MISSION STATEMENT: TO PROVIDE A SAFE, HEALTHFUL AND SOUND ECONOMIC ENVIRONMENT, PROGRESSIVELY ENHANCING OUR QUALITY OF LIFE

STUDY SESSION AGENDA
CITY COUNCIL – CITY OF ONTARIO OREGON
THURSDAY, MARCH 5, 2020, 6:00 PM, MT

Pursuant to the Public Meetings Laws and Rules within the Oregon Revised Statutes, the City Council has the authority, ability, and standing to take action on any items on the Agenda, or add items to the Agenda, during the Study Session or Regular Meeting, as long as all public meeting notice requirements have been met.

1) CALL TO ORDER

Roll Call: Freddy Rodriguez _____ Marty Justus _____ Ramon Palomo _____ Dan Capron _____
Michael Braden _____ Norm Crume _____ Mayor Riley Hill _____

2) PLEDGE OF ALLEGIANCE

This Agenda was posted on March 3, 2020. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website at www.ontariooregon.org.

3) MOTION TO ADOPT THE AGENDA

4) PUBLIC COMMENTS Citizens may address the Council; however, Council may not be able to provide an immediate answer or response. Out of respect to the Council and others in attendance, please limit your comment to three (3) minutes. Please state your name and city of residence for the record.

5) PRESENTATIONS

A) 2018-2019 Annual Audit: Connected Professional Accountants, LLC

B) Great Futures Campaign: Boys and Girls Club of Western Treasure Valley

C) Attraction Study, Branding, and Way-Finding Update

D) Fire and Life Safety Reporting LIV

6) NEW BUSINESS

A) Housing Incentive Program: Rywest Homes Application

B) Programming of City Recreation Facilities

C) Potential Action for Task Order Covering Design of pH Adjustment System for WWTP

D) Potential Action on Task Order for National Pollutant Discharge Elimination Permit Support

E) Potential Action on Task Order to Conduct Environmental Assessment Required for CDBG Application

F) Potential Action for Task Order Regarding NPDES Report Development

7) PUBLIC HEARING

A) Community Development Block Grant Applications

8) DEPARTMENT HEAD UPDATES

A) Finance ~ Monthly Report

B) Ontario Fire & Rescue ~ Quarterly Report

C) Community Development ~ Quarterly Report

The City Council may recess/adjourn to Executive Session under ORS 192.660(2) as follows: (a) Employment of Public Officers, Employees, or Agents; (b) Discipline of Public Officers, Employees, or Agents; (d) Labor Negotiations; (e) Real Property Transactions; (f) Exempt Public Records; (g) Trade Negotiations; (h) Litigation /Consult with Legal Counsel; (i) Performance Evaluation of Public Officers and Employees; (j) Trade Negotiations; and/or (l) Labor Negotiations.

The City of Ontario does not discriminate in providing access to its programs, services and activities on the basis of race, color, religion, ancestry, national origin, political affiliation, sex, age, marital status, physical or mental disability, or any other inappropriate reason prohibited by law or policy of the state or federal government. Should a person need special accommodations or interpretation services, contact the City at 889-7684 at least one working day prior to the need for services and every reasonable effort to accommodate the need will be made.

9) DISCUSSION ITEMS

A) Security at Marijuana Dispensaries

10) HAND-OUTS

A) Monthly Stats:
Fire & Rescue ~ Feb 2020
Public Works ~ Feb 2020
Police ~ Feb 2020
Code Enforcement ~ Feb 2020

B) Minutes:
County Court ~ 02-12-2020; 02-19-2020

11) CORRESPONDENCE, COMMENTS AND EX-OFFICIO REPORTS

12) EXECUTIVE SESSION

A) ORS 192.660(2)(h)

13) ADJOURN

The City Council may recess/adjourn to Executive Session under ORS 192.660(2) as follows: (a) Employment of Public Officers, Employees, or Agents; (b) Discipline of Public Officers, Employees, or Agents; (d) Labor Negotiations; (e) Real Property Transactions; (f) Exempt Public Records; (g) Trade Negotiations; (h) Litigation /Consult with Legal Counsel; (i) Performance Evaluation of Public Officers and Employees; (j) Trade Negotiations; and/or (l) Labor Negotiations.

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CITY OF ONTARIO, OREGON

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2019

CITY OF ONTARIO, OREGON
JUNE 30, 2019

TABLE OF CONTENTS

REPORTS REQUIRED BY OREGON STATE REGULATIONS

INTRODUCTORY SECTION

CITY OF ONTARIO, OREGON

CITY COUNCIL AND OFFICIALS

June 30, 2019

NAME	ADDRESS	POSITION
CITY COUNCIL		
Riley Hill	Ontario	Mayor
Dan Capron	Ontario	Council President
Ramon Palomo	Ontario	Councilor
Norm Crume	Ontario	Councilor
Freddy Rodriguez	Ontario	Councilor
Michael Braden	Ontario	Councilor
Martin Justus	Ontario	Councilor
OFFICIALS		
Adam Brown	Ontario	City Manager
Tori Barnett	Ontario	City Recorder
Steven Romero	Ontario	Chief of Police
Terry Leighton	Ontario	Fire Chief
Dan Cummings	Ontario	Community Development Director
Cliff Leeper	Ontario	Public Works Director (Jacobs)
Kari Ott	Ontario	Finance Director (Oster Professional Group)
Debbie Jeffries	Ontario	Recreation Manager
Dan Beaubien	Ontario	Airport Manager

FINANCIAL SECTION

connected professional ACCOUNTANTS LLC

P.O. Box 1024 | 1121 Adams Avenue | La Grande, OR 97850
P 541.963.4191 | F 541.963.9434 | W lagrandecpa.com

Independent Auditors' Report

To the City Council
City of Ontario, Oregon

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of Ontario, as of June 30, 2019, and the respective changes in financial positions and, when applicable cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter Regarding New Accounting Policy

As discussed in the notes to the financial statements, in the fiscal year ending June 30, 2019, the City adopted new accounting guidance, GASBS No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements.* Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension liability information and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the MD&A and pension liability 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 MD&A and pension liability information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information is the responsibility of management and was derived from, and, relate directly to, the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

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

The combining and individual fund financial statements, and other financial schedules 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 combining and individual fund financial statements, other financial schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated February 10, 2020 on our consideration of City of Ontario, Oregon'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.

CONNECTED PROFESSIONAL ACCOUNTANTS, LLC

By Chelsea A. Hewitt

Chelsea A. Hewitt, CPA
Owner/Member

La Grande, Oregon
February 10, 2020

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MANAGEMENT'S

DISCUSSION AND ANALYSIS

CITY OF ONTARIO, OREGON
Management's Discussion & Analysis
June 30, 2019

www.ontariooregon.org

As management of the City of Ontario, Oregon, (city) we offer readers of the city's financial statements this narrative overview and analysis of the financial activities of the city for the fiscal year ended June 30, 2019. This Management's Discussion and Analysis (MD&A) is based upon currently known facts, decisions, and conditions that existed as of the date of the independent auditor's report.

The emphasis of discussions about these statements will be on current year data. This information is provided for use in conjunction with the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- The governmental assets and deferred outflows of the city exceeded its liabilities and deferred inflows at June 30, 2019 by $20,828,240 (net position).
- At June 30, 2019, the General Fund total fund balance was $2,231,662.

USING THE ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the city as a whole and present a longer-term view of the city's finances. Fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the city's operations in more detail than the government-wide statements by providing information about the city's most significant funds.

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

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the city's finances is, "Is the City as a whole better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information about the city as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the city's *net position* and changes in them. You can think of the city's net position—the differences between assets, deferred outflows, deferred inflows and liabilities—as one way to measure the city's financial health, or *financial position*. Over time, *increases or decreases* in the city's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the city's property tax base and the condition of the city's roads, to assess the *overall health* of the city.

The Statement of Net Position and the Statement of Activities present information about the following:

- Governmental activities—All of the city's basic services are considered to be governmental activities, including general government, community development, public safety, culture and recreation, and highways and streets. Property taxes, intergovernmental revenues, transient occupancy taxes, user fees, and franchise fees finance most of these activities.

- Business-Type activities—Operation of the city's utility system and the golf course are considered to be business-type activities, whereby all or a significant portion of the cost of operation is intended to be recovered through user fees and charges. The city's business-type activities are water, sewer, storm, airport and aquatic.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not the city as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council, with the help of the city's budget committee, establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. The city's three kinds of funds—*governmental, proprietary and fiduciary*—use different accounting approaches.

- *Governmental funds*—Most of the city's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified* *accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detailed short-term view of the city's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or less financial resources that can be spent in the near future to finance the city's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation section that follows the fund financial statements.

- *Proprietary funds*—When the city charges for certain services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

- *Fiduciary funds*—The city has an agency fund which accounts for monies belonging to the recreation board. This fund has no measurement focus, but employs the accrual basis of accounting for purposes of asset and liability recognition.

CITY OF ONTARIO, OREGON
Management's Discussion & Analysis
June 30, 2019

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THE CITY AS A WHOLE

Our analysis focuses on the net position and changes in the city's net position (Tables 1 and 2).

Table 1. Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	6/30/2019	6/30/2018	6/30/2019	6/30/2018	6/30/2019	6/30/2018
Current and other assets	$ 10,415,004	$ 11,053,596	$ 5,609,802	$ 4,517,818	$ 16,024,806	$ 15,571,414
Capital assets	20,003,256	20,519,227	43,193,865	41,923,491	63,197,121	62,442,718
Total assets	30,418,260	31,572,823	48,803,667	46,441,309	79,221,927	78,014,132
Deferred outflows of resources	4,828,769	3,527,947	60,396	27,785	4,889,165	3,555,732
Current liabilities	833,561	706,536	336,733	300,513	1,170,294	1,007,049
Noncurrent liabilities						
Due within one year	129,479	162,127	268,151	418,134	397,630	580,261
Due in more than one year	11,575,355	11,014,557	5,038,045	5,348,906	16,613,400	16,363,463
Total liabilities	12,538,395	11,883,220	5,642,929	6,067,553	18,181,324	17,950,773
Deferred inflow of resources	1,880,394	1,148,763	557,377	581,972	2,437,771	1,730,735
Net investment in capital assets	19,914,543	20,315,388	38,025,268	36,238,111	57,939,811	56,553,499
Restricted net position	1,156,984	781,044	-	201,938	1,156,984	982,982
Unrestricted net position	(243,287)	972,355	4,638,489	3,379,520	4,395,202	4,351,875
Total net position	$ 20,828,240	$ 22,068,787	$ 42,663,757	$ 39,819,569	$ 63,491,997	$ 61,888,356

Governmental Activities

The city's net position from governmental activities decreased by 5.6% from $22,068,787 to $20,828,240. This decrease of $1,240,547 comes from a $16,680 restatement of net position and a current year decrease of $1,223,867 as recorded in the Statement of Activities and flows through the Statement of Net Position. The following is an explanation of the changes between fiscal years as shown in Table 1:

- Current and other assets decreased by $638,592 which is mostly due to a $701,383 decrease of unrestricted cash. There was a $949,445 payment made to PERS side account in 2018-2019 which was a planned decrease in cash.

- Capital assets had a net decrease of $515,971, which is due to depreciation expense was more than current year additions.

- Current liabilities increased by $127,025 made up mostly of an increase in accounts payable.

- Long term liabilities increased by $528,150 due to a large increase in net pension liability.

- Unrestricted net position decreased by $1,215,642 mostly due to the unfunded PERS liability.

Business-Type Activities

The city's net position from business-type activities increased by 7.14% from $39,819,569 to $42,663,757. This increase of $2,844,188 comes from the current year change in net position as recorded in the Statement of Activities.

- Current and other assets increased by $1,091,984 largely due a $1,235,659 increase in cash and investments.

- Capital assets increased by $1,270,374 largely due to the splash pad construction.

- Current liabilities increased by $36,220 made up mostly of an increase in accrued interest payable.

- Long term liabilities decreased by $460,844 due to principal payments on the existing debt with no new debt in the current year.

- Unrestricted net position increased by $1,258,969 mainly due to conservative spending.

CITY OF ONTARIO, OREGON
Management's Discussion & Analysis
June 30, 2019

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Table 2. Condensed Statement of Activities

	Governmental Activities		Business-Type Activities		Total Primary Government	
	6/30/2019	6/30/2018	6/30/2019	6/30/2018	6/30/2019	6/30/2018
Revenues						
Program revenues						
Charges for services	$ 3,173,012	$ 2,403,600	$ 6,979,403	$ 6,844,449	$ 10,152,415	$ 9,248,049
Operating contributions	1,849,808	1,645,072	500,357	113,592	2,350,165	1,758,664
Capital contributions	503,374	1,369,417	-	-	503,374	1,369,417
General revenues:						
Property taxes	3,621,523	3,620,488	-	-	3,621,523	3,620,488
Local taxes and fees	1,849,084	1,833,164	-	-	1,849,084	1,833,164
Unrestricted grants	130,098	124,646	-	-	130,098	124,646
Investment income	69,423	42,780	235,648	146,972	305,071	189,752
Miscellaneous	63,076	49,352	-	458	63,076	49,810
Total revenues	11,259,398	11,088,519	7,715,408	7,105,471	18,974,806	18,193,990
Expenses						
Governmental Activities						
General government	3,384,130	2,613,968	-	-	3,384,130	2,613,968
Highways and streets	2,119,274	2,234,181	-	-	2,119,274	2,234,181
Public works	91,128	-	-	-	91,128	-
Public safety	4,963,568	5,903,290	-	-	4,963,568	5,903,290
Parks and recreation	318,791	406,580	-	-	318,791	406,580
Interest on debt	5,487	9,585	-	-	5,487	9,585
Business-Type Activities						
Water	-	-	3,023,284	2,882,817	3,023,284	2,882,817
Sewer	-	-	2,831,214	2,862,993	2,831,214	2,862,993
Storm sewer	-	-	197,460	197,876	197,460	197,876
Airport	-	-	409,075	369,762	409,075	369,762
Aquatic	-	-	11,074	6,890	11,074	6,890
Total Expenses	10,882,378	11,167,604	6,472,107	6,320,338	17,354,485	17,487,942
Capital contributions	(1,574,084)	(1,118,464)	1,574,084	1,118,464	-	-
Transfers in (out)	(26,803)	(41,969)	26,803	41,969	-	-
Increase in net position	(1,223,867)	(1,239,518)	2,844,188	1,945,566	1,620,321	706,048
Net position - beginning	22,068,787	23,615,216	39,819,569	37,873,964	61,888,356	61,489,180
Restatements	(16,680)	(306,911)	-	39	(16,680)	(306,872)
Net position - as restated	22,052,107	23,308,305	39,819,569	37,874,003	61,871,676	61,182,308
Net position, ending	$ 20,828,240	$ 22,068,787	$ 42,663,757	$ 39,819,569	$ 63,491,997	$ 61,888,356

CITY OF ONTARIO, OREGON
Management's Discussion & Analysis
June 30, 2019

www.ontariooregon.org

Governmental Activities

The city's total revenues from governmental activities increased from the prior fiscal year by $170,879 (1.5%) and the total cost of all governmental programs and services decreased by $285,226 (2.6%). The increases in revenues mainly came from the new public safety fee. The decreases in expenses were primarily from less change in PERS liability.

Business-Type Activities

The city's business-type activities revenues increased $609,937 (8.6%) from the prior fiscal year and the total costs of the business-type activities increased $151,769 (2.4%). The total business-type revenues increased because of water and sewer rate increases and splash pad project grants and donations. The expenses increased mainly due to the increase in contract with Jacobs.

FINANICAL ANALYSIS OF THE CITY'S FUNDS

At year-end, the city's governmental funds reported combined fund balances of $9,207,442 which is a decrease of $771,167 (7.7%) from the prior fiscal year.

- The largest decrease in fund balance was in the Capital Projects Fund. The Capital Projects Fund had a net change of ($657,731). This was mainly due to a large water and sewer line project.
- The General Fund had a net decrease of $530,828. This decrease was a planned decrease. The City is trying to pay down the PERS unfunded liability and made a $949,445 payment into a side account at PERS.
- The largest increase was in the Street Fund. The Street Fund had a net increase of $280,715, the City had a street project that carried over into 2019-2020.

At year-end, the city's proprietary funds reported combined net position of $42,663,757 for enterprise funds. This is a combined increase in net position of $2,844,188. This is mostly due to the water and sewer rate increases and conservative spending in order to set aside funds for the Sewer Fund NPDES permit capital project requirements.

CITY OF ONTARIO, OREGON
Management's Discussion & Analysis
June 30, 2019

www.ontariooregon.org

GENERAL FUND BUDGETARY HIGHLIGHTS

The city is continuing to operate on an annual budget.

Expenditures

The final appropriations of the budget for personal services for the General Fund were $4,974,857 and the actual expenditures were $4,890,522. This is 98% of the budget expended.

The final appropriations of the budget for materials and services for the General Fund were $2,536,437 while actual expenditures were $2,429,801 This is 96% of the budget expended.

Overall, expenditure appropriations (excluding transfers) were $7,602,146 and total expenditures were $7,320,323. This shows that 96% of the appropriated budget was expended in the fiscal year ended June 30, 2019.

Revenues

102% of the budgeted revenues for the 2018-2019 budget was received.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2019, the city shows $63,197,121 of capital assets, net of depreciation, this is an increase of $754,403 from the prior year. The city has $20,003,256 of capital assets in governmental activities and $43,193,865 in business-type activities. The governmental activities reflect that the city installed a Fire Exhaust System, began a couple of street projects and purchased a new shelter for Lion's Park. The business-type activities had a large water & sewer line replacement project, purchased equipment, finished the splash pad and had improvements at the airport.

Debt

The city had a total of $5,257,310 in long-term debt at June 30, 2019; this is a decrease of $631,909. The decrease is due to payments being applied to the principal of the debt. $5,168,597 of this debt is being paid out of the proprietary funds and the remaining $88,713 is paid from governmental activities.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The economy of the city is based primarily on agriculture; however, there is a great deal of retail jobs within Ontario as it serves as the shopping hub for the Treasure Valley.

The city utilizes an annual budget that takes into account the projected property tax rates and valuations, historical trends in transient occupancy taxes, rate increases as allowed by ordinance for water services and the balance of project expenditures. The 2019-2020 budget included an additional $1 million in revenue due to local and state cannabis taxes.

The city continues to struggle to fund the city services at a level the citizens of Ontario deserve. There are difficult decisions required to be made by management, the budget committee and the city council on an ongoing basis to attempt to balance funding with services provided.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City of Ontario's finances and to show the city's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department at 444 SW 4th Street, Ontario, Oregon 97914.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF ONTARIO, OREGON

STATEMENT OF NET POSITION

June 30, 2019

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and pooled investments	$ 7,841,623	$ 4,712,962	$ 12,554,585
Receivables			
Property tax	231,242	-	231,242
Customer accounts receivable	108,316	696,030	804,346
Accounts	1,135,824	255,347	1,391,171
Street assessments	21,244	-	21,244
Loans	124,692	-	124,692
Notes	-	6,894	6,894
Due from other funds	195,834	(195,834)	-
Accrued interest receivable	9,394	-	9,394
Restricted cash			
System development charges	375,216	-	375,216
Customer deposits	-	120,439	120,439
Held in evidence fund	14,592	-	14,592
Deposits held in trust	246,663	-	246,663
Prepaid expenses	78,984	-	78,984
Net OPEB asset	31,380	393	31,773
Chemicals	-	13,571	13,571
Capital assets not being depreciated	2,250,916	5,800,877	8,051,793
Capital assets being depreciated			
(net of accumulated depreciation)	17,752,340	37,392,988	55,145,328
Total assets	30,418,260	48,803,667	79,221,927
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	21,452	172	21,624
Deferred outflows related to PERS	4,807,317	60,224	4,867,541
Total deferred outflows	4,828,769	60,396	4,889,165
LIABILITIES			
Accounts payable	395,512	52,290	447,802
Accrued liabilities	168,480	-	168,480
Accrued interest payable	814	147,060	147,874
Customer deposits	7,500	121,439	128,939
Unearned rent income	-	15,944	15,944
Held in evidence fund	14,592	-	14,592
Deposits held in trust	246,663	-	246,663
Long-term liabilities			
Portion due or payable within one year			
Current portion of note payable	88,713	268,151	356,864
Current portion of compensated absences	40,766	-	40,766
Portion due or payable after one year			
Note payable	-	4,900,446	4,900,446
Compensated absences	294,798	-	294,798
Net pension liability	10,983,749	137,599	11,121,348
Net OPEB liability	296,808	-	296,808
Total liabilities	12,538,395	5,642,929	18,181,324
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to OPEB	72,934	118	73,052
Deferred inflows related to PERS	1,807,460	22,643	1,830,103
Debt refunding	-	534,616	534,616
Total deferred inflows	1,880,394	557,377	2,437,771
NET POSITION			
Net investment in capital assets	19,914,543	38,025,268	57,939,811
Restricted for			
Street projects	526,497	-	526,497
Debt service	18,812	-	18,812
System development	375,216	-	375,216
Building inspection	229,572	-	229,572
Grants	6,887	-	6,887
Unrestricted	(243,287)	4,638,489	4,395,202
Total net position	$ 20,828,240	$ 42,663,757	$ 63,491,997

CITY OF ONTARIO, OREGON
STATEMENT OF ACTIVITIES
For the Year Ended
June 30, 2019

	Program Revenues				Net (Expense) Revenue and Change in Net Position		
	Expenses	Charges for services	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total
Functions/ Programs							
Primary Government							
Governmental activities							
General government	$ 3,384,130	$ 1,177,027	$ 278,605	$ 407,657	$ (1,520,841)	$ -	$ (1,520,841)
Highways and streets	2,119,274	825,525	1,070,229	39,804	(183,716)	-	(183,716)
Public works	91,128	635,357	-	46,601	590,830	-	590,830
Public safety	4,963,568	480,322	484,057	-	(3,999,189)	-	(3,999,189)
Parks and recreation	318,791	54,781	16,917	-	(247,093)	-	(247,093)
Interest on long term debt	5,487	-	-	-	(5,487)	-	(5,487)
Total governmental activities	10,882,378	3,173,012	1,849,808	503,374	(5,356,184)	-	(5,356,184)
Business-Type activities							
Water	3,023,284	3,113,704	-	-	-	90,420	90,420
Sewer	2,831,214	3,663,597	-	-	-	832,383	832,383
Storm sewer	197,460	107,182	-	-	-	(90,278)	(90,278)
Airport	409,075	94,920	-	-	-	(314,155)	(314,155)
Aquatic	11,074	-	500,357	-	-	489,283	489,283
Total business type activities	6,472,107	6,979,403	500,357	-	-	1,007,653	1,007,653
Total primary government	$ 17,354,485	$ 10,152,415	$ 2,350,165	$ 503,374	(5,356,184)	1,007,653	(4,348,531)
General revenues							
Property and other city tax levied for:							
General purposes					3,621,523	-	3,621,523
Local taxes and fees					1,849,084	-	1,849,084
Grants and contributions not restricted to specific purpose					130,098	-	130,098
Unrestricted investments earnings					69,423	235,648	305,071
Miscellaneous					63,076	-	63,076
Total general revenues					5,733,204	235,648	5,968,852
Capital asset transfers					(1,574,084)	1,574,084	-
Transfers					(26,803)	26,803	-
Changes in net position					(1,223,867)	2,844,188	1,620,321
Net position, July 1, 2018, before restatement					22,068,787	39,819,569	61,888,356
Restatement, see note 11					(16,680)	-	(16,680)
Net position, July 1, 2018, after restatement					22,052,107	39,819,569	61,871,676
Net position, June 30, 2019					$ 20,828,240	$ 42,663,757	$ 63,491,997

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FUND FINANCIAL STATEMENTS

CITY OF ONTARIO, OREGON
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2019

	General Fund	Street Fund	Capital Projects Fund	Nonmajor Funds	Total June 30, 2019
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets					
Cash and investments	$ 1,366,649	$ 390,430	$ 2,628,807	$ 3,455,737	$ 7,841,623
Receivables					
Property taxes	231,242	-	-	-	231,242
Customer accounts, net allowance	26,410	29,936	48,858	3,112	108,316
Loans				124,692	124,692
Special assessments	-	-	21,244	-	21,244
Other	708,891	107,521	3,810	315,602	1,135,824
Due from other funds	311,446	-	-	-	311,446
Prepaid expenses	78,984	-	-	-	78,984
Restricted cash					
Cash held in trust	-	-	-	246,663	246,663
Held in evidence fund	14,592	-	-	-	14,592
System development charges	-	-	-	375,216	375,216
Total assets	2,738,214	527,887	2,702,719	4,521,022	10,489,842
Deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows	$ 2,738,214	$ 527,887	$ 2,702,719	$ 4,521,022	$ 10,489,842
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Current liabilities					
Accounts payable	$ 127,880	$ 1,390	$ 44	$ 266,198	$ 395,512
Payroll liabilities	168,475	-	-	5	168,480
Due to other funds	-	-	-	115,612	115,612
Held by evidence fund	14,592	-	-	-	14,592
Customer deposits	7,500	-	-	246,663	254,163
Total current liabilities	318,447	1,390	44	628,478	948,359
Total liabilities	318,447	1,390	44	628,478	948,359
Deferred inflows of resources					
Unavailable property tax revenues	188,105	-	-	-	188,105
Unavailable special assessment revenues	-	-	21,244	-	21,244
Unavailable economic development loans	-	-	-	124,692	124,692
Total deferred inflows	188,105	-	21,244	124,692	334,041
Fund balances					
Nonspendable	390,430	-	-	-	390,430
Restricted	-	526,497	-	630,487	1,156,984
Committed	-	-	2,681,431	3,137,365	5,818,796
Unassigned	1,841,232	-	-	-	1,841,232
Total fund balances	2,231,662	526,497	2,681,431	3,767,852	9,207,442
Total liabilities, deferred inflows and fund balances	$ 2,738,214	$ 527,887	$ 2,702,719	$ 4,521,022	$ 10,489,842

CITY OF ONTARIO, OREGON

RECONCILIATION OF GOVERNMENTAL FUNDS

BALANCE SHEET TO THE STATEMENT TO NET POSITION

June 30, 2019

TOTAL FUND BALANCES		$ 9,207,442
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets are not financial resources and, therefore, are not reported in the governmental funds		
Cost	$ 39,313,827	
Accumulated depreciation	(19,310,571)	20,003,256
Compensated absences are not due in the current period and, therefore, are not reported as liabilities in the fund financial statements.		(335,564)
Deferred revenue in the governmental fund financial statements represent the amount of assets that have been recognized, but not collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period.		334,041
Accrued interest receivable not received in the current year is not reported as governmental fund assets.		9,394
Net OPEB asset is not a finanical resource and, therefore, not reported in the governmental funds.		31,380
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest in long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.		
Net pension liability	(10,983,749)	
Net OPEB liability	(296,808)	
Note payable	(88,713)	
Accrued interest	(814)	(11,370,084)
Current year PERS contributions are deferred outflows of resources that will be a recognized expense in the subsequent period.		4,807,317
City's proportionate share of differences between projected and actual earnings on investments, and the differneces between employer contributions and the proportionate share of contributions will be amoritzed over the next five years.		(1,807,460)
Current year OPEB contributions are deferred outflows of resources that will be a recognized expense in the subsequent period.		21,452
City's OPEB changes in assumptions or inputs will be amortized over future years.		(72,934)
TOTAL NET POSITION		$ 20,828,240

CITY OF ONTARIO, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended

June 30, 2019

	General Fund	Street Fund	Capital Projects Fund	Nonmajor Funds	Total June 30, 2019
Revenues					
Taxes					
Property taxes	$ 3,636,620	$ -	$ -	$ -	$ 3,636,620
Other taxes	9,350	228,900	-	641,687	879,937
Intergovernmental revenues	659,422	832,916	-	762,576	2,254,914
Charges for services	317,593	364,838	31,277	100,801	814,509
Licenses and permits	14,685	-	-	228,925	243,610
Fines and forfeits	98,375	-	-	-	98,375
Miscellaneous					
Franchise fees	1,622,115	-	-	-	1,622,115
Special assessments collected	-	-	-	3,484	3,484
Miscellaneous revenues	70,994	482	8,943	12,652	93,071
Interest on investments	67,821	508	-	2,844	71,173
Loan repayments	-	-	-	2,696	2,696
System development charges	-	-	-	86,405	86,405
Utilities capitalization charges	-	-	509,429	-	509,429
Administration	497,148	460,687	-	-	957,835
Total revenues	6,994,123	1,888,331	549,649	1,842,070	11,274,173
Expenditures					
Current					
General government	2,236,599	-	-	588,287	2,824,886
Highways and streets	-	1,702,640		-	1,702,640
Public safety	4,765,779	-	-	114,438	4,880,217
Parks and recreation	317,945	-	-	-	317,945
Capital outlay	-	77,625	1,207,380	869,315	2,154,320
Debt service					
Principal	-	59,751	-	55,377	115,128
Interest	-	3,425	-	3,296	6,721
Total expenditures	7,320,323	1,843,441	1,207,380	1,630,713	12,001,857
Excess of revenues over (under) expenditures	(326,200)	44,890	(657,731)	211,357	(727,684)
Other financing sources (uses)					
Operating transfers in	160,230	235,825	-	43,348	439,403
Operating transfers out	(364,858)	-	(50,000)	(51,348)	(466,206)
Total other sources (uses)	(204,628)	235,825	(50,000)	(8,000)	(26,803)
Net change in fund balances	(530,828)	280,715	(707,731)	203,357	(754,487)
Fund balances, July 1, before restatement	2,779,170	245,782	3,389,162	3,564,495	9,978,609
Restatement, see note 11	(16,680)	-	-	-	(16,680)
Fund balances, July 1	2,762,490	245,782	3,389,162	3,564,495	9,961,929
Fund balances, June 30	$ 2,231,662	$ 526,497	$ 2,681,431	$ 3,767,852	$ 9,207,442

CITY OF ONTARIO, 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, 2019

NET CHANGE IN FUND BALANCES		$ (754,487)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Expenditures for capital assets	$ 156,272	
Less current year depreciation	(672,242)	(515,970)
Repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position.		
Debt principal repaid	115,127	115,127
Interest on loans receivable is not accrued in the governmental funds but is recorded as revenue when received.		
Accrued interest receivable		9,394
Interest on long-term debt is not accrued in the governmental funds but is expensed when paid.		
Interest accrued		1,234
Certain revenues not collected for several months after year end are not considered available revenue and is deferred in the governmental funds. The change in deferred revenue is not reflected in the governmental funds, but is in the Statement of Activities as a change in revenues.		(24,173)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds, as follows:		
Compensated absences		(18,189)
Changes in net pension liability, the related changes in deferred outflows and deferred inflows of resources are not recognized as expenses in the governmental funds.		(32,520)
Changes in net OPEB asset/liability, the related changes in deferred outflows and deferred inflows of resources are not recognized as expenses in the governmental funds.		(4,283)
CHANGE IN NET POSITION		$ (1,223,867)

CITY OF ONTARIO, OREGON

STATEMENT OF FUND NET POSITION

PROPRIETARY FUNDS

June 30, 2019

	Enterprise Funds					
	Water Fund	Sewer Fund	Airport Fund	Nonmajor Funds	Total June 30, 2019	Internal Service Fund
ASSETS						
Current assets						
Cash and investments	$ 1,469,575	$ 2,722,956	$ 51,037	$ 469,394	$ 4,712,962	$ -
Receivables						
Customer accounts receivable, net allowance for doubtful accounts	307,587	359,936	19,301	9,206	696,030	-
Other receivables	-	-	-	255,347	255,347	-
Notes receivable	-	-	6,894	-	6,894	-
Restricted cash						
Customer deposits	11,103	-	-	-	11,103	109,336
Long-term assets						
Net OPEB asset	-	-	393	-	393	
Inventories	13,571	-	-	-	13,571	-
Capital assets, net of accumulated depreciation	13,597,370	17,661,149	8,944,054	2,991,292	43,193,865	-
Total assets	15,399,206	20,744,041	9,021,679	3,725,239	48,890,165	109,336
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to PERS	-	-	60,224	-	60,224	-
Deferred outflows related to OPEB	-	-	172	-	172	-
Total deferred outflows	-	-	60,396	-	60,396	-
LIABILITIES						
Current liabilities						
Accounts payable	29,742	9,651	11,141	1,756	52,290	-
Accrued interest	73,385	73,675	-	-	147,060	-
Deposit liability	11,103	-	1,000	-	12,103	109,336
Due to other funds	-	-	-	195,834	195,834	-
Unearned rent income	-	-	15,944	-	15,944	-
Current portion of non-current liabilities	146,972	121,179	-	-	268,151	-
Total current liabilities	261,202	204,505	28,085	197,590	691,382	109,336
Non-current liabilities						
Notes payable	2,454,426	2,446,020	-	-	4,900,446	-
Net pension liability	-	-	137,599	-	137,599	-
Total liabilities	2,715,628	2,650,525	165,684	197,590	5,729,427	109,336
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to PERS	-	-	22,643	-	22,643	-
Deferred inflows related to OPEB	-	-	118	-	118	-
Debt refunding	273,147	261,469	-	-	534,616	-
Total deferred inflows	273,147	261,469	22,761	-	557,377	-
NET POSITION						
Net investment in capital assets	10,995,972	15,093,950	8,944,054	2,991,292	38,025,268	-
Unrestricted net position	1,414,459	2,738,097	(50,424)	536,357	4,638,489	-
Total net position	$ 12,410,431	$ 17,832,047	$ 8,893,630	$ 3,527,649	$ 42,663,757	$ -

