\$ (78,707)	\$ (410)	\$ 3,282,916
Investment earnings	200,000	200,000	348,868	148,868	15,200	364,068
Miscellaneous	-	-	515,707	515,707	(515,305)	402
Total revenues	<u>3,562,033</u>	<u>3,562,033</u>	<u>4,147,901</u>	<u>585,868</u>	<u>(500,515)</u>	<u>3,647,386</u>
Expenses:						
Current operating:						
Legal services	-	8,825	7,238	1,587	-	7,238
Information technology	970,084	1,159,274	853,089	306,185	(195,695)	657,394
Library	8,000	8,000	6,546	1,454	-	6,546
Fire and life safety	741,062	1,783,027	1,559,569	223,458	(1,420,500)	139,069
Police	85,000	747,000	606,250	140,750	(598,825)	7,425
Development and public works	1,442,238	2,369,436	1,915,731	453,705	(1,323,513)	592,218
Debt service:						
Principal	110,400	110,400	111,442	(1,042)	(111,442)	-
Interest	98,790	98,790	95,794	2,996	3,366	99,160
Depreciation and amortization	-	-	-	-	1,872,230	1,872,230
Total expenses	<u>3,455,574</u>	<u>6,284,752</u>	<u>5,155,659</u>	<u>1,129,093</u>	<u>(1,774,379)</u>	<u>3,381,280</u>
Excess of revenues over (under) expenses	<u>106,459</u>	<u>(2,722,719)</u>	<u>(1,007,758)</u>	<u>1,714,961</u>	<u>1,273,864</u>	<u>266,106</u>
Other financing sources (uses):						
Gain on disposal of assets	-	-	-	-	304,190	304,190
Transfers in	-	-	-	-	99,467	99,467
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>403,657</u>	<u>403,657</u>
Change in net position	<u>106,459</u>	<u>(2,722,719)</u>	<u>(1,007,758)</u>	<u>1,714,961</u>	<u>1,677,521</u>	<u>669,763</u>
Net position, beginning of year	<u>7,303,538</u>	<u>8,703,540</u>	<u>8,703,540</u>	<u>-</u>	<u>8,445,751</u>	<u>17,149,291</u>
Net position, end of year	<u>\$ 7,409,997</u>	<u>\$ 5,980,821</u>	<u>\$ 7,695,782</u>	<u>\$ 1,714,961</u>	<u>\$ 10,123,272</u>	<u>\$ 17,819,054</u>

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
INSURANCE FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Budget Basis Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Intergovernmental	\$ 22,347	\$ 22,347	\$ 47,828	\$ 25,481	\$ -	\$ 47,828
Charges for services	11,745,670	11,745,670	11,780,069	34,399	-	11,780,069
Investment earnings	300,000	300,000	878,827	578,827	43,267	922,094
Miscellaneous	-	-	156,916	156,916	(79,500)	77,416
Total revenues	<u>12,068,017</u>	<u>12,068,017</u>	<u>12,863,640</u>	<u>795,623</u>	<u>(36,233)</u>	<u>12,827,407</u>
Expenses:						
Current operating:						
Human resources	618,222	618,222	604,587	13,635	89,701	694,288
Health insurance	8,136,869	8,136,869	8,572,973	(436,104)	(50,051)	8,522,922
Risk services	3,465,787	3,465,787	2,473,563	992,224	(117,963)	2,355,600
Debt Service:						
Interest	-	-	-	-	311	311
Depreciation and amortization	-	-	-	-	5,411	5,411
Contingency	200,000	200,000	-	200,000	-	-
Total expenses	<u>12,420,878</u>	<u>12,420,878</u>	<u>11,651,123</u>	<u>769,755</u>	<u>(72,591)</u>	<u>11,578,532</u>
Change in net position	(352,861)	(352,861)	1,212,517	1,565,378	36,358	1,248,875
Net position, beginning of year	<u>17,129,659</u>	<u>18,301,589</u>	<u>18,301,589</u>	<u>-</u>	<u>(826,758)</u>	<u>17,474,831</u>
Net position, end of year	<u>\$ 16,776,798</u>	<u>\$ 17,948,728</u>	<u>\$ 19,514,106</u>	<u>\$ 1,565,378</u>	<u>\$ (790,400)</u>	<u>\$ 18,723,706</u>

City of Springfield, Oregon  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
(NONGAAP BUDGETARY BASIS) - BUDGET AND ACTUAL  
SDC ADMINISTRATION FUND  
Year Ended June 30, 2025

	Original Budget	Revised Budget	Budget Basis Actual	Variance	Adjustments to Budget Basis Actual	GAAP Basis Actual
Revenues:						
Charges for services	\$ 275,000	\$ 275,000	\$ 131,111	\$ (143,889)	\$ 15,163	\$ 146,274
Licenses and permits	125,000	125,000	274,830	149,830	(4,440)	270,390
Investment earnings	20,000	20,000	40,866	20,866	1,749	42,615
Intergovernmental	-	-	4	4	-	4
Total revenues	420,000	420,000	446,811	26,811	12,472	459,283
Expenses:						
Current operating:						
Finance	48,693	48,693	35,723	12,970	-	35,723
Development and public works	437,184	437,184	377,467	59,717	3,133	380,600
Contingency	10,000	10,000	-	10,000	-	-
Total expenses	495,877	495,877	413,190	82,687	3,133	416,323
Change in net position	(75,877)	(75,877)	33,621	109,498	9,339	42,960
Net position, beginning of year	552,673	694,334	694,334	-	(96,277)	598,057
Net position, end of year	\$ 476,796	\$ 618,457	\$ 727,955	\$ 109,498	\$ (86,938)	\$ 641,017

# Statistical Section

This part of the City of Springfield's annual comprehensive 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.

<b><u>Contents</u></b>	<b><u>Page</u></b>
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.	184-191
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	195-199
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.	203-208
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	211-212
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	214-219

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.



