

**MISSION STATEMENT: TO CREATE A HEALTHY, SAFE, DIVERSE, AND PROSPEROUS CITY
BY ENGAGING COMMUNITY MEMBERS TO DEVELOP AN ENRICHED QUALITY OF LIFE.**



**COUNCIL MEETING AGENDA
CITY COUNCIL – CITY OF ONTARIO OREGON
TUESDAY, FEBRUARY 24, 2026, 6:00 PM, MT
[Zoom Link](#)**

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: Susann Mills _____ Michael Braden _____ Ken Hart _____ Adrianna Contreras _____ John Kirby _____
Council President Penny Bakefelt _____ Mayor Deborah Folden _____

2) PLEDGE OF ALLEGIANCE

This Agenda was posted on February 20, 2026. 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) CONSENT AGENDA

A) Adoption of Council Meeting Minutes: January 27, 2026; February 10, 2026

5) 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.

6) PRESENTATIONS

- A) Moore Park Grant: Eastern Oregon Border Board
- B) Annual Audit

7) OLD BUSINESS

- A) Resolution #2026-106 : Funding for Electronic Speed Signs
- B) Resolution #2026-107: Police Department Body Cameras
- C) Ontario Recreation District Swimming Pool Funds Release

8) NEW BUSINESS

- A) Resolution #2026-108: DLCDC Grant for Ontario Planning and Zoning Development Standards

9) PUBLIC HEARING

- A) Resolution #2026-109: Master Fee Schedule 2026-2027

10) DEPARTMENT HEAD UPDATES

- A) Finance: Monthly Report
- B) Public Works: Quarterly Report

11) HAND-OUTS

- A) Minutes: County Court 01-28-2026
- B) Check Register: January 2026
- C) Budget Calendar: 2026-2027

12) CORRESPONDENCE, COMMENTS AND EX-OFFICIO REPORTS

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; (c) Labor Negotiations; (d) Real Property Transactions; (e) Exempt Public Records; (f) Trade Negotiations; (g) Litigation [Current or Potential]/Consult with Legal Counsel; (h) Performance Evaluation of Public Officers and Employees; (i) 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.



CITY COUNCIL MEETING MINUTES January 27, 2026

Audio equipment ceased working at 1:13:51 of the meeting. Minutes from that point were taken from written notes by the City Recorder.

The scheduled meeting of the Ontario City Council was called to order by Mayor Deborah Folden at 6:00 p.m. on Tuesday, January 27, 2026, in the Council Chambers of City Hall. Council members present were Deborah Folden, Susann Mills, Michael Braden, John Kirby, Ken Hart, Adriana Contreras, and Penny Bakefelt.

Staff present were Dan Cummings, Tori Barnett, Corinna Hysell, Kari Ott, Jason Cooper, Clint Benson, Tatiana Burgess, Al Haun, Marshall Pierce, and Andy Wood.

AGENDA

This Agenda was posted Friday, January 23, 2026. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

HART moved, MILLS seconded, **TO ADOPT THE AGENDA AS PRESENTED.** Roll call vote: Mills-yes; Braden-yes; Hart-yes; Contreras-yes; Kirby-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

PUBLIC COMMENT

Tim Cables, Ontario, stated: *Thank you Mayor, and is this on? Can you hear me? Well, I'll project. Mayor, members of the Council, and fellow citizens of Ontario, I was born and raised here. I graduated from high school in 1969. I moved away to the Willamette Valley for seven years, the Oregon Coast for eight years, and then back in 1984, and the Chief tells me that he remembers helping with middle school dances that I helped put on at Blessed Sacrament Church where I worked for 20 years., working with middle school and high school kids. When I first moved back, I got involved in television advertising and what I came to speak about today for a minute is an invitation really for all of you to investigate using the QR code what this MAFA idea is. It's a name that I have simply applied in addition to something that I call pioneer spirit. It's that spirit that allowed us to move from one coast to another by hard-working individuals, working together, things like barn raisings and helping at the hayings and brandings. This is targeted towards civic organizations that are already doing good things and it's an invitation to the community at large to get involved, especially when they take on something of a common concern like Coats for Kids. This year, these organizations, and more, gathered probably close to 250 coats for kids and got them distributed. It's something that they could have done on their own, and would have, and would have done a very good job, it's just that kind of operating out of the month of banner, I know that we raised questions and raised more coats than we probably would have because people did ask questions. They said, oh, Tim, I see by your hat you're in the mafia now. How's that working for ya? I said, well, it's Move America Forward Again, as you can plainly see, and they said, well, what does that mean? Well, it means that you can check out the website and it'll tell you exactly what it means, but generally, it's encouraging people to join organizations that are already doing good things in the community and when there's something of a common cause, like Coats for Kids, it raises public awareness if you make an effort to kind of promote what you're doing and you can do that by wearing a hat or you can give a pocket flyer to somebody. One of my friends said, well, good luck with that. Hope it works for you. I said, well, it's not for me, it's not about me, it's about the kids that need coats. Do you mind donating a coat? He said, well, I'm sorry I asked. I'm not sorry, I'm glad you asked. Will you donate a coat? And I got seven brand new ones for little tots. So, that's what this is about, generally. I'm inviting you to take a look at the website and there's actually a book entitled "The MAFA Springboard Story" because that's what it's about. It's about promotional springboard raising public awareness that there's a project going on and we'd like to invite you to get involved and help out. Thank you.*

PRESENTATION

Ontario Landfill Summary Report

Carrie Rackey, Principal, Stantec Consulting Services, Inc., stated: *I've been working with Dan Cummings on Brownfields issues for a few years and we saw an opportunity to get some funding from the Oregon Department of Environmental Quality to investigate the former municipal landfill. DEQ has a program called the Oregon Site Program, and they granted the City of Ontario \$100,000 to investigate a former municipal landfill that's up kind of in the northwestern part of town. So, if go to the next slide, I think you'll see an image of where the site is located. So, when Ontario got the grant, we worked with the DEQ to put together a scope of work to evaluate conditions on this site. And the goal really was to kind of get an idea of what this site is suitable to be reused for. So, \$100k, it gives you a snapshot, so we, it's not a comprehensive investigation, but what we did was, we put together a scope of work that included a few things. So, we did what's called a geophysical survey, where we used ground penetrating radar to kind of map out roughly the boundaries of the waste material. I think if you go to the next slide, you'll see a little bit more of what that looks like. So that hash area there is based on the geophysical survey that we did and some tests pits that we did to kind of ground true what the ground penetrating radar was saying. We dug some test pits in there and evaluated that that's roughly the extent, special extent, of the waste material. And we also excavated some pits with "???" in the waste material to get a better idea of how deep it was and what it was made of. We also did two rounds of sampling of ground water and soil gas. We did one in the dry season, and one in the wet season. It's important to get both because those weather factors can impact both soils vapor and ground water conditions. So, EPA approved that work plan, so we went ahead and moved forward with the work. And what we found was essentially that the site is particularly contaminated. The only, the waste material that we saw in that filled area was largely glass, root fragments, wire, not much, at least it looked like municipal household type waste, but not very buried, really kind of in the dirt material. And when we did the sampling, we did some sampling of shallow soil to see what people would be coming into direct contact with, potentially, if they were using this site, and we did some deeper soil. In one location we saw something that looked like it might be contaminate- related, and then in the soil vapor samples, so if you're not familiar with soil vaporing, landfills generate explosive and sometimes toxic gases, and so you can take samples of the gas that has accumulated in the subsurface soil to evaluate those risks, and that's what we did. We also sampled the ground water to see if there was waster material here that had leached out of the landfill and contaminated the groundwater. And we really didn't see much of that at all. So, nothing in the, we took an 8-point composite of shallow soil, so we took shallow soil from within a couple feet of ground surface across the landfill, and we mixed it up, and sent that to the lab. It's a more cost-effective way than sending in separate samples. If you are taking your samples and you don't see anything unusual, everything looks like the same type of material, then it makes financial sense to do it that way. So that's what we did, and that material didn't exceed and DEQ land use standards. There was a point where each of the samples from this waste material is mounded on this site, so it's not a flat site. So, when we say that it's eight feet below ground surface, it's eight feet from the top of the mound, which might only be at ground surface of the surrounding sort of grade. But we did take a sample at depth because we saw some other materials, some ashy type materials, and we took, we analyzed it and there was an elevated lead concentration there. It's the only place that we saw that. So, what that indicates is that if you were to grade this site and move a significant amount of soil around, or take it off site, you might expose additional areas, so if the property is going to be used for something sensitive, like residential use, where people might be accessing the soil because they live there, then, maybe some additional sampling would be required or recommended. But really, we didn't see much contamination at all. And then in the soil vapor, the same. We looked for both Methane, because it's an explosion hazard and that could be generated if you have a lot of organic material in a landfill, which we really didn't see, and we only saw trace amounts of Methane that don't indicate a risk in explosiveness. And we also analyzed samples from are called volatile organic compounds, which are contaminates that come from disposed chemicals and those kinds, petroleum, and that kind of stuff, and we didn't see anything at all. So that's really a primary concern with landfills, is there gas being generated that's either going to blow up a building that you put onto the site, or accumulate inside a building and cause a risk to human health. So really the takeaway from this is that the site as it is doesn't pose a risk to human health. Being on the site I think what we saw that hazardous in terms of the use of the site, we could have a more detailed conversation of that, but sports fields, athletic fields, would be a suitable use. If you wanted to put a building on the site that was enclosed, I think, like a bathroom or a changing room or something associated with a park or a sports facility, would be fine. Something where people don't live there. If a more sensitive use was proposed for this site, then more sampling would be warranted. It doesn't really lend itself to residential development in this area, but if that was the plan, some additional sampling would be warranted because that's a sensitive property use. As is, from what is a fairly limited, but big glimpse of conditions at the site, we didn't see significant contamination here and it looks like, as it is, it's usable for whatever you want, and then depending on the sophistication of what you want to build on it, there might be more investigation warranted. Be happy to flesh that out with questions, or....*



Councilor Hart asked how large the site was.

Ms. Rackey stated: *Twenty acres. And that's not boundary, it's 20 acres and it's a tax lot, the waste area is half that, roughly.*

Councilor Hart stated the part of the land that was not a former part of the landfill, where it doesn't appear that any testing was done there, because there was no concern. Was that accurate?