CITY OF ONTARIO, OREGON

RECONCILIATION OF ENTERPRISE FUNDS STATEMENT OF FUND NET POSITION TO THE STATEMENT OF NET POSITION

June 30, 2019

TOTAL ENTERPRISE FUNDS NET POSITION			$ 42,663,757
Amounts reported for business-type activities in the Statement of Net Position are different because:			
The internal service fund is used by management to charge the costs of certain activities to individual funds. The internal service fund predominately serves the enterprise funds, so the assets and liabilities of the internal service fund is included in Business-Type Activities in the Statement of Net Position as follows:			
	Cash and cash equivalents	$ 109,336	
	Deposit liability	(109,336)	-
TOTAL NET POSITION			$ 42,663,757

CITY OF ONTARIO, OREGON

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

For the Year Ended

June 30, 2019

	105	110				025
	Enterprise Funds					
	Water Fund	Sewer Fund	Airport Fund	Nonmajor Funds	Total June 30, 2019	Internal Service Fund
Operating revenues						
Consumer receipts	$ 3,113,704	$ 3,663,597	$ 89,641	$ 107,182	$ 6,974,124	$ -
Miscellaneous	-	-	5,279	-	5,279	-
Total operating revenues	3,113,704	3,663,597	94,920	107,182	6,979,403	-
Operating expenses						
Wages and salaries	-	-	38,265	-	38,265	-
Employee benefits	441	441	51,042	18	51,942	-
Contract services	1,755,560	1,566,422	16,831	78,536	3,417,349	-
Depreciation	538,277	583,793	252,911	104,842	1,479,823	-
Insurance	62,323	62,323	2,915	2,266	129,827	-
Miscellaneous expense	57	10,476	5,902	347	16,782	-
Repairs and maintenance	-	-	17,404	-	17,404	-
Supplies - general	13,358	13,358	7,167	184	34,067	-
Supplies - petroleum	-	-	1,013	-	1,013	-
Telephone	141	323	1,693	-	2,157	-
Utilities	460	13,950	13,932	11,094	39,436	-
Projects	-	17,856	-	-	17,856	-
Bad debt expense	-	7,500	-	-	7,500	-
Fees	220,276	233,255	-	7,425	460,956	-
Administrative	209,341	218,361	-	3,822	431,524	-
Capital outlay	130,823	-	-	-	130,823	-
Total operating expenses	2,931,057	2,728,058	409,075	208,534	6,276,724	-
Net income from operations	182,647	935,539	(314,155)	(101,352)	702,679	-
Non operating income (expenses)						
Interest earned on investments	98,543	132,806	277	4,022	235,648	-
Interest expenses	(113,238)	(120,587)	-	-	(233,825)	-
Bond premium	21,011	17,431	-	-	38,442	-
Grants and donations	-	-	-	392,424	392,424	
Other taxes	-	-	-	107,933	107,933	-
Total non operating income (expenses)	6,316	29,650	277	504,379	540,622	-
Net income	188,963	965,189	(313,878)	403,027	1,243,301	-
Other items						
Capital contribution (distribution)	563,226	553,027	466,375	(8,544)	1,574,084	-
Transfers in	-	-	87,331	136,115	223,446	-
Transfers out	(112,190)	(71,217)	(4,164)	(9,072)	(196,643)	-
Total other items	451,036	481,810	549,542	118,499	1,600,887	-
Change in net position	639,999	1,446,999	235,664	521,526	2,844,188	-
Net position beginning of year	11,770,432	16,385,048	8,657,966	3,006,123	39,819,569	-
Net position end of year	$ 12,410,431	$ 17,832,047	$ 8,893,630	$ 3,527,649	$ 42,663,757	$ -

CITY OF ONTARIO, OREGON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended
June 30, 2019

	Enterprise Funds					
	Water Fund	Sewer Fund	Airport Fund	Nonmajor Funds	Total	Internal Service Fund
Cash flows from operating activities						
Cash received from customers	$ 3,111,218	$ 3,652,340	$ 84,709	$ 107,300	$ 6,955,567	$ 1,544
Cash payment to employees for services	(441)	(441)	(52,438)	(18)	(53,338)	-
Cash payment to suppliers for goods and services	(2,368,126)	(2,162,457)	(56,992)	(106,457)	(4,694,032)	-
Other operating revenues	-	-	5,279	(240,770)	(235,491)	-
Net cash provided by operating activities	742,651	1,489,442	(19,442)	(239,945)	1,972,706	1,544
Cash flows from noncapital financing activities						
Operating transfers-out to other funds	(112,190)	(71,217)	(4,164)	(9,072)	(196,643)	-
Operating transfers-in from funds	-	-	87,331	136,115	223,446	-
Interfund loans	-	-	-	195,834	195,834	-
Net cash provided by noncapital financing activities	(112,190)	(71,217)	83,167	322,877	222,637	-
Cash flows from capital and related financing activities						
Acquisition and construction of capital assets	(192,169)	(142,741)	(48,835)	(792,367)	(1,176,112)	-
Interest paid on notes payable	(99,285)	(106,447)	-	-	(205,732)	-
Payment on notes	(170,935)	(345,848)	-	-	(516,783)	-
Cash received from grants and donations	-	-	-	392,424	392,424	
Cash received from taxes	-	-	-	107,933	107,933	
Net cash used for capital and related financing activities	(462,389)	(595,036)	(48,835)	(292,010)	(1,398,270)	-
Cash flows from investing activities						
Interest and dividends on investments	98,543	132,806	277	4,022	235,648	-
Net increase (decrease) in cash and cash equivalents	266,615	955,995	15,167	(205,056)	1,032,721	1,544
Cash and cash equivalents at beginning of year	1,214,063	1,766,961	35,870	674,450	3,691,344	107,792
Cash and cash equivalents at end of year	$ 1,480,678	$ 2,722,956	$ 51,037	$ 469,394	$ 4,724,065	$ 109,336
Reconciliation of operating income to net cash provided by operating activities						
Net Income	$ 182,647	$ 935,539	$ (314,155)	$ (101,352)	$ 702,679	$ -
Adjustments to reconcile net income to net cash provided (used) by operating activities:						
Depreciation expense	538,277	583,793	252,911	104,842	1,479,823	-
(Increase) decrease in accounts receivable	(2,486)	(3,757)	(6,352)	(240,652)	(253,247)	-
Increase (decrease) in accounts payable	24,213	(26,133)	9,865	(1,783)	6,162	-
Net increase (decrease) in customer deposits	-	-	1,000	(1,000)	-	1,544
Net increase (decrease) in unearned rent income	-	-	420	-	420	-
Changes in net pension liability	-	-	55,939	-	55,939	-
PERS deferred inflows	-	-	13,775	-	13,775	-
PERS deferred outflows	-	-	(32,547)	-	(32,547)	-
OPEB deferred inflows	-	-	72	-	72	-
OPEB deferred outflows	-	-	(64)	-	(64)	-
Changes in net OPEB liability/asset	-	-	(306)	-	(306)	-
Total adjustments	560,004	553,903	294,713	(138,593)	1,270,027	1,544
Net cash provided (used) by operating activities	$ 742,651	$ 1,489,442	$ (19,442)	$ (239,945)	$ 1,972,706	$ 1,544
Reconciliation of cash and cash equivalents at year end to specific assets included on the Statement of Net Position						
Current assets						
Cash and investments	$ 1,469,575	$ 2,722,956	$ 51,037	$ 469,394	$ 4,712,962	$ -
Restricted assets						
Customer deposits	11,103	-	-	-	11,103	109,336
Total cash and cash equivalents at year end	$ 1,480,678	$ 2,722,956	$ 51,037	$ 469,394	$ 4,724,065	$ 109,336
Non cash capital financing transactions						
Capital contributions from (to) other funds	$ 563,226	$ 553,027	$ 466,375	$ (8,544)	$ 1,574,084	$ -

CITY OF ONTARIO, OREGON
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2019

	Agency Funds
ASSETS	
Cash and investments	$ 290
Total assets	290
LIABILITIES	
Held in trust for other governments	290
Total liabilities	$ 290

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies

Organizational Authority

The City of Ontario operates under a charter adopted in 1954. The City Council, composed of the mayor and six council members, comprises the legislative branch of the city. Each councilor and the mayor are elected for a term of four years. Individual departments are under direction of the City Manager, who is appointed by the City Council. The City of Ontario provides numerous services to citizens, including public safety, public works, parks and recreation and general government services. It also operates the airport and provides water and sewer utilities.

A. The Reporting Entity

The City Council exercises governance responsibilities over all entities related to city activity. The city receives funding from local, state, and federal sources. However, the City of Ontario is not included in any other governmental reporting entity as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. Council members are elected by the public and have decision-making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters.

In evaluating how to define the city for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the primary government's financial accountability. The criteria used to determine financial accountability include whether the primary government appoints a voting majority, the primary government can impose its will on the component unit, whether there is financial benefit or burden on the primary government, and if the component unit has a fiscal dependency on the primary government. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the city is financially accountable. No other entities met requirements for inclusion in the basic financial statements of the City of Ontario.

Implementation of New Accounting Pronouncements and Accounting Standards

The City has implemented GASB Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements.

B. Fund Accounting

City resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds are grouped, in the financial statements in this report, into two broad fund categories: governmental funds and proprietary funds.

GOVERNMENTAL FUNDS

General Fund—The General Fund is the general operating fund of the city. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds—Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds—Debt service funds are used to account for interest and principal payments for debt.

Capital Project Funds—Capital project funds are generally used to account for financial resources to be used for the acquisitions or construction of major capital facilities.

PROPRIETARY FUNDS

Enterprise Funds—Enterprise funds are used to account for water and sewer services and golf course services provided to the community. Principal revenue sources are fees charged to consumers for services.

Internal Service Fund—The internal service fund is used to charge the costs of certain activities to individual funds. The internal service fund is predominately used by enterprise funds.

C. Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information on all the nonfiduciary activities of the city. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are financed primarily through property taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The Statement of Net Position presents the city's assets, deferred outflows, deferred inflows and liabilities, with the difference reported as net position. Net position is reported in three categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

Restricted net position results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position that does not meet the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

The Statement of Activities presents a comparison between direct expenses and program revenues for each of its functions/programs. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to that function. Eliminations have been made to minimize the double counting of internal activities in the Statement of Activities. 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 and (2) grants and contributions restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the city's funds. Separate financial statements are provided for each fund category (governmental and proprietary). The emphasis of fund financial statements is on major funds, each displayed in a separate column. The nonmajor funds are shown in the aggregate.

The city reports the following major governmental funds:

General Fund—The General Fund is the general operating fund of the city. It is used to account for all financial resources except those required to be accounted for in another fund.

Street Fund— The Street Fund is a special revenue fund used to account for maintenance of the city's streets and street lighting. The major sources of revenue for the Street Fund come from the state of Oregon with tax on motor vehicle fuel and the Surface Transportation Program funds.

Capital Projects Fund—The Capital Projects Fund is used to account for financial resources to be used for the acquisitions or construction of major capital facilities.

The city reports on the following major proprietary funds:

Water Fund – The Water Fund is an enterprise fund used to account for the operation of the city's water system.

Sewer Fund – The Sewer Fund is an enterprise fund used to account for the operation of the city's sewer system.

Airport Fund – The Airport Fund is an enterprise fund used to account for the operation of the city's airport.

Public Works Internal Service Fund – The Public Works Internal Service Fund is used to charge the costs of certain activities to individual funds. The internal service fund is predominately used by enterprise funds. This fund accounts for water & sewer deposits.

Additionally, the city reports the following fund types:

Agency Fund-The agency fund is used to account for the donations held for and spent by the recreation board.

D. Measurement Focus and Basis of Accounting

Government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Fiduciary fund financial statements (city has agency funds only) have no measurement focus, but do employ the accrual basis of accounting for purposes of asset and liability recognition. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the city receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. With the accrual basis of accounting revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Under terms of grant agreements, the city funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the city's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they are measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. A six-month availability period is used for revenue recognition for all reimbursable grants. The city considers property taxes and other revenues as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, which is recognized when the obligations are expected to be liquidated with expendable available financial resources. Property taxes, interest and special assessments are susceptible to accrual. Other receipts and taxes become measurable and available when the cash is received by the government and are recognized as revenue at that time. Entitlements and shared revenues are recorded at the time of receipt or earlier if the "susceptible to accrual" criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from long-term debt and acquisitions under capital leases are reported as other financing sources.

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. The principal operating revenues of the city's proprietary funds are charges for services, operating grants and other miscellaneous revenues. Operating expenses for the proprietary funds include personnel and materials and supplies. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Cash and Investments

The city's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. All short-term cash surpluses are maintained in savings accounts and the state of Oregon Local Government Investment Pool and allocated to each fund based on the amount of excess cash each fund has deposited.

Oregon statutes and local ordinances authorize the city to invest (short-term and long-term) in certificates of deposit (considered deposits for risk categorization purposes), certain bond obligations of civil subdivisions, general obligations of the states of Oregon, Washington, Idaho, and California, certain interest bearing bonds of a county, port, or school district, certain interest bearing bonds of any city in the state of Oregon, life insurance and annuity contracts, pooled deferred compensation trusts, banker's acceptances, and certain corporate bonds.

F. Statement of Cash Flows

For purposes of the Statement of Cash Flows, the city considered all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. All cash and investments of the proprietary fund types are pooled with the city's pooled cash and investments.

G. Capital Assets

Capital assets, which include property, equipment, vehicles, and infrastructure assets (e.g. roads, bridges, curbs, gutters, sidewalks and similar items which are immovable and of value only to the government) are reported in the applicable governmental or business-type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at original or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. The city defines capital assets as assets with an initial cost of more than $5,000 and an estimated life in excess of one reporting period. The cost of normal maintenance and repairs that do not add value to the asset or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives.

Buildings and improvements	20 to 50 years
Improvements other than buildings	20 years
Equipment	5 to 30 years
Vehicles	8 years
Infrastructure	10 to 100 years

H. Other Asset

Water and wastewater treatment thirty-day chemical inventory will have to be left with the city if the public works CH2M Hill (Jacobs) contract is terminated. An asset of $13,571 is booked for this value as shown by the Appendix G of the contract.

I. Fund Balances

GASB Statement No. 54 requires analysis and presentation of fund balances in five categories; the fund balance categories are:

- *Nonspendable*— Fund balance is reported as nonspendable when the resources cannot ever be spent, whether due to legal restrictions (such as corpus) or items not spendable in form such as prepaid items, interfund receivables and inventory.

- *Restricted*—Includes items that are restricted by external creditors, grantors or contributors, or restricted by legal constitutional provisions.

- *Committed*—Fund balance is reported as committed when the council passes a resolution, the formal action of the city's highest decision-making level of authority, to establish a specific spending constraint on how the resources may be used. The council can also modify or rescind the resolution through the passage of another formal resolution. Includes items committed by city council; commitments are required to be made, modified or rescinded by formal council resolution.

- *Assigned*—Fund balance is reported as assigned by city policy when the council or designee assign portions of revenue sources or ending fund balance, which are not determined to be non-spendable, restricted or committed by formal written notice. Authority is granted to the individuals by the city council and such authority may only be established, modified or rescinded by the council.

- *Unassigned*—This is the residual classification used for those balances not assigned to another category.

The city council can commit fund balances any time before the end of the fiscal year. The commitment of fund balances has to be done by formal council resolution.

The council is authorized to make assignments of ending fund balance. Assignments of fund balances can be done at any time, including after fiscal year end date.

GASB 54 requires a spending policy, as it relates to ending fund balance. The spending policy states in what order fund balance categories are spent. The council approved the following fund balance order of spending policy:

1. Restricted Fund Balance
2. Committed Fund Balance
3. Assigned Fund Balance
4. Unassigned Fund Balance

J. Property Taxes Receivable

Property taxes assessed but not yet collected are reported on the balance sheet, but are offset by deferred revenue accounts. The city levies taxes on a fiscal year from July 1 to June 30. The current levy becomes a lien on July 1. Taxes are due November 15 and become delinquent May 15. Foreclosure is started three years after taxes become delinquent. The city turns all tax collection duties over to Malheur County, Oregon.

Uncollected property taxes are recorded on the Statement of Net Position. Uncollected taxes are deemed to be substantially collected or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. All property taxes receivable is due from property owners within the city.

K. Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefit Amounts

The city maintains a policy to permit employees to accumulate earned but unused vacation and sick pay benefits. No liability is reported for non-vested unpaid accumulated sick pay benefits. All vacation pay and vested sick pay benefits is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. For fiscal year ended June 30, 2019 benefits are paid from the General Fund. The compensated absences liability was $335,564 at June 30, 2019 and $317,374 at June 30, 2018.

L. 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 represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expenditure/expense) until then. The City has three items that qualify for reporting in this category. They are the deferred amounts relating to pensions, amounts related to other post-employment benefits and prepaid expenses. This amount is deferred and recognized as an outflow of resources in the period when the City's recognizes pension expense/expenditures. Deferred outflows are included in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category. Unavailable revenue from property taxes is reported in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that amount becomes available. The City also reports deferred amounts related to pensions, deferred amounts related to other post-employment benefits and amounts related to debt refunding. These amounts are deferred and recognized as an inflow of resources in the period when the City's recognizes income. Deferred inflows are included in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position.

M. Budgets and Budgetary Accounting

An annual budget is prepared for each city fund in accordance with the modified accrual basis of accounting and legal requirements set forth in the Oregon local budget law. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total personal services, materials and services, capital outlay, debt service, transfers and contingencies by fund are the levels of control. The detail budget document, however, is required to contain more specific detailed information for the above-mentioned expenditure categories. All appropriations lapse at June 30.

Unexpected additional resources may be added to the budget by a supplemental budget and appropriations resolution. A supplemental budget may require hearings before the public, publications in newspapers, and approval by the council. Original and supplemental budgets may be modified by using appropriations transfers between the levels of control. Such transfers require approval by the council. The budget for the General Fund, special revenue funds, and proprietary funds includes capital outlay expenditures in each program for capital outlay applicable to that program.

The city had three budget over expenditure violations for the fiscal year ending June 30, 2019 as follows:

Reserve Fund	Materials and Services	\$3,069
Grants Fund	Capital Outlay	\$17,195
Aquatic Fund	Materials and Services	\$1,074

N. Encumbrances

The city does not use encumbrance accounting.

O. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Interfund receivables and payables between funds are eliminated in the Statement of Net Position.

P. Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

Q. Use of Estimates

The preparation of basic financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the basic financial statements and reported amounts of revenues and expenses/expenditures during the reporting period.

R. Pensions

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

S. Other Post-Employment Benefits

Retirees electing to take part in any of the retirement programs will be allowed to continue the group medical, dental and/or vision insurance coverage at their own expense, subject to the terms and conditions of City County Insurance Services or its successor. The City is not paying any retirees group medical and dental insurance premiums.

Note 2. Deposits and Investments

The city maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and investments.

Cash and investments are comprised of the following at June 30, 2019:

Deposits with banks	$	1,235,442
Investments		11,490,241
Cash on hand		955
Certificates of Deposit		585,147
	$	13,311,785

Cash and investments are shown on the basic financial statements as:

Statement of Net Position		
Cash and investments	$	12,554,585
Restricted cash		756,910
Statement of Fiduciary Net Position		
Cash and investments		290
	$	13,311,785

As of June 30, 2019, the city held the following investments and maturities:

Investment type		Fair Value	% of investment portfolio
Local Government Investment Pool	$	11,490,241	100.0%

Deposits

The Governmental Accounting Standards Board has adopted accounting principles generally accepted in the United States of America (GAAP), which include standards to categorize deposits to give an indication of the level of custodial risk assumed by the city at June 30, 2019. If bank deposits at year end are not entirely insured or collateralized with securities held by the city or by its agent in the city's name, the city must disclose the custodial credit risk (below) that exists. Deposits with financial institutions are comprised of bank demand deposits. For deposits in excess of federal depository insurance, Oregon Revised Statutes require depository institutions to be in compliance with ORS 295.

At June 30, 2019, the carrying amount of the city's deposits was $1,820,589 and the bank balance was $1,996,199. Of these deposits, all were covered by federal depository insurance or were in qualified depositories. The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. Federal depository insurance (FDIC) of $250,000 applies to the deposits in each depository. Where balances continually exceed $250,000, ORS 295.018 requires the depositor to verify that deposit accounts are only maintained at financial institutions on the list of qualified depositories found on the Oregon state treasurer's website. Qualifying depository banks must pledge securities with a particular value based on the banks level of capitalization. The city deposits were in compliance with requirements of ORS 295.018.

Custodial credit risk—Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The city does not have a policy for custodial credit risk for deposits.

Effective July 1, 2008, House Bill 2901 created a shared liability structure for participating bank depositories in Oregon. Barring any exceptions, a qualifying bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public bank depositories is available to repay the deposits of public funds of government entities.

Investments

Investment Type	Fair Value	Maturity	Rating
Cash and cash equivalents			
Local Government Investment Pool (LGIP)	$ 11,490,241	50% less than 90-days, no more than 25% over one year, and no investment over three years	Unrated

At June 30, 2019, the city held $11,490,241 of investments, which is all classified as cash and investments on the Statement of Net Position. The city has no formal policy for managing interest rate risk or credit risk.

The city has invested funds in the Oregon Short-term Fund Local Government Investment Pool (LGIP) during fiscal year 2019. The Local Government Investment Pool was created to meet the financial and administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short-term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). The Local Government Investment Pool is an external investment pool managed by the State Treasurer's office, which allows governments within the state to pool their funds for investment purposes. The amounts invested in the pool are not classified by risk categories because they are not evidenced by securities that exist in physical or book entry form as defined by GASB Statement No. 40. Oregon LGIP is unrated for credit quality.

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

Investments in the Oregon LGIP are made under the provisions of ORS 194.180. These funds are held in the city's name and are not subject to collateralization requirements of ORS 295.018. Investments are stated at cost, which approximated fair value.

A separate financial report for the Oregon Short-term Fund Local Government Investment Pool is prepared by the Secretary of State Audits Division in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investment Pools*. Copies of the report can be obtained from the Oregon Audits Division 255 Capitol Street NE, Suite 500 Salem, OR 97310 or online at http://www.sos.state.or.us/audits/index.html.

Oregon statutes restrict the types of investments in which the city may invest. Authorized investments included obligations of the United States Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, time certificates of deposit, certain commercial paper, and the Oregon Local Government Investment Pool. As of June 30, 2019, and for the year then ended, the city was in compliance with the aforementioned Oregon statutes.

Credit Risk—Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes authorize the city to invest primarily in general obligations of the United States Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial paper, and the Oregon Local Government Investment Pool, among others. The city has no formal investment policy that further restricts its investment choices.

Concentration of Credit Risk—Concentration of credit risk is the risk of a loss attributed to the magnitude of a government's investment in a single issuer. The city is required to provide information about the concentration of credit risk associated with its investments in one issuer that represents 5 percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the United States Government. The city has no such investments.

Interest Rate Risk—The city's investment policy limits long-term investments to 25% of the investment portfolio using specific identification. The city defines long-term as having a maturity of greater than 18 months to a maximum of 36 months. As of June 30, 2019, all of the city's investments were classified as short-term.

Foreign Currency Risk—The city is prohibited from investments that are not US dollar-denominated; therefore, the city is not exposed to this risk.

Note 3. Accounts Receivable

The governmental funds of the city have accounts receivable as follows:

General Fund	Property taxes	$ 231,242
General fund	Service billing less $816 allowance	26,410
General Fund	Other	708,891
Street Fund	Other	76,541
Street Fund	Occupancy tax	30,980
Street Fund	Service billing less $956 allowance	29,936
Nonmajor funds	Service billing less allowance $9,335	3,112
Nonmajor funds	Loans	124,692
Nonmajor funds	Grants	224,791
Nonmajor funds	Occupancy tax	86,847
Nonmajor funds	Other	3,964
Capital Projects Fund	Local Improvement District	21,244
Capital Projects Fund	Other	3,810
Capital Projects Fund	Service billing less $1,511 allowance	48,858
	TOTAL	$ 1,621,318

The proprietary funds of the city have service billing revenues receivable as follows:

	Accounts Receivable	Allowance for Doubtful Accounts	Net Receivable
Water Fund	$ 317,095	$ (9,508)	$ 307,587
Sewer Fund	369,552	(9,616)	359,936
Airport Fund	19,301	-	19,301
Nonmajor funds	9,491	(285)	9,206
TOTAL	$ 715,439	$ (19,409)	$ 696,030

The proprietary funds of the city have other receivables as follows:

Nonmajor funds	Occupancy tax	$ 14,752
Nonmajor funds	Grants	240,595
Airport Fund	Notes receivable	6,894
	TOTAL	$ 262,241

Note 4. Schedule of Capital Assets

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

	Balance June 30, 2018	Restatements	Additions	Deletions	Balance June 30, 2019
Governmental activities					
Capital assets not being depreciated					
Land	$ 1,800,216	$ -	$ -	$ -	$ 1,800,216
Construction in progress	361,648	-	89,052	-	450,700
Total capital assets not being depreciated	2,161,864	-	89,052	-	2,250,916
Capital assets being depreciated					
Equipment and vehicles	5,295,882	-	-	-	5,295,882
Buildings and improvements	7,949,970	-	67,220	-	8,017,190
Infrastructure	23,749,839	-	-	-	23,749,839
Total capital assets being depreciated	36,891,339	-	67,220	-	37,062,911
Less accumulated depreciation for					
Equipment and vehicles	4,104,767	-	116,363	-	4,221,130
Buildings and improvements	4,360,183	-	192,639	-	4,552,822
Infrastructure	10,173,379	-	363,240	-	10,536,619
Total accumulated depreciation	17,944,973	-	672,242	-	19,310,571
Total capital assets being depreciated, net	18,946,366	-	(605,022)	-	17,752,340
Governmental activities capital assets, net	$ 21,108,230	$ -	$ (515,970)	$ -	$ 20,003,256
Business-type activities					
Capital assets not being depreciated					
Land	$ 5,615,790	$ -	$ -	$ -	$ 5,615,790
Construction in progress	1,189,000	-	10,545	1,014,458	185,087
Total capital assets not being depreciated	6,804,790	-	10,545	1,014,458	5,800,877
Capital assets being depreciated					
Equipment and vehicles	35,707,262	-	354,358	-	36,061,620
Buildings and improvements	35,388,534	-	911,198	-	36,299,732
Infrastructure	15,293,579	-	2,488,554	-	17,782,133
Total capital assets being depreciated	86,389,375	-	3,754,110	-	90,143,485
Less accumulated depreciation for					
Equipment and vehicles	32,459,416	-	383,117	-	32,842,533
Buildings and improvements	15,948,704	-	690,385	-	16,639,089
Infrastructure	2,862,554	-	406,321	-	3,268,875
Total accumulated depreciation	51,270,674	-	1,479,823	-	52,750,497
Total capital assets being depreciated, net	38,608,454	-	2,274,287	-	37,392,988
Business-type activities capital assets, net	$ 50,942,383	$ -	$ 2,284,832	$ 1,014,458	$ 43,193,865

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

Governmental Activities	
General government	$ 278,111
Highways and streets	394,131
Total Governmental Activities	$672,242
Business-Type Activities	
Water	$538,277
Sewer	583,793
Storm Sewer	104,842
Airport	252,911
Total Business-Type Activities	$1,479,823

Note 5. Retirement Plans

PERS

General Information about the Pension Plan

Plan Description

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

Benefits Provided

1. Tier One/Tier Two Retirement Benefit ORS Chapter 238

Pension Benefits

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

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

Death Benefits

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

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

- the member was on an official leave of absence from a PERS-covered job at the time of death.

Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

Benefit Changes

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

2. OPSRP Pension Program (OPSRP DB)

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

> Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
>
> General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

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

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

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

Benefit Changes After Retirement
Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current

law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first $60,000 of annual benefit and 0.15 percent on annual benefits above $60,000.

3. OPSRP Individual Account Program (OPSRP IAP)

Pension Benefits
An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

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

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

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

Contributions

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2013 actuarial valuation as subsequently modified by 2015 legislated changes in benefit provisions. The rates based on a percentage of payroll, first became effective July 1, 2015. Employer contributions for the year ended June 30, 2019 were $1,664,266 excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2019 were 28.49 percent for Tier One/Tier Two General Service Member, 17.72 percent for Tier One/Tier Two Police and Fire, 22.49 percent for OPSRP Pension Program Police and Fire Members, and 6 percent for the Individual Account Program.

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

At June 30, 2019, the City reported a liability of $11,121,348 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016 rolled forward to June 30, 2018. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2019, the City's proportion was 0.07341462 percent, which was decreased from its proportion of 0.07724391 percent measured as of June 30, 2018.

For the year ended June 30, 2019, the City's recognized pension expense (income) of $1,730,763. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 378,315	$ -
Changes of assumptions	2,585,692	-
Net difference between projected and actual earnings on investments	-	493,851
Changes in proportion	239,268	745,168
Differences between employer contributions and proportionate share of contributions	-	591,084
Total (prior to post-MD contributions)	3,203,275	1,830,103
Contributions subsequent to the MD	1,664,266	-
Total	$ 4,867,541	$ 1,830,103

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

Year ended June 30:	
2019	$ 905,865
2020	594,221
2021	(267,527)
2022	70,161
2023	70,452
Total	$ 1,373,172

Actuarial Assumptions

The employer contribution rates effective July 1, 2015, through June 30, 2017 and effective July 1, 2017, through June 30, 2019, were set using the projected unit credit actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

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

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

Valuation Date	December 31, 2016
Measurement Date	June 30, 2018
Experience Study Report	2016, published July 26, 2017
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.50 percent
Long-Term Expected Rate of Return	7.20 percent
Discount Rate	7.20 percent
Projected Salary Increases	3.50 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and grade COLA (1.25%/0.15%) in accordance with *Moro* decision, blend based on service.
Mortality	**Health retirees and beneficiaries:** RP-2014 healthy annuitant, sex-distinct, generational with Unisex, Social Secuity Data Scale, with collar adjustments and set-backs as described in the valuation. **Active Members:** RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. **Disabled retirees:** RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2016 Experience Study which reviewed experience for the four-year period ending on December 31, 2016.

Long-term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

	Assumed Asset Allocation		
Asset Class/Strategy	Low Range	High Range	Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Private Equity	14.0%	21.0%	17.5%
Real Estate	9.5%	15.5%	12.5%
Alternative Equity	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

Asset Class	Target Allocation	Compound Annual Return
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Foreign Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Funds - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
Assumed Inflation - Mean		2.50%

Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

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

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

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

Discount Rate

The discount rate used to measure the total pension liability was 7.2 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
City's proportionate share of the net pension liability (asset)	$ 18,585,873	$ 11,121,348	$ 4,959,993

Pension Plan Fiduciary Net Position

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

Payables to the Pension Plan

The city reported payables of legally required contributions to the pension plan in the amount of $78,774 at June 30, 2019.

Changes in Plan Provisions During the Measurement Period.

There were no changes during the June 30, 2018 measurement period that require disclosure.

Changes in Plan Provisions Subsequent to Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the measurement date. Any changes to benefit terms that occur after that date are reflected in amounts reported for the subsequent measurement date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the measurement date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There were no changes subsequent to the June 30, 2018 measurement period that require disclosure.

Deferred Compensation Plan

Plan Description – The city offers employees a deferred compensation plan (the plan) sponsored by the city. The plan is a defined contribution plan created in accordance with Internal Revenue Code Section 457. The plan is available to all represented and non-represented city employees, and permits them to defer a portion of their salary until future years. Contributions are made through salary deductions from participating employees up to the amounts specified in the Internal Revenue Code Section 457. No contributions are required from the city. As of June 30, 2019, 59 individuals were participating in the Internal Revenue Code Section 457 plans. Amounts deferred are not available to employees until termination, retirement, death, or unforeseeable emergency. Employees are fully vested upon deferral; no amounts are forfeited upon leaving employment with the City. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. No plan assets have been used for purposes other than the payment of benefits.

At June 30, 2019, the amount deferred and investments earnings thereon, adjusted to fair market value, amount to $2,220,439. The plan assets are held in custodial accounts by the plan provider for the exclusive benefit of the participants or their beneficiaries. The city does not perform the investing function and has no fiduciary accountability for the plan. Therefore, plan assets and any related liability to plan participants are not reported in the city financial statements as of June 30, 2019.