# Financial Trend Information



City of Springfield, Oregon  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

	Fiscal Year			
	2016	2017	2018	2019
Governmental activities				
Net investment in capital assets	\$ 115,176,581	\$ 122,230,625	\$ 120,175,702	\$ 129,324,764
Restricted	17,357,721	17,295,648	22,674,644	20,647,784
Unrestricted	(5,988,448)	(11,706,242)	(15,369,959)	(11,948,772)
Total governmental activities net position	<u>\$ 126,545,854</u>	<u>\$ 127,820,031</u>	<u>\$ 127,480,387</u>	<u>\$ 138,023,776</u>
Business-type activities				
Net investment in capital assets	\$ 54,212,835	\$ 54,802,364	\$ 55,901,549	\$ 57,366,837
Restricted	3,976,909	4,733,337	5,457,331	6,575,305
Unrestricted	28,145,472	31,242,641	32,027,245	34,958,604
Total business-type activities net position	<u>\$ 86,335,216</u>	<u>\$ 90,778,342</u>	<u>\$ 93,386,125</u>	<u>\$ 98,900,746</u>
Primary government				
Net investment in capital assets	\$ 169,389,416	\$ 177,032,989	\$ 176,077,251	\$ 186,691,601
Restricted	21,334,630	22,028,985	28,131,975	27,223,089
Unrestricted	22,157,024	19,536,399	16,657,286	23,009,832
Total primary government net position	<u>\$ 212,881,070</u>	<u>\$ 218,598,373</u>	<u>\$ 220,866,512</u>	<u>\$ 236,924,522</u>

Source: Financial Statements

Fiscal Year

2020	2021	2022	2023	2024	2025
\$ 122,555,408	\$ 139,384,434	\$ 156,787,166	\$ 170,120,054	\$ 188,074,623	\$ 188,516,978
20,426,784	18,318,226	31,386,128	47,182,803	52,864,162	76,359,477
(1,909,951)	(6,430,326)	(16,230,609)	(10,914,177)	(5,450,407)	(14,484,095)
<u>\$ 141,072,241</u>	<u>\$ 151,272,334</u>	<u>\$ 171,942,685</u>	<u>\$ 206,388,680</u>	<u>\$ 235,488,378</u>	<u>\$ 250,392,359</u>
\$ 56,619,451	\$ 59,677,720	\$ 61,382,119	\$ 65,431,182	\$ 70,935,420	\$ 72,438,614
8,505,363	9,429,173	11,980,398	14,442,988	17,349,448	21,930,831
37,282,183	35,556,795	41,103,207	44,711,097	45,590,493	47,052,508
<u>\$ 102,406,997</u>	<u>\$ 104,663,688</u>	<u>\$ 114,465,724</u>	<u>\$ 124,585,267</u>	<u>\$ 133,875,361</u>	<u>\$ 141,421,953</u>
\$ 179,174,859	\$ 199,062,154	\$ 218,169,285	\$ 235,551,236	\$ 259,010,043	\$ 260,955,592
28,932,147	27,747,399	43,366,526	61,625,791	70,213,610	98,290,308
35,372,232	29,126,469	24,872,598	33,796,920	40,140,086	32,568,413
<u>\$ 243,479,238</u>	<u>\$ 255,936,022</u>	<u>\$ 286,408,409</u>	<u>\$ 330,973,947</u>	<u>\$ 369,363,739</u>	<u>\$ 391,814,312</u>