Ms. Rackey: *Yes, that's right. If there was an obvious mound adjacent, we do have, I think we can see a little bit on this figure, there are some monetary mounds to the north and south and outside the waste boundary, so we did look at the ground water outside of the waste boundary, largely because we didn't want to punch a hole through the bottom of it and potentially cause a pathway, create a pathway each time we dig deeper into the subsurface, but yeah, because of the geophysical and the test pits indicated that it ends there, to the west, we didn't continue on to the west.*

Councilor Kirby asked what the zoning was.

Mr. Cummings stated it was zoned Public Facility.

Ms. Rackey: *WE did find, though, that lead sample that was elevated, that was eight feet below the top of the mound, that exceeds, DEQ has this standard called Clean Fill Standards, so it's not a human health related standard, but what it means is if you want to regrade and you want to move soil around on the site, that's fine, but if you want to take it offsite, if it has exceeds those standards, then it has to go to a landfill, it can't go to a, to a landfill or DEQ approved facility. It can't sort of just go some fill site somewhere, but, like I said, we only had one sample that showed that higher lead concentration, which could just be a complete one off, so if regrading and moving the soil offsite is planned, it would be worth the little bit of cost to stockpile that soil and sample it and then determine where it needs to go.*

Councilor Kirby asked if it was in the 100-year floodplain.

Ms. Burgess stated it was.

Councilor Mills asked how that would affect future buildings, especially if it was residential.

Mr. Cummings stated he did not believe they'd propose any residential on that property. The best use would be for a sports complex. It was in the Parks Master Plan as such.

Ms. Rackey: *I'll just note, too, that the investigation was really focused on contamination and not necessarily geotechnical, so we don't have any, we didn't study the geotechnical, so if something heavy were to be built where the waste is, that would be something you'd want to look into as well.*

Photo Red Light Cameras

Jason Cooper, Police Chief, presented.



Ontario Police Department

- Automated Traffic Enforcement
- Photo Redlight Study

Jason Cooper
Chief of Police



4 Intersections Selected

- - East Idaho Avenue / East Lane
- - East Idaho Avenue / Goodfellow Drive
- - Oregon Street / Idaho Avenue
- - SW 4th Avenue / SW 4th Street

➤ (14) Cameras utilized*

* (2) directions were compromised due to road curvature and obstruction(s).



01/22/26





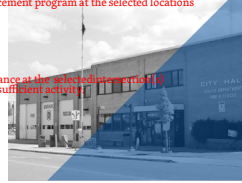
Two Components of Traffic Study:

1. Speed Analysis

Based on the company analysis, the observed traffic speeds at the selected intersection(s) indicate that the volume of potential speed violations would be relatively low.

2. Red Light Analysis

Based on the company analysis, the observed traffic control device compliance at the selected intersection(s) indicate that the volume of potential stop light violations would generate sufficient activity to be self-sustaining.



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Fixed RedLight Safety Camera

WHAT IT FEATURES:

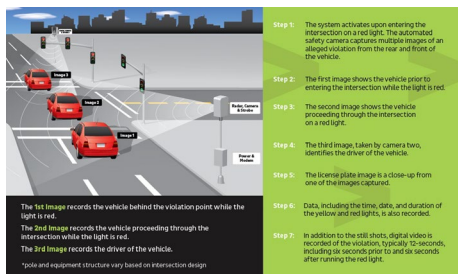
30HD RADAR, MULTIPLE 12MP CAMERAS, HD 1080P VIDEO, DETECTS SIX LANES, TRACKS 256 OBJECTS, LED ILLUMINATION

WHY IT MATTERS:

- HIGH ENFORCEMENT RATES, MINIMIZED LIGHT POLLUTION, SUPERIOR RELIABILITY & PERFORMANCE, HIGH DEGREE OF ACCURACY



How It Works: RedLight Safety Camera | Driver Liability/Face Capture



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- 5-year contract with City, Estimated monthly cost per camera - \$ 5,250, Estimated Monthly cost for (14) Cameras - \$73,500, Estimated Annual Program Cost - \$ 882,000, Estimated 5-year Program Cost - \$ 4,410 Million, No Equipment or installation costs--included with the contract



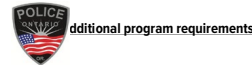
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- A. ODOT right of way for applicable traffic light intersections, Approval process for installation & permits, Power source needed, B. Non -ODOT right of way for applicable traffic light intersections, Construction permits from city, Power source needed, C. Public information campaign to inform local drivers about the use of camera before citations are actually issued.



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- Once each biennium, conduct a process and outcome evaluation on the program effectiveness pertaining to traffic safety, degree of public acceptance, and process of administration on the use of cameras, By March 1 of each odd-numbered year, each city that operates a camera under this section shall present to the Legislative Assembly the process and outcome evaluation.



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Assumptions*, Presumptive Fine = \$265.00, Minimum Fine = \$ 135.00



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Table with columns: Location, Citation issued per month 12-18 months, Citation issued per month 19-24 months, Total Fine (Monthly), Potential City Budget Net Revenue Per Month, Potential City Budget Net Revenue Per Month, Minimum Fine



811.265 Fail to obey a traffic control device - Class B Traffic Violation

A person commits the offense of driver failure to obey a traffic control device if the person drives a vehicle and the person does any of the following: (A) Fails to obey the direction of any traffic control device, (B) Fails to obey any specific traffic control device described in ORS 811.260, Steady circular yellow signal, A driver facing a steady circular yellow signal light is thereby warned that the related right of way is being terminated and that a red or flashing red light will be shown immediately, Presumptive Fine = \$265.00, Minimum Fine = \$ 135.00, Fine State County Assessment (County + City) \$265.00 \$50 \$16 \$99.50, \$135.00 \$50 \$16 \$34.50



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Officer Review of Citation(s) - Per Month

- Estimated citations issued first 12-18 months -2,633
- Estimated review time per violation 1-2 minutes 43.88hrs - 87.76hrs (officer time)
- Estimated citations issued after 18+ months -1,756
- Estimated review time per violation 1-2 minutes 29.26hrs - 58.53hrs (officer time)



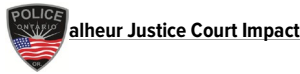
01/22/26

Citation(s) - 3-year totals [Malheur Sheriff, Ontario Police, Nyssa Police, Oregon State Police, & Oregon Department of Transportation]

2023	Total Citation(s) - 6,449
	Total Offense(s) - 9,727
2024	Total Citation(s) - 9,465
	Total Offense(s) - 11,899
2025	Total Citation(s) - 9,801
	Total Offense(s) - 11,816
2026	Total Citation(s) - 41,397 (Projected)
	+322% Increase in volume



- Additional Consideration(s)
- Staffing issues to process citations
 - Efficiency



12/10/25

Financial Data-

2023	Bail Fine Imposed Court Cost/other Paid Balance	%
	\$ 497,441 \$ 135,140 \$ 417,295 \$ 445.00 \$ 91,852	\$ 325,887 (22% collected)
2024	Bail Fine Imposed Court Cost/other Paid Balance	%
	\$ 774,153 \$ 196,397 \$ 633,062 \$ 310.00 \$ 143,023	490,348 (22% collected)
2025	Bail Fine Imposed Court Cost/other Paid Balance	%
	\$ 883,925 \$ 165,865 \$ 636,220 \$ 8,386 \$ 108,031	\$ 536,528 (17% collected)



Turnkey Program Services



TOTAL PROGRAM SUPPORT
 From installation to paid citation and beyond, we've got you covered.

- Equipment
- Installation
- Maintenance
- Management
- Training
- Event Processing
- Citation Printing
- Citation Mailing
- Reporting
- Public Awareness
- Call Center
- Court Integration



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- Alleged violation is identified/captured through Photo Red Light System vendor.
- The violation goes through a screening process with the vendor. Once verified, the violation is sent to the law enforcement agency for final review.
 - Ensures digital photographs, video of violation, data, and registered owner information is accurate as possible.
- If any of this information does not meet stringent quality control standards, the citation is not issued.
 - common reasons for not being issued:
 - Driver is not identifiable
 - Driver gender does not match registered owner
 - License plate cannot be determined/verified
 - Photo red light equipment issue
 - Photo alignment
 - Sun glare/obstructions
 - License plate obstruction
- During final review, the officer makes determination to not issue/issue citation. Once determined their electronic signature is affixed to citation.
- Vendor prints and mails traffic citation, along w/(4) images of the violation incident to registered owner.



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- Registered owner is provided with access to vendor portal to view video of the violation if so desired. An explanation letter, rights information (normally found on back of UIC), and access to a Certificate of Innocence/Certificate of Non-liability form (to complete if they were not the driver of the vehicle at time of violation).
- Traffic citation must be mailed to the registered owner, or to the driver if identifiable, within 10 business days of the alleged violation.
- The registered owner is given 30 days from the date of the citation is mailed to respond to the citation.
- A rebuttable presumption exists that the registered owner of the vehicle was the driver when the citation was issued and delivered. (ORS §10.436)
- A registered owner of a vehicle may respond by mail to a citation issued within 30 days from the mailing of a citation with a "Certificate of Innocence" swearing or affirming that the owner was not the driver of the vehicle AND providing a photocopy of the owner's driver's license. The Jurisdiction (Court) that receives the certificate of innocence shall dismiss the citation without requiring a court appearance by the registered owner. The citation may be reissued once, only to the registered owner and only if the jurisdiction verifies that the registered owner appears to have been the driver at the time of the violation.
- If a business or public agency responds to a citation issued, within 30 days from the mailing of the citation, a certificate of non-liability stating that at the time of the alleged violation



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- If a business or public agency responds to a citation issued, within 30 days from the mailing of the citation, a "certificate of non-liability" stating that at the time of the alleged violation the vehicle was in the custody and control of an employee or renter/lessee under the terms of a rental agreement/lease, the citation can be dismissed. The business or public agency MUST provide the driver's license number, name /address of the employee, renter or lessee. A citations may then be re-issued to that individual identified in the certificate of non-liability.
- Registration information is determined through Oregon DMV records. It is a requirement of Oregon Law to maintain updated address information with the Dept. of Motor vehicles.