Note 6. Other Postemployment Benefits (OPEB)

Post Employment Benefits Other than Pensions

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

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:

	Implicit Rate Subsidy Plan	PERS RHIA Plan	Total OPEB on Financials
Net OPEB asset	$ -	$ 31,773	$ 31,773
Deferred outflows of resources			
Contributions after the measurement date	7,755	13,869	21,624
Total OPEB liability	(296,808)	-	(296,808)
Deferred inflows of resources			
Change in proportionate share	-	(749)	(749)
Difference in experience	(30,662)	(1,801)	(32,463)
Change in assumptions	(32,889)	(101)	(32,990)
Difference in earnings	-	(6,850)	(6,850)
			(73,052)
OPEB expense/(income)	28,868	(3,379)	25,489
(Included in program expenses on statement of activities)			

Implicit Rate Subsidy Plan

Plan Description

The City's defined benefit postemployment healthcare plan is administered by Citycounty Insurance Services (CIS), a public entity insurance trust. CIS was formed by the League of Oregon Cities and the Association of Oregon Counties to meet the risk management and employee benefit needs of Oregon cities, counties and other eligible local governments. The CIS Board of Trustees administers the CIS Trust which includes the CIS Property/Casualty Trust and the two CIS Benefits trusts: EBS (cities) and AOCIT (counties). The plan provides eligible retirees and their dependents under age 65 the same health care coverage at the same premium rates as offered to active employees. The retiree is responsible for the premiums. Benefit provisions are established through negotiations between the City and representatives of collective bargaining units or through resolutions passed by City Council. Implicit employer subsidies generally represent the increase in premiums the City must pay on behalf of its active employees as a consequence of providing access to retirees' OPEB.

Funding Policy

The City has not established a trust fund to supplement the cost for the net OPEB obligation. Contribution requirements are negotiated between the City and union representatives. Eligible members receiving postemployment benefits are responsible for all their healthcare premiums.

Benefits Provided

The plan provides eligible retirees and their dependents under age 65 the same health care coverage at the same premium rates as offered to active employees. The retiree is responsible for the premiums. As of the valuation date of July 1, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	1
Active employees	40
	41

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 $296,808 was measured as of July 1, 2018, and was determined by an actuarial valuation as of July 1, 2018.

For the fiscal year ended June 30, 2019, the city recognized OPEB expense from this plan of $28,868. At June 30, 2019, the city reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience differences	$ -	$ 30,662
Changes of assumptions	-	32,889
Total (prior to post-MD contributions)	-	63,551
Contributions made subsequent to measurement date	7,755	-
Total	$ 7,755	$ 63,551

Deferred outflows of resources related to OPEB of $7,755 resulting from the city's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2020	$ (6,575)
2021	(6,575)
2022	(6,575)
2023	(6,575)
2024	(6,575)
Thereafter	(30,676)
Total	$ (63,551)

Actuarial Assumptions and Other Inputs

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

Valuation Date	July 1, 2018
Measurement Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.50 percent
Discount Rate	3.87 percent, based on a 20-year general obligation bond yield index published
Projected Salary Increases	3.5 percent
Election and Lapse Rates	40% of eligible employees 60% of male members and 35% of female members will elect spouse coverage.
Healthcare Cost Trend Rate	Medical and vision: 2018-6.75%, 2019-7% and between 4.75% and 6% for the subsequent 40+ years. Dental 4.5%.
Mortality	RP-2014 Healthy Annuitant, sex distict mortality tables blended 50/50 blue collar and white collar, set back one year for males. Mortaility is projected on a generational basis using the Unisex Social Security Data Scale.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of June 30, 2018	$ 324,623
Changes for the year:	
Service cost	23,219
Interest on total OPEB liability	12,224
Effect of economic/demographic gains or losses	(33,582)
Effect of assumptions changes or inputs	(16,794)
Benefit payments	(12,882)
Balance as of June 30, 2019	$ 296,808

Sensitivity of the Total OPEB Liability

The following presents the City's total OPEB liability, as well as what the liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

Discount Rate

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Total OPEB Liability	$ 326,362	$ 296,808	$ 269,568

Healthcare cost trend

	1% Decrease	Current Healthcare Trend Rate	1% Increase
Total OPEB Liability	$ 258,241	$ 296,808	$ 342,285

PERS Retirement Health Insurance Account

Plan Description

The city contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums for eligible retirees. ORS 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants hired after August 29, 2003. PERS issues publicly available financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700, or online at http://Oregon.gov/PERS/section/financial_reports/financials.shtml.

Benefits Provided

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to $60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the RHIA established by the employer, and any monthly cost in excess of $60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost, the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Contributions

PERS funding policy provides for employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates for the period were based on the December 31, 2015 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2017. The city's contribution rates for the period were 0.50% for Tier One/Tier Two members, and 0.43% for OPSRP members. The city's total for the year ended June 30, 2019 contributions was $13,869.

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

At June 30, 2019, the city reported an asset of $31,773 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2016 rolled forward to June 30, 2018. The city's proportion of the net OPEB asset was based on the city's contributions to the RHIA program during the measurement period relative to contributions from all participating employers. At June 30, 2019, the city's proportionate share was 0.02846378%, which is a decrease from its proportion of 0.02661897% as of June 30, 2018.

For the year ended June 30, 2019, the city recognized OPEB income from this plan of $3,379. At June 30, 2019, the city reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 1,801
Changes of assumptions	-	101
Net difference between projected and actual earnings	-	6,850
Changes in proportionate share	-	749
Total (prior to post-MD contributions)	-	9,501
Contributions subsequent to the measurement date	13,869	-
Total	$ 13,869	$ 9,501

Deferred outflows of resources related to OPEB of $13,869 resulting from the city's contributions subsequent to the measurement date will be recognized as either a reduction of the net OPEB liability or an increase in the net OPEB asset in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2020	$ (3,280)
2021	(3,197)
2022	(2,342)
2023	(682)
Total	$ (9,501)

Actuarial Methods and Assumptions

The RHIA plan is unaffected by health care cost trends since the benefit is limited to a $60 monthly payment toward Medicare companion insurance premiums. Consequently, the disclosure of a healthcare const trend is not applicable. Other significant actuarial assumptions are as follows:

Valuation Date	December 31, 2016
Measurement Date	June 30, 2018
Experience Study Report	2016, published July 26, 2017
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.5 percent
Investment Rate of Return	7.2 percent
Discount Rate	7.2 percent
Salary Increases	3.5 percent
Cost of Living Adjustments (COLA)	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	**Healthy retirees and beneficiaries:** RP-2014 Healthy annuitant, sex-distinct, genrational with Unisex, Social Security Data Sclae, with collar adjustments and set-backs as described in the valuation. **Active Members:** RP-2014 Employees, sex distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. **Disabled retirees:** RP-2014 disabled retirees, sex-distinct, generational with Unises, Social Security Data Scale.

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The

OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption was based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual Return
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Foreign Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Funds - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
Assumed Inflation - Mean		2.50%

Discount Rate

The discount rate used to measure the total OPEB liability was 7.20% for the RHIA Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the RHIA Plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the City's proportionate share of the net OPEB liability (asset) to changes in the discount rate

The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 7.20%, 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 (6.20%) or 1-percentage-point higher (8.20%) than the current rate:

	1% Decrease (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
Net OPEB Liability (Asset)	$ (18,500)	$ (31,773)	$ (43,072)

OPEB Plan Fiduciary Net Position

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

Changes in Plan Provisions During the Measurement Period

There were no changes during the June 30, 2018 measurement period that require disclosure.

Changes in Plan Provisions Subsequent to Measurement Date

We are not aware of any changes subsequent to the June 30, 2018 Measurement Date that meet this requirement and thus require a brief description under the GASB standard.

Note 7. Post-Retirement Benefits

In addition to providing pension benefits, the city provides certain benefits for retired city employees. The city allows a city service credit for retired supervisors having 15 years or more employment with the city. This credit is a maximum of $300 per year until the retiree death. The credit may be used only for city services to include; use of the city's aquatic center, health insurance and city utilities. No carry forward from year to year is allowed.

For the year ended June 30, 2019, there were 15 active participants. The total cost of $4,200 in retiree benefits are current year expenditures and were charged to the fund for which the participant was employed.

Note 8. Operating Leases

The city's future minimum lease commitments pertaining to the operating lease of copy machines with Toschiba, and an operating lease of a postage machine with Pitney Bowes are accounted for as operating leases in accordance with Statement of Financial Accounting Standards No. 13, at June 30, 2019 are as follows:

	Pitney Bowes	Toschiba Copier Lease	Total
2020	$ 3,813	$ 20,663	$ 24,476
2021	3,813	20,663	24,476
2022	1,907	15,620	17,527
2023	-	330	330
2024	-	330	330
TOTAL	$ 9,533	$ 57,606	$ 67,139

Note 9. Long-Term Debt

A summary of changes in long-term debt for the year ended June 30, 2019 is as follows:

Description	Balance 6/30/2018	Increases	Decreases	Balance 6/30/2019	Due within one year
GOVERNMENTAL ACTIVITIES					
US Bank--LID 44 and 45	$ 83,065	$ -	$ 55,377	$ 27,688	$ 27,688
Sweeper lease	120,774	-	59,749	61,025	61,025
BUSINESS-TYPE ACTIVITIES					
WTP Upgrade OECDD	2,772,333	-	170,935	2,601,398	146,972
OECDD-Wastewater System Improvements	2,717,515	-	150,316	2,567,199	121,179
Oregon DEQ loans	195,532	-	195,532	-	-
Total Long-term Debt	$ 5,889,219	$ -	$ 631,909	$ 5,257,310	$ 356,864

Debt Service Requirements

Debt service requirements on long-term debt from Direct Borrowings and Direct Placements at year end are as follows:

Mountain West Bank Street Sweeper Capital Lease

The city entered into a lease purchase agreement with Mountain West Bank in April of 2016 to purchase a 2016 Elgin Eagle 4M Street Sweeper for $298,850. Interest is computed at 2.85% payable in five installments with the first installment due April 18, 2016. Payments are made from the Street Fund.

Fiscal Year Ending June 30,	Principal	Interest	Remaining Balance
			$ 61,025
2020	$ 61,025	$ 1,803	-

Water Treatment Plant Upgrade Oregon Economic Community Development Department

The city converted water treatment facility improvements interim-financing from the Oregon Economic and Community Development Department (OECDD) to a promissory note in the amount of $4,482,580 on May 1, 2007. The city has pledged its full faith and credit and the net operating revenues of the water system to repay the note.

The city refinanced the loan on April 10, 2018 with OECDD with interest rates from 4% to 5%. The final payment will remain at the same on December 1, 2031. The loan amount remaining was reduced by $294,158 to reflect the premium paid by the purchaser of the State Bonds in exchange for a higher nominal interest rate. This will be amortized over the remaining life of the loan.

Fiscal Year Ending June 30,	Principal	Interest	Remaining Balance	Interest Rate	Amortization of Premium
			$ 2,601,398		
2020	$ 146,972	$ 125,802	2,454,426	4.0%	(21,011)
2021	153,084	119,890	2,301,342	4.0%	(21,011)
2022	164,264	112,460	2,137,078	4.0%	(21,011)
2023	170,507	104,466	1,966,571	4.0%	(21,011)
2024	181,804	96,170	1,784,767	4.0%	(21,011)
2025-2029	1,041,021	339,600	743,746	4.0%	(105,056)
2030-2032	743,746	73,926	-	4.0%	(63,034)
	$ 2,601,398	$ 972,314			$ (273,145)

Wastewater System Improvements - Oregon Economic and Community Development Department

The city converted sewer treatment facilities improvements interim-financing from the Oregon Economic and Community Development Department (OECDD) to a promissory note in the amount of $3,976,600 on May 27, 2009. The city has pledged its full faith and credit and the net operating revenues of the sewer system to repay the note.

The city refinanced the loan on April 10, 2018 with OECDD with interest rates from 4% to 5%. The final payment will remain at the same on December 1, 2033. The loan amount remaining was reduced by $278,900 to reflect the premium paid by the purchaser of the State Bonds in exchange for a higher nominal interest rate. This will be amortized over the remaining life of the loan.

Fiscal Year Ending June 30,	Principal	Interest	Balance	Interest Rate
			$ 2,567,199	
2020	$ 121,179	$ 126,301	2,446,020	4.0%
2021	127,132	121,348	2,318,888	5.0%
2022	128,018	115,212	2,190,870	5.0%
2023	139,169	108,811	2,051,701	5.0%
2024	145,377	101,853	1,906,324	5.0%
2025-2029	841,128	394,272	1,065,196	5.0%
2030-2034	1,065,196	163,706	-	5.0%
	$ 2,567,199	$ 1,131,503		

Oregon Department of Environmental Quality

The city has one remaining note payable to the state of Oregon Department of Environmental Quality for utility system improvements. Interest rates range from 3.0% to 3.98% over a term of 20 years. Semi-annual payments of principal and interest are required and recorded in the Sewer Fund. The loan was paid off in June 2019.

Debt service requirements on other long-term debt at year end are as follows:

US Bank Special Assessment Debt

The city issued $830,650 of special assessment debt to provide funding for local improvement districts previously funded by the city. These bonds bear interest rates of 4.75%, payable first from collections of assessment liens receivable and second, if necessary, from general property taxes. Payments are made from the Debt Service Fund. Final payment is due September 1, 2019.

Fiscal Year Ending June 30,	Principal	Interest	Remaining Balance
			$ 27,688
2020	$ 27,688	$ 658	-

Note 10. Interfund Receivables and Payables

The interfund receivable and payables to be paid within the next fiscal year at June 30, 2019 consist of the following:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor gov't	$ 115,612
General Fund	Aquatic Fund	195,834
	TOTAL	$ 311,446

The purpose of the interfund receivable and payable balances is to account for expenses paid by the receivable fund for the payable fund, or revenue received in the payable fund that should be accounted for in the receivable fund.

Note 11. Interfund Transfers

The detail of interfund transfers for the year ended June 30, 2019 is as follows:

Governmental Funds			**Proprietary Funds**		
Transfers in	Transfer from	Amount	Transfers in	Transfer from	Amount
General Fund	Water Fund	$ 92,190	Airport Fund	General Fund	$ 31,332
	Sewer Fund	51,217		Capital Projects	50,000
	Nonmajor prop	3,073		Nonmajor prop	$ 5,999
	Nonmajor gov't	13,750			
			Nonmajor prop.	Nonmajor gov't	25,814
Street Fund	General Fund	235,825		General fund	70,301
				Water Fund	20,000
Nonmajor governnmental	Nonmajor prop	4,164		Sewer Fund	20,000
	General Fund	27,400			
	Nonmajor gob't	11,784			
Total transfers in for governmental funds		$ 439,403	Total transfers in for proprietary funds		$ 223,446
Transfers out	Transfer to		Transfers out	Transfer to	
General Fund	Nonmajor gov't	$ (27,400)	Nonmajor prop	General fund	$ (3,073)
	Airport Fund	(31,332)		Airport Fund	(5,999)
	Street fund	(235,825)			
	Nonmajor prop	(70,301)	Water Fund	Nonmajor prop.	(20,000)
				General Fund	(92,190)
Nonmajor governmental	General Fund	(13,750)			
	Nonmajor gov't	(11,784)	Sewer Fund	Nonmajor prop	(20,000)
	Nonmajor prop	(25,814)		General Fund	(51,217)
Capital Projects	Airport Fund	(50,000)	Airport Fund	Nonmajor gov't	(4,164)
Total transfers out for governmental funds		(466,206)	Total transfers out for proprietary funds		(196,643)
Total transfers for governmental funds		$ (26,803)	**Total transfers for proprietary funds**		$ 26,803

Transfers generally move resources from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources. These transfers represent budgeted expectations.

Note 12. Risk Management

The city is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; errors and omissions; and natural disasters for which the city carries commercial insurance. The city does not engage in risk financing activities where the risk is retained (self-insurance).

The City of Ontario is a member of the City County Insurance Services (CCIS) trust. This trust was established in 1981, by the League of Oregon Cities (LOC) and the Association of Oregon Counties (AOC) to provide risk management services including insurance and loss control to member entities. The city participates for property and liability insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 13. Commitments and Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by these agencies, principally the federal government and the state of Oregon. Any disallowed claims, including amount already collected, may constitute a liability to the city. The amount, if any, of costs which may be disallowed by the grantor cannot be determined at this time, although city management expects such amounts, if any, to be immaterial.

Note 14. Accounting Changes and Restatements

A correction of accounts receivable in the General Fund caused a restatement of net position as follows:

Recalculation of Net Position	Governmental Activities
Net position at July 1, 2018, as previously reported	$ 22,068,787
A/R restatement	(16,680)
Net position at July 1, 2018, as restated	$ 22,052,107

Note 15. Fund Balance Classifications

Below is a schedule of ending fund balances, based on GASB Statement No. 54 requirements:

Fund Balances	General Fund	Street Fund	Capital Projects Fund	Nonmajor Funds	Total
Nonspendable					
Interfund Receivables	$ 311,446	$ -	$ -	$ -	$ 311,446
Prepaid expenses	78,984	-		-	78,984
	390,430	-	-	-	390,430
Restricted					
System development charges	-	-	-	375,216	375,216
Street projects	-	526,497	-	-	526,497
Grants	-	-	-	6,887	6,887
Debt Service	-	-	-	18,812	18,812
Building inspection	-	-	-	229,572	229,572
	-	526,497	-	630,487	1,156,984
Committed to					
Capital Projects	-	-	2,681,431	2,256,015	4,937,446
Funds held for other departments	-	-	-	370,880	370,880
Revolving loan fund program	-	-	-	510,470	510,470
	-	-	2,681,431	3,137,365	5,818,796
Unassigned	1,841,232	-	-	-	1,841,232
TOTAL FUND BALANCES	$ 2,231,662	$ 526,497	$ 2,681,431	$ 3,767,852	$ 9,207,442

GASB 54 requires city council approved action to authorize commitments of fund balances. These commitments, outlined in the table above, were approved by the city council on May 21, 2019. Commitments of fund balances must be made prior to the end of the fiscal year.

Note 16. Tax Abatements

The City of Ontario enters into property tax abatement agreements with businesses in an Enterprise Zone.

In exchange for investing in an Enterprise Zone, businesses receive exemption from local property taxes on new plan and equipment for at least three year (but up to five years) in the standard program. In addition, many zones can offer special incentives for investments in qualifying rural facilities or in electronic commerce.

For the fiscal year ended June 30, 2019, The City of Ontario allocation of property tax abatements from the Enterprise Zone amounted to $4,447.

Note 17. New Accounting Pronouncements and Accounting Standards

The GASB has issued several statements which have not yet been implemented by the city. The statements which may have a future impact on the district are as follows:

GASB Statement No. 90, *Majority Equity Interests*, an amendment of GASB Statements No. 14 and No. 61, is effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* is effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 87, *Leases* is effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 84, *Fiduciary Activities* is effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 83, *Certain Asset Retirement Obligations* is effective for reporting periods beginning after June 15, 2018.

The city has not fully determined the effect that the implementation of these GASB statements will have on the city's financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - GENERAL FUND

(BUDGET BASIS)

For the Year Ended

June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Property taxes	$ 3,629,901	$ 3,629,901	$ 3,636,620	$ 6,719
Other taxes	50,000	-	9,350	9,350
Franchise fees	1,648,374	1,648,374	1,622,115	(26,259)
Licenses and permits	6,200	6,200	14,685	8,485
Intergovernmental	651,390	651,390	659,422	8,032
Charges for services	281,749	326,182	317,593	(8,589)
Fines and forfeits	3,250	3,250	98,375	95,125
Miscellaneous	40,875	59,884	70,994	11,110
Interest on investments	35,000	35,000	67,821	32,821
Administrative	497,148	497,148	497,148	-
Total revenues	6,843,887	6,857,329	6,994,123	136,794
Expenditures				
Personal services	4,954,105	4,974,857	4,890,522	84,335
Materials and services	2,486,747	2,536,437	2,429,801	106,636
Capital outlay	12,500	12,500	-	12,500
Contingency	205,653	78,352	-	78,352
Total expenditures	7,659,005	7,602,146	7,320,323	281,823
Excess of revenues over (under) expenditures	(815,118)	(744,817)	(326,200)	418,617
Other financing sources (uses)				
Transfers in	160,230	160,230	160,230	-
Transfers out	(294,557)	(364,858)	(364,858)	-
Total other sources (uses)	(134,327)	(204,628)	(204,628)	-
Net change in fund balance	(949,445)	(949,445)	(530,828)	418,617
Fund balance, July 1, before restatement	2,449,445	2,449,445	2,779,170	329,725
Restatement, see note 11	-	-	(16,680)	(16,680)
Fund balance, July 1	2,449,445	2,449,445	2,762,490	313,045
Fund balance, June 30	$ 1,500,000	$ 1,500,000	$ 2,231,662	$ 731,662

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - STREET FUND

(BUDGET BASIS)

For the Year Ended

June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Intergovernmental	$ 922,673	$ 922,673	$ 832,916	$ (89,757)
Interest on investments	300	300	508	208
Charges for services	351,500	351,500	364,838	13,338
Other taxes	210,000	210,000	228,900	18,900
Administrative	460,687	460,687	460,687	-
Miscellaneous	1,000	1,000	482	(518)
Total revenues	1,946,160	1,946,160	1,888,331	(57,829)
Expenditures				
Materials and services	1,734,609	1,734,609	1,702,640	31,969
Capital outlay	447,200	447,200	77,625	369,575
Debt service	63,176	63,176	63,176	-
Total expenditures	2,244,985	2,244,985	1,843,441	401,544
Excess of revenues over (under) expenditures	(298,825)	(298,825)	44,890	343,715
Other financing sources (uses)				
Transfers in	235,825	235,825	235,825	-
Net change in fund balance	(63,000)	(63,000)	280,715	343,715
Fund balance, July 1	63,000	63,000	245,782	182,782
Fund balance, June 30	$ -	$ -	$ 526,497	$ 526,497

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
(BUDGET BASIS)

For the Year Ended
June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Charges for services	$ 1,500	$ 1,500	$ 31,277	$ 29,777
Miscellaneous	10,574	10,574	8,943	(1,631)
Utilities capitalization charges	513,912	513,912	509,429	(4,483)
Total revenues	525,986	525,986	549,649	23,663
Expenditures				
Materials and services	2,000	2,000	-	2,000
Capital outlay	1,477,704	1,489,704	1,207,380	282,324
Contingency	2,395,832	2,333,832	-	2,333,832
Total expenditures	3,875,536	3,825,536	1,207,380	2,618,156
Net change in fund balance	(3,349,550)	(3,349,550)	(707,731)	2,641,819
Fund balance, July 1	3,349,550	3,349,550	3,389,162	39,612
Fund balance, June 30	$ -	$ -	$ 2,681,431	$ 2,681,431

CITY OF ONTARIO, OREGON

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY

Last 10 Fiscal Years*

Year Ended June 30,	(a) City's proportion of the net pension liability (asset)	(b) City's proportionate share of the net pension liability (asset)	(c) City's covered payroll	(b/c) City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	0.07341462%	$ 11,121,348	$ 3,028,180	367.26%	82.10%
2018	0.07724391%	10,412,508	2,873,938	362.31%	83.10%
2017	0.07264070%	10,905,056	2,878,700	378.82%	80.50%
2016	0.08706674%	4,998,903	2,795,527	178.82%	91.90%
2015	0.08950110%	(2,028,735)	4,561,292	-44.48%	103.60%
2014	0.08706674%	673,613	4,563,227	14.76%	91.97%

SCHEDULE OF CITY CONTRIBUTIONS

OREGON PUBLIC RETIREMENT SYSTEM

Last 10 Fiscal Years*

Year Ended June 30,	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) City's covered payroll	(b/c) Contributions as a percent of covered payroll
2019	$ 1,664,266	$ 1,664,266	$ -	$ 3,165,990	52.57%
2018	708,453	708,453	-	3,028,180	23.40%
2017	538,316	538,316	-	2,873,938	18.73%
2016	577,012	577,012	-	2,878,700	20.04%
2015	733,439	733,439	-	2,795,527	26.24%
2014	764,158	764,158	-	4,561,292	16.75%

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

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

CITY OF ONTARIO, OREGON

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

OTHER POST EMPLOYMENT BENEFITS

Last 10 Fiscal Years*

PERS RETIREE HEALTH INSURANCE ACCOUNT

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

Year Ended June 30,	(a) City's proportion of the collective net OPEB liability (asset)	(b) City's proportionate share of the net pension liability (asset)	(c) City's covered payroll	(b/c) City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2019	0.02846378%	$ (31,773)	$ 3,028,180	-1.05%	124.00%
2018	0.02661897%	(11,109)	2,873,938	-0.39%	34.30%
2017	0.03032020%	8,234	2,878,700	0.29%	21.90%

SCHEDULE OF THE CITY'S CONTRIBUTIONS

Year Ended June 30,	(a) Actuarially required contribution	(b) Contributions in relation to the actuarilly required contribution	(a-b) Contribution deficiency (excess)	(c) City's covered payroll	(b/c) Contributions as a percent of covered payroll
2019	$ 13,869	$ 13,869	$ -	3,165,990	0.44%
2018	13,782	13,782	-	3,028,180	0.46%
2017	13,252	13,252	-	2,873,938	0.46%

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

CITY OF ONTARIO, OREGON

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS

OTHER POST EMPLOYMENT BENEFITS

Last 10 Fiscal Years*

IMPLICIT LIABILTY HEALTH INSURANCE

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILTY AND RELATED RATIOS

Year Ended June 30,	Total OPEB Liability (asset) Beginning	Service Cost	Interest	Changes to benefit terms	Economic/ Demographic Gains or Losses	Changes in assumptions	Benefit payments	Total OPEB Liability End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2019	$ 324,623	$ 23,219	$ 12,224	$ -	$ (33,582)	$ (16,794)	$ (12,882)	$ 296,808	$ 3,127,725	9.49%
2018	330,185	24,819	9,859	-	-	(21,945)	(18,295)	324,623	2,705,463	12.00%

SCHEDULE OF CITY'S CONTRIBUTIONS

Year Ended June 30,	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) City's covered payroll	(b/c) Contributions as a percent of covered payroll
2019	$ 7,755	$ 7,755	$ -	$ 2,705,463	0.29%
2018	12,882	12,882	-	2,872,765	0.45%

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

BUDGETARY REPORTING

An annual budget is prepared for each city fund in accordance with the modified accrual basis of accounting and legal requirements set forth in the state of Oregon's local budget law. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total personal services, materials and services, capital outlay, debt service, transfers and contingencies are the levels of control for all funds. The detail budget document, however, is required to contain more specific, detailed information for the above-mentioned expenditure categories.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations resolution. A supplemental budget requires a hearing before the public, publications in newspapers, and approval by the city council. Original and supplemental budgets may be modified by the use of appropriations transfers between the levels of control. Such transfers require approval by the city council. Budget appropriations lapse at June 30. Encumbrance accounting is not utilized in the preparation of budgeted funds.

The budgets include capital outlay expenditures in each program for capital outlay applicable to that program.

During the year ended June 30, 2019 the General Fund and major special revenue funds of the city had no over expenditure of appropriations.

OREGON PUBLIC RETIREMENT SYSTEM INFORMATION

Changes in Benefit Terms

The 2013 Oregon Legislature made a series of changes to PERS that lowered projected future benefit payments from the System. These changes included reductions to future Cost of Living Adjustments (COLA) made through Senate Bills 822 and 861. Senate Bill 822 also required the contribution rates scheduled to be in effect from July 2013 to June 2015 to be reduced. The Oregon Supreme Court decision in Moro v. State of Oregon, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future System Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 total pension liability.

Changes of Assumptions

The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability. The changes include the lowering of the long-term expected rate of return to 7.50 percent and lowering of the assumed inflation to 2.50 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay were updated. For June 30, 2018, the long-term expected rate of return was lowered to 7.20 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay were updated.

OTHER POST EMPLOYMENT BENEFITS

Changes of Benefit Terms

There were no changes of benefit terms.

Changes of Assumptions

The PERS Board adopted assumption changes that were used to measure the June 30, 2019 total OPEB liability. The changes include the lowering of the long-term expected rate of return was to 7.20 percent. In addition, healthy retiree participation and healthy mortality assumptions were changed to reflect an updated trends and mortality improvement scale for all groups.

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SUPPLEMENTARY INFORMATION

CITY OF ONTARIO, OREGON

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

June 30, 2019

	Special Revenue Funds		
	Grant Fund	Building Fund	Reserve Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets			
Cash and investments	$ -	$ 230,391	$ 2,292,979
Accounts receivable			
Loans	-	-	-
Customer accounts, net of allowance	-	-	3,112
Other	224,791	-	32,778
Restricted cash			
Cash held in trust	-	-	-
System development charges	-	-	-
Total assets	224,791	230,391	2,328,869
Deferred outflows of resources	-	-	-
Total assets and deferred outflows	$ 224,791	$ 230,391	$ 2,328,869
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 102,292	$ 819	$ 72,849
Payrolll liabilities	-	-	5
Interfund payable	115,612	-	-
Deposits held in trust	-	-	-
Total liabilities	217,904	819	72,854
Deferred inflows of resources			
Unavailable economic development loans	-	-	-
Fund balances			
Restricted	6,887	229,572	-
Committed	-	-	2,256,015
Total fund balances	6,887	229,572	2,256,015
Total liabilities, deferred inflows and fund balances	$ 224,791	$ 230,391	$ 2,328,869

	Special Revenue Funds				Capital Projects Fund	
	Trust Fund	Revolving Loan Fund	Aquatic Donations Fund	Debt Service Fund	SDC Fund	Total June 30, 2019
	$ 403,085	$ 510,470	$ -	$ 18,812	$ -	$ 3,455,737
	-	124,692	-	-	-	124,692
	-	-	-	-	-	3,112
	58,033	-	-	-	-	315,602
	246,663	-	-	-	-	246,663
	-	-	-	-	375,216	375,216
	707,781	635,162	-	18,812	375,216	4,521,022
	-	-	-	-	-	-
	$ 707,781	$ 635,162	$ -	$ 18,812	$ 375,216	$ 4,521,022
	$ 90,238	$ -	$ -	$ -	$ -	$ 266,198
	-	-	-	-	-	5
	-	-	-	-	-	115,612
	246,663	-	-	-	-	246,663
	336,901	-	-	-	-	628,478
	-	124,692	-	-	-	124,692
	-	-	-	18,812	375,216	630,487
	370,880	510,470	-	-	-	3,137,365
	370,880	510,470	-	18,812	375,216	3,767,852
	$ 707,781	$ 635,162	$ -	$ 18,812	$ 375,216	$ 4,521,022

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR FUNDS

For the Year Ended June 30, 2019

	Special Revenue Funds		
	Grant Fund	Building Fund	Reserve Fund
Revenues			
Taxes			
Other taxes	$ -	$ -	$ 228,900
Intergovernmental revenues	686,943	-	75,633
Charges for services	-	-	94,951
Licenses and permits	-	228,925	-
Miscellaneous			
Special assessments	-	-	-
Miscellaneous	-	60	11,941
Interest on investments	-	-	1,026
System development charges	-	-	-
Loan repayments	-	-	-
Total revenues	686,943	228,985	412,451
Expenditures			
Current			
Personal services	-	112,911	114,438
Materials and services	-	33,201	3,069
Capital outlay	646,171	-	223,144
Debt service			
Principal	-	-	-
Interest	-	-	-
Total expenditures	646,171	146,112	340,651
Excess of revenues over (under) expenditures	40,772	82,873	71,800
Other financing sources (uses)			
Operating transfers in	15,948	-	27,400
Operating transfers out	-	-	(11,784)
Total other financing sources (uses)	15,948	-	15,616
Net change in fund balances	56,720	82,873	87,416
Fund balances, July 1	(49,833)	146,699	2,168,599
Fund balances, June 30	$ 6,887	$ 229,572	$ 2,256,015

Special Revenue Funds				Capital Projects Fund	
Trust Fund	Revolving Loan Fund	Aquatic Donations Fund	Debt Service Fund	SDC Fund	Total June 30, 2019
$ 412,787	$ -	$ -	$ -	$ -	$ 641,687
-	-	-	-	-	762,576
5,850	-	-	-	-	100,801
-	-	-	-	-	228,925
-	-	-	3,484	-	3,484
-	651	-	-	-	12,652
417	1,338	-	63	-	2,844
-	-	-	-	86,405	86,405
-	2,696	-	-	-	2,696
419,054	4,685	-	3,547	86,405	1,842,070
-	-	-	-	-	227,349
403,406	35,700	-	-	-	475,376
-	-	-	-	-	869,315
-	-	-	55,377	-	55,377
-	-	-	3,296	-	3,296
403,406	35,700	-	58,673	-	1,630,713
15,648	(31,015)	-	(55,126)	86,405	211,357
-	-	-	-	-	43,348
(13,750)	-	(25,814)	-	-	(51,348)
(13,750)	-	(25,814)	-	-	(8,000)
1,898	(31,015)	(25,814)	(55,126)	86,405	203,357
368,982	541,485	25,814	73,938	288,811	3,564,495
$ 370,880	$ 510,470	$ -	$ 18,812	$ 375,216	$ 3,767,852

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - GRANTS FUND

(BUDGET BASIS)

For the Year Ended

June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Intergovernmental	$ 370,528	$ 613,028	$ 686,943	$ 73,915
Expenditures				
Capital outlay	386,476	628,976	646,171	(17,195)
Excess of revenues over (under) expenditures	(15,948)	(15,948)	40,772	56,720
Other financing sources (uses)				
Transfers in	15,948	15,948	15,948	-
Net change in fund balance	-	-	56,720	56,720
Fund balance, July 1	-	-	(49,833)	(49,833)
Fund balance, June 30	$ -	$ -	$ 6,887	$ 6,887