City of Springfield, Oregon  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS  
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021
<b>Expenses</b>						
Governmental activities:						
General government	\$ 8,055,900	\$ 8,105,716	\$ 7,450,495	\$ 8,570,530	\$ 8,652,793	\$ 8,809,340
Fire and life safety	14,789,977	13,351,001	13,890,821	14,187,421	14,732,495	15,675,680
Police	26,060,501	22,068,423	22,233,956	23,962,665	25,654,527	25,222,243
Library	2,131,183	1,981,508	1,727,501	2,065,860	2,266,167	2,245,447
Development and public works	15,857,538	12,483,443	12,687,939	13,921,361	16,950,960	15,977,248
Depreciation and amortization, unallocated	250,942	250,435	250,435	207,852	231,808	231,809
Interest on long-term debt	744,674	518,495	457,480	488,109	556,436	452,538
Total governmental activities expense	67,890,715	58,759,021	58,698,627	63,403,798	69,045,186	68,614,305
Business-type activities:						
Sanitary sewer	7,523,149	7,158,008	7,269,835	7,304,346	7,212,599	7,591,941
Storm drainage	5,982,172	5,559,128	6,316,516	5,968,181	6,633,084	6,860,432
Booth-Kelly	1,507,253	1,424,527	1,410,609	1,300,368	837,049	502,562
Ambulance	7,073,633	6,574,936	6,515,453	7,212,214	6,886,133	7,194,162
Business-type activities expenses	22,086,207	20,716,599	21,512,413	21,785,109	21,568,865	22,149,097
Total primary government expenses	\$ 89,976,922	\$ 79,475,620	\$ 80,211,040	\$ 85,188,907	\$ 90,614,051	\$ 90,763,402
<b>Program Revenue</b>						
Governmental activities:						
Charges for services:						
General government	\$ 3,888,018	\$ 4,078,095	\$ 4,248,830	\$ 4,194,777	\$ 4,116,660	\$ 4,046,675
Fire and life safety	1,921,748	1,984,859	1,916,552	2,012,641	1,963,379	1,970,004
Police	346,629	422,625	715,863	1,041,123	1,013,728	636,755
Library	106,200	120,912	117,114	118,372	97,423	80,274
Development and public works	3,420,717	2,884,311	2,626,049	2,880,108	3,617,802	3,042,558
Operating grants and contributions	4,184,978	4,954,592	5,135,869	5,626,172	7,465,635	7,781,066
Capital grants and contributions	4,841,296	4,085,842	2,177,260	4,181,484	4,820,681	10,947,796
Total governmental activities program revenues	18,709,586	18,531,236	16,937,537	20,054,677	23,095,308	28,505,128
Business-type activities:						
Charges for services:						
Sanitary sewer	7,224,927	8,798,173	7,709,636	7,541,750	7,698,075	7,740,534
Storm drainage	6,892,114	7,408,192	7,194,627	7,259,708	7,483,023	7,766,070
Booth-Kelly	1,532,687	1,537,293	1,630,764	1,481,538	638,301	547,906
Ambulance	6,599,690	6,046,048	5,383,760	7,239,771	6,060,953	4,854,619
Operating grants and contributions	-	-	-	-	222,080	167,977
Capital grants and contributions	2,088,254	1,033,069	1,164,761	2,540,505	1,874,362	3,922,047
Total business-type activities program revenues	24,337,672	24,822,775	23,083,548	26,063,272	23,976,794	24,999,153
Total primary government program revenues	\$ 43,047,258	\$ 43,354,011	\$ 40,021,085	\$ 46,117,949	\$ 47,072,102	\$ 53,504,281
<b>Net (Expense) Revenue</b>						
Governmental activities	\$ (49,181,129)	\$ (40,227,785)	\$ (41,761,090)	\$ (43,349,121)	\$ (45,949,878)	\$ (40,109,177)
Business-type activities	2,251,465	4,106,176	1,571,135	4,278,163	2,407,929	2,850,056
Total primary government net expense	\$ (46,929,664)	\$ (36,121,609)	\$ (40,189,955)	\$ (39,070,958)	\$ (43,541,949)	\$ (37,259,121)
Governmental activities:						
Taxes:						
Property taxes	\$ 29,449,109	\$ 30,691,286	\$ 30,910,303	\$ 33,272,981	\$ 36,796,537	\$ 37,426,263
Room tax	1,373,464	1,445,031	1,553,872	1,356,155	1,119,292	1,206,485
Other taxes	3,387,888	3,446,975	3,567,850	3,473,477	3,618,162	3,744,708
Payment in lieu of taxes	2,392,729	2,353,365	2,414,018	2,403,565	2,336,861	2,318,473
Investment earnings	416,909	573,280	783,330	1,557,790	1,745,096	600,210
Miscellaneous	867,789	972,473	1,345,586	1,351,036	1,227,437	1,789,005
Gain (loss) on disposition of capital assets	149,687	-	-	-	-	-
Shared revenue	1,584,743	2,019,553	1,743,533	2,026,255	2,212,330	2,334,354
Transfers	100,000	-	63,000	67,548	80,000	889,772
Total governmental activities	39,722,318	41,501,963	42,381,492	45,508,807	49,135,715	50,309,270
Business-type activities:						
Investment earnings	227,641	317,398	528,250	1,176,791	1,154,005	283,940
Miscellaneous	180,329	19,552	209,703	127,215	24,317	12,467
Gain (loss) on disposition of capital assets	-	-	-	-	-	-
Transfers	(100,000)	-	(63,000)	(67,548)	(80,000)	(889,772)
Total business-type activities	307,970	336,950	674,953	1,236,458	1,098,322	(593,365)
Total primary government	\$ 40,030,288	\$ 41,838,913	\$ 43,056,445	\$ 46,745,265	\$ 50,234,037	\$ 49,715,905
<b>Change In Net Position</b>						
Governmental activities	\$ (9,458,811)	\$ 1,274,178	\$ 620,402	\$ 2,159,686	\$ 3,185,837	\$ 10,200,093
Business-type activities	2,559,435	4,443,126	2,246,088	5,514,621	3,506,251	2,256,691
Total primary government	\$ (6,899,376)	\$ 5,717,304	\$ 2,866,490	\$ 7,674,307	\$ 6,692,088	\$ 12,456,784

1 This schedule reports using the accrual basis of accounting.

2 Expenses include allocated indirect expenses.

Source: Financial Statements

Fiscal Year			
2022	2023	2024	2025
\$ 9,053,662	\$ 10,806,659	\$ 7,347,528	\$ 10,005,150
13,521,804	14,415,836	15,743,196	17,342,877
22,635,549	24,401,419	27,637,120	28,153,344
2,116,123	2,316,912	2,377,466	2,679,743
13,014,042	20,391,866	21,589,929	19,950,118
147,249	55,244	42,159	42,159
325,776	276,787	258,835	1,180,082
60,814,205	72,664,723	74,996,233	79,353,472
7,470,840	8,024,658	8,219,156	8,629,104
6,326,880	6,767,197	6,798,561	7,854,114
553,805	780,317	512,602	632,703
7,036,505	7,410,608	7,255,285	8,171,050
21,388,030	22,982,780	22,785,604	25,286,971
\$ 82,202,235	\$ 95,647,503	\$ 97,781,837	\$ 104,640,443
\$ 3,851,633	\$ 3,919,667	\$ 4,004,585	\$ 4,066,313
1,969,783	1,980,460	1,820,481	2,154,817
768,141	1,299,113	1,384,084	1,044,837
92,961	100,089	106,658	106,858
4,146,968	4,749,539	4,593,867	5,453,245
6,055,257	13,579,392	14,867,451	12,239,523
13,921,588	24,391,492	14,959,036	3,373,207
30,806,331	50,019,752	41,736,162	28,438,800
8,060,782	8,234,652	8,584,543	8,986,155
8,341,425	8,568,413	8,961,483	9,571,793
549,184	605,035	622,056	628,592
8,355,277	7,003,472	8,025,197	6,806,654
52,239	-	-	90,586
5,863,574	7,352,623	4,262,583	3,313,547
31,222,481	31,764,195	30,455,862	29,397,327
\$ 62,028,812	\$ 81,783,947	\$ 72,192,024	\$ 57,836,127
\$ (30,007,874)	\$ (22,644,971)	\$ (33,260,071)	\$ (50,914,673)
9,834,451	8,781,415	7,670,258	4,110,356
\$ (20,173,423)	\$ (13,863,556)	\$ (25,589,813)	\$ (46,804,317)
\$ 38,733,351	\$ 41,709,190	\$ 43,057,958	\$ 47,689,072
1,885,268	1,628,477	1,185,697	2,191,968
3,768,793	3,920,839	3,997,754	3,924,449
2,821,285	3,280,621	3,123,757	3,423,565
(156,863)	2,738,203	5,651,670	5,864,565
2,098,685	1,803,375	1,790,757	1,726,811
-	8,902	7,245	-
2,152,946	2,242,188	2,172,133	1,840,551
(625,240)	(240,829)	(13,228)	(402,930)
50,678,225	57,090,966	60,973,743	66,258,051
(264,079)	1,638,958	3,490,227	3,245,839
91,665	5,594	5,484	12,021
-	(547,253)	-	(66,112)
625,240	240,829	13,228	402,930
452,826	1,338,128	3,508,939	3,594,678
\$ 51,131,051	\$ 58,429,094	\$ 64,482,682	\$ 69,852,729
\$ 20,670,351	\$ 34,445,995	\$ 27,713,672	\$ 15,343,378
10,287,277	10,119,543	11,179,197	7,705,034
\$ 30,957,628	\$ 44,565,538	\$ 38,892,869	\$ 23,048,412