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Mayor Folden asked if Chief Cooper wouldn't actually prefer a real, live police officer instead of what was being proposed? Wouldn't it be more beneficial?

Chief Cooper stated he would. With traffic violations, and violations in general, there was discretion, and each violation could be viewed differently, taking all circumstances into account. Then there was also that person to person contact with the alleged violator to attempt to rectify and educate the motorist, to try and get compliance that way.

Councilor Kirby stated the 22% collected, was that a figure that was well-used nationwide? Was I-84 part of the figures? Was it locals? Was it truckers who just didn't pay? Was it a combination?

Chief Cooper stated it was a combination. Those numbers provided included the Ontario Police Department, along with Nyssa PD, Malheur County Sheriff's Office, the Oregon State Police, and the Oregon Department of Transportation, being the weighmaster. All those were submitted to the Ontario Justice Court.

Councilor Kirby confirmed Oregon law did not place a lien or something against the vehicle that could be collected at the time it sold.

Chief Cooper stated the court was limited on processes and that was not one of them.

Mr. Cummings stated he thought the collection Chief Cooper was showing was strictly Ontario.

Chief Cooper stated that was correct.

Mr. Cummings stated the amount not collected was only what was owed to the City of Ontario, not anyone else. In 2025, that \$536k, was owed only to the City of Ontario. And the city had not received a good answer as to why the county was not collecting those. He encouraged the Chief to push for a better answer from the county as to why over the past three years, they basically owed the Ontario over a million dollars, which had not been collected. That was a lot of money not being collected, that could be in the city's coffers. It made no sense to put more out there that wouldn't be collected.

Councilor Kirby stated it made no sense to issue a traffic ticket, if no one paid the fine. He wondered if other jurisdictions were having the same issues, and if they were, why shouldn't that be a warrant attached to the title of the vehicle. Then it could be collected on the sale of the vehicle.

Mayor Folden stated her business was collections, and it was very hard to get people to pay their fines. She was unsure as to why, but her collections were way down. Unless she resuspended their license, and put out warrants, it wouldn't change.

Councilor Hart stated the part he was concerned about, according to the study, and he was curious if he agreed, that four intersections in Ontario, this company assumed there were 2,633 red light runners.

Chief Cooper stated that was correct.

Councilor Hart stated so they were just going to shrug and say, oh, that's just Ontario. If the Council authorized another officer, or three more, were they just going to just sit at those lights and get people to stop running red lights in this community? That's the part he was the most concerned about. Once they stopped enforcing laws, people stopped caring and just didn't do anything. This was not about - this was a lot more money than he had expected, and he certainly appreciated the information, but did they just shrug their shoulders and accept it as life, or if they gave three more officers, even with the trouble they were having filling the vacancies now, but would they sit at the lights and make sure people stopped running red lights? This proposal was a possible tool that a lot of other cities in Oregon and Idaho were using because they did not have enough officers. Had anyone in the room received this type of ticket? He had, and he never ran that red light again. And, yes, he paid the fine. But it worked, and it caused him to say he wasn't going to run that red light anymore. The reason to do this was not to make money, it was to try to get people to not run red lights in this community. He didn't know if there were stats, but if just one kid got hit, and everyone was like oh well, this was a safety issue in this community. This study stated that in just four stop lights, 2,600 in one month! He was not willing to just shrug it off and accept it. He wanted to get some ideas from the officers to see if there was some other

things that could be done, and this was really just one tool that could be applied. His overall concern was that they were just kind of accepting it as normal in Ontario that people ran red lights. He was in Fruitland a lot, and didn't see that number, but he did see a lot more cops. He understood that OPD was doing a lot of stuff, and if they were to choose between having more officers to have less people running red lights, that's a good debate they should have. He just saw this as a possible tool to explore, using technology to help offset the fact they couldn't have all the officers they'd like to have.

Chief Cooper agreed, and pointed out that the department was very short-staffed. In the past, when the department had been better staffed, the City of Ontario had dedicated traffic enforcement officers. There was also a motorcycle officer at one time, and he was solely out there enforcing traffic. That was his dedicated assignment. He believed there was a need for that, he agreed they should look at exploring the expansion of staff. When the department was fully staffed and could dedicate those officers to address those issues, they could also take additional complaints from the public, not only at particular intersections that had traffic lights, but others where there might be a concern from a citizens related to speeding in a residential or school area. Currently, they did not have the staffing capacity to address that like they'd like to, but that would enable them to enhance their capabilities to address those issues. He agreed totally it was a public safety issue, and if saved even one life, then it was worth it. He did like the face-to-face integration with the officer and the public to address those issues. The ultimate goal was to get compliance, and to educate the public.

Mayor Folden stated whenever she saw the presence of an officer, she immediately slowed down.

Councilor Mills stated the report stated the estimated annual program cost was \$882k, which did not include equipment or installation. Was that correct?

Chief Cooper that was the cost, but this third-party vendor, regarding the total cost, they included the installation cost for their property. There would be no additional cost to the city initially. Those costs were paying for the equipment and installation. The city would have to bring power and any permits to the intersection through ODOT to get permission to place the equipment at selected intersections.

Councilor Mills stated that versus hiring two or three police officers, was there....

Chief Cooper stated that annually, it would be approximately, according to this vendor, \$882k a year versus that could potentially fund how many officers for the year.

Ms. Ott stated it would be about \$150k per officer, so maybe four.

Councilor Mills stated there would also be the training involved, but she thought it seemed like a large difference between installation verse putting on more police force.

Mr. Cummings stated there were more than four lights. If they were adding to all, it would be the same cost per light. Bang for the buck, a few more officers could cover every one of those, plus side streets. It also had to do with education. They were seriously looking at how to get one, possibly two, officers running traffic all the time, and offering education to the community. There would always be those who didn't care and ran the light anyway, but for the most part, seeing a cop sitting there made people aware.

Councilor Contreras stated of the people who ran the red lights, how many caused accidents?

Chief Cooper stated he did not have the information with him, but it was definitely a large contributing factor to causing a motor vehicle accident.

OLD BUSINESS**Resolution #2026-101: Supplemental Budget for Lions Park Parking and Flagpole**

Kari Ott, Finance Director, presented.

During the January 13, 2026, City Council meeting, the City Council approved the replacement of the flagpole at Lions Park, and to construct additional parking at Lions Park contingent on staff bringing back a resolution with the funding.

The General Fund beginning fund balance came in higher than expected due to various items such as higher property taxes and marijuana taxes. The unexpected additional beginning balance was enough to fund the flagpole and Lions Park parking lot projects. The flagpole was being budgeted at not to exceed \$50,000 and the Lions Park parking lot at a not to exceed amount of \$125,000.

These projects would increase the General Fund beginning balance by \$175,000 and appropriate the projects in the Parks Department of the General Fund.

BAKEFELT moved, MILLS seconded, **THAT THE CITY COUNCIL CITY COUNCIL APPROVE RESOLUTION #2026-101: A SUPPLEMENTAL BUDGET TO APPROPRIATE FUNDS TO REPLACE THE FLAGPOLE AT LIONS PARK FOR A NOT TO EXCEED AMOUNT OF \$50,000 AND CONSTRUCT ADDITIONAL PARKING AT LIONS PARK FOR A NOT TO EXCEED AMOUNT OF \$125,000.** Roll call vote: Mills-yes; Braden-yes; Hart-yes; Contreras-yes; Kirby-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

Resolution #2026-102: Approve Amendments to the Collective Bargaining Agreement between City of Ontario and IAFF Local 3464

Dan Cummings, City Manager, presented.

The existing Collective Bargaining Agreement [CBA] between the City of Ontario [City] and the International Association of Firefighters (IAFF) union expired on June 30, 2025. The city team, consisting of City Manager Dan Cummings and Fire Chief Clint Benson, began negotiating with representatives from the IAFF in late May and early June and tentatively agreed on the terms of the amendments to the CBA.

Negotiations went very smoothly with the teams who presented proposed changes by both parties. Due to work conflicts with the city team, negotiations were put on hold until November. Final negotiations were completed in mid-December, and final changes were sent to the City Attorney for contract modifications, then sent to the IAFF attorney for approval and signatures. The Agreement had been approved by the city team staff and by the IAFF and was being presented to City Council for their approval.

The benefits with the CBA would be reactive to July 1, 2025. The agreed-upon pay and benefits fit within the anticipated budget established during the 2025-2026 budget approval.

KIRBY moved, CONTRERAS seconded, **THAT THE CITY COUNCIL TO APPROVE RESOLUTION #2026-102, A RESOLUTION AMENDING THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY OF ONTARIO AND IAFF LOCAL 3464 AND AUTHORIZE THE MAYOR AND CITY MANGER TO SIGN THE AGREEMENT.** Roll call vote: Mills-yes; Braden-yes; Hart-yes; Contreras-yes; Kirby-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

NEW BUSINESS**Billing for Vehicle Accidents within City Limits**

Clint Benson, Fire Chief, presented.

The Fire Department responded regularly to motor vehicle accidents, totaling 112 responses in calendar year 2025. ORS 478.310 allowed the city to bill for the cost of these services. Ontario Rural Fire Protection District has used Fire Recovery USA to bill for automobile accidents successfully since 2023. Costs for service continue to rise with income from fees and taxes remaining stagnant. Ontario Fire and Rescue would like to start billing for these responses within the City of Ontario.



In August 2023, the Ontario Rural Fire Protection District passed Resolution #5-2023, which established and implemented a program to charge mitigation rates for services provided by the Ontario Rural Fire Protection District for motor vehicle accidents occurring on transportation routes. Resolution #6-2023 authorized the Director to enter into a contract with Fire Recovery USA. This program has worked well for the District, resulting in revenues of \$12,015 in CY 2023, \$16,371 in CY 2024, and \$3,928 in CY 2025, a total of \$32,314 collected since implementation. Fire Department staff used the Fire Recovery USA online system to enter the vehicle crash report information, along with a copy of the incident report, and then Fire Recovery USA takes care of billing and collections.

Currently, Ontario Fire does not bill for motor vehicle accidents within the City Limits. Additionally, property taxes within the City of Ontario did not cover the cost of fire department operations.