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUILDING FUND
(BUDGET BASIS)

For the Year Ended
June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Licenses and permits	$ 100,000	$ 100,000	$ 228,925	$ 128,925
Miscellaneous	-	-	60	60
Total revenues	100,000	100,000	228,985	128,985
Expenditures				
Personal services	89,981	117,981	112,911	5,070
Materials and services	63,494	63,494	33,201	30,293
Contingency	39,000	11,000	-	11,000
Total expenditures	192,475	192,475	146,112	46,363
Net change in fund balance	(92,475)	(92,475)	82,873	175,348
Fund balance, July 1	92,475	92,475	146,699	54,224
Fund balance, June 30	$ -	$ -	$ 229,572	$ 229,572

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - RESERVE FUND

(BUDGET BASIS)

For the Year Ended

June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Intergovermental	$ 74,610	$ 74,610	$ 75,633	$ 1,023
Miscellaneous	-	-	11,941	11,941
Charges for service	52,200	52,200	94,951	42,751
Other taxes	210,000	210,000	228,900	18,900
Interest on investments	1,500	1,500	1,026	(474)
Total revenues	338,310	338,310	412,451	74,141
Expenditures				
Personal services	149,682	149,682	114,438	35,244
Materials and services	-	-	3,069	(3,069)
Capital outlay	516,818	555,858	223,144	332,714
Contingency	1,379,863	1,340,823	-	1,340,823
Total expenditures	2,046,363	2,046,363	340,651	1,705,712
Excess of revenues over (under) expenditures	(1,708,053)	(1,708,053)	71,800	1,779,853
Other financing sources (uses)				
Transfers in	27,400	27,400	27,400	-
Transfers out	(11,784)	(11,784)	(11,784)	-
Total other sources (uses)	15,616	15,616	15,616	-
Net change in fund balance	(1,692,437)	(1,692,437)	87,416	1,779,853
Fund balance, July 1	1,994,866	1,994,866	2,168,599	173,733
Fund balance, June 30	$ 302,429	$ 302,429	$ 2,256,015	$ 1,953,586

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - TRUST FUND
(BUDGET BASIS)

For the Year Ended
June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Other taxes	$ 410,000	$ 410,000	$ 412,787	$ 2,787
Charges for services	7,500	7,500	5,850	(1,650)
Interest on investments	400	400	417	17
Total revenues	417,900	417,900	419,054	1,154
Expenditures				
Materials and services	623,075	623,075	403,406	219,669
Excess of revenues over (under) expenditures	(205,175)	(205,175)	15,648	220,823
Other financing sources (uses)				
Transfers out	(13,750)	(13,750)	(13,750)	-
Net change in fund balance	(218,925)	(218,925)	1,898	220,823
Fund balance, July 1	375,580	375,580	368,982	(6,598)
Fund balance, June 30	$ 156,655	$ 156,655	$ 370,880	$ 214,225

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - REVOLVING LOAN FUND
(BUDGET BASIS)

For the Year Ended
June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Interest on investments	$ 6	$ 6	$ 1,338	$ 1,332
Loan repayments	1,028	1,028	2,696	1,668
Miscellaneous	-	-	651	651
Total revenues	1,034	1,034	4,685	3,651
Expenditures				
Materials and services	546,834	546,834	35,700	511,134
Net change in fund balance	(545,800)	(545,800)	(31,015)	514,785
Fund balance, July 1	545,800	545,800	541,485	(4,315)
Fund balance, June 30	$ -	$ -	$ 510,470	$ 510,470

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - AQUATIC DONATIONS FUND

(BUDGET BASIS)

For the Year Ended

June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues	$ -	$ -	$ -	$ -
Expenditures	-	-	-	-
Other financing sources (uses)				
Transfers out	(25,814)	(25,814)	(25,814)	-
Net change in fund balance	(25,814)	(25,814)	(25,814)	-
Fund balance, July 1	25,814	25,814	25,814	-
Fund balance, June 30	$ -	$ -	$ -	$ -

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - DEBT SERVICE

(BUDGET BASIS)

For the Year Ended

June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Special assessments	$ 3,963	$ 3,963	$ 3,484	$ (479)
Interest on investments	80	80	63	(17)
Total revenues	4,043	4,043	3,547	(496)
Expenditures				
Debt service	58,665	58,674	58,673	1
Contingency	22,715	22,706	-	22,706
Total expenditures	81,380	81,380	58,673	22,707
Net change in fund balance	(77,337)	(77,337)	(55,126)	22,211
Fund balance, July 1	77,337	77,337	73,938	(3,399)
Fund balance, June 30	$ -	$ -	$ 18,812	$ 18,812

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SDC FUND
(BUDGET BASIS)

For the Year Ended
June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
System development charges	$ 55,000	$ 55,000	$ 86,405	$ 31,405
Expenditures				
Capital outlay	340,221	340,221	-	340,221
Net change in fund balance	(285,221)	(285,221)	86,405	371,626
Fund balance, July 1	285,221	285,221	288,811	3,590
Fund balance, June 30	$ -	$ -	$ 375,216	$ 375,216

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

BUDGET AND ACTUAL - WATER FUND

(BUDGET BASIS)

For the Year Ended

June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Charges for services	$ 3,166,498	$ 3,166,498	$ 3,089,709	$ (76,789)
Miscellaneous	21,000	21,000	23,994	2,994
Interest on investments	40,000	40,000	98,543	58,543
Total revenues	3,227,498	3,227,498	3,212,246	(15,252)
Expenses				
Personal services	600	600	441	159
Materials and services	2,260,458	2,280,458	2,261,515	18,943
Capital outlay	532,000	512,000	322,992	189,008
Debt service	270,816	270,816	270,219	597
Contingency	1,360,394	1,340,394	-	1,340,394
Total expenses	4,424,268	4,404,268	2,855,167	1,549,101
Excess of revenues over (under) expenses	(1,196,770)	(1,176,770)	357,079	1,533,849
Other financing sources (uses)				
Transfers out	(92,190)	(112,190)	(112,190)	-
Net change in fund net position	(1,288,960)	(1,288,960)	244,889	1,533,849
Net position, July 1	1,288,960	1,288,960	1,502,531	213,571
Net position, June 30	$ -	$ -	1,747,420	$ 1,747,420

Reconciliation to Generally Accepted Accounting Principles

Capital assets, net of accumulated depreciation	13,597,370
Inventory	13,571
Accrued interest	(73,385)
Long-term obligations	(2,601,398)
Debt refunding deferred inflows	(273,147)
Net position, ending	$ 12,410,431

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

BUDGET AND ACTUAL - SEWER FUND

(BUDGET BASIS)

For the Year Ended

June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Charges for services	$ 3,482,922	$ 3,482,922	$ 3,658,324	$ 175,402
Miscellaneous	1,000	1,000	5,273	4,273
Interest on investments	60,000	60,000	132,806	72,806
Total revenues	3,543,922	3,543,922	3,796,403	252,481
Expenses				
Personal services	10,600	10,600	441	10,159
Materials and services	2,265,782	2,265,782	2,143,822	121,960
Capital outlay	275,950	275,950	142,743	133,207
Debt service	454,336	454,336	452,295	2,041
Contingency	2,230,725	2,210,725	-	2,210,725
Total expenses	5,237,393	5,217,393	2,739,301	2,478,092
Excess of revenues over (under) expenses	(1,693,471)	(1,673,471)	1,057,102	2,730,573
Other financing sources (uses)				
Transfers out	(51,217)	(71,217)	(71,217)	-
Net change in fund net position	(1,744,688)	(1,744,688)	985,885	2,730,573
Net position, July 1	1,794,688	1,794,688	2,087,356	292,668
Net position, June 30	$ 50,000	$ 50,000	3,073,241	$ 3,023,241

Reconciliation to Generally Accepted Accounting Principles

Capital assets, net of accumulated depreciation	17,661,149
Accrued interest	(73,675)
Long-term obligations	(2,567,199)
Debt refunding deferred inflows	(261,469)
Net position, ending	$ 17,832,047

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL - AIRPORT FUND
(BUDGET BASIS)

For the Year Ended
June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Charges for services	$ 65,278	$ 65,278	$ 82,747	$ 17,469
Miscellaneous	1,500	1,500	5,279	3,779
Total revenues	66,778	66,778	88,303	21,525
Expenses				
Materials and services	50,505	67,438	66,857	581
Capital outlay	17,568	48,835	48,835	-
Total expenses	118,812	168,812	168,130	682
Excess of revenues over (under) expenses	(52,034)	(102,034)	(79,827)	22,207
Other financing sources (uses)				
Transfers in	37,332	87,332	87,331	1
Transfers out	(4,164)	(4,164)	(4,164)	-
Total other financing sources (uses)	33,168	83,168	83,167	1
Net change in fund net position	(18,866)	(18,866)	3,340	22,208
Net position, July 1	18,866	18,866	38,913	20,047
Net position, June 30	$ -	$ -	42,253	$ 42,255

Reconciliation to Generally Accepted Accounting Principles

Capital assets, net of accumulated depreciation	8,944,054
Note receivable	6,894
OPEB asset	393
OPEB deferred inflows	(118)
OPEB deferred outflows	172
Net pension liability	(137,599)
Pension deferred inflows	(22,643)
Pension deferred outflows	60,224
Net position, ending	$ 8,893,630

CITY OF ONTARIO, OREGON
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
June 30, 2019

	Storm Sewer Fund	Golf Course Fund	Aquatic Fund	Total June 30, 2019
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and pooled investments	$ 469,394	$ -	$ -	$ 469,394
Receivables				
Customer accounts, net allowance	9,206	-	-	9,206
Other	-	-	255,347	255,347
Capital assets not being depreciated	8,009	-	-	8,009
Capital assets being depreciated (net of accumulated depreciation)	2,161,163	-	822,120	2,983,283
Total assets	2,647,772	-	1,077,467	3,725,239
Deferred outflows of resources	-	-	-	-
Total assets and deferred outflows	$ 2,647,772	$ -	$ 1,077,467	$ 3,725,239
Liabilities				
Accounts payable	$ 217	$ -	$ 1,539	$ 1,756
Due to other funds	-	-	195,834	195,834
Total liabilities	217	-	197,373	197,590
Deferred inflows of resources	-	-	-	-
Net position				
Net investment in capital assets	2,169,172	-	822,120	2,991,292
Unrestricted	478,383	-	57,974	536,357
Total net position	2,647,555	-	880,094	3,527,649
Total liabilities, deferred inflows and net position	$ 2,647,772	$ -	$ 1,077,467	$ 3,725,239

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET POSITION NONMAJOR PROPRIETARY FUNDS

For the Year Ended June 30, 2019

	Storm Sewer Fund	Golf Course Fund	Aquatic Fund	Total June 30, 2019
Operating revenues				
Charges for services	$ 107,182	$ -	$ -	$ 107,182
Operating expenses				
Employee benefits	18	-	-	18
Contract services	78,536	-	-	78,536
Depreciation	104,842	-	-	104,842
Insurance	2,266	-	-	2,266
Miscellaneous expense	347	-	-	347
Supplies - general	184	-	-	184
Utilities	20	-	11,074	11,094
Fees	7,425	-	-	7,425
Administrative	3,822	-	-	3,822
Total operating expenditures	197,460	-	11,074	208,534
Net income from operations	(90,278)	-	(11,074)	(101,352)
Non operating income (expenses)				
Interest earned on investments	4,022	-	-	4,022
Donations & grants	-	-	392,424	392,424
Other taxes	-	-	107,933	107,933
Total non operating income (expenses)	4,022	-	500,357	504,379
Net income	(86,256)	-	489,283	403,027
Other items				
Capital contribution (distribution)	(8,544)	-	-	(8,544)
Transfers in	-	-	136,115	136,115
Transfers out	(3,073)	(5,999)	-	(9,072)
Total other items	(11,617)	(5,999)	136,115	118,499
Change in net position	(97,873)	(5,999)	625,398	521,526
Net position, July 1	2,745,428	5,999	254,696	3,006,123
Net position, June 30	$ 2,647,555	$ -	$ 880,094	$ 3,527,649

CITY OF ONTARIO, OREGON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended
June 30, 2019

	Enterprise Funds			
	Storm Sewer Fund	Golf Fund Fund	Aquatic Fund	Total
Cash flows from operating activities				
Cash received from customers	$ 107,300	$ -	$ -	$ 107,300
Cash payment to employees for services	(18)	-	-	(18)
Cash payment to suppliers for goods and services	(92,775)	(1,000)	(12,682)	(106,457)
Other operating revenues	-	-	(240,770)	(240,770)
Net cash provided by operating activities	14,507	(1,000)	(253,452)	(239,945)
Cash flows from noncapital financing activities				
Operating transfers-out to other funds	(3,073)	(5,999)	-	(9,072)
Operating transfers-in from funds	-	-	136,115	136,115
Interfund loans	-	-	195,834	195,834
Net cash provided by noncapital financing activities	(3,073)	(5,999)	331,949	322,877
Cash flows from capital and related financing activities				
Acquisition and construction of capital assets	(39,965)	-	(752,402)	(792,367)
Cash received from grants and donations	-	-	392,424	392,424
Cash received from taxes	-	-	107,933	107,933
Net cash used for capital and related financing activities	(39,965)	-	(252,045)	(292,010)
Cash flows from investing activities				
Interest and dividends on investments	4,022	-	-	4,022
Net increase (decrease) in cash and cash equivalents	(24,509)	(6,999)	(173,548)	(205,056)
Cash and cash equivalents at beginning of year	493,903	6,999	173,548	674,450
Cash and cash equivalents at end of year	$ 469,394	$ -	$ -	$ 469,394
Reconciliation of operating income to net cash provided by operating activities				
Net Income	$ (90,278)	$ -	$ (11,074)	$ (101,352)
Adjustments to reconcile net income to net cash provided (used) by operating activities:				
Depreciation expense	104,842	-	-	104,842
(Increase) decrease in accounts receivable	118	-	(240,770)	(240,652)
Increase (decrease) in accounts payable	(175)	-	(1,608)	(1,783)
Net increase (decrease) in customer deposits	-	(1,000)	-	(1,000)
Total adjustments	104,785	(1,000)	(242,378)	(138,593)
Net cash provided (used) by operating activities	$ 14,507	$ (1,000)	$ (253,452)	$ (239,945)
Reconciliation of cash and cash equivalents at year end to specific assets included on the Statement of Net Position				
Current assets				
Cash and investments	$ 469,394	$ -	$ -	$ 469,394
Non cash capital financing transactions				
Capital contributions from (to) other funds	$ (8,544)	$ -	$ -	$ (8,544)

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

BUDGET AND ACTUAL - STORM SEWER FUND

(BUDGET BASIS)

For the Year Ended

June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Charges for services	$ 106,300	$ 106,300	$ 107,182	$ 882
Interest on investments	2,000	2,000	4,022	2,022
Total revenues	108,300	108,300	111,204	2,904
Expenses				
Personal services	25	25	18	7
Materials and services	92,600	94,600	92,600	2,000
Capital outlay	138,000	136,000	39,965	96,035
Contingency	382,261	382,261	-	382,261
Total expenses	612,886	612,886	132,583	480,303
Excess of revenues over (under) expenses	(504,586)	(504,586)	(21,379)	483,207
Other financing sources (uses)				
Transfers out	(3,073)	(3,073)	(3,073)	-
Change in fund net position	(507,659)	(507,659)	(24,452)	483,207
Net position, July 1	507,681	507,681	502,835	(4,846)
Net position, June 30	$ 22	$ 22	478,383	$ 478,361

Reconciliation to Generally Accepted Accounting Principles

Capital assets, net of accumulated depreciation	2,169,172
Net position, e\nding	$ 2,647,555

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

BUDGET AND ACTUAL - GOLF COURSE FUND

(BUDGET BASIS)

For the Year Ended

June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues	$ -	$ -	$ -	$ -
Expenses	-	-	-	-
Other financing sources (uses)				
Transfers out	(6,000)	(6,000)	(5,999)	1
Net change in fund net position	(6,000)	(6,000)	(5,999)	1
Net position, July 1	6,000	6,000	5,999	(1)
Net position, June 30	$ -	$ -	$ -	$ -

CITY OF ONTARIO, OREGON

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

BUDGET AND ACTUAL - AQUATIC FUND

(BUDGET BASIS)

For the Year Ended

June 30, 2019

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Other taxes	$ 50,000	$ 100,000	$ 107,933	$ 7,933
Grants and donations	309,613	443,841	392,424	$ (51,417)
Total revenues	359,613	543,841	500,357	(43,484)
Expenses				
Materials and services	60,000	10,000	11,074	(1,074)
Capital outlay	513,305	854,934	752,402	102,532
Total expenses	573,305	864,934	763,476	101,458
Excess of revenues over (under) expenses	(213,692)	(321,093)	(263,119)	57,974
Other financing sources (uses)				
Transfers in	25,814	136,115	136,115	-
Net change in fund net position	(187,878)	(184,978)	(127,004)	57,974
Net position, July 1	187,878	184,978	184,978	-
Net position, June 30	$ -	$ -	57,974	$ 57,974

Reconciliation to Generally Accepted Accounting Principles

Capital assets, net of accumulated depreciation	822,120
Net position, ending	$ 880,094

CITY OF ONTARIO, OREGON

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

For the Year Ended

June 30, 2019

Recreation Board	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019
ASSETS				
Cash and investments	$ 1,290	$ -	$ 1,000	$ 290
LIABILITIES				
Held in trust for other governments	$ 1,290		$ 1,000	$ 290

Friends of the Aquatic Center	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019
ASSETS				
Cash and investments	$ 78,664	35,253	113,917	$ -
Accounts receivable	10,000	-	10,000	-
Total assets	88,664	35,253	123,917	-
LIABILITIES				
Held in trust for other governments	$ 88,664	$ 35,253	$ 123,917	$ -

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OTHER FINANCIAL SCHEDULES

CITY OF ONTARIO, OREGON

SUMMARY SCHEDULE OF CASH, CASH ITEMS AND INVESTMENTS

June 30, 2019

Intermountain Community Bank		
Demand accounts	$	1,235,442
Certificates of Deposit		585,147
Oregon State Treasury Local Government Investment Pool **		11,490,241
Cash on hand		955
Total cash and investments on books	$	13,311,785

SCHEDULE OF COLLATERAL SECURITY

Intermountain Community Bank *		
Federal Deposit Insurance Corporation	$	250,000

*Qualified depository for public funds per ORS 295.

**Oregon LGIP is fully collateralized by the state of Oregon.

INDEPENDENT AUDITORS'

REPORT REQUIRED BY OREGON

STATE REGULATIONS

connected professional
ACCOUNTANTS LLC

P.O. Box 1024 | 1121 Adams Avenue | La Grande, OR 97850
P 541.963.4191 | F 541.963.9434 | W lagrandecpa.com

Independent Auditors' Report on Compliance and Internal Control Required by Oregon State Regulations

We have audited the basic financial statements of the City of Ontario as of and for the year ended June 30, 2019, and have issued our report thereon dated February 10, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

<u>Compliance and Other Matters</u>

As part of obtaining reasonable assurance about whether City of Ontario, Oregon's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent 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 limitation, 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).**

The independent elected officials of City of Ontario, Oregon, do not collect or receive money and are, therefore, not subject to the requirements of OAR 162-10-140.

In connection with our testing nothing came to our attention that caused us to believe City of Ontario, Oregon, 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 as follows:

1. The City did not comply with ORS 294.456(6). Expenditures exceeded budgeted appropriations for the year ended June 30, 2019, as follows:

Fund	Over Expenditure
Grants fund- Capital Outlay	$17,195
Reserve fund- Materials and Services	3,069
Aquatic fund- Materials and Services	1,074

<u>OAR 162-10-0230 Internal Control</u>

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

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

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

Purpose of this Report

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

CONNECTED PROFESSIONAL ACCOUNTANTS, LLC
Certified Public Accountants

By Chelsea A. Hewitt

Chelsea A. Hewitt, CPA
Owner/Member

La Grande, Oregon
February 10, 2020

connected professional ACCOUNTANTS LLC

P.O. Box 1024 | 1121 Adams Avenue | La Grande, OR 97850
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[DATE]

To the City Council
City of Ontario, Oregon

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 Ontario, Oregon, for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 11, 2019. Professional standards also require that we communicate to you the following information related to our audit.

DRAFT

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in the Note 1 to the financial statements. As described in the notes to the financial statements, the City of Ontario changed accounting policies by adopting Statement of Governmental Accounting Standards (GASB Statements) No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements,* in fiscal year ending June 30,2019. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the financial statements. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

> Management's estimate of the useful lives of capital assets is based on prior experience with similar assets and on industry standards. We evaluated the key factors and assumptions used to develop the useful lives of assets in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no proposed audit adjustments for the fiscal year.

Disagreements with Management

For purposes of this letter, a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, which could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated DATE.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

<u>Other Information in Documents Containing Audited Financial Statements</u>

We applied certain limited procedures to the management's discussion and analysis and pension liability information which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual nonmajor fund financials, and other financial schedules, which accompany the financial statements but are not RSI. With respect to such information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled this information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory information, which accompanies the financial statements but is not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide assurance on it.

<u>Restriction on Use</u>

This information is intended solely for the use of the City Council and management of the City of Ontario, Oregon, and is not intended to be and should not be used by anyone other than these specified parties.

CONNECTED PROFESSIONAL ACCOUNTANTS, LLC

By ______________________________________

Chelsea A. Hewitt, CPA
Owner/Member

DRAFT

Proclamation

WHEREAS, The Boys and Girls Club of Western Treasure Valley has been a part of the Ontario area community for 10 years; and

WHEREAS, The City recognizes the value of the Club's contribution to the Ontario community in creating healthier outcomes for our youth; and

WHEREAS, The Club has undertaken a monumental funding to ensure its future operation, and

WHEREAS, The City would like to encourage our residents to participate in the Club's efforts to get 5,000 people to contribute $5 per month; and

WHEREAS, The City desires to express its support for the Boys and Girls Club of Western Treasure Valley and for their Great Futures Campaign.

NOW THEREFORE, I, Mayor Riley J. Hill, Mayor of Ontario, do hereby proclaim March 2020 as a challenge to support the Western Treasure Valley's Boys and Girls Club's Great Futures Campaign.

____
Riley J. Hill, Mayor

ATTEST:

____
Tori Barnett, MMC, City Recorder

BOYS & GIRLS CLUB
OF WESTERN TREASURE VALLEY

Celebrating 10 Years Strong

GREAT FUTURES
CAMPAIGN 2020

10 YEAR ANNIVERSARY

GREAT FUTURES START HERE.
DONATE NOW

We Have a Goal: To Raise $300,000

- It’s a big goal, but if our communities all work together, it is possible!
- $5.00/month - Is this a worthwhile cost to give our kids the ability to achieve Great Futures?
- $5.00/month - could you spare a mocha espresso, a medium energy drink, or a double cheeseburger meal?

Before we can offer programs, there are other needs that first have to be met.

	Ontario	Payette	Total Org.
Meals Served	48,585	23,280	71,865

Both Clubs serve a full, hot supper to kids when they arrive, and an additional snack is served later.

Who Do We Serve?

	Ontario	Payette	Total Org.
• Daily Attendance	160	60	220
• Total Youth Served Annually	618	268	896

- Club is open to school-age kids, grades 1st-12th
- Average ages of Club Members: 8-11 years old - kids who are vulnerable by the nature of their youth and who need caring, positive supervision.

Program Outcomes: Academic Achievement, Healthy Lifestyles, & Good Character & Leadership

1. Art
2. Games & Social Rec
3. Physical Fitness & Sports
4. Community Service
5. Power Hour/Homework Help
6. Social-Emotional programs
7. Teen Nights
8. Mentoring
9. Field Trips

The People Who Make This Happen: Staff & Volunteers

	Payette	Ontario	Nutrition	Admin
Total Staff:	8	14	6	2
Total Volunteer Board Members:			10	

Total Cost to Run the Club

Ontario	Payette
$575,468	$324,689

- Local Dollars Required to Meet Budget: $300,000.00
- If we had 5,000 people in our community donate $5.00 a month, we would reach our goal.
- It takes Village! Many Hands Make light work!

Giving is Easy

- $60.00 a year broken down into 12 - $5.00 a month payments.
- Go to https://bgcwtv.org/donate/
- Pick either Monthly or One Time Donation
- Choose Credit Card or Apple Pay
- Fill out the required information
- Click on Donate Now

GREAT FUTURES START HERE.

Solution Overview

Introduction

Commercial buildings are required to get periodical inspections done on fire and life safety systems. These inspections are being performed by private third party companies. After an inspection is done the company or person that performed the inspection is required to provide the local Fire Department (authority having jurisdiction) a copy of the testing results. These reports will state whether the system passed or failed inspection, or if there are any deficiencies that need to be addressed. The Fire Department is the enforcing agency that makes sure all responsible parties are following local codes and ordinances.

The Concern

The current process allows third party companies to submit these reports to the Fire Department via email, mail, or fax. With all the different formats this becomes difficult and time consuming for Fire Departments to collect and review. The Fire Department then spends time finding ways to maintain these records, and often don't have access when out in the field. The current process makes it very difficult to track what deficiencies have been rectified. Lastly with how the current process is set up reports are sometimes taking weeks to even months to be submitted to the Fire Department. Lack of receiving information of deficiencies or impairments in real time can create fire and life safety concerns.

The Solution

LIV has developed a web based application for fire departments that streamlines the reporting process and comes at no additional cost to the city or fire department. The solution to the fire department provides a database of commercial buildings, fire protection systems, when those systems are due for inspection, and who is performing these inspections. The fire departments dashboard view automatically sorts inspection reports and is accessible by computer, tablet, or phone. Third party inspection companies can now submit reports to the Fire Department in real time. LIV's digital reports give the Fire Department a uniform view making it simple and efficient to review. Reports will automatically be sorted by system type, and whether they were reported as compliant or deficient. Reports are automatically stored for five years, and can be searched by address or business name while in the field. Our automated system helps save time tracking reports and deficiencies allowing fire departments to spend more time educating and enforcing.

Additional Features

Being proactive with inspections will decrease false alarm call outs for the fire department. The solution will also help lower the amount of re inspections that the fire department does on outstanding deficiencies, when an inspection company rectifies a deficiency it will update the fire departments dashboard. With LIV's mapping feature fire departments can see if there are high hazard areas within their jurisdiction.

Common Questions

1) How do third party inspection companies benefit?

With better communication and enforcement inspection companies will have opportunities for growth and an increase in revenue. Also with LIV's digital reports that are provided to all inspection companies this will save money on printing paper reports or purchasing additional software for digital reports.

2) How do business owners benefit?

Most insurance companies have premium discounts available for buildings that have fire protection systems, as long as they have records of inspections and maintenance. With better communication between service companies and fire departments the level of accountability will increase, therefor a better more thorough inspection will be done. Business owners will have peace of mind knowing their inspections are properly done and protecting their establishments, and the people within.

3) Is the data protected?

All data that is collected on behalf of your city or jurisdiction is owned by the City and Fire Department. Each inspection company will be able to view what they have submitted, but will not be able to see reports from their competition. LIV can not resale, or redistribute any of the data that is collected.

4) Does this help lower ISO ratings?

Yes, with the analysis reports you can prove an increase in enforcement and compliance. Also with a record management system in place, the solution will provide the data to help with community risk reduction and fire prevention.

5) Who pays for the solution?

LIV collects and retains a set amount each time an inspection company uploads an inspection report to the fire department.

Closing Statement

Fire Departments have many responsibilities they oversee on a daily basis. Being proactive in code enforcement and fire prevention is important in protecting our fire department personnel, and the people within our communities. LIV understands that fire departments across the nation are often understaffed and have strict budgets. LIV's solution is an additional tool and partnership that will benefit all parties involved and improves fire and life safety within your community.

AGENDA REPORT
NEW BUSINESS
March 5, 2020

TO: Mayor and City Council

FROM: Kari Ott, Finance Director

THROUGH: Adam J. Brown, City Manager

SUBJECT: HOUSING INCENTIVE PROGRAM: RYWEST HOMES APPLICATION

DATE: February 25, 2020

PROPOSED MOTION:

RYWEST HOMES, INC. SUBMITTED AN APPLICATION FOR $10,000 FROM THE HOUSING INCENTIVE PROGRAM.

THE PROPERTY IS LOCATED AT 859 REITER DRIVE.

THE BUSINESS LOAN COMMITTEE IS THE REVIEWING AND RECOMMENDING AUTHORITY FOR THE CITY OF ONTARIO BUSINESS LOAN FUND AND AS SUCH THE COMMITTEE IS TASKED WITH REVIEWING AND PROVIDING A RECOMMENDATION TO THE CITY COUNCIL ON ALL APPLICATIONS SUBMITTED FOR LOAN REQUESTS AND HOUSING INCENTIVE PAYMENTS. THE CITY COUNCIL IS THE FINAL AUTHORITY FOR APPROVAL OF THE APPLICATIONS. THE CITY MANAGER, FINANCE DIRECTOR AND COMMUNITY DEVELOPMENT DIRECTOR ARE RESPONSIBLE FOR INSURING ALL REQUIREMENTS ARE MET PRIOR TO PAYMENT OF THE APPROVED APPLICATION.

SUMMARY:

The City Council, under Resolution Number 2018-111, updated the City of Ontario Business Loan Fund codes under Section 11a Housing Incentive Program to promote new housing development with the city limits of Ontario.

BACKGROUND:

Rywest Homes Inc. is requesting approval of their application for the $10,000.00 incentive on a new home to be located at 859 Reiter Drive. The proposed dwelling will be 2,575 square feet with three (3) bathrooms and a 872 square foot garage. The application was deemed to be complete by the Community Development Director, and, meeting or exceeding the minimum requirements of Section 11 of the Business Loan Fund code, was forwarded to the Committee for their review and recommendation. The Business Loan Fund Committee recommended approval of the application on February 19, 2020.

CURRENT SITUATION:

The Housing Incentive Program promotes growth and desirability in Ontario.

ANALYSIS:

A. **FINANCIAL** If approved, the city would pay the funds from the Business Loan Fund. The $10,000.00 would be paid back to the fund through the city portion of the property taxes collected on the property and dwelling approved under this application.

B. **TIMING** Time is of the essence on this application as the applicant wants to pull a building permit and start construction as soon as they receive their approval.

C. **POLICY/LEGAL** The Business Loan Fund Committee makes recommendations to the City Council. If the City Council approves the action, the City Manager will have the Agreement signed by all parties authorizing the Building Department to issue a permit under this Agreement.

ALTERNATIVES:

Table the Action: The City Council could table the request and request further information from the Applicant.

Deny the Action: The $10,000 payment would not be made.

RECOMMENDATION:

Staff has reviewed the application for completeness and find it meeting or exceeding the minimum requirements. The Business Loan Fund Committee sent a favorable recommendation to the City Council. Therefore, staff recommends that the City Council approve the Application by Rywest Homes in the amount of $10,000.00.

ATTACHMENTS:

1. Rywest Homes Application 859 Reiter Drive

City of Ontario, Oregon
Housing Incentive Program Checklist

Applicant: Rywest Homes LLC **Date:** 2-11-2020

Site Address or Tax Lot: Blk 1 Lot 10 859 Reiter Dr.

Application Number: 12-2020 **(City Use Only)**

Application Information: (Applicant or Staff)

- ☑ Completed Application Signed & Dated: RKO
- ☑ Documentation showing funding: SELF
- ☑ Within City Limits
- ☐ In Urban Growth Boundary Annexation Application filed: N/A
- ☐ Floor Plan or description describing minimum square footage:
  1. House Square footage: 2575
  2. Number of Baths: 3
  3. Size of Garage: 872
- ☐ Description of Property of Home: 1854704 1605
  1. Tax Lot map & Number: Sage Ridge Place Subdivision
  2. Copy of Deed:
  3. Or written description: a Portion of the NW 1/4 of Section 4 Township 18 South, Range 47 east, Willamette Meridian - City of Ontario, Malheur County, Oregon Parcel A
- ☑ Completed W-9 Taxpayer Form.

Process Completed: (Staff Use Only below)

- ☑ PDAC (if Required) date Completed: NOT REQUIRED
- ☑ Community Development Director approval date: 2/21/2020
- ☑ Forwarded to Business Loan Fund Committee: 2/19/2020
- ☑ BLF Committee forwards recommendation to City Manager: 2/20/2020
- ☐ City Council Approval or Denial:
- ☐ City Manager signs application signifying Council **Approval:**
- ☐ Application submitted to Finance for tracking:
- ☐ Certificate of Occupancy issued (**within 2 yrs. of Council approval**):
- ☐ Proof of Owner Occupancy (**must be within 1 yr. of C of O**):
- ☐ Payment made to Owner:

Return to: Dan K Cummings, Community Development Director, 458 SW 3rd Street, Ontario, OR 97914
541-881-3222 – dan.cummings@ontariooregon.org

AGENDA REPORT
NEW BUSINESS
March 5, 2020

TO: Mayor and City Council

FROM: Adam J. Brown, City Manager

THROUGH: Adam J. Brown, City Manager

SUBJECT: PROGRAMMING OF CITY RECREATION FACILITIES

DATE: March 2, 2020

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE ONTARIO RECREATION DISTRICT AND THE CITY OF ONTARIO FOR THE SCHEDULING OF RECREATION FIELDS AND FACILITIES.