City of Springfield, Oregon  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

	Fiscal Year			
	2016	2017	2018	2019
General Fund				
Nonspendable	\$ 98,292	\$ 83,602	\$ 64,408	\$ 118,343
Restricted	-	-	-	-
Committed	172,840	293,004	293,004	472,153
Assigned	600,000	1,000,000	1,000,000	1,000,000
Unassigned	7,999,863	7,387,428	8,388,052	9,176,504
Total general fund	<u>\$ 8,870,995</u>	<u>\$ 8,764,034</u>	<u>\$ 9,745,464</u>	<u>\$ 10,767,000</u>
 All Other Governmental Funds				
Nonspendable	\$ 223,261	\$ 219,897	\$ 243,998	\$ 520,564
Restricted	14,194,470	13,672,194	18,873,553	16,461,113
Committed	1,980,130	2,036,262	2,200,742	2,569,918
Assigned	1,493,031	808,377	920,076	1,261,961
Unassigned	(37,306)	(142,091)	-	-
Total all other governmental funds	<u>\$ 17,853,586</u>	<u>\$ 16,594,639</u>	<u>\$ 22,238,369</u>	<u>\$ 20,813,556</u>

Source: Financial Statements

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 110,259	\$ 169,293	\$ 194,341	\$ 160,623	\$ 146,504	\$ 235,252
-	-	-	-	-	-
-	-	-	-	-	-
1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
9,931,764	10,353,531	9,848,436	11,352,700	11,863,288	13,921,789
<u>\$ 11,042,023</u>	<u>\$ 11,522,824</u>	<u>\$ 11,042,777</u>	<u>\$ 12,513,323</u>	<u>\$ 13,009,792</u>	<u>\$ 15,157,041</u>
\$ 344,309	\$ 301,174	\$ 337,668	\$ 607,851	\$ 541,633	\$ 547,197
28,651,926	26,053,526	25,897,514	41,588,250	45,104,286	69,956,287
3,209,955	3,384,079	3,600,074	4,044,690	4,229,821	4,346,634
1,341,713	1,849,430	1,906,931	2,142,232	2,837,316	3,022,929
-	-	-	-	-	-
<u>\$ 33,547,903</u>	<u>\$ 31,588,209</u>	<u>\$ 31,742,187</u>	<u>\$ 48,383,023</u>	<u>\$ 52,713,056</u>	<u>\$ 77,873,047</u>

City of Springfield, Oregon  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

	Fiscal Year		
	2016	2017	2018
Taxes	\$ 31,862,305	\$ 33,098,818	\$ 33,794,986
Licenses and permits	3,122,149	3,325,162	3,251,909
Intergovernmental	8,484,882	9,224,182	9,515,619
Charges for services	9,247,507	8,410,972	8,740,655
Fines & forfeitures	1,652,415	1,655,009	1,813,942
Use of money & property	170,631	276,286	427,571
Special assessments	25,265	18,989	13,082
Miscellaneous	775,308	743,777	785,899
<b>Total Revenues</b>	<b>55,340,462</b>	<b>56,753,195</b>	<b>58,343,663</b>
<b>Current Operating:</b>			
General government	8,240,463	8,509,994	7,901,804
Fire and life safety	11,848,268	12,380,622	12,894,682
Police	20,231,011	19,388,013	19,748,479
Library	1,706,475	1,848,510	1,646,799
Development and public works	9,063,061	9,285,822	9,036,058
Capital Projects	2,187,974	6,204,622	967,170
Debt service:			
Principal	1,630,000	2,156,706	1,695,530
Interest	807,469	650,730	653,657
<b>Total expenditures</b>	<b>55,714,721</b>	<b>60,425,019</b>	<b>54,544,179</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(505,464)</b>	<b>(3,671,824)</b>	<b>3,799,484</b>
Transfers in	6,369,454	1,775,328	2,729,248
Transfers out	(5,801,301)	(1,459,296)	1,229,455
Bond sale costs	-	-	-
Issuance of debt	16,994,808	2,000,000	(1,166,455)
Payment to refunded bond escrow agent	(16,863,603)	-	-
<b>Total other financing sources (uses)</b>	<b>699,358</b>	<b>2,316,032</b>	<b>2,792,248</b>
<b>Net changes in fund balances</b>	<b>\$ 193,894</b>	<b>\$ (1,355,792)</b>	<b>\$ 6,591,732</b>
 Debt services as a percentage of noncapital expenditures	 4.61%	 5.21%	 4.39%

Notes:

- a) Debt service represents principal and interest incurred during the year.
- b) Noncapital expenditures do not include capital outlay for land, construction in progress, buildings and improvements, machinery and equipment and other infrastructure.