Commitment to providing superior quality service requires funding to support these services. With property taxes not supporting Fire Department operations, it was imperative to explore additional funding sources that would help support the city's commitment to provide superior quality services. Many of the transportation accidents that occurred within the City of Ontario required a Fire Department response, and many of these transportation accidents involved vehicles registered in areas outside the city and state.

The cost of operating the Fire Department continued to rise due to inflation and operational improvements to the services being provided. In calendar year 2025, staff responded to 112 motor vehicle accidents. As a conservative estimate of income that would be generated by billing for motor vehicle accident responded to in the city, if half of those responses were for non-residents, and half of those calls were billable, the estimated annual income from this program would be \$13,132. Financial impacts to the Ontario community members and visitors to Ontario should be minimal. Patron's insurance premiums included costs related to emergency responses. Staff would be billing for monies already paid for by auto insurance holders.

Timing was good to implement this program. Staff was set up with Fire Recovery USA and had used the program in the Rural District since 2023. Cost of goods and services continued to rise, so finding and implementing additional revenue streams was imperative.

ORS 478.310(2)(a)-(b) allows cities to charge for emergency services involving occurrences on a transportation route...*"When a district or city responds to a call for assistance arising from an incident involving an airplane crash or an occurrence on a transportation route within the city or district, the district or city may recover from the person or property receiving the direct fire or safety services as a result of the incident any cost incurred for the following:*

- a. The contract or reasonable value of the use, including repairs and depreciation, of the apparatus and equipment used in accordance with a state standardized-costs schedule issued by the State Fire Marshal; and*
- b. Other expenses or costs reasonably incurred in furnishing the assistance, as adopted by the service provider."*

The city could continue not billing for automobile accidents and explore alternative revenue sources; however, staff recommended utilizing Fire Recovery USA to bill for automobile accidents, and other applicable incidents, within the city as allowed by ORS 478.310.

MILLS moved, BAKEFELT seconded, THE COUNCIL APPROVE THE FIRE DEPARTMENT'S USE OF FIRE RECOVERY USA TO BILL FOR MOTOR VEHICLE ACCIDENTS AND OTHER APPLICABLE INCIDENTS WITHIN THE CITY LIMITS. Roll call vote: Mills-yes; Braden-yes; Hart-yes; Contreras-yes; Kirby-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

Lexipol: Fire Department Policies and Procedures Update

Clint Benson, Fire Chief, presented.

The Ontario Fire Department's current Standard Operating Procedures and Policies were antiquated and needed revision. Public safety agencies have had great success using Lexipol. Lexipol was an all-in-one platform for public safety agencies that provided state-specific fire policies and training tools for agencies. The system used daily training briefings to keep firefighters knowledgeable of current policies and procedures and provided regular state and federal updates to ensure the department had policies and procedures in place that met current regulations. Lexipol had been used successfully by the Ontario Police Department for several years and



was a system that had proven valuable statewide in public safety agencies. This action would provide the fire department with an up-to-date policy manual, daily training bulletins for staff, policy updates related to State and Federal regulations and court decisions affecting fire departments, and a web-based platform and mobile app that included Fire Rescue 1 Academy, a state-of-the-art training platform with fire, EMS, and hazmat related training. Fire Rescue 1 Academy also allowed staff training to be documented in a cloud-based system, compared to the current antiquated system, CertRight, running off a CD Rom. Lexipol would greatly enhance the fire department's policies, procedures, and training documentation.

Ontario Fire's current standard operating procedures (SOPs) were written prior to 2014, with minor additions and edits in 2021 and 2022 related to blood-borne pathogens and Oregon OSHA's heat illness prevention plan. The department's SOPs were in PDF format and were emailed to new staff upon hire. The current SOPs needed revisions or rewritten to accommodate current apparatus, such as the new ladder truck Tower 199 and Tender 158, policy memorandums like medical call tiering and training requirements, updates to the City's Employee Manual, and staffing strategies for new positions such as Captain, Engineer, and four-person staffing. Once updated, the SOPs should be reviewed and approved by the city's legal counsel to ensure they met current State and Federal requirements. This was very time-consuming work that should be reviewed and approved by legal counsel on an annual basis. Lexipol's program provided legally sound and up-to-date policies and a cloud-based training records management system.

Public safety funds were available and would be put to good use in revising the Standard Operating Procedures. With the proven value and success that Ontario Police Department has had with Lexipol, it seemed prudent for the fire department to use Lexipol to revise its SOPs and ensure they were legally sound year after year. The current training records management system was CertRight, which was implemented in June 2007 and was operated off of a CD-ROM. With the city's recent overall computer updates, this program was experiencing glitches which were worrisome.

Revising the fire department's Standard Operating Procedures to meet current local, state, and federal regulations showed a commitment to providing superior quality service and allowed staff to act decisively, and to know what was expected of them each day. Using a company like Lexipol ensured these standards would be legally sound, readily available to staff through an app on their phones, and well understood through regular training that was provided through Lexipol's daily briefing trainings. This action also provided efficiency by streamlining the revision process and creating a secure system to track firefighter training.

The initial financial investment for the city was \$15,838.84, which included onboarding and creating a sound policy based on national best practices which would meet current local, state and federal requirements. This cost also included a top-tier training program and a cloud-based training records management system for the firefighters. Beginning July 1, 2026, and each year thereafter, the fire department would budget for the annual \$12,889 cost for ongoing service with Lexipol. This cost was similar to what the Ontario Police Department paid annually for their Standard Operating Procedures and training platform through Lexipol. This investment would ensure that Ontario Fire and Rescue had up-to-date training and high-level standard operating procedures that were updated regularly as changes occurred through court decisions and state and federal mandates related to the fire service. An investment in legally sound standard operating procedures would help prevent future legal expenses that could result from outdated policies.

The timing of this investment was important, as the current Standard Operating Procedures were antiquated and had not been reviewed and approved by legal counsel to ensure they met current requirements. This action would provide the city with a sound, up-to-date policy for fire department operations. Sound policy protected both the city and fire department staff from unnecessary legal costs related to personnel and day-to-day operations. Lexipol also provided daily training based on standard operating procedures and a cloud-based training records management system, which would greatly help with bi-annual training audits conducted by Oregon DPSST.

An alternative to this action was to have the city's legal counsel review the fire department's current Standard Operating Procedures and provide recommendations for edits and additions. Legal review should be completed annually to ensure that the SOPs included local, state and federal regulation changes, as well as case law that affected fire department operations. The fire department could continue exploring the cost of a cloud-based training program to replace its current and fragile CD Rom-based system. Staff's research into similar training platforms, like Vector Solutions, found an annual cost of around \$6,000 for a similar cloud-based training records management system.



MILLS moved, BAKEFELT seconded, **THE COUNCIL APPROVE THE USE OF \$15,838.84 FROM THE PUBLIC SAFETY FUND FOR THE IMPLEMENTATION OF LEXIPOL'S POLICY MANUAL AND TRAINING SYSTEM FOR THE FIRE DEPARTMENT.** Roll call vote: Mills-yes; Braden-yes; Hart-yes; Contreras-yes; Kirby-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

Funding Options for New River Intake

Marshall Pierce, City Engineer, presented.

In 2023, the city was awarded a \$500,000 CDBG for the engineering design of the new Secondary River Intake at the Water Treatment Plant. At that time, the city was eligible for up to an additional \$2,000,000 for construction funding. The city selected Consor to perform the engineering design for this project. Since then, the estimated construction costs have increased, and the CDBG program may cease to exist. The project was nearing final design, and the city was now at a crossroads for funding strategy.

The city's Secondary River Intake Project was nearing final design by Consor. The project's estimated construction costs increased over the last two years to potentially \$4,000,000. The city was eligible for an additional \$2,000,000 available through the CDBG program, however, the CDBG program's existence was at risk at both the State of Oregon and the Federal level.

The city has two options for funding this project: One: a combination of CDBG funds, assuming the program was still available and SDF funds, or, Two: all SDW funds. Option 1 would include an application to SDW for \$2,000,000 leaving the remaining \$2,000,000 funded from the CDBG, if it remained. Option 2 would be all \$4,000,000 funded from the SDW, of which up to half might include principal forgiveness.

The city needed to decide before the end of the first week of February as the SDW applications were due in February.

HART moved, CONTRERAS seconded, **THAT THE CITY COUNCIL APPROVE THE FUNDING STRATEGY OF PURSUING A COMBINATION OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND SAFE DRINKING WATER LOAN (SDW) TO FUND THE CITY'S NEW SECONDARY RIVER INTAKE PROJECT AT OUR WATER TREATMENT PLANT (WTP).** Roll call vote: Mills-yes; Braden-yes; Hart-yes; Contreras-yes; Kirby-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

Ducote Consulting Task Order Award: SDW and CDBG Application

Marhsall Pierce, City Engineer, presented.

In 2023, the City was awarded a \$500,000 CDBG for the engineering design of the new Secondary River Intake at its Water Treatment Plant. At that time, the city was eligible for up to an additional \$2,000,000 for construction funding. The city selected Consor to perform the engineering design for this project. Since then, the estimated construction costs have increased, and the CDBG program may cease to exist. The project was nearing final design, and the city needed to obtain additional funds for construction.

The City was in need of additional funding for this project and will need the assistance of Ducote Consulting for the loan and grant Letter of Interest (LOI) and applications. Applying for either of these does not commit to them, however, there are tight application windows that must be met. The Task Order amount was \$7,500, to be funded from the UCF.

There are tight application windows that must be met. SDW applications were due on February 15, 2026, so time was of the essence.

MILLS moved, KIRBY seconded, **TO APPROVE OF DUCOTE CONSULTING TASK ORDER IN THE AMOUNT OF \$7,500 TO ASSIST WITH APPLYING FOR A NEW SAFE DRINKING WATER (SDW) LOAN FUND AS WELL AS A NEW COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), AND AUTHORIZE THE CITY MANAGER TO SIGN ALL DOCUMENTS.** Roll call vote: Mills-yes; Braden-yes; Hart-yes; Contreras-yes; Kirby-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

DEPARTMENT HEAD UPDATES**Finance: Monthly Report**

Kari Ott, Finance Director, presented.

Ms. Ott noted that the audit was completed, and had been sent to the Secretary of State, so staff could get the auditors prepared for presentation.