SUMMARY:

The City has been approached by the Recreation District to offer to provide scheduling for athletic fields on city parks. Currently, the city does not have capacity to perform this function. The task was formerly fulfilled by the City Parks and Recreation Department. Staff from both agencies worked together on an Intergovernmental Agreement, which has been drafted for consideration by both the Recreation District and City governing bodies.

BACKGROUND:

In November 2018, the voters within the 8c School District approved a referendum to create an Ontario Recreation District. The City of Ontario continued to operate the Recreation Department until July 1, 2019 at which time the Recreation District took over all recreation activities.

Since that time, the Recreation District has been running recreation programming. There are a number of organizations that use city athletic fields and facilities, which include schools, clubs, and the recreation district. The Recreation District has successfully navigated these partnerships without a formal agreement.

CURRENT SITUATION:

The Recreation District staff has volunteered to be the scheduler for the city owned athletic facilities. They have the staff expertise and software to schedule facilities, which can become very complex. The City does not currently have capacity to schedule these facilities and to provide the required communication and coordination needed to do this adequately.

The District has already created working relationships with multiple school districts and club sports. They have continued, and in some cases enhanced, the partnerships from which the City benefited. The Recreation District will honor commitments from previous and future agreements for priority with organizations enhancing the facilities. They have expressed a desire to be impartial in their scheduling of the athletic fields.

Our city resources are more valuable being used on other projects within the city where our strengths are more closely aligned with our staff. This is a positive win-win partnership with the Ontario Recreation District.

ANALYSIS:

A. **STRATEGIC PLAN** Establishing and maintaining a relationship with the Recreation District is a specific activity in the "Desirability" Goal and "Create More Things to Do" strategy in the Ontario City Strategic plan.

B. **FINANCIAL** There is no financial impact to the city. As part of the partnership, the city will provide the same maintenance of effort with our ground crews, and the recreation district is interested in enhancing the physical facilities of our fields at their expense.

C. **TIMING** The spring soccer season, which is our community's largest sport with around 900 kids participating annually is about to begin. They would like permission from the city to be able to schedule these facilities not just for soccer but also for other spring and summer sports.

   My recommendation is that the agreement go through the spring and fall sports season and that the Parks Committee then advise the City Manager on whether to continue with a 5-year extension. The City Manager and Executive Director could extend the agreement if both parties are agreeable.

D. **POLICY/LEGAL** Only the City Council has the authority to approve Intergovernmental Agreements between two governing bodies.

ALTERNATIVES:

Take No Action - The City will have to find someone to coordinate use of the athletic fields within our current city or contract staff.

RECOMMENDATION:

The City Manager recommends that the City Council approve the Intergovernmental Agreement between the Ontario Recreation District and City of Ontario for the Scheduling of Recreation fields and facilities.

ATTACHMENTS:

1. Doc_WS_City & Rec Dist scheduling IGA_3 3 2020

INTERGOVERNMENTAL AGREEMENT
REGARDING CITY OF ONTARIO RECREATION FACILITY SCHEDULING

THIS AGREEMENT, effective the _______________day of March, 2020, is by and between the CITY OF ONTARIO, a municipal corporation organized under the laws of the State of Oregon, hereinafter referred to as the "City"; and the ONTARIO RECREATION DISTRICT, a park and recreation district organized under ORS Chapter 266, hereinafter referred to as the "Recreation District".

RECITALS

WHEREAS, the City holds legal title to municipal parks in the City known as Beck-Kiwanis Park, Eastside Kiwanis Park, Alameda Park, and Optimist Park, in which is located certain sports recreation facilities referred to hereinafter as the recreation facilities; and

WHEREAS, the above mentioned parks subject to this Agreement consist of the following structures: 1) two youth baseball fields; 2) four soccer fields; 3) four tennis courts; and 4) two outdoor basketball courts as marked on the diagram shown in Exhibit "1" attached hereto; and

WHEREAS, the recreation facilities are the current primary locations for practice and games for community recreation programs, as well as local schools, clubs, and family activities throughout the year; and

WHEREAS**,** because of a lack of potential resources within the city to plan, organize, and schedule the recreation facilities, the recreation programs, schools, clubs, and general public have been allowed to utilize the facilities at will whenever possible without any regard for overlap in practices or games of other programs; and

WHEREAS, in November, 2018, the voters of the Ontario School District 8C approved the formation of, and a tax base for, the Recreation District for the purpose of operating and maintaining a recreation program to replace the programs provided through the City's Recreation Department which has allowed for the implementation of an online platform; and

WHEREAS, the City Council of the City of Ontario finds that the recreation facilities have no current plans or means of scheduling the use of these facilities for all programs, as long as the Recreation District assumes responsibility for the organized scheduling and communication of the scheduling to all local parties for the recreation facilities in order to allow for optimal use; and

WHEREAS, the City finds that the correct, organized scheduling of these facilities can allow for a more efficient and effective use of the recreation facilities for all parties involved programs.; and

WHEREAS, the Recreation District is prepared and able to organize, plan, and finance the updating and renovations for several recreation facilities within the municipal parks without the necessary continued approval of the city council so long as the projects have the given intent to serve the community of Ontario and the recreation programs associated with the recreation facilities ; and

WHEREAS, ORS 190.010 authorizes the City and the Recreation District to enter into an intergovernmental agreement for the purposes set forth herein.

AGREEMENT

SECTION 1. TRUTH OF RECITALS.

The foregoing Recitals are true and correct and are incorporated by reference.

SECTION 2. ASSUMPTION OF SCHEDULING RECREATION FACILITIES

Effective March 5th, 2020, the Recreation District shall assume all responsibility for the organization, planning, and communication of scheduling for the recreation facilities, subject to the terms and conditions of this Agreement. This agreement will expire on January 31, 2021 but may be extended for five years commencing January 31, 2026 based on the mutual agreement of the Recreation District and the City. The City Parks Committee will provide a recommendation in an advisory role prior to the extension of the agreement. The agreement may be extended by the City Manager and Executive Director of the Recreation District.

SECTION 3. RECREATION FACILITY PROJECTS

Effective March 5th, 2020, the Recreation District shall be approved to organize, plan, and finance equipment and facility updates and renovations for all recreation facilities within the municipal parks without the necessary continue approval of the city council so long as the projects are for the good of the community recreation programs. This agreement does not require the Ontario Recreation District to organize, plan or finance any equipment and facility updates and renovations. The agreement does not also require the Ontario Recreation District to maintain the recreation facilities so long as the projects that take place can be easily and effortlessly maintained by community members and recreation program participants. This does not allow the Recreation District to repurpose a recreation facility owned by the city for any other type of facility other than what it was originally intended for.

SECTION 4. HOLD HARMLESS.

Each party shall indemnify and hold the other harmless for any claims brought against the other party for the performance of, or the failure to perform, any activities undertaken by each party pursuant to this Agreement, to the extent of the limits of the Oregon Tort Claims Act. . In addition to the City's obligation to indemnify and hold Recreation District Harmless as set forth in the preceding sentence and subject to the limits of the Oregon Tort Claims Act, City shall also forever indemnify, reimburse and hold harmless Recreation District, its employees, agents and independent contractors from and against any and all claims, costs, expenses, (including attorney fees), losses, damages, fines, charges, action or other liabilities of any description arising out of or in any way connected with City's possession of the recreation facilities and use of the real property, City's conduct with respect to the property or any condition of the property to the extent the same exists on the date Recreation District commences operation of the scheduling of the property pursuant to this agreement.

In addition to the Recreation District's obligation to indemnify and hold City Harmless as set forth in the first sentence of this Section and subject to the limits of the Oregon Tort Claims Act, Recreation District shall also forever indemnify, reimburse and hold harmless City, its employees, agents and independent contractors from and against any and all claims, costs, expenses, (including attorney fees), losses, damages, fines, charges, action or other liabilities of any description arising out of or in any way connected with

Recreation District's possession and use of the real property, Recreation District's conduct with respect to the property or any condition of the property to the extent the same arises after the date Recreation District commences operation of the scheduling of the property pursuant to this agreement.

SECTION 5. ASSIGNMENT OF CONTRACTS.

The City and the Recreation District shall negotiate in good faith on the assignment of the previously mentioned obligations to the Recreation District.

SECTION 6. ~~NO~~ THIRD PARTY RIGHTS.

Existing agreements having priority for specific facilities between the city and other organizations (e.g. schools, clubs, etc…) will be honored by the Recreation District. Future agreements made between the city and other organizations will be honored by the Recreation District. Those agreements will be under advisement from the City Parks Committee and coordinated with the Recreation District prior to approval by the City Council.

It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the City and the Recreation District, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement except as expressly mentioned in Section 6. It is the express intention of the parties that any person other than the City and the Recreation District, or other party with an agreement with the City, receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

SECTION 7. ENTIRE AGREEMENT.

This Agreement contains the sole and entire agreement between the parties regarding the subject matter hereof and supersedes any and all prior agreements between the parties. The parties acknowledge and agree that neither of them has made any representations with respect to the subject matter of this Agreement, or any representation inducing the execution and delivery hereof, except such representations as are specifically set forth herein, and each of the parties hereto acknowledges that it has relied on its own judgment in entering into the same.

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IN WITNESS WHEREOF the parties have executed this Agreement in duplicate originals to be effective on the date set forth at the beginning of this Agreement.

CITY OF ONTARIO	ONTARIO RECREATION DISTRICT
By:	By:
____________________________	____________________________
Riley Hill, Mayor	Mary Jo Evers, Board Chair

Attest:

____
Tori Barnett, MMC, City Recorder

EXHIBIT 1

City of Ontario Park and Recreation Master Plan Section 3 – Existing Resources Table 3.3

Facilities

Table 3.3
Summary of Facilities (All Agencies)
Ontario Planning Area

Area	Total Number of Facilities	Youth Size	Adult Size
City of Ontario			
Baseball Fields	2	2	0
Softball Fields	0	0	0
Soccer Fields	4	0	4
Football Fields	0	0	–
Tennis Courts	6	–	–
Outdoor BB Courts	2	2	–
Sand Volleyball Courts	0	–	–
Gymnasiums	0	–	–
Pool Space (3,150)	0	–	–
Splash Pad (4,000)	1	–	–
Pathways/Trails	0.5 Miles	–	–
Ontario School District			
Baseball Fields	2	1	1
Softball Fields	1	1	0
Soccer Fields	7	3	4
Football Fields	1	0	1
Tennis Courts	7	–	–
Outdoor BB Courts	7	7	0
Sand Volleyball Courts	0	–	–
Gymnasiums	7	6	1
Pool Space	0	–	–
Pathways/Trails	0	–	–
Private Schools/College			
Baseball Fields	1	1	0
Softball Fields	3	3	0
Soccer Fields	4	3	1
Football Fields	0	0	0
Tennis Courts	5		
Outdoor BB Courts	0	–	–
Sand Volleyball Courts	0	–	–
Gymnasiums	6	5	1
Pool Space	0	–	–
Pathways/Trails	0	–	–

AGENDA REPORT
NEW BUSINESS
March 5, 2020

TO: Mayor and City Council

FROM: Betsy Roberts, City Engineer

THROUGH: Adam J. Brown, City Manager

SUBJECT: POTENTIAL ACTION FOR TASK ORDER COVERING DESIGN OF PH ADJUSTMENT SYSTEM FOR WWTP

DATE: February 24, 2020

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE THE TASK ORDER FOR THE WWTP PH ADJUSTMENT DESIGN FOR $14,900 TO SATISFY NATIONAL POLLUTANT DISCHARGE ELIMINATION REQUIREMENTS.

SUMMARY:

As part of the new NPDES Permit, the City is required to design and construct a new pH adjustment system at the tail end of the WWTP to ensure that pH remains within the allowable parameters. The attached Task Order covers the effort to design the system, bid it, and conduct the necessary Services During Construction including Record Drawings.

BACKGROUND:

The new NPDES permit has a number of requirements that will result in new design and construction at the existing WWTP prior to the development of the Facility Plan and final decision regarding the new treatment protocol required to meet the new limits. This pH adjustment system design and construction is part of that process. Jacobs has already developed and submitted the required pH Adjustment Design and Construction Plan to the Oregon Department of Environmental Quality (DEQ). This effort is the next step. The construction needs to be complete by September 1, 2020. Construction will run over into the next FY.

CURRENT SITUATION:

The team has reviewed the site, submitted the required Design and Construction plan and is currently ready to begin design. Ideally, DEQ review of the design will be completed prior to Construction Documents being advertised and bid.

ANALYSIS:

A. **STRATEGIC PLAN** This project meets the Strategic Plan elements of Desirability, Growth and Lifestyle. The project is a regulatory requirement that allows the City to continue to operate and provide the existing amenities and reliable waste treatment system that it currently enjoys. In particular, this project will ensure that the Snake River receives treated effluent at a neutral pH so it does not harm the Snake River aquatic environment.

B. **FINANCIAL** The current FY budget has $50,000 to cover the design and construction of this project. The attached Task Order provides information about the activities planned and the not to exceed budget of $14,900 to complete the design, bid the project, conduct services during construction and provide record drawings.

C. **TIMING** Timing is critical as this is a step identified with a specific deadline in the new NPDES permit. The deadline is September 1, 2020.

D. **POLICY/LEGAL** This item requires Council approval before the City Manager can sign on behalf of the City.

ALTERNATIVES:

A. The Council could deny the Task Order, but that would delay work and risk potentially not achieving the DEQ requirement for a completed pH adjustment amenity within the deadline provided in the permit.
B. The Council could approve the Task Order and the design team would move forward rapidly to complete the design and construction within the permit deadline.

RECOMMENDATION:

Staff recommends the Council approve the Jacobs Task Order for $14,900 to complete the design, bidding, services during construction and record drawings for the pH Adjustment project.

ATTACHMENTS:

1. Ontario_WW_pH_Design_TaskOrder_ver_1

Memorandum

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www.jacobs.com

City of Ontario – Wastewater pH Adjustment System Design, Bid and SDC Task Order

PREPARED BY: Betsy Roberts, Jacobs Engineering
Amanda Thompson, Jacobs Engineering

DATE: February 19, 2020

Project Background

The City of Ontario, Oregon's (City) Wastewater Treatment Plant (WWTP) seasonally discharges treated municipal wastewater to either the Snake River or to a farm where is used for land application. The new National Pollutant Discharge Elimination System Permit (NPDES) #101633 requires the plant daily effluent pH to be within the range of 6.4 to 9.0 on a daily grab sample basis when discharging into the Snake River (November 1 to April 30). Historical data from the plant shows that there are few days during the year when the pH is close to or slightly higher than 9.0. A pH adjustment system is required to reduce the pH in the effluent to comply with the new NPDES permit.

Scope of Work

This task order is to prepare design documents for the pH adjustment system. Hydrochloric acid will be used to reduce the effluent pH as needed to meet the new pH water quality limits. Hydrochloric acid is the selected pH buffer material since it does not affect the effluent quality. The pH adjustment system will include a liquid chemical storage and feed system. This system will be operated in a new prefabricated shed. The system would consist of two totes for storage to provide chemical storage of up to 15 days and will also include two new feed pumps. Hydrochloric acid will be injected in the same area where chlorine for disinfection is currently being injected at the end of the treatment train. A pH probe will continuously monitor the effluent pH and will be used to control the dosage delivered by the pH adjustment system.

Activities:

1. Development of contract documents including design drawings and specifications at the 65% and 100% design milestones. Documents will be provided to the City for review.
2. As required, a preliminary engineering report (PER) will be prepared and submitted to Oregon's Department of Environmental Quality (DEQ).
3. Project management to include managing budget and schedule, invoicing and change management.

Assumptions:

1. Jacobs will conduct internal team meetings and quality control reviews.

2. Three site visits will be performed at 5 hours or a total of 15 hours.
3. Jacobs will provide bid services and services during construction.
4. Jacobs will address comments provided by DEQ.
5. Hard copy drawings will be half size (11x17 for drawings) and available for documentation as well as needed. An electronic copy will also be saved in the electronic filing system.
6. Record drawings will be developed.

Compensation
Project Fee for Design, Bid and SDC Services: $ 14,900

Jacobs Engineers, Inc.	City of Ontario
By: ______________________	By: ______________________
Signature	Signature
______________________	______________________
Date	Date

AGENDA REPORT
NEW BUSINESS
March 5, 2020

TO: Mayor and City Council

FROM: Betsy Roberts, City Engineer

THROUGH: Adam J. Brown, City Manager

SUBJECT: POTENTIAL ACTION ON TASK ORDER FOR NATIONAL POLLUTANT DISCHARGE ELIMINATION PERMIT SUPPORT

DATE: February 24, 2020

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE THE TASK ORDER FOR DEQ PERMIT SUPPORT FOR $30,000.

SUMMARY:

The Oregon Department of Environmental Quality (DEQ) National Pollutant Discharge Elimination System (NPDES) permit requires significant potential cost for various system improvements. The City and Jacobs were moving along a path to consider a Variance from the State with respect to potentially extraordinary costs to achieve the new effluent limits. As part of that, the City is required to have a clear understanding of its financial situation prior to Variance application. As part of the effort, the City chose to track down the opportunity to secure grants and loans through the State's One Stop Process. The attached Task Order supports the effort to prepare for the One Stop meeting, and apply for a Community Development Block Grant.

BACKGROUND:

The Jacobs team researched demographic information and developed costs for anticipated projects associated with compliance to the new NPDES permit for the State of Oregon DEQ. The team developed the initial application to Business Oregon to enter into a One Stop meeting. The team then met with the Business Oregon staff at the One Stop meeting and worked through the alternative methods of financing (ranging from grant to loans to loan forgiveness) with various State agencies, all of whom were a part of the meeting via teleconference. The outcome of the meeting was a path forward including application to receive up to $2.5M in grant funding to support required Inflow & Infiltration (I/I) project design and construction. Specific activities included under this task order are: coordination with the DEQ regarding path forward for a financial Variance for the NPDES permit, preparation for the One Stop Meeting and attendance, development of a CDBG application, and creation of the Public Notice for the CDBG including the Senior Center application.

CURRENT SITUATION:

The Jacobs team is ready to prepare the CDBG application which is due April 30. The team has completed the Public Notice for the application which will be heard at this Council meeting.

ANALYSIS:

A. **STRATEGIC PLAN** This project meets the Strategic Plan elements of Desirability, Growth and Lifestyle. The project is a regulatory requirement that allows the City to continue to operate and provide the existing amenities and reliable waste treatment system that it currently enjoys. In particular, this project will help to reduce costs to the public for completing DEQ required improvements to the WWTP system.

B. **FINANCIAL** The Council approved a budget of $30,000 in the current FY to provide for this type of coordination and effort.

C. **TIMING** To complete the CDBG application in a timely manner, to make the application deadline, this Task Order needs to be approved now.

D. **POLICY/LEGAL** To move forward, Council approval is required.

ALTERNATIVES:

1. Approving this Task Order will allow the CDBG process to move forward, supporting required NPDES activities, and potentially securing $2.5M in grant funding.
2. Not approving the Task Order will result in the CDBG application not being completed at this time, and the burden of NPDES required activities being completed under City budgets as opposed to grant funding.

RECOMMENDATION:

Staff recommends the approval of the Task Order for DEQ permit related items for $30,000.

ATTACHMENTS:

1. Ontario_BusinessOregon_TaskOrder_ver_3

Memorandum

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City of Ontario – Business Oregon & Grant Program Preparation Task Order

PREPARED BY: Betsy Roberts, Jacobs Engineering
Amanda Thompson, Jacobs Engineering

DATE: February 19, 2020

Project Background
The City of Ontario, Oregon (City) has a sewer improvement project currently under design to conform to the new National Pollutant Discharge Elimination System Permit (NPDES) #101633. The purpose of this Task Order is to support the City in coordinating with Business Oregon, the state's economic development agency which facilitates the One Stop Meeting platform to help communities discover and apply for grants and/or loans for infrastructure construction, and based on that meeting to provide preparation and documentation to support application for federal grant funding through Community Development Block Grant (CDBG).

Scope of Work
Task 0 - Preliminary Work
Paul Woods with Jacobs worked with the Department of Environmental Quality (DEQ) after finalization of the NPDES permit in the spring of 2019 to begin a path towards seeking a Variance that would allow the City to obtain a more achievable solution to the currently imposed arsenic limit. Development of demographic information, median income, etc. was completed in the process of moving towards a Variance. However, during this process, it was determined that taking an alternative path to review the Business Oregon grant/loan opportunities was applicable. The following Tasks represent that path.
Task 1 – One Stop Meeting

Task 1 covers preparation for and participation in the One Stop Meeting with City staff and representatives of Business Oregon. The effort covers time required to prepare the One Stop application and documentation prior to the meeting, coordination with Business Oregon staff regarding the application and documentation and meeting scheduling. Coordination included filling out forms and asking and answering a variety of questions to determine applicability of the grants/loans available, so that Business Oregon would have the appropriate grant/loan representatives available at the meeting/call. Jacobs prepared the documentation on the existing wastewater system, answered questions from and coordinated with Business Oregon prior to the meeting and attended the meeting in October.

Task 2 – Public Noticing

Task 2 includes the effort to develop the required Public Notice (in English and Spanish) and fulfill advertisement requirements in the local newspaper(s) prior to submittal of the application. Effort includes coordination with Business Oregon for their review and with Nick Ducote Consulting to incorporate the Senior Center project in the Notice as well.

Task 3 – CDBG Application

In Task 3, Jacobs will familiarize itself with the CDBG application and the application process in detail. Jacobs will use documentation collected in Task 1 and develop additional documentation as needed to prepare the application. Jacobs will complete the application and submit it to the CDBG for the April 30th deadline, given the construction documents (by others) and the environmental documentation have been adequately completed. Jacobs will provide assistance as needed after the submittal.

Activities:

1. Collect documentation of the existing system.
2. Attend One Stop Meeting
3. Prepare Public Notice
4. Prepare and submit CDBG application
5. Project management to include managing budget and schedule, invoicing and change management.

Assumptions:

1. The contract documents for the sanitary sewer design project are complete as required.
2. The Environmental assessment (assumed to be a Categorical Exclusion) is completed in the timeframe required by the application.

Compensation (rough approximation of spending breakdown)

Task 0 Preliminary Work: $10,000
Task 1 Project Fee: One Stop Meeting: $ 5,000
Task 2 Project Fee: Public Noticing: $5,000
Task 3 Project Fee: Community Development Block Grant (CDBG) Application: $10,000

Total Cost of project Not to Exceed: $30,000

Jacobs Engineers, Inc.	City of Ontario
By: ______________________	By: ______________________
Signature	Signature
______________________	______________________
Date	Date

AGENDA REPORT
NEW BUSINESS
March 5, 2020

TO: Mayor and City Council

FROM: Betsy Roberts, City Engineer

THROUGH: Adam J. Brown, City Manager

SUBJECT: POTENTIAL ACTION ON TASK ORDER TO CONDUCT ENVIRONMENTAL ASSESSMENT REQUIRED FOR CDBG APPLICATION

DATE: February 25, 2020

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE THE TASK ORDER FOR ENVIRONMENTAL EVALUATION FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) APPLICATION FOR $55,920.

SUMMARY:

As part of the path forward to complying with the new National Pollutant Discharge Elimination System (NPDES), the City is required to conduct a significant project to reduce inflow and infiltration (I/I) in the sanitary sewer collection system. Based on input from Business Oregon, the City has an opportunity to secure CDBG funding up to $2.5M to do I/I work. However, because this is a federal grant program, the application procedure requires an environmental process, thus the attached Environmental Task Order has been developed to address this effort.

BACKGROUND:

The Department of Environmental Quality (DEQ) for the State of Oregon and the City of Ontario executed a new NPDES permit. The permit has a significant increase in compliance requirements. One of those is the requirement to attempt to reduce as much I/I as possible in the sanitary sewer collection system.
As part of the coordination effort with the DEQ, the engineering team began researching funding opportunities to support as many of the new NPDES requirements as possible. During this research effort, it became clear that Business Oregon could provide some expertise regarding financial support. The opportunity that looked most appropriate for the I/I project is the CDB grant system. This grant can provide up to $2.5M.

CURRENT SITUATION:

As part of the CDBG application process, the applicant has to have achieved a certain level of completion for the environmental process. Based on this requirement, staff would like to begin the environmental process as quickly as possible to reach that level of completeness by the April 30 grant application deadline.

ANALYSIS:

A. **STRATEGIC PLAN** This project meets the Strategic Plan elements of Desirability, Growth and Lifestyle. The project is a regulatory requirement that allows the City to continue to operate and provide the existing amenities and reliable waste treatment system that it currently enjoys. In particular, this project will help to reduce I/I in the public sanitary sewer collection system, and will reduce the cost of such effort to the public for completing DEQ required improvements to the WW collection system.

B. **FINANCIAL** Last spring, the Council approved $400,000 for sanitary sewer improvements. With the CDBG opportunity coming to light last fall, staff has asked that the available funding be redirected from covering design, construction and construction inspection for a small I/I improvement project to cover the design and environmental effort needed for a much larger I/I project to be covered financially through a CDB Grant ($2.5M).

C. **TIMING** Timing is critical as the environmental work needs to be in draft format by the April 30 application deadline.

D. **POLICY/LEGAL** Council action is required at this time to expend the funds for the environmental task order.

ALTERNATIVES:

1. Do not approve the Task Order. This will put staff behind and we will not be able to submit a CDBG application in April.
2. Approve the Task Order and, unless there are unforeseen environmental issues, the process should be to the necessary level of completeness in order to submit an application in April.

RECOMMENDATION:

Staff recommends the Council approve the Environmental Task Order for $55,920.

ATTACHMENTS:

1. CAEX_Scope_Ontario V4 FINAL
2. Figure1_PlannedSewerImprovements

Memorandum

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www.jacobs.com

City of Ontario - 2020 Sewer Improvement Project. Categorical Exclusion, NEPA documentation. Scope of Work

PREPARED FOR:	Betsy Roberts, Jacobs Engineering
COPY TO:	Paul Woods, Jacobs Engineering
PREPARED BY:	Gretchen Herron, Jacobs Engineering
DATE:	February 12, 2020

This task is to prepare documentation to allow the HUD to issue a categorical exclusion (CE) under NEPA for the City of Ontario's sewer improvement project. The purpose of this Task Order is to provide NEPA documentation to support federal grant funding through Community Development Block Grant (CDBG) for the City of Ontario's sewer improvement project. The project, and this scope of work, is assumed to meet the requirement of the HUD Categorically Excluded (CE) Projects subject to SS 58.5. The project is assumed to fall into the category which is listed at 24CFR 58.35 (a) as Categorically Excluded activity subject to Section 58.5, description is as follows:

Acquisition, repair, improvement, reconstruction, or rehabilitation of public facilities and improvements (other than buildings) when the facilities and improvements are already in place and will be retained in the same use without change in size or capacity for more than 20 percent. Examples:

- *Replacement of water or sewer lines*
- *Reconstruction of curbs and sidewalks*
- *Repaving of streets.*

Project Background

The City of Ontario identified the need to replace 11,000 linear feet of existing sewer line (Figure 1). This project will be conducted using pipe bursting technology within the city's Right of Way and areas of previously disturbed grounds. The construction funding for the sewer improvement project will be applied for through a federal grant program administered by CDBG. To obtain federal funding (Housing and Urban Development administered by CDBG) NEPA documentation is required.

This scope of work is to support NEPA documentation for projects which are Categorically Excluded per 24 CFR Section 58.35(a).

The CDGB grant application timelines include:

a. Block Grant Round 1 opens February 1 2020, applications due April 30, award notices July
b. Block Grant Round 2 opens July 1 2020, applications due September 30, award notices December

Scope of Work

This task is to prepare documentation to allow the HUD to issue a categorical exclusion (CE) under NEPA for sewer improvement project. Jacobs will conduct documentation from verifiable source documents and relevant databases to comply with CE documentation.

Site Visit and Follow-up – Two Jacobs staff will participate in up to 1 site visit to the sewer improvement project site. Follow up, e.g., summary notes, will be prepared following each site visit.

Data Collection –Jacobs will collect existing, publicly-available data addressing the resources to be evaluated for the CE (see list resource below). Some data will be provided by the design team. This activity includes accessing a cultural resources database by a certified archaeologist to conduct a literature search for existing information about archaeological resources and historic structures at and in the vicinity of the project area and draft Tribal coordination letters.

CE compliance documentation deliverable – CE will include the CE checklist (Exhibit 3F- Categorically Excluded Projects subject to SS58.5), information supported by the *Statutory Worksheet* (24CFR SS58.5; Exhibit 3D-Statutory Review Worksheet), and supporting documentation. Documentation will include information on the following 12 compliance statues identified in the CDBG Management Handbook (Exhibit 3D-*Statutory Review Worksheet* (24CFRSS58.5) and Exhibit F -*Categorically Excluded Projects Subject to* SS 58.5):

1. **Historic Preservation (36 CFR Part 800)-**A literature search will be conducted for the study area any prior survey, testing, and data recovery plans will be reviewed and summarized. Section 106 review, includes consultation with statutory and other interested parties (**Step 1**), identifies and evaluates historic properties (**Step 2**), assesses effects of the project on properties listed on or eligible for the National Register of Historic Places (if necessary, **Step 3**), and resolves any adverse effects through project design modifications or mitigation (if necessary, **Step 4**).
2. **Floodplain Management (Executive Order 11988; 24 CFR Part 55)-** FEMA-mapped floodplains from Malheur County will be obtained and reviewed. The 303(d) list will be reviewed for inclusion of water resources in the study area. Further, Jacobs will conduct on-line research for other studies from agencies such as the Oregon Department of Environmental Quality (ODEQ) and US EPA that might provide information on water quality conditions in the Study area.
3. **Wetlands Protection (Executive Order 11990; 3 CFR, SS 2,5)**- Utilizing data from the National Wetlands Inventory (NWI) National Hydrography Dataset (NHD) and state and local inventories, if available, to locate aquatic resources within the study area.
4. **Coastal Zone Management [(16 U.W.C 1451, SS 307©, (d)]**
5. **Sole Source Aquifers (Safe Drinking Water Act; 40 CFR Part 149)**

6 **Endangered Species Act (50 CFR Part 402)-** Obtain updated information from U.S. Fish and Wildlife Service (USFWS), NOAA (National Oceanic and Atmospheric Association), Oregon Fish and Game Department (OFGD), and Oregon Natural Diversity Database/Natural Heritage Program (NHP).

7 **Wild and Scenic Rivers Act [16 U.S.C. 1271, SS 7(b), (c)]-** Database search for Wild and Scenic Rivers and National Park Services designations.

8 **Clean Air Act (40 CFR Parts 6, 51, 93)-** Existing air quality attainment data will be obtained and reviewed.

9 **Farmland Protection Policy Act (7 CFR Part 658)**- Prime and unique farmland mapping and information will be obtained from NRCS and reviewed. The agricultural infrastructure will be described and the potential effects the project may have on the infrastructure.

10 **Environmental Justice (Executive Order 12898**)- Executive Order 12898, "Federal Actions to Address Environmental Justice in Minority Populations and Low-income Populations" requires certain federal agencies, including HUD, to consider how federally assisted projects may have disproportionately high and adverse human health or environmental effects on minority and low-income populations. Activities to support EJ analysis may include a review land use plans, census information and the U.S. EPA Environmental Justice webpage (EJ View), local government sources such as the health department or school district for specific information on neighborhood analysis.

11 **Noise Abatement and Control (24 CFR Part 51, Subpart B)-** Review general location maps and/or conduct a field review to screen for major roadways (within 1,000 feet), railroads (within 3,000 feet), and military or FAA-regulated airfields (with 15 miles) in the vicinity of the project.

12 **Explosives and Flammable Operations (24 CFR Part 51, Subpart C)-** When considering explosive and flammable facilities in the context of HUD-assisted projects, two lines of inquiry are appropriate:

- 1. Above ground stationary storage tanks near the project.
- 2. Hazardous facilities included in the project.

Supplemental database searches to document compliance with HUD Environmental Standards include:

- Toxic/Hazardous/Radioactive Materials, Contamination, Chemicals or Gasses
- Airport Clear Zones and Accident Potential Zones
- Siting of HUD Assisted Projects near Hazardous Operations

Findings of the database search, agency contact, and onsite assessments (up to 2 site visits) will be documented to verify compliance with CE. Compliance factors with moderate or high effort will be documented with a technical memorandum.

Assumptions:

Assumptions for this task include:

1. Jacobs staff will perform up to one site visit to support CE documentation and site characterization.

2. The CE documentation will be prepared for under one CE request. Documentation will follow a checklist format. It will evaluate the potential effects of the project and compliance with other federal requirements.
3. The following level of effort is assumed for review of each resource for the CE:

   Low: (*discussion of why impacts to the resource are not anticipated*):

   - Wetlands (absent, assume 8-step review will not be required),
   - Floodplain Management (assume 8-step review will not be required),
   - Wild and Scenic rivers (absent),
   - Coastal Zone Management (absent),
   - Farmland (absent).