Source: Financial Statements

Fiscal Year						
2019	2020	2021	2022	2023	2024	2025
\$ 36,634,081	\$ 38,889,782	\$ 39,448,636	\$ 41,397,614	\$ 44,293,541	\$ 45,469,883	\$ 50,362,377
3,184,547	3,384,446	3,421,932	3,580,016	3,523,266	4,081,515	3,505,911
10,388,913	12,054,048	13,433,515	12,308,507	32,981,255	24,465,103	19,280,523
8,255,515	9,824,965	9,912,595	11,047,635	12,384,329	11,954,421	14,066,390
1,819,429	1,577,656	1,316,405	1,138,554	1,148,627	1,147,068	1,019,784
1,017,688	1,205,189	275,832	(271,088)	1,943,731	4,271,501	4,557,908
17,098	15,062	6,621	18,111	1,351	-	-
1,205,665	1,057,800	1,566,002	1,347,267	1,292,768	637,034	1,046,879
62,522,936	68,008,948	69,381,538	70,566,616	97,568,868	92,026,525	93,839,772
8,571,201	8,616,360	9,085,862	9,248,427	11,483,829	12,813,430	11,349,851
13,114,125	13,149,807	14,318,920	14,386,945	15,169,214	16,116,774	17,079,197
21,115,709	22,052,943	22,352,091	23,010,099	24,659,831	27,405,728	27,223,136
1,904,135	2,063,085	2,055,401	2,291,515	2,443,004	2,424,915	2,664,888
9,628,378	11,004,908	12,330,771	10,988,756	17,278,220	17,624,410	15,827,988
6,095,447	2,758,368	6,831,924	5,796,262	5,693,185	6,446,724	6,573,708
2,021,673	4,247,965	4,093,807	4,214,331	4,472,828	4,788,870	6,978,342
674,222	735,544	653,938	531,621	440,942	473,175	1,090,154
63,124,890	64,628,980	71,722,714	70,467,956	81,641,053	88,094,026	88,787,264
(601,954)	3,379,968	(2,241,176)	98,660	15,927,815	3,932,499	5,052,508
1,458,838	2,025,984	2,739,379	1,757,269	1,977,756	2,062,242	2,232,269
(1,278,261)	(2,271,493)	(1,913,875)	(2,218,817)	(2,165,929)	(2,131,729)	(2,734,666)
-	(39,159)	-	-	-	-	(133,204)
-	10,000,000	-	-	2,250,000	1,100,000	22,890,332
-	-	-	-	-	-	-
180,577	9,715,332	825,504	(461,548)	2,061,827	1,030,513	22,254,731
\$ (421,377)	\$ 13,095,300	\$ (1,415,672)	\$ (362,888)	\$ 17,989,642	\$ 4,963,012	\$ 27,307,239
4.71%	7.87%	7.43%	7.27%	6.41%	6.80%	10.05%





# Revenue Capacity Information



City of Springfield, Oregon

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

Fiscal year ended June 30,	Real Property	Manufactured Structures	Personal Property	Utilities	Total Taxable Assessed Value Including Urban Renewal and Exempt Property	Total City Direct Tax Rate	Total Urban Renewal Tax Rate	Estimated Actual Taxable Value
2016	*	*	*	*	\$ 4,339,850,283	\$ 6.78	\$ 0.21	\$ 6,939,893,310
2017	*	*	*	*	4,471,924,355	6.79	0.21	7,145,332,593
2018	*	*	*	*	4,624,303,479	6.68	0.24	7,841,457,283
2019	\$ 4,541,773,087	\$ 29,429,233	\$ 197,693,142	\$ 88,220,300	4,857,115,762	6.77	0.30	8,492,723,597
2020	4,685,349,599	32,414,522	193,329,553	83,515,100	4,994,608,774	7.27	0.29	9,110,886,037
2021	4,810,455,367	34,552,105	188,963,478	88,217,000	5,122,187,950	7.20	0.30	9,594,834,513
2022	4,984,917,360	37,273,263	194,341,228	86,663,100	5,303,194,951	7.19	0.32	10,535,427,628
2023	5,370,435,687	39,574,783	193,427,657	93,675,700	5,697,113,827	7.05	0.46	12,438,521,879
2024	5,586,328,747	39,928,605	206,771,625	91,146,914	5,924,175,891	6.99	0.51	13,322,558,734
2025	5,802,335,477	41,322,485	219,159,776	89,902,556	6,152,720,294	7.49	0.51	13,597,947,773

Source: Lane County Department of Assessment and Taxation

\* Breakdown of assessed value into categories is not available

City of Springfield, Oregon

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS

City Direct Rates					
Fiscal Year	Basic Rate	General Obligation Debt Service	Police Operating Levy	Fire Operating Levy	Total Direct
2016	\$ 4.65	\$ 0.49	\$ 1.28	\$ 0.36	\$ 6.78
2017	4.65	0.50	1.28	0.36	6.79
2018	4.64	0.40	1.28	0.36	6.68
2019	4.62	0.39	1.40	0.36	6.77
2020	4.62	0.89	1.40	0.36	7.27
2021	4.62	0.82	1.40	0.36	7.20
2022	4.61	0.80	1.40	0.38	7.19
2023	4.56	0.71	1.40	0.38	7.05
2024	4.54	0.67	1.40	0.38	6.99
2025	4.55	1.16	1.40	0.38	7.49

Source: Lane County Department of Assessment & Taxation

Overlapping Rates

School District No. 19	Lane County	Lane Community College	Lane County I.E.D. (E.S.D.)	Willamalane Park District	Springfield Economic Development Agency	Upper Willamette Soil & Water
\$ 5.79	\$ 1.80	\$ 0.81	\$ 0.22	\$ 2.30	\$ 0.21	\$ -
5.88	1.65	0.83	0.22	2.31	0.21	-
5.84	1.64	0.83	0.22	2.28	0.24	-
5.78	1.77	0.83	0.22	2.25	0.30	-
5.79	1.81	0.82	0.22	2.24	0.29	-
5.79	1.81	0.95	0.22	2.21	0.30	-
5.73	1.82	0.94	0.22	2.18	0.32	0.07
5.63	1.81	0.92	0.21	2.11	0.46	0.07
5.58	1.96	0.92	0.21	2.08	0.51	0.07
5.36	1.96	0.90	0.21	2.10	0.51	0.07