DISCUSSION ITEM(S)**Downtown Attraction**

Dan Cummings, City Manager, stated just before he became Pro-tem City Manager, the downtown project had moved to where it had tentatively selected an option from all the different ones presented. The next step was to spend \$70k to get a design of that selection. The Council, at that time, chose not to take any action, and tabled the issue until the city owned the entire park, which would include the section to the west where the gas station was located. The rest of the park was still owned by Riley Hill. The entire two parcels were not owned by the city. It was now back before Council to see what they wanted to do with that park. Also, Revitalize Ontario has now stepped up and would like to become a sponsor of that park, like Kiwanis, Rotary, and Lions do with those respective parks. There were currently some members of Revitalize Ontario in the audience that evening. Also, in the Council packet were the studies, renderings, and other information provided by GGLO and the consultants.

Councilor Braden stated he felt that spending \$70k to push forward gave him sticker shock. The plan from a few years back was \$3.8M. The projects the city had been funding, the streets, the construction, was probably \$6+M of now in implementation of the plan that was currently in place. He was not prepared to approve a phased in plan on this park, yet. They did have Revitalize group that wanted to sponsor the park, and having their buy-in on work that had been down was great. If they would review the plans and offer feedback, the city would know where to proceed. But just giving it full throttle right now, he did not want to do.

Councilor Contreras stated she currently sat on COHORT, a leadership program that the Eastern Oregon Border Board put together, and four team members in the audience currently. There was grant money that they, as a group, would apply for, for a project that would better the community, and their group selected Moore Park. They had applied for \$25k. Can all these entities work together?

Consuelo [no last name provided] stated she was a member of the Leadership Academy with the Eastern Oregon Rural Roots Boarder Board and the reason they had focused on Moore Park was because one of the biggest reasons...she was a downtown business owner, so she saw downtown businesses every day, and they communicated daily. There were about seven businesses currently that were looking to relocate, and were now closing their doors, starting the liquidating process. That showed that the downtown area was struggling. They no longer had the Farmer's Market, which really hurt the downtown businesses. Many other events were moving outside of Moore Park, but Moore Park had a lot of potential, and every one of the members of the program agreed that community pride was lacking in Ontario. Their group all agreed to look at Moore Park. There was the \$25k into the program, and one of the reasons they selected Moore Park was because they knew there was a \$20k match to that fund. So now their project had now expanded. Their group would love to work with Revitalize Ontario, to see what kind of asset they'd be to each other, including the Downtown Association which was beginning to be established. Downtown Ontario was the heartbeat of Ontario, and statistically, visitors and tourists that came into downtown, 70% of them would overall see how Ontario was right now. Every business owner downtown agreed that the downtown area did not look great, but also agreed it could be so much better. They could all do something to make Ontario look beautiful. The standard was not high right now, and community pride was needed.

Councilor Hart reiterated the city also had a Parks Committee, and Councilor Braden was the liaison to that. He didn't have strong feelings about what happened at Moore Park, he just did want something to happen. The city had spent a lot of money. The city had funds, and they might disagree on how on exactly how much, but he felt the city had the funds now to do something. He'd like them to get out of the way of the committees, to give the Council some ideas on what they'd like to do and maybe an estimated cost, and then let the Council determine if it was a yes or a no. He wanted to clarify this, but he'd heard a rumor there was a moratorium on no trees until the tree study was done. Was that true? Moore Park was really lacking trees. If the committee came up with a plan to plant more trees before the study was completed, was that okay?



Mr. Cummings stated they had asked everyone to put it on hold because they didn't want the wrong trees going in the wrong locations, and then the consultant saying they had to be removed. Part of the study would be the type of trees. So, since he was the one who issued the moratorium, if the committee arrived at a plan, and it could be reviewed by the consultant for approval or disapproval, he thought they could go ahead and approve that.

Councilor Braden stated they were currently working with a consultant who was developing a green space master plan. That would be before the Council end of February, early March, to get their goal setting, their input, and to provide a draft of what that plan looked like. They would have a study of the environment, the soils, and what type of trees were to be prioritized about the time frame. There would also be an arborist coming out to do a specific tree inventory that the Department of Forestry was requiring be uploaded to their state database. They wanted to wait for some thaw and some leaves coming out, which would be around last March, early April. They would be doing a tree count. If the committee had some plans, he could take those to the consultant, and make sure it was implemented into the plan and that the arborist was okay with it, and who would give a thumbs up to plant trees that this community wanted.

Councilor Hart encouraged the committee to review the current plan, as it was six years old, but they didn't want to reinvent the wheel. His request would be, because he believed the city had unappropriated funds this year. The city's fiscal year ended in June, but he didn't think the park would be done by June. But, could they set aside some money this year for the park? The city was getting ready to go into the next budget cycle, so did they utilize some funds this year, and also set some funds aside next year for the park? Over those two years, not wanted to lock in a number, say around half a million dollars? He did not know what it would cost, but now was the time when he believed the city had the funds to be able to do something substantial and really show the pride they had in their community. He did not think they should spend \$3.8M, but they did need to get something going.

Comments from the audience asking to see the plan

Mr. Cummings stated he would email out the link.

Councilor Bakefelt stated the city now owned the land, it had been cleared off, and it had grass planted, so it was time to take some action. The downtown businesses were seeking support, and they should have to wait another two years for that help.

Mr. Cummings stated to be clear, during the last budget, the \$70k was reserved for the downtown project, but it had been moved into the downtown beautification which was supposed to be to paint the underpass and things like that. He had been working with UPRR to get permission. It hasn't been spent, but he wanted them to realize that it had been moved from the downtown project and placed elsewhere. Council could move it back into downtown.

Code Enforcement Update

Jason Cooper, Police Chief, presented. He and the City Manager had been in discussions with the City Attorney, who reviewed the abatement portion of the City Code, and felt it was satisfactory as currently written. Staff was ready to move forward at the direction and support of the Council.

Discussion of Governor Kotek Executive Order #26-01 on Homeless

Kristy Woolard stated: Good evening, Madam Mayor and Council members. So, this is kind of off on a whim, to discuss the Executive Order #26-01 in comparison with the Executive Order #25-1 that was put in place last year with Governor Tina Kotek. So, I think that there's been a little bit of discussion and confusion in regard to if Malheur County did in fact receive any type of executive order funds to assist our homeless population. So, last year, we all had a big meeting. It all took place at the Riverbend Apartments. They asked us to designate a person that was going to be in charge of leading for this homelessness order through the governor's office and we were considered the local, the, I'm sorry, the MAC group and then later on in life, later on down the year, we turned into a local planning group, so it's a combination between Malheur County and Harney County, and the reason for that is because the housing Authority of Malheur and Harney Counties obviously handles both counties, but so doe Community in Action, and Community in Action is our continuum of care provider, and they also manage the homeless management information system, more referred to as HMIS. That is the data inventory where they are doing all of their intake process in order to report that over to the State of Oregon or to the governor's office. So, when we were in this meeting, actually, Mr. Cummings recommended that I would take charge and lead up this MAC group, which I went ahead and di, and then based off of conversations that we've

had within the county, it was best that probably either the Housing Authority or Community in Action would take reigns of those funds that were going to filter in from Oregon Housing and Community Services because we had to come up with a plan for the county. So, the plan for the county was, if you can see, the goal was emergency shelter which we do have emergency shelter now that's year-round. If you recall, we did come in and we spoke to the Council in regard to that, that we were now opening the shelter up to be a year-round shelter, rather than just a winter shelter. So, our goal was to add 32 low-barrier shelter beds in our balance of state area because we are considered balance of state. We're part of the 26 counties that's balance of state, and we managed to create 32 emergency beds to date in the tiny homes that area now created. We were also granted some funding, I think it was a little over \$700k that the state provided to us in order for Community in Action to actually purchase the land and they also purchased, I believe, two apartments on the side right next to their tiny homes, and they've also just recently installed their bathrooms. I believe they have a bathroom and shower and stuff. Now it's not just a mobile trailer that they used to have. So, we were able to achieve that goal. We were at 100% and then we also did a goal of rehousing at least 34 unsheltered households in the balance of state area, so our area, our goal, was to rehouse 34 either individuals or family households in our area, and we managed to rehouse 70 households to date, which we overly succeeded at 206% for the state, which is what was reported to the governor. So, we received roughly about \$1.2M that assisted 70 households for at least 18 months. Now, what also takes into consideration is not only helping them with their rent, that's also paying utilities, that's also paying to get their clothes washed, that's also paying any type of gas vouchers, that's also paying for the wraparound services that needed to be provided which Community in Action offered that up and they had a community service provider, or providers within their agency that were going in and checking in on these clients. Reason for that is because we wanted to keep them on track and have them rehoused for at least six to 12 months in some type of a temporary housing and then eventually get them off into permanent housing. So, receiving those wraparound services based on whatever risk assessment that they were undergoing with Community in Action and those that were more at risk to revert back to homelessness, those folks were actually housed either within our Malheur project turnkey site or within the Basque House that Community in Action started to rent or within the house in Nyssa called The Sugar House, where we have homelessness / domestic violence victims that are actually residing there as well within our county. So, we were able to offer up those wraparound services. We also had street outreach, so Community in Action also hired a street outreach provider. I think they have two full-time staff personnel. We were able to purchase them a vehicle so they're able to transport people, bring water to the encampment sites, which they also did, you know, they went out to the encampment site here that the city has within their ordinances and then they also went out to, obviously, the flats that's out there by the Loves Truck Stop. So, they did have street outreach coordinators that were going out, offering up services. Now, it's a voluntary thing, though. We can't, I recognize and based off of conversation that I've heard and that I've seen within the county, within this, within Ontario, especially because we're one of the bigger parts of our counties, Ontario, right? Is it, it's optional. It's not a mandatory thing. I cannot force somebody that's experiencing homelessness and say, I'm going to place you in a unit. I cannot force them and say, I'm going to send you to a hospital bed. It's all very volunteer and so when they're ready, they're ready, and if they're not ready, then unfortunately, they're not ready. However, I'm pleased to say that we at least got 70 households off the streets. We have our Project Turnkey that's 17 2-bedroom units. Those were all kids that were facing homelessness. Those were all kids that were living, we had a couple families that they had their kids living in sheds. And we had no idea until we had, you know, schools reach out to us and reach out to Community in Action. We were able to place those kids in a decent, safe, and sanitary home for at least six to twelve months. Eventually, get them a Section 8 voucher or if they didn't need a voucher because they were able to stabilize and get on their feet with full-time jobs and they were able to move out, believe it or not, a lot of the families at Malheur Turnkey were employed. We even hired a couple people to work for the Housing Authority to be our round-the-clock monitors. They're now homeowners. So, that a huge success story. The governor's very impressed with the fact that we had somebody, a family that was homeless and now they are actually homeowners after 12 months of residing in a homeless shelter. So, Executive Order, oh, I might as well add, too, the Housing Authority also did give money to the city, money, funds, to the city to help out with the encampment site in providing, I believe it was trash and bathrooms. Is that correct, Dan? And then we did some dirt work, correct? Towards the very end, I was like spend the money, go get them water, go get them supplies because we were kind of running down to the end of the line where we really needed to expend the funds.