   Medium: (*some data collection and analysis/presentation/ Public Notice- some mitigation maybe required*):

   - Historic Preservation and Tribal coordination,
   - Sole Source Aquifers,
   - Endangered Species,
   - Environmental Justice,
   - Explosives and Flammable Operations

   High: (*potential impacts, additional analysis, Public Notice, and mitigation may be required OR at the time of scoping insufficient design information is available to determine effort level of Medium)*:

   - *Clean Air Act,*
   - *Noise Abatement and Control*

4. If 8-step review of wetland and/or floodplains resources is required, CDBG grant application deadline of April 30 will not be achieved. If 8-step review is required grant application will be submitted in the fall of 2020.
5. Technical information (maps, photos, agency communication/coordination, calculations, analysis, brief technical memos) will be appended to the checklist. Separate technical reports are not deemed necessary.
6. It is assumed that the City of Ontario's Sewer Improvement Project will be approved as a CE project for NEPA documentation and approval for CDBG funding. If significant environmental effects are identified and an Environmental Assessment is required by CDBG or HUD, a separate Task Order for Environmental Assessment will be required.
7. Public involvement and review of the project are not required and not included in this scope. The project is not subject to public controversy.

8. Public Notice will be associated with resources that require formal consultation, permit agreement, or if it is found that the proposal may have an adverse effect on the protected resources, as necessary or determined through the CE statutory worksheet results.
9. Project information will be based on the preliminary design provided by the City's subconsultant for the design project, Keller & Associates.
10. City Engineer will coordinate with CDBG, for review and provide the CE materials to them.
11. Addressing the comments will not require additional field work, modeling, data collection, or calculations. It will also not include ongoing design changes.
12. Jacobs will conduct internal team meetings and quality control reviews.
13. Timely responses of 7 days or less from the client and grant review agency (CDBG) is required to complete the Categorical Exclusion within the April 30 deadline for CDBG spring grant applications.

Deliverables:

Prepare and submit agency communications (SHPO, USFWS, Tribes as identified on Exhibit 3D-*Statutory Review Worksheet*) to support Categorical Exclusion documentation.

Prepare and Submit the Administrative Draft CE-Statutory Checklist- to City of Ontario –Jacobs will document the resource-specific data collection and evaluations in an administrative draft CE. The CE will be provided in form of a checklist and will be supported by figures and attachments. The CE will be edited and submitted to City of Ontario for review and comment (electronic format).

Prepare and submit Public Notices, Notice of Intent (NOI)/ Request for Release of Funds (RROF) as necessary. If the activity triggers formal compliance consultation with the oversight agency or affects the resource, as is indicated as "B Status" on CE checklist. Public Notice will be published.

Respond to City of Ontario Comments on the Administrative Draft CE – One 7-day review is assumed. Comments will be managed as follows:

- City of Ontario to provide one set of consolidated, vetted comments in electronic format.
- Jacobs transcribes the comments onto a comment tracking form to facilitate tracking of comments and responses.
- Jacobs prepares an initial response to comments.
- City of Ontario and Jacobs prepare for and attend one in-person meeting to resolve substantive comments. Jacobs updates the tracking form to reflect the comment resolution meeting and subsequent follow up coordination.
- Jacobs updates the CE documentation to reflect comment resolution.

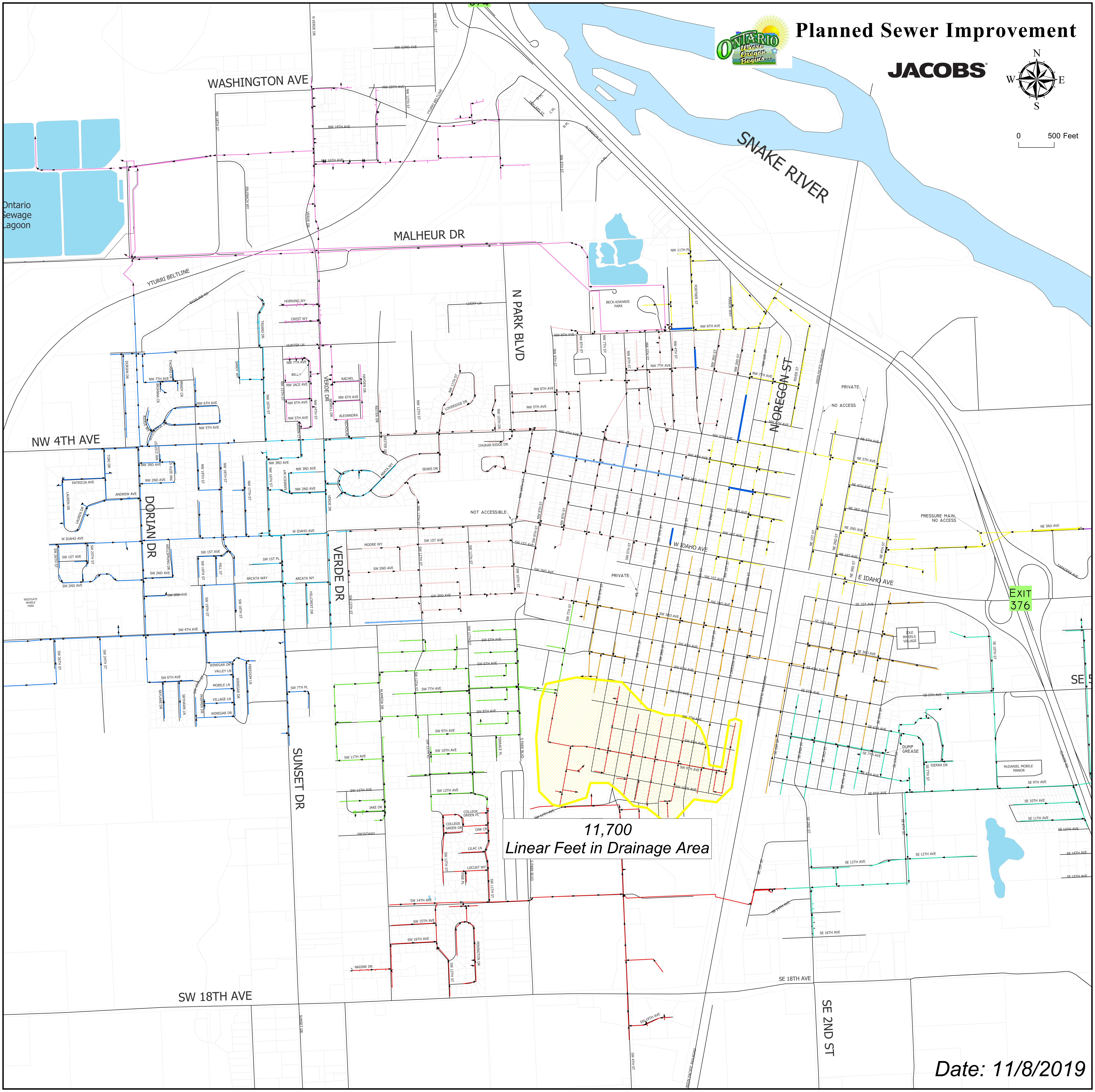
Prepare and Submit the Draft CE to CDBG – The environmental team will prepare a draft CE and submit it to CDBG for a 7-day review (electronic format).

Respond to CDBG Comments on the Draft CE – The CDBG will provide one set of consolidated, vetted electronic comments. Jacobs will address comments in the same manner described above using a comment tracking matrix and including an in-person comment resolution meeting with the CDBG in Oregon offices, if necessary.

Prepare and Submit the Final CE –Jacobs will prepare, print, and ship final copies of the CE to the CDBG or as directed to HUD TA for signature. Record of Determination will be recorded in Environmental Review Record (ERR).

Compensation:
Total Project Fee for CE Services: $ 54,920

Jacobs Engineers, Inc.	**City of Ontario**
By: ______________________	**By:** ______________________
Signature	**Signature**
______________________	______________________
Date	**Date**


Planned Sewer Improvement
JACOBS
N
S
E
W
0
500 Feet
SNAKE RIVER
Ontario Sewage Lagoon
WASHINGTON AVE
MALHEUR DR
YTURRI BELTLINE
N PARK BLVD
N OREGON ST
NW 4TH AVE
DORIAN DR
VERDE DR
SUNSET DR
W IDAHO AVE
E IDAHO AVE
BECK-KIWANIS PARK
PRIVATE
NO ACCESS
NOT ACCESSIBLE
PRESSURE MAIN, NO ACCESS
Exit 376
IDLE WHEELS VILLAGE
DUMP GREASE
McDANIEL MOBILE MANOR
WESTGATE MOBILE PARK
11,700
Linear Feet in Drainage Area
SW 18TH AVE
SE 18TH AVE
SE 2ND ST
Date: 11/8/2019

AGENDA REPORT
NEW BUSINESS
March 5, 2020

TO: Mayor and City Council

FROM: Betsy Roberts, City Engineer

THROUGH: Adam J. Brown, City Manager

SUBJECT: POTENTIAL ACTION FOR TASK ORDER REGARDING NPDES REPORT DEVELOPMENT

DATE: February 25, 2020

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) REPORT DEVELOPMENT TASK ORDER FOR $35,000.

SUMMARY:

The new NPDES permit requires the development of significantly more engineering reports due on a recurring basis. This was recognized during the past budget development and the Council approved a budget of $35,000 to work on creating the initial templates for these reports. At the time of the budget process, staff were not totally clear as to the exactly what reports would be required and when as the permit was still in the draft format at that time. However, the majority of these have not changed, though some due dates did vary. The attached Task Order covers the newly required Inflow & Infiltration (I&) Report, the pH Design and Construction plan (a one time document), and the updated Wastewater Reuse Plan.

BACKGROUND:

The NPDES permit was still in the draft form as the City was developing its budget. However, the team was aware that numerous new reports would be due at various times within the first 5-year permit cycle. The new permit has significantly increased the City's effort on monitoring, reporting, and physical improvements. This Task Order tackles just a few of the newly required activities.

CURRENT SITUATION:

The permit requires the first annual I/I report. The I/I report has very specific format requirements that must be adhered to. A second document that was required by the NPDES was the Design and Construction Plan for the pH Adjustment system. This plan is the first step of the process identifying funding and the plan for design. To develop this plan, the team must first evaluate the system and situation. One of the biggest challenges under this task order will be the Updated WW Reuse Plan. State of Oregon regulations have changed significantly from when the City's original plan was developed. Development of this new plan will likely cross over into the coming FY and will likely require additional funds, as the team better understands the requirements for developing the plan. However, in order to meet the DEQ deadline, the team needs to begin as soon as possible.

ANALYSIS:

A. **STRATEGIC PLAN** This project meets the Strategic Plan elements of Desirability, Growth and Lifestyle. The project is a regulatory requirement that allows the City to continue to operate and provide the existing amenities and reliable waste treatment system that it currently enjoys. In particular, this project will set the City up to successfully meet their NPDES permit requirements.

B. **FINANCIAL** The Council approved a budget of $35,000 to begin the process of responding to the new reports and plans required by the recently executed NPDES permit. While the budget was based on the DRAFT permit at the time, the permit did not change in any significant manner. The task order funds will be spread between 3 specific efforts: pH adjustment, I/I Report, and DRAFT Reuse Plan Update.

C. **TIMING** To meet the NPDES permit deadlines, these documents need to be completed as quickly as possible.

D. **POLICY/LEGAL** Task Order approval by Council is required.

ALTERNATIVES:

1. If the Task Order is not approved, the engineering team will not be able to move forward to complete these permit required items.
2. If the Task Order is approved, the engineering team will move forward immediately to complete the tasks ahead of their deadline.

RECOMMENDATION:

Staff recommends the Council approve the Task Order for NPDES Reports (including 3 items) for $35,000.

ATTACHMENTS:

1. Ontario_NPDES Reporting_TO_v0

Memorandum

1999 Bryan Street, Suite 1200
Dallas, Texas 75201
United States
T +1.214.638.0145
www.jacobs.com

City of Ontario – NPDES Permit Reporting Task Order

PREPARED BY: Betsy Roberts, Jacobs Engineering
Amanda Thompson, Jacobs Engineering

DATE: February 21, 2020

Project Background

The City of Ontario, Oregon's (City) Wastewater Treatment Plant (WWTP) seasonally discharges treated municipal wastewater to either the Snake River or to a farm where is used for land application. The new National Pollutant Discharge Elimination System Permit (NPDES) #101633 requires specific reports to be generated to demonstrate the City is in compliance with the new permit. This task order is to prepare the following reports: pH Adjustment Design and Construction plan, Inflow and Infiltration (I&I) Report, and prepare the DRAFT Updated Wastewater Reuse Plan.

Scope of Work

Task 1 – pH Adjustment Design and Construction Plan

This task is for the development of the pH Adjustment system plan which includes the identification of tasks and the preparation of a schedule for the design and construction of the system. The plan will include identification of the funding source, the high-level tasks necessary for each phase of the design, the time frames for each task and the essential dates for which each task needs to be completed to ensure construction is completed by September 1, 2020.

Task 2 – I&I Report

This task includes identification of location for monitoring stormwater inflow and infiltration at various points in the wastewater collection system during the spring and/or highest groundwater elevations. Flow data from both pre- and post-storm events will be analyzed to estimate the volume of flow due to I&I.

Task 3 – DRAFT Update Wastewater Reuse Plan

This task involves creating a DRAFT update to the City's 2004 Reuse Plan developed by Cascade Earth Sciences. The new DRAFT Plan will reflect the changes to reuse and land application that have occurred with the Department of Environmental Quality (DEQ) over the past 16 years. The new Plan will require extensive revision and review by the DEQ, so is anticipated to be to DRAFT stage with this Task Order. FINAL document version will be created in the next FY under another Task Order when DEQ comments will be addressed.

***Activities**:*

1. Development of memorandum to summarize pH Adjustment Design and Construction Plan. Memorandum to be submitted, reviewed and approved by the DEQ.

2. Development of an I&I Report containing maps, flow data monitoring, and evaluation of flow data and proposed efforts to evaluate flow data in the future.
3. Development of an Updated Wastewater Reuse Plan based on new reuse and land application regulatory requirements. Plan will require submittal to DEQ and review and approval. Final Plan is due to DEQ by December 31, 2020.
4. Project management to include managing budget and schedule, invoicing and change management.

Compensation
Total Project Fee: $ 35,000

Jacobs Engineers, Inc.	City of Ontario
By: ______________________	By: ______________________
Signature	Signature
______________________	______________________
Date	Date

AGENDA REPORT
PUBLIC HEARING
March 5, 2020

TO: Mayor and City Council

FROM: Betsy Roberts, City Engineer

THROUGH: Adam J. Brown, City Manager

SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATIONS

DATE: February 28, 2020

PROPOSED MOTION:

PUBLIC HEARING ONLY - NO MOTION REQUIRED.

SUMMARY:

The City is eligible for Community Development Block Grant (CDBG) funding, and the City is seeking community endorsement to move forward in applying for such grant funding for two proposed projects as well as seeking input on other project opportunities identified by the public. The two proposed projects are #1 - sanitary sewer improvements and #2 - improvements to the Senior Citizen Center.

BACKGROUND:

#1) Sanitary Sewer Improvement Project - The City's new National Pollutant Discharge Elimination System (NPDES) permit requires a significant improvement to the sanitary sewer collection system to remove inflow and infiltration (I/I) from the system. During a One Stop Meeting, facilitated by Business Oregon, it was determined that the City was eligible for up to $2.5M of grant funding that could be applied to sanitary sewer collection system improvements.
#2) Senior Citizen Center Improvements - The Ontario Senior Citizen Center is in disrepair. Improvements, including roof, parking, and HVAC upgrades, as well as others, are eligible for CDBG funding.

CURRENT SITUATION:

To apply for CDBG funding, the City must hold a public hearing to inform the public of the City's desire to secure grant funding and to provide adequate information to the public about the proposed project and inquire about other community desired projects. Following the public hearing, the City can take the next step in the CDBG application process.

ANALYSIS:

A. **STRATEGIC PLAN** The CDBG application projects proposed are both aligned with the City's strategic plan. #1 - Sanitary Sewer Project supports desirability, lifestyle, and growth.
#2 - Senior Citizen Center Improvements, while not impacting all Ontario citizens as does the sewer project, this project has potential to align with all of the goals of the strategic plan: desirability, education, lifestyle, beautification, and growth.

B. **FINANCIAL** No request for funding is being made today with this staff report. The notes below are for information only.
#1 - Sanitary Sewer Project - The project design and environmental evaluation have been brought forward to the council under separate task order. They are being funded out of approved funds ($400,000) from the Sewer fund. The development of the grant is also under a separate task order being reviewed today (it is combined with other DEQ coordination efforts).
#2 - Senior Citizen Center - Development of the application has been brought forward under a separate task order.

C. **TIMING** The public hearing timing is critical so that the next steps of grant process can be started and application completed within the deadline (April 30).

D. **POLICY/LEGAL** None required today - Public Hearing to receive comments only.

ALTERNATIVES:

Public Hearing provides the Council the opportunity to hear input from the public regarding the proposed projects as well as any possible new projects introduced by the public. The Council has the opportunity to:
1. change or add to the projects included in the application or
2. stick with the proposed projects for the current application and if additional projects are suggested, consider these at a future date.

RECOMMENDATION:

Staff recommends the Council hear public comment and continue forward with the proposed projects for this specific application.

ATTACHMENTS:

1. 1st Public Hearing Notice_English
2. 1st Public Hearing Notice_Spanish

FEBRUARY 14TH, 2020

CITY OF ONTARIO OREGON
PUBLIC HEARING NOTICE

The city is eligible to apply for a 2020 Community Development Block Grant from the Business Oregon. Community Development Block Grant funds come from the U.S. Department of Housing and Urban Development. The grants can be used for public facilities and housing improvements, primarily for persons with low and moderate incomes.

Approximately $12 million will be awarded to Oregon non-metropolitan cities and counties in 2020. The maximum grant that a city or county can receive for a public works project is $2,500,000; the maximum amount for a community facilities project is $1,500,000.

The city is preparing two applications for a 2020 Community Development Block Grant from the Business Oregon for #1 sanitary sewer conveyance improvements in the southwest quadrant of Ontario; and #2 Design/Construction of improvements to the Ontario Senior Citizen's Center. It is estimated that the sanitary sewer project will benefit at least 11,470 persons, of whom 58% will be low or moderate income. The senior center project is projected to benefit 75 persons, of whom at least 51% will be low- to moderate- income. If awarded, 100 percent of the grant funds will be used for either of these two projects.

A public hearing will be held by the city council at 6 pm on March 5th at Ontario City Hall 444 SW 4th Street Ontario, OR 97914. The purpose of this hearing is for the city council to obtain citizen views and to respond to questions and comments about: community development and housing needs, especially the needs of low- and moderate- income persons, as well as other needs in the community that might be assisted with a Community Development Block Grant project; and the proposed project.

Written comments are also welcome and must be received by 5 pm on February 27th at 444 SW 4th Street Ontario, OR 97914. Both oral and written comments will be considered by the city council in deciding whether to apply.

The location of the hearing is accessible to persons with disabilities. Please contact City Manager Adam Brown at (541) 889-7684 if you will need any special accommodations to attend or participate in the meeting.

More information about Oregon Community Development Block grants, the proposed project, and records about the City of Ontario's past use of Community Development Block Grant funds is available for public review at City Hall 444 SW 4th Street Ontario, OR 97914 during regular office hours. Advance notice is requested. If special accommodations are needed, please notify Adam Brown at (541) 889-7684 so that appropriate assistance can be provided.

Permanent involuntary displacement of persons or businesses is not anticipated as a result from the proposed project. If displacement becomes necessary, alternatives will be examined to minimize the displacement and provide required/reasonable benefits to those displaced. Any low- and moderate- income housing that is demolished or converted to another use will be replaced.

FEBRERO 14TH, 2020

CIUDAD DE ONTARIO OREGON
AVISO DE AUDIENCIA PÚBLICA

La ciudad es elegible para aplicar a un Subsidio en 2020 del Community Development Block Grant que a su vez viene del Business Oregon. Los Subsidios del Community Development Block Grant (Bloque Subsidiario para el Desarrollo Comunitario) vienen desde el U.S. Department of Housing and Urban Development (Departamento de Vivienda y Desarrollo Urbano de los Estados Unidos). Los subsidios pueden ser usados para instalaciones públicas y remodelación de casas, primariamente por personas con ingresos moderados o bajos.

Aproximadamente $12 millones serán otorgados en 2020 a ciudades y condados no-metropolitanos de Oregon. El máximo de subsidios que la cuidad o el condado puede recibir para un proyecto de obras públicas es de $2,500,000; El monto máximo para un proyecto de instalaciones comunitarias es de $1,500,000.

La ciudad está preparando una aplicación en 2020 para el subsidio del Community Development Block Grant que viene del Business Oregon para #1 mejoras en el transporte de alcantarillado sanitario en el cuadrante suroeste de Ontario; y #2 diseño/ construcción de mejoras para el centro de ancianos de Ontario. Está estimado que el proyecto de transporte de alcantarillado sanitario beneficiará a por lo menos 11,470 personas, de las cuales 58% serán de ingresos moderados o bajos. Está estimado que el proyecto de centro para personas mayores beneficiará a por lo menos 75 personas, de las cuales 51% serán de ingresos moderados o bajos. Si se otorga el 100% de los fondos de la subvención se utilizará para cualquiera de estos dos proyectos.

Una audiencia pública se llevará acabo por el consejo de la ciudad a las 6 pm el 5 de Marzo en Ontario City Hall 444 SW 4th Street Ontario, OR 97914. El propósito de esta audiencia es para que el consejo de la ciudad obtenga puntos de vista de los ciudadanos y para responder a preguntas acerca de: Desarrollo comunitario y necesidades de vivienda, especialmente las necesidades de personas con ingresos moderados y bajos, así como también otras necesidades en la comunidad que podrían ser asistidas con un subsidio del proyecto Community Development block Grant; y el proyecto propuesto.

Los comentarios escritos son también bienvenidos y deben ser recibidos para las 5 pm el 27 de Febrero en 444 SW 4th Street Ontario, OR 97914. Ambos comentarios, escritos y orales serán considerados por el consejo de la ciudad para decider si aplican.

La ubicación de la audiencia es accesible para personas con incapacidades. Por favor llamen al City Manager Adam Brown al (541) 889-7684 para saber si usted necesitará cualquier tipo de acomodaciones especiales para asistir o participar en la reunion.

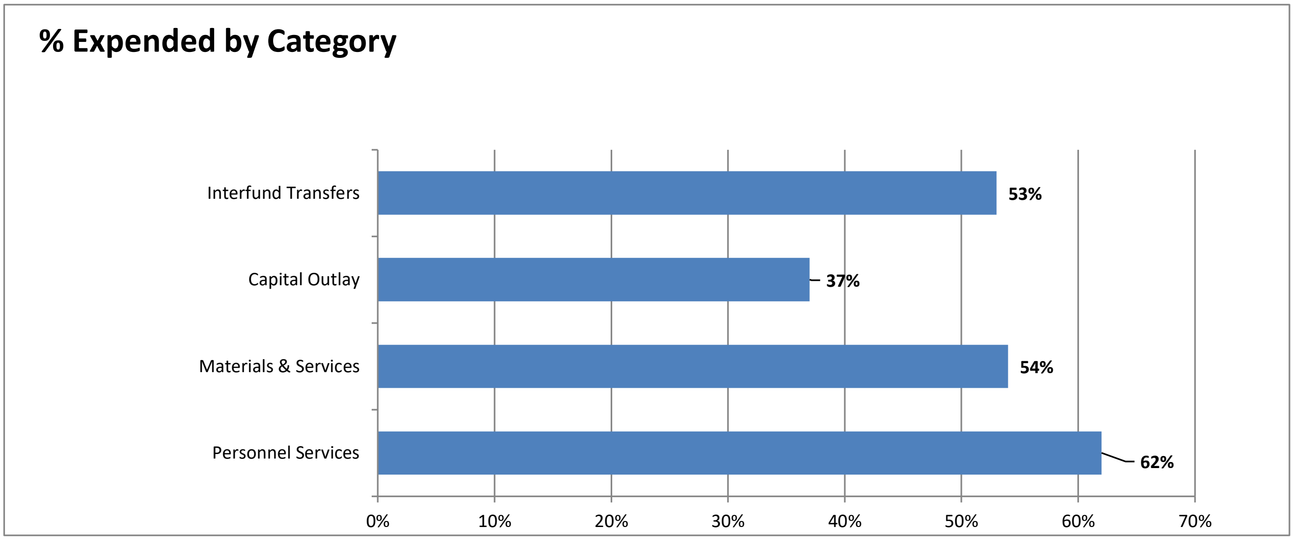
Más información sobre el Oregon Community Development Block Grants, el proyecto propuesto y los pasados registros sobre la ciudad en el uso de los subsidios del Community Development Block Grant están disponibles para la revisión pública en City Hall 444 SW 4th Street Ontario, OR 97914 durante las horas regulares de oficina. Se requiere aviso anticiapado. Si las acomodaciones especiales son necesarias, por favor notifíquen a Adam Brown al (541) 889-7684 de modo que la asistencia apropiada pueda proveerse.

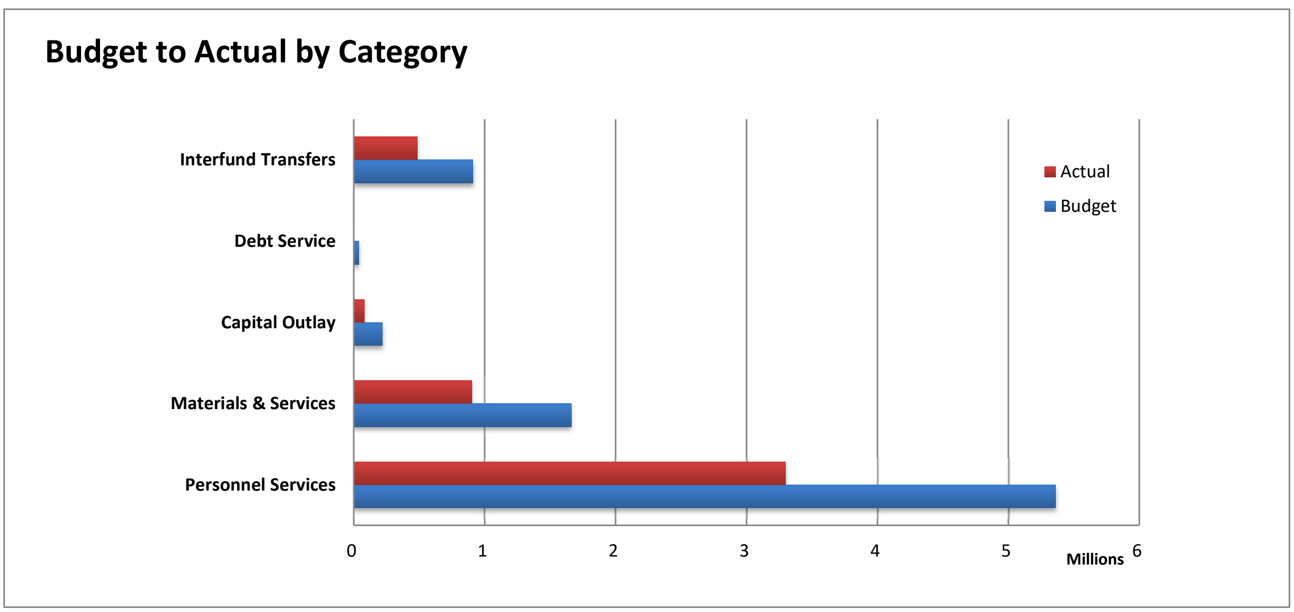
El desalojamiento involuntaria permanente de personas o negocios no es esperada como resultado del proyecto propuesto. Si el desalojamiento llegara a ser necesario, serán examinadas alternativas para minimizar el desalojamiento y proveer beneficios requeridos/razonables para aquellos removidos. Calquier casa de ingreso moderado y bajo la cual sea demolida o convertida en otro uso será reemplazada.

CITY OF ONTARIO
GENERAL FUND - DEPARTMENT EXPENSE
FOR THE PERIOD ENDED
JANUARY 31, 2020

DEPARTMENT	BUDGET	ACTUAL	% EXPENDED	COMMENTS
Parks	270,562	112,563	41.6%	
Parks & Recreation	270,562	112,563	41.6%	
Fire	1,621,332	917,811	56.6%	
Code Enforcement	213,764	76,281	35.7%	
Police	3,626,506	2,318,273	63.9%	
Police reserves	7,000	2,730	39.0%	
Public Safety Total	5,468,602	3,315,095	60.6%	
Administration	487,088	275,685	56.6%	
City Council	25,569	7,897	30.9%	
Business Registration	1,100	455	41.3%	
Cemetery	143,470	107,187	74.7%	
Finance	239,123	126,297	52.8%	
Technology	129,220	75,482	58.4%	Equipment & overtime
General Government Total	1,025,570	593,002	57.8%	
Community development	212,791	93,748	44.1%	
Community Development	212,791	93,748	44.1%	
Administrative Overhead	373,054	220,022	59.0%	
Non-Departmental Contributions	30,000	15,000	50.0%	
Other Total	403,054	235,022	58.3%	
Operating Transfers Out	815,334	416,965	51.1%	
GENERAL FUND TOTALS	$ 8,195,913	$ 4,766,395	58.2%	
YTD BUDGET BENCHMARK			***58.3333%***	0.2%