City of Springfield, Oregon

PRINCIPAL PROPERTY TAX PAYERS

Current Year and Nine Years Ago

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank *	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank *	Percentage of Total City Taxable Assessed Value
PeaceHealth	\$ 588,064,799	1	9.56%	\$ 445,888,610	1	10.17%
International paper	253,102,130	2	4.12%			0.00%
McKenzie Willamette Regional Medical	96,892,997	3	1.58%			
IP Eat Three LLC (Weyerhaeuser)	82,282,618	4	1.34%	247,949,773	2	5.65%
Swanson Group MFG LLC	72,156,040	5	1.17%			0.00%
BRFI Gateway LLC	66,561,013	6	1.08%	64,241,692	3	1.46%
Rosboro Company LLC	57,753,408	7	0.94%	30,581,695	7	0.70%
United States bakery	55,949,096	8	0.94%	30,317,615	8	0.69%
Pacificsource Properties LLC	52,879,081	9	0.86%			
Borden Chemical	42,720,982	10	0.69%			
Comcast Corporation				40,290,800	5	0.92%
Symantec Corporation				58,467,659	4	1.33%
RC Springfield 2007 LLC				27,163,259	10	0.62%
United States bakery						0.00%
Shepard investment group LLC				30,837,074	6	0.70%
Symantec Corporation				27,437,788	9	0.63%
Total	<u>\$ 1,368,362,164</u>		<u>22.28%</u>	<u>\$ 1,003,175,965</u>		<u>22.87%</u>

Source: Lane County Department of Assessment and Taxation

\* Ranked by total taxes paid

City of Springfield, Oregon

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections & Adjustments	Total Collections and Adjustments to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 30,360,092	\$ 28,616,502	94.3%	\$ 1,735,830	\$ 30,352,332	99.97%
2017	31,525,757	29,852,562	94.7%	1,664,571	31,517,133	99.97%
2018	32,210,580	30,617,910	95.1%	1,583,507	32,201,417	99.97%
2019	34,341,345	32,759,524	95.4%	1,568,485	34,328,009	99.96%
2020	37,806,421	36,043,062	95.3%	1,745,281	37,788,343	99.95%
2021	38,412,008	36,786,581	95.8%	1,588,840	38,375,421	99.90%
2022	39,739,637	38,067,836	95.8%	1,586,362	39,654,198	99.79%
2023	42,778,704	40,981,634	95.8%	1,617,048	42,598,682	99.58%
2024	44,394,715	42,398,253	95.5%	1,510,885	43,909,138	98.91%
2025	48,935,048	46,655,521	95.3%	1,218,561	47,874,082	97.83%

Sources: Lane County Department of Assessments and  
Taxation; Annual Financial Reports





# Debt Capacity Information



City of Springfield, Oregon

RATIO OF OUTSTANDING DEBT, BY TYPE

Last Ten Fiscal Years

	Governmental Activities					Business-Type Activities				
Fiscal Year	General Obligation Bonds	Leases	Subscription Liability	Notes Payable	Contracts Payable	Revenue Bonds	Notes Payable	Total Primary Government	Percentage of Personal Income	Per Capita
2016	\$ 17,194,064	\$ 535,062	\$ -	\$ 520,000	\$ 210,000	\$ 25,318,704	\$ 2,198,125	\$ 45,975,955	0.30%	\$ 764
2017	15,717,891	789,049	-	1,873,246	210,000	23,123,478	1,494,105	43,207,769	0.27%	712
2018	13,992,095	440,990	-	4,296,965	210,000	21,190,522	739,418	40,869,990	*	674
2019	13,243,365	297,355	-	3,720,293	210,000	19,317,564	505,833	37,294,410	*	608
2020	19,332,885	150,385	-	3,152,328	210,000	17,399,607	478,956	40,724,161	*	662
2021	15,628,404	-	-	2,532,522	210,000	14,555,111	478,621	33,404,658	*	536
2022	11,833,923	31,652	-	1,887,480	210,000	12,541,012	476,986	26,981,053	*	431
2023	10,177,666	24,444	1,126,597	1,219,307	210,000	10,465,895	472,123	23,696,032	*	377
2024	7,111,108	1,513,938	314,544	492,323	210,000	8,327,827	471,540	18,441,280	*	293
2025	23,213,070	1,395,121	54,091	1,400,000	210,000	6,125,057	470,314	32,867,653	*	519

Source: Annual Financial Reports

\* not yet available

City of Springfield, Oregon

RATIO OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
2016	17,194,064	0.40%	286
2017	15,717,891	0.35%	260
2018	13,992,095	0.30%	230
2019	13,243,365	0.27%	216
2020	19,332,885	0.39%	314
2021	15,628,404	0.31%	251
2022	11,833,923	0.22%	189
2023	10,177,666	0.18%	162
2024	7,111,108	0.12%	113
2025	23,213,070	0.38%	367

Source: Annual Financial Statements,  
Lane County Department of Assessment & Taxation  
Population Research Center Portland State University

City of Springfield, Oregon

COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

JUNE 30, 2025

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage applicable to the City</u>	<u>City's share of overlapping debt</u>
City of Springfield - general obligation bonds	\$ 23,213,070	100.00%	\$ 23,213,070
City of Springfield - notes payable	1,400,000	100.00%	1,400,000
City of Springfield - contracts payable	210,000	100.00%	210,000
City of Springfield - leases	1,395,121	100.00%	1,395,121
City of Springfield - subscriptions	54,091	100.00%	54,091
	<u>\$ 26,272,282</u>		<u>\$ 26,272,282</u>
Total Direct debt			
<u>Overlapping Debt</u>			
Lane Community College	\$ 207,975,000	14.26%	\$ 29,657,235
Lane County	307,655,566	14.49%	44,579,292
School District 19	201,982,511	75.20%	151,890,849
School District 4J	408,110,402	4.17%	17,018,204
Lane Education Service District	3,496,360	14.52%	507,671
Willamalane Park & Recreation District	8,780,000	93.81%	8,236,518
Lane County Housing Authority	7,058,592	14.49%	1,022,790
Total overlapping debt	1,145,058,431		<u>252,912,559</u>
Total direct and overlapping debt			<u>\$ 279,184,841</u>

Source: Oregon State Treasury

Notes:

- a. Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. The State of Oregon, Debt Management Division, provides overlapping debt data based on fair market valuation of properties for each jurisdiction.
- b. Total direct debt and overlapping debt is total direct debt plus gross overlapping debt.