Mr. Cummings stated they've been great with supplementing the money that the city put out there. It's been allowing the city's money to stretch out much longer without having to come and ask for more. She has asked for more, so, hopefully, that can be done. But they've been fantastic help for funding to help keep the services out there that needed to be provided. They're not the best, but it's something. Many of those individuals were ones that want to live out there. There's a need for a facility like that.

Ms. Woolard continued: *Correct, so Executive Order #26-01 has extended. We are getting funds into the county. It is kind of repetitive, kind of a rinse and repeat thing. We have to continue to assist those families that are experiencing homelessness. We have to continue to make sure that the lights are paid, that the bills are paid, those wraparound service providers are still able to work. They're still able to provide services, and we're still able to also just create some type of housing for those that are experiencing homelessness. It's been a challenge for us within this county. We have local landlords that, you know, they want to protect their asset, and I completely understand that, And so running a criminal background check, those types of things, have kind of a barrier for these folks that are experiencing homelessness, so that's why we opened up our Malheur Turnkey site for those folks that are experiencing homelessness and then Community in Action rents the Basque House and also rents The Sugar House in Nyssa. I am asking the state, I do have a couple meetings with the state to actually see if we can get anywhere from \$20k to \$25k to grant to the City of Ontario in order to keep operations running as far as providing a bathroom and providing trash and providing maybe other services that may need to be provided at the encampment site. So, water, maybe some food, maybe some snacks, something like that that they might need at the encampment site, that's within the ordinances of Ontario.*

Mayor Folden asked if the Basque House was the Kiem house, the Echanis house?

Ms. Woolard: *Yes, so that's over here by Rusty's and Plumbing, yeah. So, we are renting those rooms. Okay. So, yeah, that's kind of what's going on. I know that the governor did switch out, there's been some budget cuts, so, you know, last executive order they had money expended out for street outreach. That's where we were able to allocate funds to like the city and allocate funds to some of the street outreach providers to go get supplies, things like that. They've now changed it to just outreach, so that is where that term is changing. We're kind of in mix of needing to speak with Oregon Housing and Community Services to see if that's an allowable expense. Okay. Any questions, concerns?*

Mayor Folden stated rehousing 70 households is fantastic. That's really great.

Mr. Cummings stated the new order extended the program that was put in under EO #25-01.

Ms. Woolard: *Yeah, and the county is not receiving the dollars. It's going to the Housing Authority. We have better hands on the fiscal monitoring portion of it, and they have been very strict as far as how they are monitoring things fiscally, and as far as like the capacity goes, I know that capacity is an issue, you know, within the county itself, so if you have somebody that's a little bit more well versed as far as fiscal monitoring goes for homelessness housing and any of the Oregon housing community services requirements that they'd like us to meet, your Housing Authority is the best bet or your local Community in Action agency. So, we've been really good and we've been forced to not be siloed and actually work together as a partnership, which has been great. Thank you very much.*

Depot Building

Dan Cummings, City Manager, stated: *Thank you, Mayor and Council. Recently, I got an updated report from the Basque Club, who is the one that manages the Depot. For some citizens, that may know, the city owns the Depot building. We just lease the ground under it from Union Pacific Railroad, but the city owns it. Years ago, we had a committee that did a lot of restoration on the outside, and a portion of the inside. Then the Basque Club took over that project, and they've done some major remodeling inside. Pretty impressive what they've done in there, and pretty much mainly with the, under the 99-year lease, we have with the Basque Club, part of it is that all rental funds that they get from renting that out, and I'd like to put it out to the community, that's a great place to hold events. It's really nice. If you haven't seen it, you need to go see it. But the money they get from renting there goes back into the building maintenance and stuff, and then the city's supposed to be helping out that, as well. A few months ago, the city voted to, at one time, in that lease, it was a split of the utilities. The Basque Club paid half and the city paid half. To help out the Club, the city took on the full responsibility of the utilities because they'd been paying them for the last 10 or 15 years that I could tell. I'm not sure why, but I couldn't find a formal obligation, so we did put that in formal writing, updated their lease to reflect that. In reviewing their upcoming stuff, upcoming they need to have the AC compressor, and that's estimated at \$3,500, and then the exterior needs painted again. It's been a long time since it was done, and that's \$10,000. Their rental income is projected only at \$2,700 a year. So, if you look at that, it would be about three to four years before they could get the funds paint it. I'm asking the Council, since we own that building, it's our building, that we grant them the \$10,000 so they get that thing painted this spring, and not have it further decay. So again, I know I keep asking for money, Kari keeps giving me that stop it, but right now I think, you know, we've got a huge asset there. We've put a lot of money, the Basque Club has put a lot of time and effort in there. So, in fact, recently, the Council did go there and the Basque Club put on a presentation showing what the works been*



done there, and I think the Downtown Association ought to recognize that that facility's there that has a lot of different types of rooms to hold little events and staff. So, it's something you ought to go check out.

Councilor Hart asked if there were any funds in the façade grant?

Mr. Cummings stated he considered that, but that would require changing the boundaries. It would also be the city using its own money to pay for its own building and the money was set up for the downtown businesses to use.

KIRBY moved, HART seconded, **THAT THE CITY COUNCIL AUTHORIZE THE PAYMENT OF \$10,000 FOR THE EXTERIOR PAINT AND PUT IT IN A MEMORIAL IN THE NAME OF GENE BATES, AN ACTIVE MEMBER OF THE BASQUE CLUB.** Roll call vote: Mills-yes; Braden-yes; Hart-yes; Contreras-yes; Kirby-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

HAND-OUTS

Minutes

County Court: 12-17-2025, 01-07-2026, 01-12-2026, 01-14-2026

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS.

Councilor Bakefelt questioned if it was fire fighter appreciation day? If so, she was proud of the firefighters in Ontario.

Mayor Folden agreed, and thanked them for their protection and devotion.

Councilor Braden stated he forgot to bring a flyer that he was going to share. He and Corinna [Hysell] were working on the tree project that kept getting discussed. There was a public survey that wants to collect information and feedback on community goals and priorities as they worked through the master plan that was shared on the city's Facebook page website with a URL and a QR Code for a direct link over to the survey to be completed to help direct this project.

ADJOURN

BAKEFELT moved, MILLS seconded, **THE MEETING BE ADJOURNED.** Roll call vote: Mills-yes; Braden-yes; Hart-yes; Contreras-yes; Kirby-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

ACCEPTED:

Deborah K. Folden, Mayor

ATTEST:

Tori Barnett, MMC, City Recorder





CITY COUNCIL MEETING MINUTES February 10, 2026

The scheduled meeting of the Ontario City Council was called to order by Mayor Deborah Folden at 6:00 p.m. on Tuesday, February 10, 2026, in the Council Chambers of City Hall. Council members present were Deborah Folden, Susann Mills, Michael Braden, John Kirby, and Adriana Contreras. Penny Bakefelt and Ken Hart were excused.

Staff present were Dan Cummings, Tori Barnett, Corinna Hysell, Kari Ott, Jason Cooper, Clint Benson, Tatiana Burgess, Casey Mordhorst, Al Haun, Marshall Pierce, and Andy Wood.

AGENDA

This Agenda was posted Friday, February 6, 2026. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

KIRBY moved, CONTRERAS seconded, **TO ADOPT THE AGENDA AS PRESENTED**. Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2.

CONSENT AGENDA

MILLS moved, KIRBY seconded, **TO ADOPT THE CONSENT AGENDA, WHICH CONSISTED OF ADOPTION OF THE COUNCIL MEETING MINUTES OF JANUARY 13, 2026**. Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2.

OLD BUSINESS

Resolution #2026-104: Funding Lexipol Program

Kari Ott, Finance Director, presented.

At the January 27, 2026, City Council meeting, the Council approved hiring Lexipol to update the fire department policy manual and training system. The attached resolution would appropriate \$15,839 from the Reserve Fund Public Safety Department to implement the system, leaving \$526,755 in public safety contingency.

This was a subscription and would be an annual cost of \$12,889.00, which would be in the budget.

MILLS moved, KIRBY seconded, **THE CITY COUNCIL APPROVE RESOLUTION #2026-104, A RESOLUTION TO APPROPRIATE \$15,839 TO IMPLEMENT LEXIPOL'S POLICY MANUAL AND TRAINING SYSTEM FOR THE FIRE DEPARTMENT AND AUTHORIZE CITY MANAGER DAN CUMMINGS TO SIGN RELATED DOCUMENTS**. Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2.

Resolution #2026-105: Funds to Award a \$10,000 Grant to the Basque Club for Exterior Paint at the Ontario Train Depot Station in Memory of Gene Bates

Kari Ott, Finance Director, presented.

At the January 27, 2026, City Council meeting, the Council approved giving a grant to the Basque Club for exterior painting of the Ontario Train Depot. This grant would be given in memory of Gene Bates.

Liability insurance for the city came in just over \$10,000 under budget. This resolution would move \$10,000 from the liability insurance budget and appropriate it for a grant to the Basque Club. This would move funds from the Administrative Overhead budget to the Non-Departmental Appropriations budget.



KIRBY moved, CONTRERAS seconded, **THE CITY COUNCIL APPROVE RESOLUTION #2026-105, A RESOLUTION TO APPROPRIATE FUNDS TO AWARD A \$10,000 GRANT TO THE BASQUE CLUB FOR EXTERIOR PAINT AT THE DEPOT IN MEMORY OF GENE BATES.** Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2.