CITY OF ONTARIO
GENERAL FUND - DEPARTMENT EXPENSE
FOR THE PERIOD ENDED
JANUARY 31, 2020

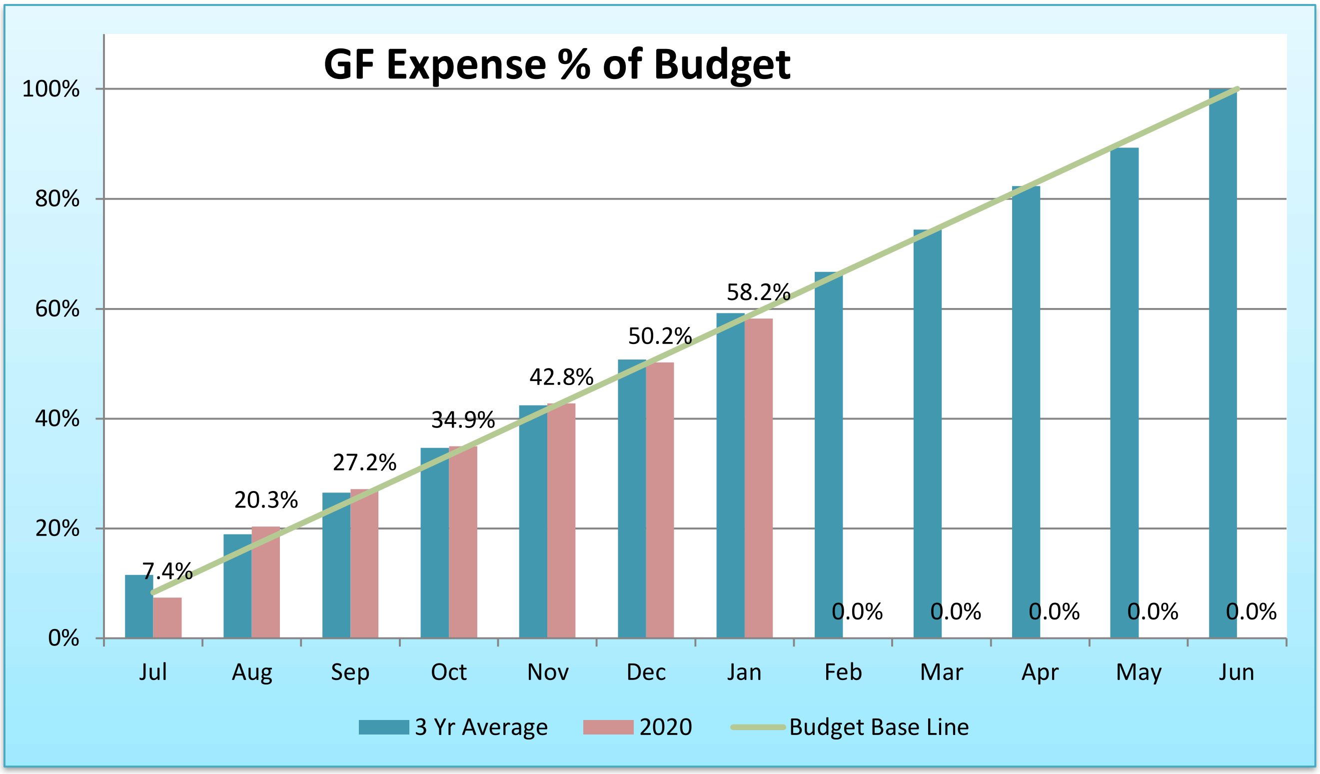


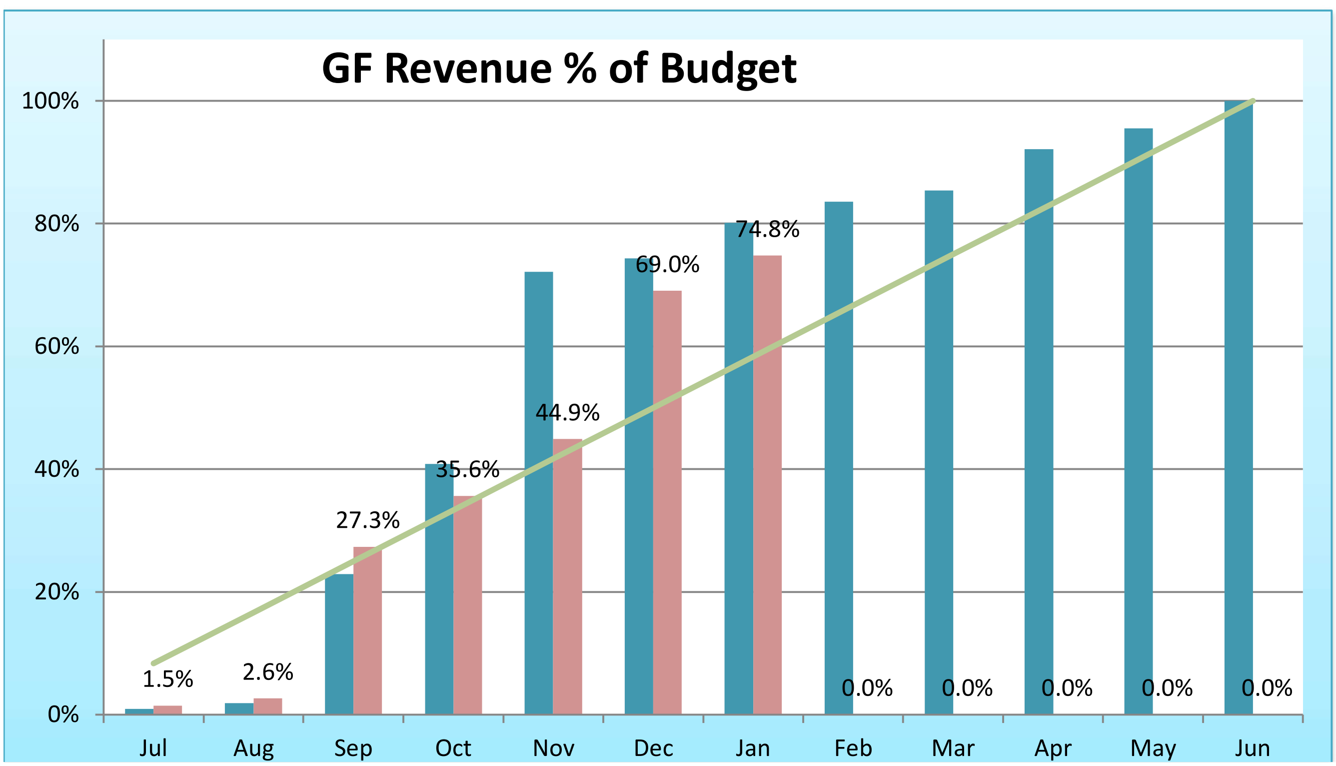


CITY OF ONTARIO
GENERAL FUND - DEPARTMENT REVENUE
FOR THE PERIOD ENDED
JANUARY 31, 2020

DEPARTMENT	BUDGET	ACTUAL	% REALIZED	COMMENTS
GENERAL FUND BEGINNING FUND BALANCE	*2,122,655*	*2,234,162*	*105.3%*	*(not calculated in totals)*
Parks	1,900	690	36.3%	
Parks & Recreation	1,900	690	36.3%	
Fire	134,372	56,196	41.8%	
Code Enforcement	18,735	94,635	505.1%	*Civil Penalties Income High*
Police	489,893	303,875	62.0%	
Dispensary Business License	144,000	24,800	17.2%	
Public Safety Total	787,000	479,505	60.9%	
Interest	65,700	36,859	56.1%	
State Revenue Sharing	132,656	33,164	25.0%	
Administrative Services	497,148	290,003	58.3%	
Other General Revenues	8,575	12,687	148.0%	
Property Taxes	3,688,265	3,319,160	90.0%	
Alcohol Bvg License & Fee	196,838	84,508	42.9%	
Cigarette tax	13,535	7,188	53.1%	
Marijuana tax	750,000	185,285	24.7%	*two months collection*
Franchise Fees	1,638,121	748,278	45.7%	
Business Registration	2,000	1,590	79.5%	
Cemetery	36,000	15,250	42.4%	
General Government Total	7,028,838	4,733,972	67.4%	
Planning & Zoning	4,450	5,227	117.5%	
Wayfinding Grant	25,000	-	0.0%	
Community development	29,450	5,227	17.7%	
GENERAL FUND REVENUE TOTALS	$ 7,847,188	$ 5,219,395	66.5%	
YTD CURRENT YEAR PROFIT(LOSS)		**$ 453,000**		
YTD BUDGET BENCHMARK			***58.3%***	**8.2%**

CITY OF ONTARIO
GENERAL FUND
FOR THE PERIOD ENDED
JANUARY 31, 2020





CITY OF ONTARIO
OTHER FUNDS - DEPARTMENT EXPENSES AND REVENUE
FOR THE PERIOD ENDED
JANUARY 31, 2020

	EXPENDITURES			REVENUES		
DEPARTMENT/FUND	**BUDGET**	**ACTUAL**	**% EXPENDED**	**BUDGET**	**ACTUAL**	**% REALIZED**
002 Marijuana Enforcement Fund	250,000	2,945	1.2%	250,000	22,436	9.0%
010 Grant Fund	725,367	242,005	33.4%	725,367	105,523	14.5%
027 Building Fund	189,469	89,447	47.2%	218,747	386,718	176.8%
030 Capital Projects Fund	2,804,082	23,627	0.8%	3,214,902	3,030,589	94.3%
031 SDC Fund	430,000	10,676	2.5%	430,000	405,221	94.2%
035 Debt Service Fund	29,027	27,943	96.3%	29,027	18,812	64.8%
045 Street Fund	3,431,544	1,366,448	39.8%	3,431,544	1,588,226	46.3%
050 Trust Funds	633,756	231,492	36.5%	797,728	613,945	77.0%
055 Reserve Funds	2,728,894	1,441,115	52.8%	4,125,313	3,766,614	91.3%
060 Revolving Loan Fund	494,022	154,553	31.3%	494,022	611,220	123.7%
105 Water Fund	3,635,932	2,382,941	65.5%	4,512,615	3,758,351	83.3%
110 Sewer Fund	3,104,768	2,005,395	64.6%	6,519,403	5,436,849	83.4%
115 Storm Sewer Fund	191,678	79,259	41.4%	560,561	553,522	98.7%
120 Airport Fund	116,877	60,164	51.5%	116,877	117,223	100.3%
125 Aquatic Fund	-	600	#DIV/0!	-	57,975	#DIV/0!

Comments:

YTD BUDGET BENCHMARK	***58.3%***

3/5/2020

Fire Department

First Quarter
Dec – Feb 2020
Winter Report
Fire Chief
Terry Leighton

Seasons Greetings 2019

Winter Wonderland Parade

Family Night At The Station

Educating Our Youth

Educating Our Youth

Enhancing Lifestyles

Working With Community Partners

Enhancing Lifestyles

OF&R Supports Local Law Enforcement

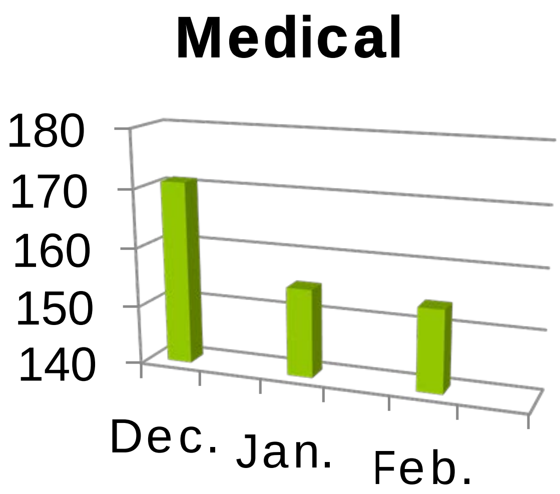
Assisting Our Brothers In Need

….. Parma Fire Department

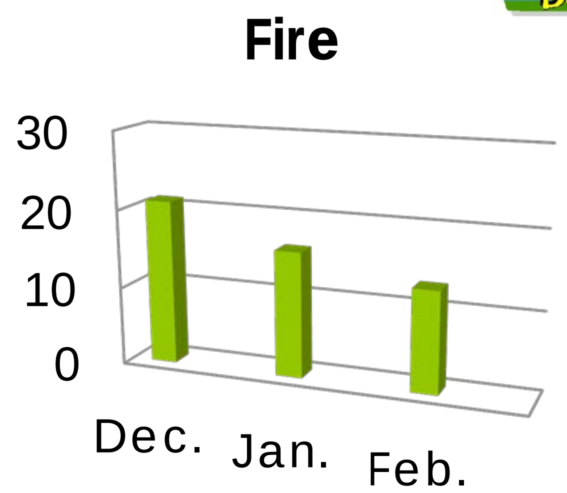
SRCI - Hazmat

Inspections

MEDICAL AND FIRE CALLS



Total 480



Total 50

City of Ontario Community Development 2019-20 Quarterly

Presentation by

Dan K. Cummings

March 5, 2020

Planning & Zoning Department Stats-

October-December 2019

7 Land Use Actions

- 2 Site Development Permits
- 1 Partition
- 1 Zone Code Amendment
- 1 Subdivision
- 1 Property Line Adjustment
- 1 Variance

$1,705 Total Fees

Building Department Stats

Mechanical & Structural Permit Amounts & Fees

2019 Oct-Dec Structural Permits and Fees Issued	
Structural Permits Issued	30
Structural Valuation Totals	$9,035,190
Total Structural Fees	$98,332

2019 Oct-Dec Mechanical Permits and Fees Issued	
Mechanical Permits Issued	50
Mechanical Valuation Totals	$320,388
Total Mechanical Fees	$4,762

Total Permits and Fees Issued	
Structural Permits Issued	80
Structural Valuation Totals	$9,355,578
Total Structural Fees	$103,095

Economic Activity

- "Project BuildOnt": The City of Ontario Single Family Residential Housing Incentive program to promote new housing within the City Limits. **12 Applications have been awarded and 1 more is scheduled for approval.**
- "Project Westpark": Redevelopment of the West Park Plaza Mall creating business ownership of portions of the Existing Building and creation of new Building pad as well as looking at 150 unit apartment complex.
- "Project OntAir": Redevelopment of the portion of the Airport property that once was the Ontario Golf Course, creating an Industrial Park and TVCC Flight School and Silver Hawk Commercial Flight School.
- EPA Brownfield Grant Program: Ontario received $600,000 in Brownfield grants to aid in the redevelopment of Brownfields within the Cities of Ontario, Nyssa, Vale and Malheur County. **Ongoing with 5 sites taking advantage of the grants with phase I and Phase II studies**.

Economic Activity Continued

- Project Affordable Sun: 15 acre solar project to produce
- power for affordable housing facilities. **Tentative Lease approved Idaho Power study in progress.**
- Project Vet: An affordable Mini Housing Development for Single Veterans and Seniors Citizens. Still working on funding.
- Project “Incentive” a Single Family Affordable Housing Project. (not a Non-Profit-Non-taxable project). **Project under design stage.**
- Project TOMIYOSHI a 56.33 acre tract of land containing 19.83 acres of UGA Commercial class land and 36.50 acres of UGA Residential class land. Looking at retail and mixed density development.
- Project GRAND PRIX a meter manufacture looking for 5 to 8 acres of Industrial lands and is expected to hire 150-200 employees.
- Airport Commercial & Private Hanger Facility: City of Ontario looking into helping promote construction of New Hangers on the Airport property.

Economic activity in Ontario

TVCC Building Addition	$6,072,955
OMC Alteration	$445,000
St Alphonsus Pharmacy Remodel	$795,415
Poole Oil New Office Building	$888,344
1 New Single Family home	$226,927

ONTARIO FIRE RESCUE DEPARTMENT

February 2020 ACTIVITY REPORT

Emergency Medical:

(Types of medical calls responded to: Falls with injury, fall lift assists, medical emergencies, medical alarms, assaults, etc.)

CITY	**144**
RURAL	**10**

1 of these emergency calls required back-up crews to be called in to respond to 2nd call.

Hazmat Team Calls: **0**

Fire Related Emergency Calls:

(Types of fire related calls responded to: Rescue calls, building fires, vehicle fires, smoke detector/fire alarm activation, unauthorized burning, etc.)

	TOTAL	General	Mutual Aid
CITY	9	1	1
RURAL	4	2	2

0 of these emergency calls required back-up crews to be called in to respond to 2nd call.

TOTAL CALLS FOR MONTH

CITY	**153**
RURAL	**14**

FIREFIGHTER TRAINING:

1/28/20 Hose evolutions.
2/1/20 Firefighter I – FFII Certification tests.
2/4/20 Naloxone / Narcan indicators and instruction.
2/6/20 Personal Protective equipment for new staff.
2/11/20 Search, Rapid Entry Teams, Ladders.
2/18/20 Thermal Image Cameras and Hose Pulls.
2/20/20 Forcible Entry, Ropes and Knots.
2/22-23/20 Firefighter essentials weekend.
2/25/20 Search, Mayday, Domestic Violence.

PERMITS ISSUED:

City Open Burns 5
City Burn Barrels 0

Rural Open Burns 43
Rural Burn Barrels 9

INSPECTIONS:

1/27/20 St. Al's remodel in the Pharmacy.
1/29/20 New business on S. Oregon St.
2/1/20 Quality Inn Fire Alarm.

COMMUNITY INVOLVEMENT:

1/30/20 Geriatric Care Presentation Maggie Wood.
2/13/20 Student Rider Vale High School Sr. Project.
2/19/20 Homelessness Town Hall.
2/19/20 – Rhythm & Rhyme preschool tour of Fire Station.

2/20/20 Japanese General Consul visits City Hall and Fire and Police departments.

Summary of Calls of Interest:

City Incidents:

2/1/20 - 1040 SW 7th ave. - Rescue 1 was called out to a residence that had a fire but had it out before we went en route. Homeowner needed assistance to remove the smoke. R1 arrived on scene to a 2-story house nothing showing from the exterior. Went upstairs to the second floor where they had a lamp that clothes that had fallen on the lamp shade and caught on fire. Homeowner was able to put the fire out with water. R1 opened some windows and turned the ventilation fan at the bottom of the stairs.
2/10/20 - 995 Manor Way - Rescue 1 responded to assist OPD gain access to the building with keys that were in the Knox Box.
2/13/20 - 196 SW 6th ave. - Rescue 1 was called to the scene of a single-family home with the carbon monoxide detector going off. Upon our arrival our monitor showed A c02 level of about 40 ppm. We opened some doors and windows and the reading dropped to around 6-7 ppm. After closing up the house the levels went back up around 40-50 ppm within a few minutes. We shut her furnace down and vented the house again within a few minutes the co2 level was back down. We advised her to keep a few windows open and not to use her furnace until it could be checked out. The co2 levels seemed to be staying in the 4-5 ppm range so we advised her if her alarm went off again before she could get a repair man out to check it to call us back.
2/19/20 - 996 Triad - Rescue1 responded to a residential smoke alarm activation. On scene R1 found a faulty detector and removed it. R1 advised the occupant they need to replace all detectors due to them being more than 10 years old.
2/19/20 - 1095 Chukar Ridge - Rescue 1 was dispatched for a carbon monoxide alarm. Upon arrival R-1 contacted homeowner, who stated the carbon monoxide in her single-story residence started to alarm. At the time of our arrival she had the front door open and garage door completely open also. No audible alarm detected at this time. R-1 used the four-gas monitor to attempt to sample the ambient air. All detectors showed zero ppm readings, O2 read 20.9%. Upon further conversation it was determined that the carbon monoxide detector was possibly alarming a low voltage alarm. Lt. Grimaldo decide to replace the two double A batteries in the detector and advised the homeowner to call back if the problem persisted.

Rural Incidents:

2/1/20 – SW. 18th ave and Laurel Dr. - Rescue 1 called for a vehicle fire with active flames, no one in the vehicle. Upon arrival R1 found vehicle parked in the eastbound lane. Fire was consuming the engine compartment. The hose reel was pulled, and the fire was extinguished. The hood was opened, and the engine compartment was cooled and was propped open; all of the other doors were open to let steam and smoke clear out. Fire was contained to the engine compartment the passenger compartment was only exposed to smoke or steam. Upon inspection to the engine compartment it was discovered that the area of the battery was the most likely area of origin. When asked about the running and overall condition of the vehicle the owner stated that it was having issues where it felt like it was surging for power. Just previous to the fire she stated the vehicle just stopped instantly and lost power.

2/16/20 - 78 Holly Dr. - Tender 159 was dispatched to a reported structure fire to provide water per mutual aid request by Payette Rural FD. Upon arrival 159 provided water support to Payette FD's Engine. 159 provided 2 full tanks of water totaling 4,000 gallons. Payette Fire Command needed additional manpower and requested OFD to respond with an Engine company to the same address. 101 provided fire attack along with salvage and overhaul support, with a full complement of personnel of 6.

2/22/20 - Hatch Ln. Parma - - Tender 159 responded with a crew of 2 to a mutual aid request from Parma FD to a large farm structure fire located on Hatch Road in Parma. Tender 159 was assigned to supply water only and provided 8,000 gallons of water with 3 refills traveling to the Wilder, Idaho FD station to refill. 159 was released and returned to station after approximately 3.5 hours on scene.

Jacobs January 21 - February 20 2020 Report

February 2020

Prepared by Jacobs for

CITY OF ONTARIO/PUBLIC WORKS DEPARTMENT

Monthly Business Review

PUBLIC WORKS DEPARTMENT

CONTENTS

FIELD SERVICES: STREETS & COLLECTION/DISTRIBUTION SUMMARY

Activities January 21 – February 20:

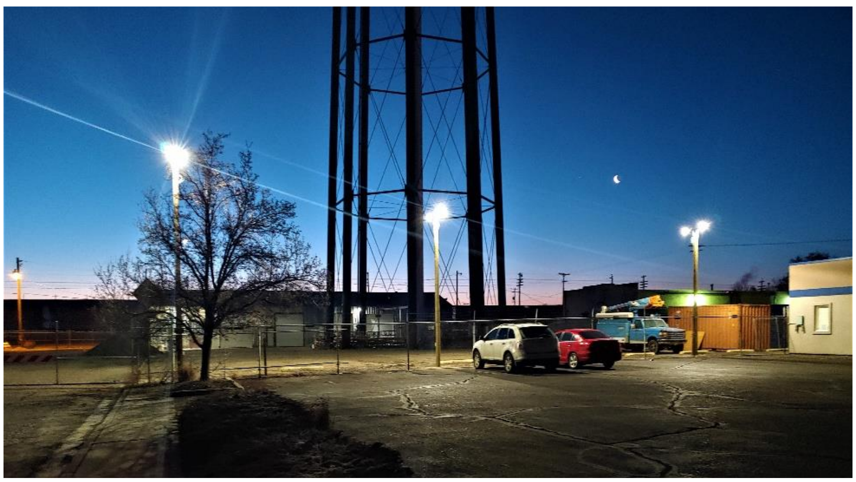
- Weekly maintenance checks on lift stations and sewer cleaning.
- Sweeping continues as needed. Swept the down town and underpass 2 times this month.
- Sign maintenance and new installs throughout town, 3 new no parking signs were installed on NE 6th Ave west of NE 2nd St. near the loading dock for Heinz.
- Water system maintenance throughout town, replacing broken boxes, leaking angle stop and leaking back checks.
- Pot hole repair throughout town.
- A series of storm water lines at TVCC are being jet rodded to clear the silt from the summer irrigation season. This a continuation from last week, we have approximately 40 % of the lines cleared and will be working on this task as time allows through the coming month.
- The water service for the homeless site was connected and a new frost-free faucet installed. Water is available at the location.
- 4 Staff members attended training in fall protection and confined space, this training was provided by one of Jacob's in-house training professionals.
- 3 staff members completed confined space and fall protection training.

- 1 staff member attended the Malheur County chemical applicators training at the Cultural Center.
- Cleaned out the storm dump pit at the WWTP.
- Picked up trash on E. Idaho Ave. drainage swells.
- Trees along the northern section of East Idaho were taken down this week as we move forward with our tree project, a total of 22 trees were removed and will be replaced with 10 trees. This project will move forward with new tree wells and grates, irrigation systems, and new ground cover in the coming weeks. Target for planting will be mid-March to early April.
- A brief snow fall resulted in snow removal plan put into effect.
- A new meter was installed at one of our industrial water users, water service was shut off and a new meter and setter assembly installed.
- 1 water main break on Feb. 6th at TVCC resulted in a boil water notice to the 4 affected services at TVCC. The 6" main was repaired, flushed and a Bac T sample was collected and taken to a lab for analysis. Results were negative.
- Vehicle maintenance – Repaired the bed of #205 added a 6' X 12' sheet of steel in the bed of the dump truck body.
- Kinney Repair welded a sheet of steel in the debris tank of #354 our Vac-con, our combination cleaning truck. The tank started rusting through and leaking.
- Started grading the gravel sections of road the City is responsible for maintaining.
- Installed a 20' pole and conduit in Laxon Park for the security camera system.
- Installed 2 – 25' poles at the old shop with 2 LED lights on each pole for security.

FIELD SERVICES: STREETS & COLLECTION/DISTRIBUTION SUMMARY

ACTIVITIES JANUARY 21 – FEBRUARY 20:

- Fencing was erected at site of the homeless shelter.
- 13 water meters were turned on customer request.
- 3 water meters were shut off customer request.
- 25 water meters were shut off for non-payment.
- 25 water meters were turned on for payment received.
- 15 water meters were on/off read only customer request.
- 17 meters were changed out for non-functioning.
- 27 water meters were checked for consumption issues.
- 7 water meters were checked for leaks customer request.
- 12 water meters were shut off for leaks customer request.
- 10 water meters were checked to verify leaks were repaired by customer an turned on.
- 2 water meters were installed.
- 47 utility locates were completed.



Left: We installed 2 – 25' poles at the old city shop with LED lights. 2 LED lights were added to an existing pole.

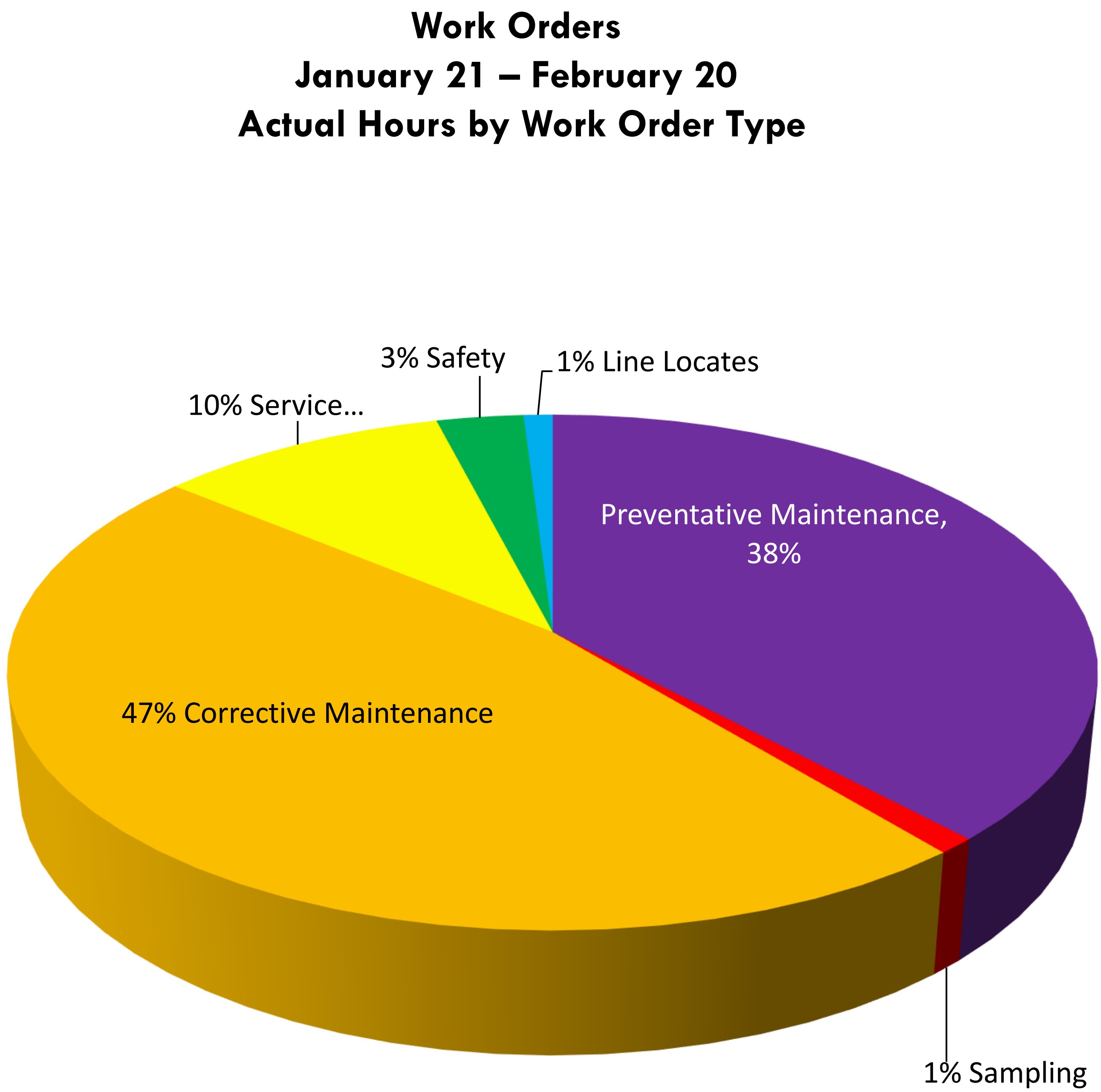
Right: Playground equipment for Lions Park has arrived and will be installed soon.

FIELD SERVICES: STREETS & COLLECTION/DISTRIBUTION SUMMARY

ACTIVITIES JANUARY 21 – FEBRUARY 20:

Jacobs Staff: Working on East Idaho Tree Project.

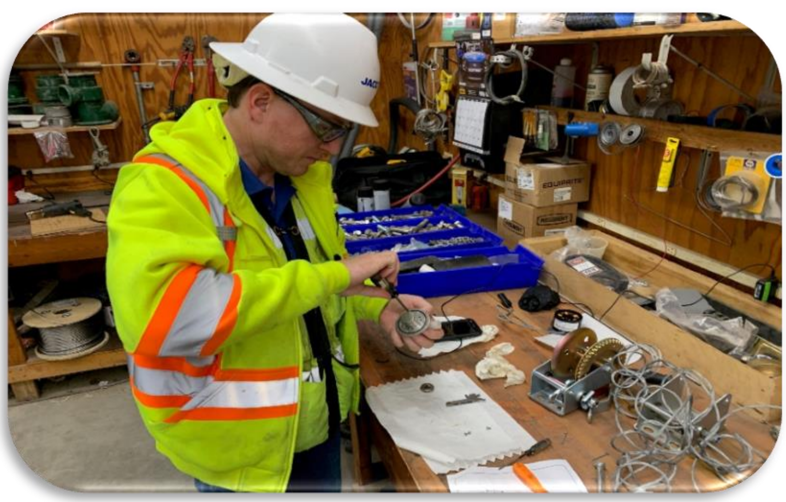
FIELD SERVICES: STREETS & COLLECTION/DISTRIBUTION SUMMARY



WATER TREATMENT PLANT SUMMARY

ACTIVITIES JANUARY 21 – FEBRUARY 20:

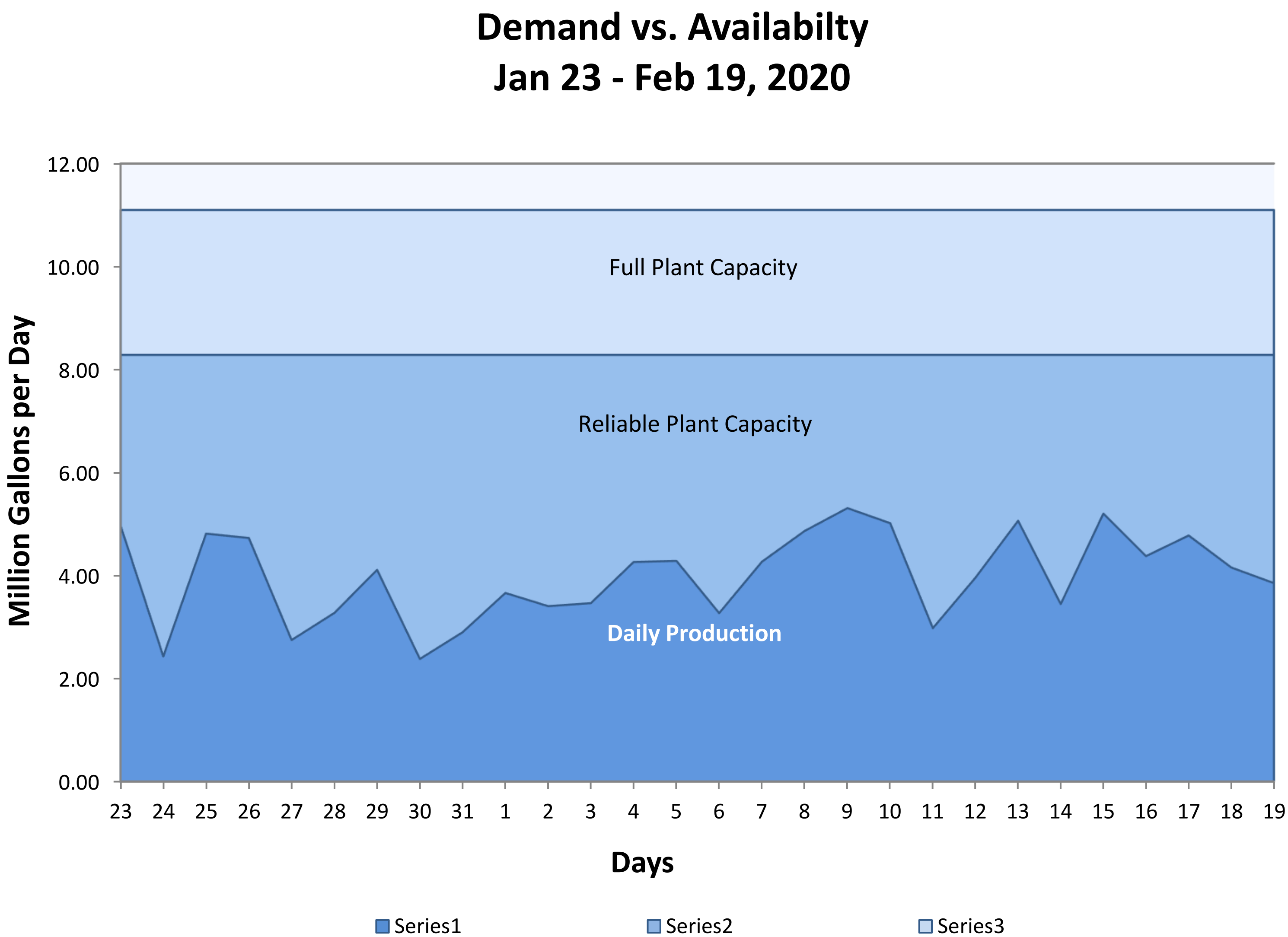
- Water plant is operating well with inventories at target levels.
- Normal system demands for this time of the year.
- River levels are stable and river water quality is very good for this time of year.
- Mercury sampling was completed as per our permit requirements.
- The wood debris piles burned last week continue to smolder and should be completely out by the end of the week. Plans for adding soil and leveling the area are in the design phase.
- Tier 1 water sampling was completed as per permit mandates.
- We experience a power spike that has caused issues in multiple area of the water plant. We are working through those issues and treatment process is good. We believe this spike is related to a transformer that was blown in the area.
- New Security camera were installed and are functioning well.
- A new water heater for our chlorine generation system was installed and is running as per design.
- Well 15 was taken off line. The well will be videoed, it may have to be taken off line and rehabbed. This well provided 2.5 million gallons a day when well systems are being used so it is imperative this be addressed and repaired as soon as practical.
- A newly hired operator began working for our water and wastewater system, he will be training at the water plant. He will shadow operations staff and learn to operate the system.
- Water booster pump 3 at westside reservoir was taken off line due to bearing noise, this pump will be pulled and rebuilt. Pump 4 will be pulled and rebuilt after 3 comes back on line.
- Additional sampling was completed as per permit requirements.
- Made repairs to chemical feed pumps and performed annual maintenance.
- Staff members made repairs to the secondary drive for the flocculator system in the main plant clarifier #1.
- 4 team members trained for the proper application and record keeping in weed prevention.
- Team member received increase in treatment licensure to grade 3.



Jacobs Staff Member: Making repairs to the brine pump for the Micro Clor chlorine generator.