City of Springfield, Oregon  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

	<u>June 30, 2025</u>
Real Market Value for City of Springfield	\$ 13,597,947,773
General Obligation Debt Limit - 3% of Real Market Value	407,938,433
Net Debt Subject to 3% Limitation	<u>26,469,083</u>
Legal Debt Margin for General Obligation Debt	<u><u>\$ 381,469,350</u></u>

	<u>Fiscal Year</u>			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt Limit	\$ 208,196,799	\$ 214,359,978	\$ 235,243,718	\$ 254,781,708
Total net debt applicable to limit	<u>15,975,000</u>	<u>14,465,000</u>	<u>13,075,000</u>	<u>11,630,000</u>
Legal debt margin	<u><u>\$ 192,221,799</u></u>	<u><u>\$ 199,894,978</u></u>	<u><u>\$ 222,168,718</u></u>	<u><u>\$ 243,151,708</u></u>
Total net debt applicable to the limit as a percentage of debt limit	7.67%	6.75%	5.56%	4.56%

Source: Lane County Assessment & Taxation  
City of Springfield Financials

Fiscal Year

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 273,326,581	\$ 287,845,035	\$ 316,062,829	\$ 373,155,656	\$ 399,676,762	\$ 407,938,433
<u>17,950,000</u>	<u>14,476,000</u>	<u>10,912,000</u>	<u>9,486,223</u>	<u>6,650,147</u>	<u>4,648,784</u>
<u>\$ 255,376,581</u>	<u>\$ 273,369,035</u>	<u>\$ 305,150,829</u>	<u>\$ 363,669,433</u>	<u>\$ 393,026,615</u>	<u>\$ 403,289,649</u>
6.57%	5.03%	3.45%	2.54%	1.66%	1.14%



City of Springfield, Oregon  
 PLEDGED-REVENUE COVERAGE  
 LAST TEN FISCAL YEARS

Local Sewer Revenue Bonds						
Fiscal Year	System Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016	\$ 15,814,960	\$ 9,925,186	\$ 5,889,774	\$ 1,380,000	\$ 1,039,531	2.43
2017	17,544,930	8,584,216	8,960,714	1,425,000	988,281	3.71
2018	16,755,001	9,430,586	7,324,415	1,755,000	656,409	3.04
2019	17,132,240	9,117,789	8,014,451	1,695,000	724,400	3.31
2020	17,822,336	9,955,541	7,866,795	1,740,000	673,400	3.26
2021	17,576,152	11,031,158	6,544,994	1,795,000	533,790	2.81
2022	19,215,611	10,314,375	8,901,236	1,862,195	397,246	3.94
2023	20,590,122	11,133,048	9,457,074	1,923,213	336,504	4.19
2024	23,806,758	11,578,370	12,228,388	1,986,164	273,477	5.41
2025	24,814,204	12,562,781	12,251,423	2,050,866	208,175	5.42

Source: Annual Financial Reports

System revenues include user fees, system development charges and miscellaneous revenue.

# **Demographic and Economic Information**



City of Springfield, Oregon

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN CALENDAR YEARS

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
2016	60,140	\$ 15,160,278	\$ 41,027	10,315	5.0%
2017	60,655	16,275,200	43,430	10,366	4.4%
2018	60,865	17,050,394	45,018	10,133	4.3%
2019	61,355	17,859,486	46,752	10,200	4.0%
2020	61,857	19,634,078	51,272	9,746	7.9%
2021	61,973	21,131,525	55,146	9,779	5.5%
2022	62,262	21,483,599	56,188	9,619	4.0%
2023	62,377	23,493,863	61,634	9,635	4.0%
2024	62,996	*	*	9,664	4.1%
2025	63,304 <sup>1</sup>	*	*	9,405	4.7%

Sources: Population information provided by the Population Research Center, Portland State University.

Personal income and Per Capita income provided by Bureau of Economic Analysis and represents all of Lane County.

School enrollment data provided by Springfield School District No. 19.

Unemployment data provided by Bureau of Labor and statistics and represents the annual average for the entire Eugene-Springfield Metropolitan area

\* Not yet available

<sup>1</sup> Most recent information from Population Research Center at PSU is 2025 Estimate

City of Springfield, Oregon

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

	2025	
<u>Employer**</u>	Estimated average <u>Employees</u>	<u>Rank</u>  <u>Percentage of Total City Employment</u>
Peace Health Oregon Region	3,495	1 13.63%
McKenzie Willamette Hospital	1,390	2 5.42%
Springfield School District #19	1,650	3 6.44%
Top 3 Technology Employers	906	4 3.53%
Top 3 Wood product employers	840	5 3.28%
Top 3 Food and beverage employers	526	6 2.05%
City of Springfield	415	7 1.62%
Willamalane Park and Recreation District	392	8 1.53%
State government	352	9 1.53%
Federal Government	210	10 0.82%
Total	<u>10,176</u>	<u>39.85%</u>

	2016	
<u>Employer**</u>	Estimated average <u>Employees</u>	<u>Rank</u>  <u>Percentage of Total City Employment</u>
Peace Health Oregon Region	4,281	1 15.91%
Springfield School District #19	1,598	2 5.94%
McKenzie Willamette Hospital	900	3 3.34%
Royal Caribbean Cruise Lines	857	4 3.18%
Symantic	512	5 1.90%
City of Springfield	403	6 1.50%
Willamalane Park and Recreation District	384	7 1.43%
Lane Transit District	329	8 1.22%
Wal-Mart	324	9 1.20%
Peace Health Medical Laboratories	322	10 1.20%
Total	<u>9,910</u>	<u>36.83%</u>

Source: City Economic Development Division

\*\* Due to confidentiality - the department of labor no longer discloses  
employee numbers for private companies.