Ordinance #2843-2026: Billing for Vehicle Accidents within Ontario City Limits

Dan Cummings, City Manager, presented.

The Fire Department responded regularly to motor vehicle accidents, totaling 112 responses in calendar year 2025. ORS 478.310 allowed the city to bill for the cost of these services. Ontario Rural Fire Protection District had used Fire Recovery USA to bill for automobile accidents successfully since 2023. Costs for services continued to rise with income from fees and taxes remaining stagnant. Ontario Fire and Rescue would like to start billing for these responses within the City of Ontario.

In August 2023, the Ontario Rural Fire Protection District passed Resolution #5-2023, which established and implemented a program to charge mitigation rates for services provided by the Ontario Rural Fire Protection District for motor vehicle accidents occurring on transportation routes. Resolution #6-2023, authorized the Director to enter into a contract with Fire Recovery USA. This program had worked well for the District, resulting in revenues of \$12,015 in CY 2023, \$16,371 in CY 2024, and \$3,928 in CY 2025 (total of \$32,314 collected since implementation). Fire Department staff used the Fire Recovery USA online system to enter the vehicle crash report information, along with a copy of the incident report, and then Fire Recovery USA took care of billing and collections.

At the City Council meeting of January 27, 2026, the City Council approved the Fire Department's use of Fire Recovery USA to bill for motor vehicle accidents and other applicable incidents within the city limits and approved Ordinance #2843-2026 on First reading by Title Only. This action was being brought back to the City Council for the second reading of Ordinance #2843-2026.

Commitment to providing superior quality service required funding to support these services. With property taxes not supporting Fire Department operations, it was imperative to explore additional funding sources that would help support the city's commitment to provide superior quality services. Many of the transportation accidents that occurred within the City of Ontario required a Fire Department response, and many of these transportation accidents involved vehicles registered in areas outside the city and state.

The cost of operating the Fire Department continued to rise due to inflation and operational improvements to the services being provided. As a conservative estimate of income that would be generated by billing for motor vehicle accident responses in the city, if half of these responses were for non-residents, and half of those calls were billable, the estimated annual income from this program would be \$13,132. Financial impacts to the Ontario community members and visitors to Ontario should be minimal. Patron's insurance premiums included costs related to emergency responses. Staff would be billing for monies already paid for by auto insurance holders. Staff was set up with Fire Recovery USA and had used the program in the Rural District since 2023. Cost of goods and services continued to rise, so finding and implementing additional revenue streams was imperative.

ORS 478.310(2)(a)-(b) allowed cities to charge for emergency services involving occurrences on a transportation route. *"When a district or city responds to a call for assistance arising from an incident involving an airplane crash or an occurrence on a transportation route within the city or district, the district or city may recover from the person or property receiving the direct fire or safety services as a result of the incident any cost incurred for the following: The contract or reasonable value of the use, including repairs and depreciation, of the apparatus and equipment used in accordance with a state standardized-costs schedule issued by the State Fire Marshal; and Other expenses or costs reasonably incurred in furnishing the assistance, as adopted by the service provider."*

BRADEN moved, MILLS seconded, **TO APPROVE ORDINANCE #2843-2026, AN ORDINANCE ESTABLISHING A PROGRAM TO CHARGE MITIGATION RATES FOR THE DEPLOYMENT OF EMERGENCY AND NON-EMERGENCY SERVICES BY THE FIRE DEPARTMENT FOR SERVICES PROVIDED/RENDERED BY/FOR THE CITY OF ONTARIO ON SECOND AND FINAL READING BY TITLE ONLY.** Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2.



CONTRERAS moved, MILLS seconded, **THE CITY COUNCIL AUTHORIZE THE CITY MANAGER TO SIGN ANY AND ALL CONTRACTS/AGREEMENTS WITH FIRE RECOVERY USA FOR THE EMERGENCY RESPONSE COST RECOVERY PROGRAM APPROVED UNDER ORDINANCE #2843-2026.** Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2.

NEW BUSINESS

Liquor License Application: Select Players, LLC

Jason Cooper, Police Chief, presented.

Select Players Bar, LLC, under the trade name Select Pub, located at 189 South Oregon Street, Ontario, Oregon completed the "Full On-Premises, Other Public Location" liquor license sales application.

The Oregon Liquor Control Commission had updated the licensing procedure. Applications now came to the local government for endorsement before completing the application process through the State of Oregon Liquor Control Commission office in Salem. All necessary paperwork had been submitted to the City of Ontario. The Oregon Liquor Control Commission office was awaiting a recommendation from the Ontario City Council.

McShane Erlebach received a Limited On-Premises liquor license for Select Players located at 189 South Oregon Street, Ontario, Oregon, on October 8, 2024. He was now applying for the greater privilege of Full On-Premises liquor license/Other Public Location for the same location in the name of Select Players Bar LLC., which would operate under the name Select Pubs.

Select Players was an establishment on Oregon Street in Ontario that sold sporting goods and equipment. They also have golfing simulators, indoor driving bays, softball and baseball equipment, and batting cages. This was a setting for all age groups. Patrons could test out and purchase sporting equipment. This location currently held a Limited On-Premises liquor license through the Oregon Liquor Control Commission, which allowed for the sale of beer, wine and cider. Select Players Bar, LLC, was requesting to change the license from Limited On-Premises to Full On-Premises, Other Public Location. They would be adding the OLCC food and seating requirement for this location. To change the license type for this establishment required Select Players Bar LLC to complete the Full On-Premises/Other Public Location application. Once this step was completed, Select Pub would have the necessary license requiring renewal every year.

With the approval of this license, Select Players would offer non-alcoholic beverages as well as beer, wine, cider and now a selection of spirits to patrons enjoying the establishment. They would be adding the required seating and food menu choices required by OLCC for this type of license, which had the potential to bring more visitors to the city.

All legal steps were followed to completion, with no negative feedback; however, this had no true effect on the process, as the Oregon Liquor Control Commission could take the city's objections to the action into consideration, but was not obligated to do so. The OLCC was the ultimate authority on the issuance of the license.

Councilor Braden asked what the upgrade meant.

Chief Cooper stated limited-on premises meant beer and wine. When upgraded to a full, it allowed the ability to serve hard liquor along with the beer and wine. It was an expansion of the type of alcohol that could be served at that location.

CONTRERAS moved, KIRBY seconded, **THE CITY COUNCIL RECOMMEND THE NEW FULL ON-PREMISES/OTHER PUBLIC LOCATION LIQUOR LICENSE APPLICATION FOR SELECT PLAYERS BAR, LLC.** Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2.

Ordinance #2844-2026: Amend OMC 2-5-1, Parks Committee

Dan Cummings, City Manager, presented.

On December 17, 2019, the City Council approved Ordinances #2767-2019, repealing the Parks and Recreation Board and creating the Parks Committee. The Committee established under Ordinance #2767-2019 consisted of one member from the Kiwanis Club, one member from the Lions Club, one member from the Rotary Club, one member from the Recreation District selected members or staff, two Members at Large from within the Recreation District, and one member from the City Council.

On January 27, 2026, the Council approved restructuring the Committee to reduce the number of citizens at large, currently two, down to one, and dedicating the other citizen at large position to a member of the Revitalize Ontario Committee, specifically geared towards Moore Park. This would keep the Committee at seven members.

By adopting proposed Ordinance #2844-2026, the Council would amend Title 2, Chapter 8, Section 4, of the Ontario Municipal Code. Staff would ask this action be completed as soon as possible to allow for new members to represent the Moore Park development.

CONTRERAS moved, KIRBY seconded, **THE CITY COUNCIL APPROVE ORDINANCE #2844-2026, AN ORDINANCE AMENDING ONTARIO MUNICIPAL CODE TITLE 2, CHAPTER 5, SECTION 1, PARKS COMMITTEE ON FIRST READING BY TITLE ONLY.** Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2.

MILLS moved, CONTRERAS seconded, **THE CITY COUNCIL APPROVE ORDINANCE #2844-2026, AN ORDINANCE AMENDING ONTARIO MUNICIPAL CODE TITLE 2, CHAPTER 5, SECTION 1, PARKS COMMITTEE ON SECOND AND FINAL READING BY TITLE ONLY, AND DECLARING AN EMERGENCY.** Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2.

Resolution #2026-103: Approving the Collective Bargaining Agreement (CBA) between the City of Ontario and the Ontario Police Sergeants' Association

Dan Cummings, City Manager, presented.

In 2024, the Oregon Legislators changed Oregon Law to allow Police Sergeants to join an existing Police Association or create their own Police Sergeant Association. Since this was a newly formed Association, a history was being provided in a public forum to document the creation of the Ontario Police Sergeants' Association.

April 10, 2024: the Ontario Police Sergeants Association filed a petition under ORS 243.682(2) and OAR 115-025-0030 to certify, without an election, the Association as the exclusive representative of a unit of all police sergeants employed at the City of Ontario. A majority of eligible employees in the proposed bargaining unit signed valid authorization cards designating the Association as the exclusive representative of the proposed bargaining unit.

April 11, 2024: the Board's Election Coordinator caused a notice of the petition to be posted. Pursuant to the terms of the notice posting and OAR 115-025-0060, objections to the proposed bargaining unit or a request for an election were due within 14 days of the date of the notice posting (i.e., by May 3, 2024). There were no objections to the petition or a request for an election.

April 4, 2025: the city, through their labor attorney, received a letter, via email, containing a Notice of Intent to bargain a contract with the newly formed Ontario Sergeants Association.

May 21, 2025: representatives from the City of Ontario, which consisted of City Manager Dan Cummings, Acting Police Chief Jason Cooper, Lt. James Swank, Finance Director Kari Ott, and Labor Attorney Adam Collier, met with representatives of the Ontario Police Sergeants Association and their labor attorney. At that time, the Association submitted their First Proposal.

June 11, 2025: City submitted a counterproposal to the Association's first proposal.

June 18, 2025: Association submitted their second proposal.



July 28, 2025: City and Association met again to negotiate, and the city countered the Association's second proposal.

August 26, 2025: City and Association met, and the Association submitted their third proposal. After meeting and breaking to discuss the city's counter, the Association presented a fourth proposal. Negotiations ended for the day.