WATER TREATMENT PLANT SUMMARY

ACTIVITIES JANUARY 21 – FEBRUARY 20:



WASTEWATER TREATMENT PLANT SUMMARY

ACTIVITIES JANUARY 21 – FEBRUARY 20:

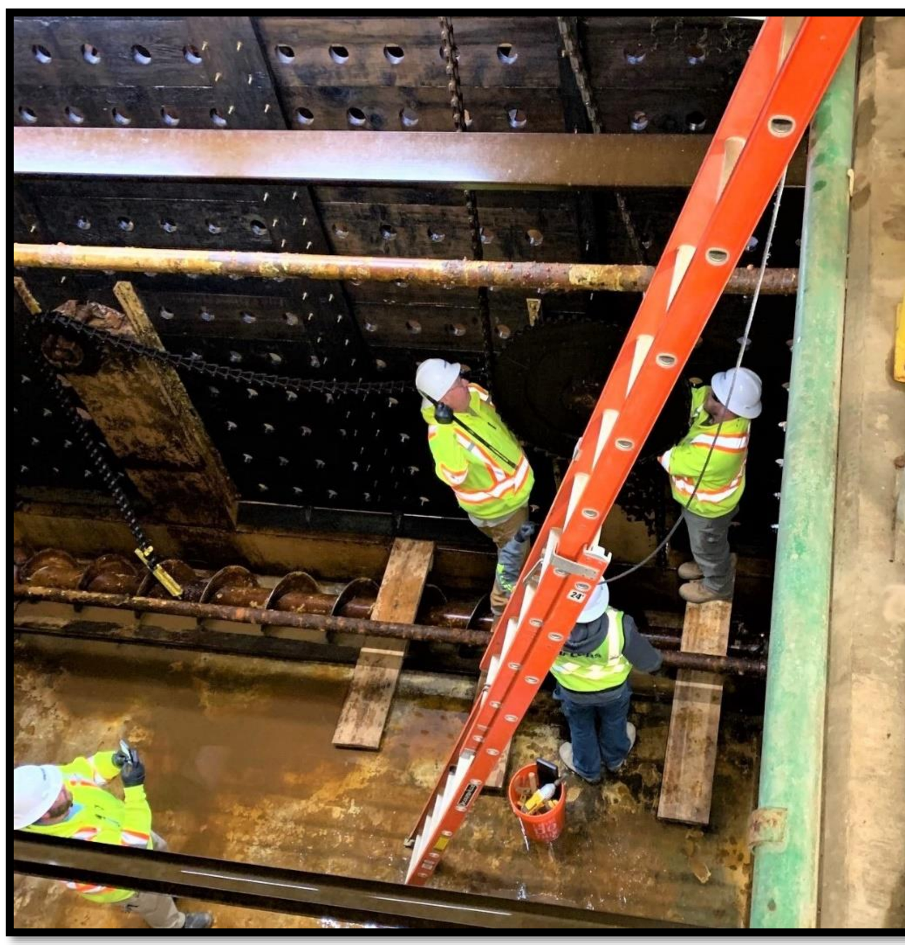
- Wastewater Plant is operating well.
- Weekly inspections of the equipment and buildings including maintenance and trouble shooting.
- Bids were received on the Farming operations at the Malheur and Skyline properties.
- NPDES permit sampling continues as per DEQ requirements, specifically arsenic sampling.
- One of our chlorine contact basins were taken off line and cleaned.
- NPDES permit sampling continues as per DEQ requirements. Tier I samples are be collected as well as required copper samples.
- New staff member hired and being trained for the maintenance and operation of the wastewater treatment plant.
- Odors at the wastewater treatment plant remain normal.

Jacobs Staff: Cleaning the north chamber on the west side of the chlorine contact chamber at the Wastewater Treatment Plant.

WASTEWATER TREATMENT PLANT SUMMARY

ACTIVITIES JANUARY 21 – FEBRUARY 20:

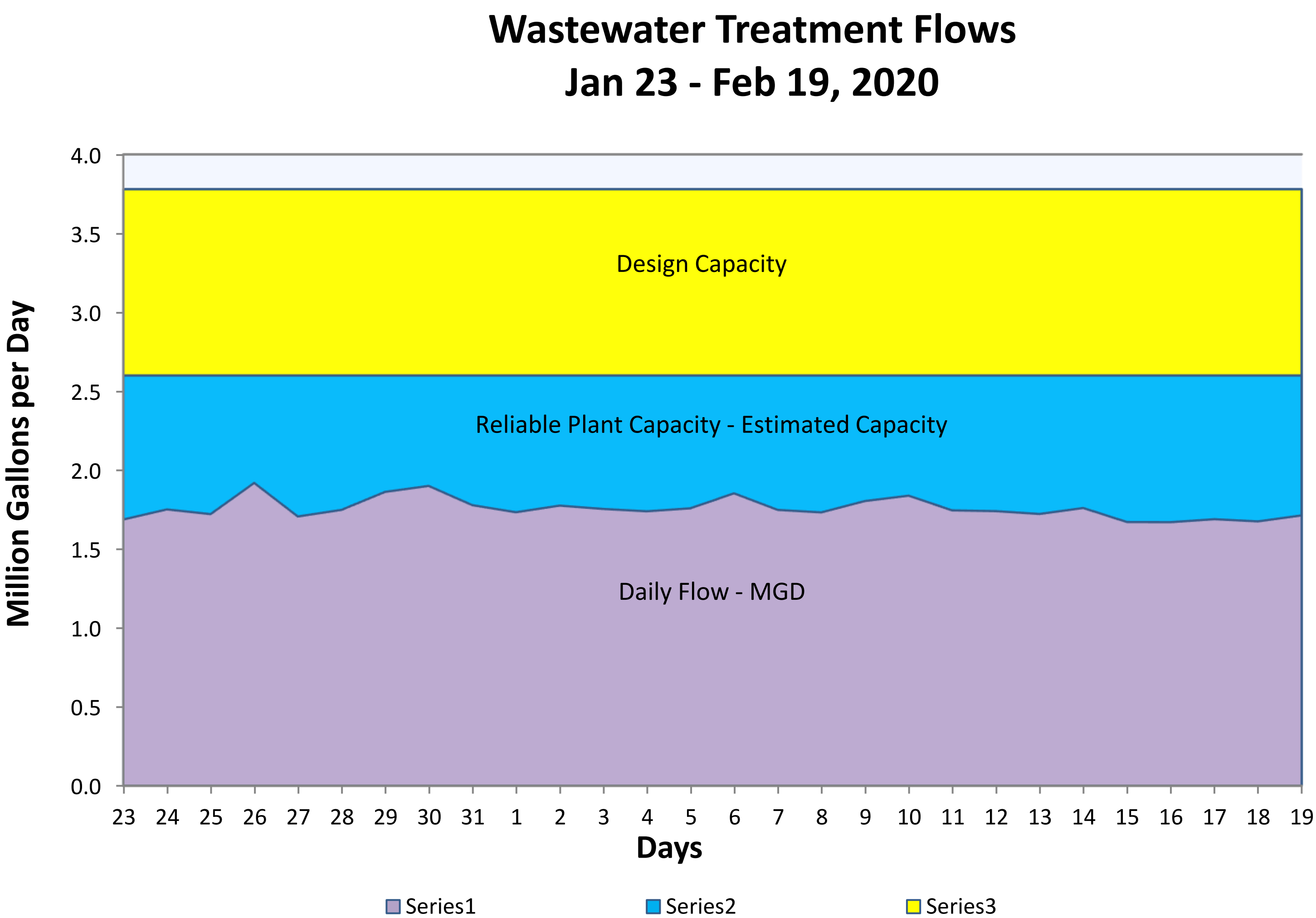
Lock Out Tag Out (LOTO) for the repairs to the secondary drive sprocket for the flocculator in clarifier #1.



Jacobs Staff: Making repairs to the secondary drive sprocket for the flocculator in clarifier #1.

WASTEWATER TREATMENT PLANT FLOWS

ACTIVITIES JANUARY 21 – FEBRUARY 20:



PARKS AND CEMETERY SUMMARY

ACTIVITIES JANUARY 21 – FEBRUARY 20:

- Normal winter operations associated with Parks and Cemetery up keep and maintenance.
- Fixed the stalls in the restrooms at City Hall.
- Installed a new door closer on a door at the wastewater plant.
- Trees have been ordered for East Idaho Ave. Project.
- New doggy poop bags dispensers have been installed at Sunset Cemetery, Akon, Laxon Park and on the north end of Evergreen Cemetery.
- 2 burials at Evergreen Cemetery and 1burial at Sunset Cemetery.
- The sewer line at the Beck Park bathrooms was replaced in connection with the bathroom remodel project. End goal here is to put the Beck Park bathrooms back in service.
- We are working with the new surveillance camera system installer to help in the installation process at Laxon Park. This continues as a work in progress.
- A new hot water heater has been ordered for City Hall.
- All the picnic tables have been repaired and stained. Jacobs staff will start putting them back out in the parks in March.
- Trees at Evergreen Park are being pruned this week.
- Staff will be inspecting and replacing swing set bolts throughout the parks system, this is done annually and is a task set up on computerized maintenance system.
- New trash cans are being installed at Lions Park.

FACILITIES SUMMARY

ACTIVITIES JANUARY 21 – FEBRUARY 20:

- Staff replaced thermostat on the hot water heater at City Hall. The hot water heater at city hall continues to have issues. The thermostat was replaced last week, we are now going to replace the heating elements.

Jacobs Staff: Installing 20' pole and conduit at Laxon Park for security camera system.

ENGINEERING SUMMARY

ACTIVITIES JANUARY 21 – FEBRUARY 20:

- Issued 7 ROW Permits.
- Issued 0 New Addresses to new residential lots.
- Issued 2 New Address to commercial lot.
- Attended 1 PDAC meetings to discuss the expansion of a business.
- Attended 4 PDAC meeting to discuss the remodel of an existing building for new businesses.
- Attended the Jacobs monthly safety meetings.
- Attended the Monthly Utility Meeting in Nyssa, Oregon.
- Inspected the abandonment of 0 Backflow devices on irrigation systems.
- Multiple plan reviews for new construction.
- Attended Preconstruction Meeting with ODOT for the SE 2^{nd} St. Project.

S. Oregon Design – CK3 will provide 90% drawings by February 24^{th} for review. They have requested an additional $4k for project delays and changes. A PO amendment has been completed and sent. They are working quickly to meet their deadline. Engineering is working closely with Peter Hall regarding the public meeting.

NPDES –Keller Associates is working on the Sanitary Sewer Rehab 2020 design. Jacobs team is working closely with CDBG regarding the Environmental reporting – appears a Categorical Exclusion will be sufficient. The Task Order for CE will be brought before the Council at the March 5^{th} meeting, along with the Notice of Public Hearing for the application to the CDBG program for the sanitary sewer (I/I) project as well as the Senior Center. If the environmental and the engineering design can be completed in time, then the team will submit an application for the CDBG grant in the Feb – April timeframe. If not, then we will go after the July – September opening. The grant application will request the maximum $2.5M.

The team is working to complete a number of the various reports required by the NPDES. The Annual Reuse Report was completed and submitted on time. As was the original Inflow and Infiltration (I/I) report, now due annually as part of the new NPDES permit. Other reports/work currently underway are the Mixing Zone Study (nearly complete – 90% was reviewed by engineering staff) and the pH Adjustment design.

CIP – Engineering staff presented the CIP to the PW Committee and met with the City Manager, Finance Director, and Human Resources to update the discussion regarding the Wastewater budget and several outstanding Capital infrastructure items. Engineering/PW then met with all department heads to support the prioritization process.

SRCI – The agreement was approved by Council and signed by DOC!!!! Next step is to work closely with Finance to accurately close out the old billing method and develop the new.

Splash Park/Skate Park RR – Jacobs team quickly ran through several options with Andrew Medea and Adam to select the best and most cost-effective alternative. Architectural, electrical, mechanical, structural and civil designs are now 90% and internal review is complete. Final contract documents will be available for advertising by early March.

ENGINEERING SUMMARY

ACTIVITIES JANUARY 21 – FEBRUARY 20:

Water Master Plan – Anderson Perry is continuing to collect information and work towards a 90% complete product for review by City Manager with an eye for presentation to Council.

Bids/Construction

- TVCC Path – Bonds have been received. A PO is open and Notice to Proceed will occur Feb.18.
- Airport Sewer Extension – The project was nearly complete by Friday, February 14th with only paving left for weather.
- SE 2nd Street Water & Sewer – Sanitary sewer and water are complete. A change order for an additional Fire Hydrant is all that remains to be completed. Should be done by Feb. 21st.

WTP Slough – The report has been delivered to the State for review. The staff plans to complete the work on the project in the spring. No word back from State yet, but we have reached out again.

TSP – The kick off meeting was held and the team has collected all of the GIS and other data requested by the consultant. That has been delivered.

SE 5th – Still on hold.

Beck Park Bridge – On hold as insurance appraisal is completed.

Tennis Courts – Bill Fittje has been reviewing the situation and will provide updated scope.

Work has begun on SW 33rd Street Sewer Extension.

APPENDIX

FIELD SERVICES

Collection and Distribution staff is responsible for Sewer Collection and Water Distribution throughout the City. Water distribution duties include maintenance and repair of approximately 97 miles of water lines and 3,625 services that include service installations, mainline installation, meter reading, maintenance of more than 600 fire hydrants, and valve exercising of more than 1,700 water valves.

Sewer collection duties include maintenance and repair of approximately 78 miles of sanitary sewer lines within the city. Responsibilities include constructing new pipelines, cleaning all gravity sanitary sewer lines, repairing or replacing sanitary sewer lines as needed, providing line locations for all water and sewer lines, and maintaining eight lift stations plus a barscreen and one lift station from SRCI. The city has approximately 56 miles of storm drain collection lines and 1,450 catch basins throughout city limits. Duties include storm drain maintenance and repair, cleaning of approximately 11 miles of storm drain lines, and cleaning the catch basins.

COLLECTION AND DISTRIBUTION STAFF MAINTAINS
78 MILES OF SANITARY SEWER LINES
56 MILES OF STORM DRAIN COLLECTION LINES,
AND 1,450 CATCH BASINS THROUGHOUT
CITY LIMITS

The Street Maintenance Division maintains more than 122 lane miles of improved streets and more than 9 miles of alleys. The Street Division is responsible for resurfacing, repairing and maintaining the streets, installing and maintaining street signs and markings, tree trimming, and repairing all established pavement markings. The division also completes excavation and repair of deteriorating streets, gravel road grading, street sweeping, crack sealing, chipsealing, snow removal and sanding during the winter months, and weed control along the alleys. Street Maintenance staff assists the Chamber of Commerce by putting decorations on street lights during the Christmas season and replacing them with regular decorations when the season is over.

STREET MAINTENANCE DIVISION MAINTAINS MORE THAN
122 LANE MILES OF IMPROVED STREETS
9 MILES OF ALLEYS
CHIPSEALS LAST A MINIMUM OF 8 YEARS,
AND PUBLIC WORKS CHIPSEALS 7 MILES PER YEAR

As part of the Street Division's maintenance program, crews chipseal street surfaces in the summer months to protect them from water and weather damage and to keep them in good condition. A chipseal maintains the existing pavement, delaying further aging resulting from water and sun, provides a moisture barrier, and corrects existing pavement problems by sealing cracks. A chipseal application provides substantial savings to taxpayers and should last a minimum of 8 years with minimal maintenance required. The city chipseals approximately 7 miles of streets per year.

APPENDIX CONTINUED

Water treatment plant staff is responsible for treatment of the city's drinking water supply. They must reliably produce high-quality water in adequate volume to meet city needs. Besides the daily laboratory checks, there are monthly, quarterly and yearly reports.

There are two sources of water for Ontario's estimated 11,090 residents: 80 percent comes from the Snake River and 20 percent comes from wells. Two plants treat the City's water. One is a conventional filtration plant and the other is an upflow clarifier. The steps for treatment are flocculation, sedimentation, filtration and disinfection, which meet the compliance of the Oregon Health Authority.

The Oregon Health Authority requires an operator be on duty 365 days a year. Ontario customers account for 3,845 water services, not including SRCI.

The water treatment plant has a reliable capacity (capacity with the largest pump out of service) of 8.3 mgd and a maximum capacity of 11 mgd. The water treatment plant average production is 6 mgd and the City's largest industrial user, Heinz Frozen Foods, uses an average of 2.2 million gallons (MG) of that water.

THE WATER TREATMENT PLANT HAS A RELIABLE CAPACITY OF 8.3 MGD AND A MAXIMUM CAPACITY OF 11 MGD.

APPROXIMATELY 80 PERCENT OF WATER COMES FROM THE SNAKE RIVER, THE OTHER 20 PERCENT FROM WELLS.

The City retains surface and groundwater rights permits for a combined total of 38.23 cubic feet per second (cfs), 24.71 mgd for municipal use.

All of the City's potable water is treated and disinfected at the water treatment plant. The plant has an original 8-mgd design capacity based on the optimum filter loading rates. The City expanded its treatment capacity in 2006, through the addition of two adsorption clarification and filtration tanks.

WASTEWATER TREATMENT PLANT

The wastewater treatment plant collects wastewater from the entire city and SRCI. The prison accounts for approximately 16 percent of the flow to the plant.

Wastewater treatment plant operators use a conventional treatment system of aerated lagoons and secondary chlorination treatment. Effluent from the treatment process is used to irrigate forage crops during the growing season. Nine lift stations transport sanitary sewer waste to the Wastewater Treatment Plant. Wastewater is screened and the flow measured at the headworks. Five cells (lagoons) with 25 mechanical aerators assist with biological treatment. Onsite generation of chlorine is used for disinfection.

Average discharge volume is approximately 1.5 mgd. Winter discharge is to the Snake River from November through March. Summer discharge is land applied to approximately 353 acres of cropland at the Skyline Farm.

APPENDIX CONTINUED

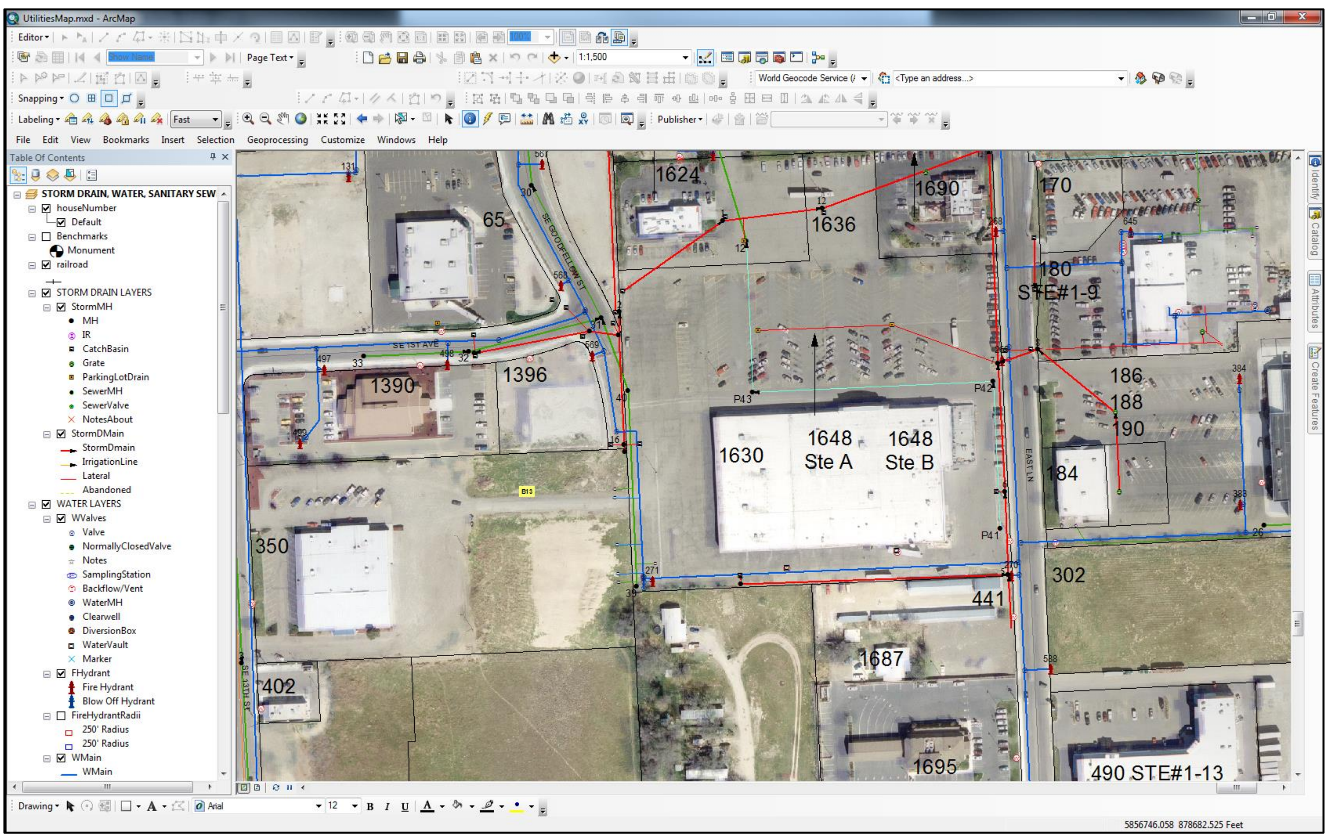
PARKS DEPARTMENT

The Ontario park system consists of both active and passive recreational areas. There are four neighborhood parks, one community park, one large urban park, and numerous special use sites in the park system. In total, the City owns 13 park and recreational areas representing more than 1,012 acres of land. The city also owns the Wayne King Skateboard Park.

ENGINEERING DIVISION

The Engineering Division reviews plans for construction of public improvements, maintains the city's mapping system, and manages the engineering projects within both the Capital Improvements and Maintenance Programs. The department provides technical support to residents, developers, builders, other city departments, consulting engineers, and surveyors. The staff reviews and approves construction plans for subdivisions, partitions, streets, sanitary sewer, water lines, and storm drainage construction projects. They also design projects, prepare bid documents for public works maintenance projects, and provide project management for public improvements.

The Geographic Information System (GIS) database is maintained by Engineering Department staff. The department also provides support to the city by creating, analyzing, and maintaining the city's geographical digital data. They provide updates to the record maps for all city utilities, right-of-way, easements, land division plots, and city base maps.



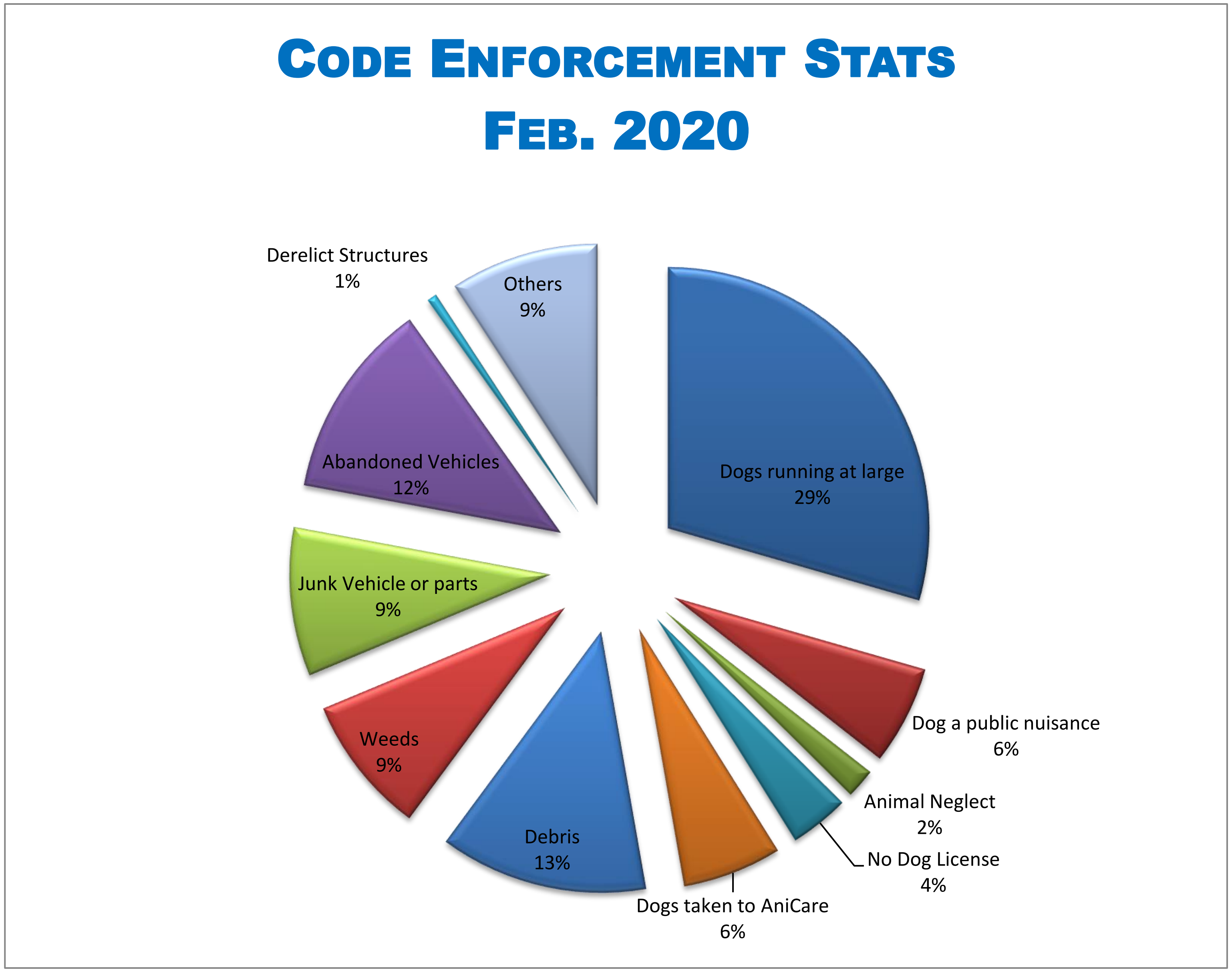
Police Stat Report 2020

Activity	Month of February	Month of January	YTD 2020	PRIOR YTD 2019
Calls for Service	952	875	1827	1536
Traffic Stops	223	181	404	223
Cited Traffic/Parking	85	72	157	108
Motor vehicle Crashes	31	30	61	78
Arrests	96	112	208	185
Arrersts w/Use of Force	0	3	3	4
SRO Cases	32	36	68	71
Gang Related Cases	1	5	6	5
Graffiti	2	11	13	4
Death Investigations	1	2	3	0
Burglary	12	14	26	34
Robbery	0	2	2	3
Thefts	77	66	143	91
Assault	11	14	25	23
Homicide	0	0	0	2
Sex Crimes	7	7	14	3
Alarms	20	20	40	39

CODE ENFORCEMENT

February 2020 Stats

Violation	#	2019
Dogs running at large	48	28
Dog a public nuisance	10	7
Animal Neglect	3	2
Animal Abuse		
No Dog License	6	5
Dogs taken to AniCare	10	6
Debris	21	9
Weeds	14	3
Junk Vehicle or parts	15	8
Abandoned Vehicles	20	9
Derelict Structures	1	3
Graffiti		
Others	15	18
Civil Penalties Issued	7	6
Total Parking Citations	10	4
Total Cases	**153**	82



MALHEUR COUNTY COURT MINUTES

February 12, 2020

The regularly scheduled meeting of the County Court was called to order by Judge Dan Joyce at 9:04 a.m. in the County Court Office of the Malheur County Courthouse with Commissioner Larry Wilson and Commissioner Don Hodge present. Staff present was County Counsel Stephanie Williams, Planner Eric Evans, Surveyor/Engineer Tom Edwards, Assessor Dave Ingram, and Juvenile Department Director Susan Gregory. Notice of the meeting was posted on the County website and Courthouse public bulletin board; and emailed to the Argus Observer, Malheur Enterprise, and those persons who have requested notice. Due to a malfunction with the recording system the meeting was not recorded. The agenda is recorded as instrument #2020-593

Public present was Jim Mendiola, Rod Frahm, and Larry Meyer of the Argus Observer.

PUBLIC HEARING - PROPOSED CHANGE TO SCHOOL DISTRICT BOUNDARIES BETWEEN NYSSA AND ONTARIO

A public hearing on a request to change the boundary of Nyssa School District No. 26 and Ontario School District No. 8C, by mutual consent of the districts, was heard by the Court, acting as the district boundary board of Malheur County under ORS Chapter 333. Notice of the hearing was published in the Argus Observer on January 26, 2020 and February 2, 2020, and was posted on the County's webpage. Judge Joyce opened the hearing. Commissioner Wilson stated he was abstaining from the matter as his property is effected by the proposed change. Judge Joyce asked for public comments on the proposed boundary change.

Landowner Rod Frahm spoke in favor of the boundary change and explained that the involved properties are located closer to the City of Nyssa than the City of Ontario and are in various Nyssa special districts such as the Nyssa Road District and Nyssa Rural Fire Protection District. A petition was signed by landowners of the effected property supporting the boundary change.

No written comments were received.

Judge Joyce closed the hearing.

Commissioner Hodge moved to approve the boundary change as requested; and moved to approve Order No. GO-05-20: Order for School District Boundary Change between Ontario School District No. 8C and Nyssa School District No. 26. Judge Joyce seconded and the motion passed. The Order will be sent to Oregon Department of Revenue. See instrument #2020-591

COURT MINUTES

Commissioner Hodge moved to approve Court Minutes of February 5, 2020 as written. Commissioner Wilson seconded and the motion passed unanimously.

AMENDMENT - IGA #159173

Commissioner Hodge moved to approve Second Amendment to Oregon Health Authority 2019-2021 Intergovernmental Agreement for the Financing of Mental Health, Addiction Treatment, Recovery, & Prevention, and Problem Gambling Services Agreement #159173. Commissioner Wilson seconded and the motion passed unanimously. (Original IGA is recorded as instrument #2019-2611) The amendment adds funding for Service Element 13 - School Based Mental Health Services. Funding for the Service Element will be passed on to Lifeways for use in the current biennium without further delay. The local advisory committee will start meeting again and a representative of ESD and Ontario School District will be included on the committee. A copy of the amendment will be returned for recording.

QUITCLAIM DEEDS - AGUILAR

Commissioner Wilson moved to approve Quitclaim Deed to Refugio Vazquez Aguilar for Ref. #19622; and Quitclaim Deed to Refugio Vazquez Aguilar for Ref. #18466/903013. Commissioner Hodge seconded and the motion passed unanimously. These are buy-backs as the properties were foreclosed on by the County for non-payment of property taxes. See instrument #2020-596 and #2020-595

CONTRACT WITH VALLEY FAMILY - JAIL MEDICAL SERVICES

Commissioner Hodge moved to approve Personal Service Contract for Medical Services in the Malheur County Jail with Valley Family Health Care, Inc. Commissioner Wilson seconded and the motion passed unanimously. The Contract is effective April 1, 2020 through March 31, 2023. See instrument #2020-594

COURT ADJOURNMENT

By consensus the meeting was adjourned.

MALHEUR COUNTY COURT MINUTES

February 19, 2020

The regularly scheduled meeting of the County Court was called to order by Judge Dan Joyce at 9:00 a.m. in the County Court Office of the Malheur County Courthouse with Commissioner Don Hodge and Commissioner Larry Wilson present. Staff present was Administrative Officer Lorinda DuBois. Notice of the meeting was posted on the County website and Courthouse public bulletin board; and emailed to the Argus Observer, Malheur Enterprise, and those persons who have requested notice. The meeting was audio recorded. The agenda is recorded as instrument #2020-660.

ORDER FOR FOR SALE OF COUNTY PROPERTIES

Treasurer/Tax Collector Jennifer Forsyth met with the Court and reviewed the properties to be sold at the 2020 County Land Sale. Commissioner Hodge moved to approve Order No. GO-06-20: Order for the Sale of County Properties. Commissioner Wilson seconded and the motion passed unanimously. The County Land Sale will be held on April 28, 2020 at 10:00 a.m. See instrument #2020-661

COURT MINUTES

Commissioner Wilson moved to approve Court Minutes of February 12, 2020 as written. Commissioner Hodge seconded and the motion passed unanimously.

6TH AMENDMENT - IGA #159173

Commissioner Wilson moved to approve Sixth Amendment to Oregon Health Authority 2019-2021 Intergovernmental Agreement (IGA) for the Financing of Mental Health, Addiction Treatment, Recovery, & Prevention, and Problem Gambling Services Agreement #159173. Commissioner Hodge seconded and the motion passed unanimously. (The original IGA is recorded as instrument #2019-2611) The amendment removes funding for Service Element (SE) 62 - Supported Capacity for Dependent Children Whose Parents are in Adult Addiction Treatment, Recovery, & Prevention Residential Treatment. A copy of the amendment will be returned for recording.

MALHEUR COUNTY DEVELOPMENT CORPORATION (MCDC) BOARD

Commissioner Wilson moved to appoint Randi Svaty to the Malheur County Corporation (MCDC) Board. Commissioner Hodge seconded and the motion passed unanimously. Ms. Svaty's appointment fills the vacancy as a result of Toni Parrish's resignation; Ms. Svaty is a Branch Manager/Relationship Manager with Northwest Farm Credit Services.

CROSSING PERMIT

Commissioner Hodge moved to approve Crossing Permit #05-20 to Idaho Power Company to install a bank of transformers on an existing pole on Jefferson Drive #554. Commissioner Wilson seconded and the motion passed unanimously. The original permit will be kept on file at the Road Department.

COURT ADJOURNMENT

The meeting was adjourned.