# Operating Information

City of Springfield, Oregon  
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>Fiscal Year</u>			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General government				
City management	7.50	7.50	7.00	7.00
Finance	11.70	11.70	9.70	9.70
Human resources	6.00	8.00	8.00	7.00
Information technology	15.00	15.00	14.80	15.80
Legal/Judicial services	8.84	8.84	8.84	11.84
Police	123.00	124.00	123.00	123.00
Fire and Life Safety	99.00	97.50	95.75	101.65
Development and public works	123.00	123.00	126.38	126.55
Library	13.50	13.50	14.13	15.06
Total	<u>407.54</u>	<u>409.04</u>	<u>407.60</u>	<u>417.60</u>

Source:

City Budget Office - Based on published Budgeted FTE as of July 1, prior year

Fiscal Year					
<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
7.00	7.00	7.00	9.00	9.00	8.50
9.65	9.95	9.95	19.14	19.14	19.14
7.00	7.00	7.00	8.00	9.00	8.00
15.80	14.80	14.80	10.00	9.00	9.00
12.09	12.09	12.09	3.00	3.00	3.00
123.00	123.50	122.00	124.00	124.00	124.00
101.65	92.00	91.00	93.00	93.00	98.00
128.55	134.05	136.05	144.85	150.85	159.07
15.13	16.03	16.63	16.00	16.30	17.30
<u>419.87</u>	<u>416.42</u>	<u>416.52</u>	<u>426.99</u>	<u>433.29</u>	<u>446.01</u>



City of Springfield, Oregon  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>Fiscal Year</u>		
	<u>2016</u>	<u>2017</u>	<u>2018</u>
Police			
Criminal arrests (charges)	8,506	9,348	9,367
Parking violations	244	607	558
Traffic violations	8,219	8,087	7,997
Fire and life safety			
Number of fire stations	5	5	5
Incident responses	8,626	8,625	8,714
Fire incidents	185	167	162
Inspections	123	214	262
Library			
Number of public computer log-ins ****	53,733	25,683	21,958
Number of patron visits ****			
Total volumes loaned ****	364,823	355,848	365,763
Development and public works			
Crack sealing (in miles)	12	0.14	2
Potholes repaired	***	***	1,103
Storm lines high velocity cleaning (in feet)	1,500	2,000	4,661
Sanitary lines high velocity cleaning (in feet)	601,920	786,000	646,635
Number of building permits **	224	427	1,541
Building valuation (in thousands)	\$ 77,150	\$ 91,011	\$ 71,631

Sources: Various city departments

\* City of Eugene provides Fire and life safety statistics - between 2011 and 2014, the Cities of Eugene and Springfield merged the departments. From 2014 on, the statics represent Incident Responses, Fire Incidents and Inspections done inside the City of Springfield by employees who may be Springfield or Eugene employees.

Prior to 2014, comparable data is unavailable.

\*\* New constructions permits

\*\*\* Data not available

\*\*\*\* During FY21, the Library was mostly not open to patrons due to COVID19, instead of patron visits the number of phone calls received was recorded above. For FY22 we returned to number of patron visits. In FY21, loaned materials were delivered curbside to patrons who reserved them online and public computers were seldom available. During FY23, the Library was having issues with the door tracking software, which is why FY23 is so much lower than FY22

Fiscal Year						
2019	2020	2021	2022	2023	2024	2025
8,462	7,282	6,721	7,543	3,719	4,414	7,422
818	736	599	673	756	866	387
7,644	7,633	6,130	6,834	5,571	5,299	5,574
5	5	5	5	5	5	5
9,283	8,985	9,159	10,344	10,353	10,269	9,253
180	132	221	190	202	196	194
257	236	67	135	158	346	99
22,220	14,373	1,990	6,277	12,481	8,291	7,448
		4,225	202,618	107,912	105,272	100,149
376,622	321,688	107,256	193,782	206,648	208,877	215,525
4	18	7	11	5	3	5.53
1,634	1,705	1,705	1,699	1,119	389	614
20,000	3,600	3,613	2,933	0	0	3,501
510,000	331,601	333,600	452,500	491,569	558,064	364,797
2,236	2,349	2,575	2,829	2,728	2,834	2,647
\$ 88,928	\$ 115,946	\$ 91,536	\$ 147,667	\$ 187,826	\$ 195,107	\$ 184,638

City of Springfield, Oregon

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

<u>Function/Program</u>	Fiscal Year				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Police					
Stations	1	1	1	1	1
Patrol units	20	24	24	26	30
Fire stations	5	5	5	5	5
Public works					
Streets (lane miles)	442	443	447	447	448
Street lights	4,338	4,227	4,431	4,518	**
Traffic signals	93	78	72	44	40

Sources: Various city departments

\* Number of traffic signals for 2019 includes only those owned by Springfield.  
Prior years include signals installed within Springfield but owned by ODOT  
(Oregon Department of Transportation)

\*\* Unavailable

Fiscal Year

2021	2022	2023	2024	2025
1	1	1	1	1
30	30	36	37	41
5	5	5	5	5
449.6	451.5	455.8	457	457
4,385	4,726	4,751	4,751	4,751
43	43	43	43	43



# Compliance Section



# Audit Comments





Independent Auditor's Report  
Required by Oregon State Regulations

To the Honorable Mayor, Members of the  
City Council and the City Manager  
City of Springfield  
Springfield, Oregon

We have audited, 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, the basic financial statements of the City of Springfield, Oregon as of and for the year ended June 30, 2025, and have issued our report thereon dated December 2, 2025.

***Compliance and Other Matters***

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 as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Highway revenues used for public highways, roads, and streets.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).
- Accountability for collecting or receiving money by elected officials - no money was collected or received by elected officials.

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

***Internal Control Over Financial Reporting***

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

***Restriction on Use***

This report is intended solely for the information and use of the Honorable Mayor, City Council and management of the City of Springfield, Oregon and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

A handwritten signature in black ink, appearing to read 'RP' followed by a stylized flourish.

Ryan T. Pasquarella, Principal  
For REDW LLC  
Salem, Oregon  
December 2, 2025