September 29, 2025: Association filed a Mediation Request with the State of Oregon Employment Relation Board. Association sent an email about going to mediation. City responded to the Association and agreed to mediation.

December 8, 2025: City and Association met in mediation with a state-selected mediator. An agreement was made, and the City Attorney was directed to finalize the drafting of the agreement. It was stated that the Association would sign the final Agreement once they received it from the city.

December 19, 2025: Based on the Agreement in Mediation, the City Attorney finalized the Agreement, and it was sent to the Association attorney for signing.

January 13, 2026: Association's attorney responded with a question about the Agreement.

January 20, 2026: After consulting with city staff, the City Attorney notified the Association that the language in the Agreement was exactly as both parties agreed to in mediation.

February 2, 2026: The Association approved the Agreement and had their presiding President sign the Agreement. City staff and the City Labor Attorney, through mediation, arrived at an Agreement between the newly formed Ontario Police Sergeants' Association and the City of Ontario. The Agreement was now being presented to the City Council for final approval and ratification.

The financial impact was stated within the CBA and fit within the current budget. As agreed by both parties, the conditions established were active upon ratification of the Agreement, so it needed to be completed in a timely manner.

KIRBY moved, CONTRERAS seconded, THE CITY COUNCIL APPROVE RESOLUTION #2026-103, A RESOLUTION APPROVING THE COLLECTIVE BARGAINING AGREEMENT (CBA) BETWEEN THE ONTARIO POLICE SERGEANTS' ASSOCIATION AND THE CITY OF ONTARIO AS PER THE ATTACHED CBA AND AUTHORIZE THE MAYOR AND CITY MANAGER TO SIGN THE AGREEMENT. Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2.

JUB Contract to Design and Construct the Heliparking Pad – AIP25

Andy Wood, Airport Manager, presented.

FAA AIP Handbook - Order 5100.20C outlined Programming Control and Reporting Procedures Grant-In-Aid Program procedures. The next process was to have the Engineer Agreement AIP25 - Heliparking pad effective as of February 11, 2026, with the project formulation, design, bidding, and construction services.

The ODAV Aviation Review Committee forwarded a recommendation to the ODAV Board to approve the priority one AIP25 Heliparking Pad Project on January 15, 2026. The IFE process identified JUB fees as \$40,000.00 less than Century West Engineering. This project included design and construction phases of the Heliparking pad. Once the COAR Grant was approved, the FAA would reimburse the City of Ontario for the COAR Grant match.

The FAA and ODAV agreements were subject to the AIP Project Development Schedule. Engineer's Agreement approval of February 2026, with a proposed Bid Opening in March 2026. Grant issue was estimated at June–Aug 2026, with Construction in Aug–Oct 2026. The FAA standard procedure and process for this project was to have this engineering agreement up front. The COAR Grant for AIP funding was 90% approved by the Aviation Review Committee (ARC) of the Oregon Department of Aviation (ODAV). If there was a failure to comply with the grant conditions, the project funding might be forfeited.



The Ontario Airport Committee was now requesting the approval of the City Council to sign the JUB Agreement to Design and Construct the AIP-25 Heliparking Pad.

Councilor Braden stated he had not seen it on the report, so would Mr. Wood please state what the project bidding construction fees were.

Mr. Wood stated the fees were \$40,000 less than the Century West bid.

Councilor Braden stated he thought that was the declaration that due to the IFE they came in \$40k lower.

Mr. Wood stated that was correct.

Councilor Braden again asked what the total cost was.

Mr. Wood stated he would have to look that up and get back to him.

Councilor Braden stated he looked through Attachment A and Attachment B, and was seeing different numbers.

Mr. Wood stated it should be on the schedule at the bottom.

Councilor Braden asked if he meant Attachment 1-B, for \$78,700.

Mr. Wood stated that sounded correct, if that was the third page of the spreadsheet.

Councilor Braden stated the spreadsheet was longer than three pages. The third page read \$60,150, which was Attachment 1-B, and then there was Attachment 1-B-3 which read \$78,700.

Mr. Wood stated the total project design fee was \$60,150.

MILLS moved, CONTRERAS seconded, **THE CITY COUNCIL APPROVE THE CITY MANAGER TO SIGN THE JUB CONTRACT TO DESIGN AND CONSTRUCT THE AIP25 - HELIPARKING PAD.** Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2.

Task Order (TO) Award: Anderson Perry (AP) – Water Management and Conservation Plan (WMCP)

Marshall Pierce, City Engineer, presented.

The city last updated their WMCP in 2017. The next update was due no later than December 9, 2026. The purpose of the plan update was to be a guide to develop and implement water management and conservation programs and policies to ensure sustainable use of water resources for municipal and agricultural water users. A completed WMCP provided a description of the water system, identified the sources of water used by the community, and explained how the water supplier would manage and conserve supplies to meet future needs.

The city was in a position to sign Anderson Perry and get this project kicked off. Anderson Perry was assisting the city with their water rights for the new surface intake as well, and were well versed in water rights. The project would be funded by the Utility Capitalization Fee. The plan should take around six months to complete and was due December 9th of this year. This was a required plan.

BRADEN moved, CONTRERAS seconded, **THE CITY COUNCIL APPROVE THE ANDERSON PERRY TASK ORDER TO COMPLETE THE WMCP AS REQUIRED BY THE OREGON ADMINISTRATIVE RULES (OAR) IN ACCORDANCE WITH THE OREGON WATER RESOURCES DEPARTMENT, IN THE AMOUNT OF \$50,000, AND AUTHORIZE THE CITY MANAGER TO SIGN ALL DOCUMENTS.** Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2.

Appointments to Committee: Parks Committee

Tori Barnett, City Recorder, began the presentation.

Ms. Barnett stated she held a conversation earlier that day with Councilor Braden as a result of having the same name listed twice on the list, highlighted in yellow, and asked him if he wouldn't mind relaying the reasons to the Council.



Councilor Braden stated after the Council approved the ordinance earlier that night, Sandra Shelton, who was currently holding a citizen at large position on the Parks Committee, and if approved, would move over to being the Kiwanis representative. Tom Thompson would be the newly approved Revitalize Ontario representative, and the citizen at large position would not change. It read Tom Thomson twice in case the Council had not passed the previous changes to the Parks ordinance.

Ms. Barnett stated she was seeking Council consensus, with Mayor approval, to appoint Mr. Thompson to the new position on the Parks Committee as the Revitalize Ontario representative, and move Sandra Shelton into the Kiwanis Club representative position.

Consensus to appoint Sandra Shelton as the Kiwanis Club representative, and Tom Thompson as the Revitalize Ontario representative on the Parks Committee.

Purchase of Electronic Speed Sign

Ms. Barnett stated there was a hand-out given to Council that went with this next presentation.

Dan Cummings, City Manager, presented.

In 2022, the city purchased a speed sign that recorded the date, time, and speed of vehicles, and had been stationed in complaint areas to address public concerns. It had been very useful in reducing speeding in certain areas, as well as educating the public regarding posted speed limits. Currently, the city only had one sign and a few brackets, which allowed the movement of the sign to the problem areas.

Staff would like to discuss the possibility of purchasing an additional electronic speed sign, to allow placing the signs in different locations. There was currently one Shield 15 and a few brackets. The city still had possession of the speed trailer, but it didn't collect the data on the speed and number of speeding vehicles like the requested sign version would. It only showed the speed a vehicle was traveling when within range of the trailer.

The city currently owned the "Shield 15" (15-inch size) unit, and the overall initial cost was \$5,299. Staff located a "Speed Alert18 model" (18-inch size) that had the red and blue flashing lights integrated into the display, as well as a message board that flashed, for an overall initial cost of \$6,374.

Information from the company the city initially purchased the Shield and program from that should be noted were that the cost included: *The first year of the annual subscription was \$1,500 per unit. *Either unit listed above could tie into the department's existing dashboard, meaning it could access the data for both units. *The unit(s) have a 3-year warranty. *Both units were portable. *After the first year, the only re-occurring cost was \$1,500 per unit, so \$3,000 total annually for both units.

Further, staff would like to purchase an additional five (5) extra mounting brackets, which were \$131.58 each. This would allow the brackets to be mounted on the main road's problem areas. Overall, the purchase would result in an additional \$657.90 one-time cost, as the sign came with one bracket. There was a one-time cost of \$7,031.90, with a \$1,500 annual subscription for the new unit. It was proposed the \$7,032 would be appropriated from the public safety department of the Reserve Fund which would leave \$519,723 in public safety contingency. Staff would like to make the purchase, if approved, utilizing funds from the current 2025-2026 fiscal year budget.

The department used the existing unit to determine the hot spots on days and times of a higher number of speeders to determine areas for patrolling to control speeding. The current unit was also used to determine if complaints about speeders were factual, or maybe not actually in areas reported. When a unit was being utilized, there was a notable reduction in speeding as the unit showed the speeds when the sign was active; however, this trailer unit did not record anything, so staff could not determine if the unit was actually reducing speeding or not.

Staff would be pleased with either unit, but, obviously, the unit with red and blue flashing lights would be more beneficial, but the cost does increase for that unit. Staff proposed to purchase the unit within the current budget year, to receive the unit as quickly as possible. Staff was requesting Council authorization to purchase a Speed Alert18 model camera and five (5) extra brackets, and instruct staff to bring back a resolution for appropriating funding for the purchase.



Councilor Braden stated one of the biggest things he heard about when speaking with neighbors or people in the community, was the speed people traveled the Ontario streets. It was very much an area of concern. These speed signs made a large impact on educating and informing people, and it allowed staff to collect data, as well, which could be used for larger decisions like to maybe add a traffic enforcement officer solely for that position. He liked the idea of having an additional sign, and the city already had another one, but had staff considered requesting two new ones? The cause of this versus the impact was something he'd like to hear.

Mr. Cummings stated he didn't want to get greedy, but staff would love to have three total, one existing, two new.

Councilor Braden stated they all recognized that in this city, there were plenty of places the signs could be moved around, to keep people to keep checking their speed. If the motion was amended to purchase two new systems, would five brackets be sufficient?

Mr. Cummings stated if he wanted to double the machines, he'd like to double the brackets. That would really expand the capability of the systems. It would be money well spent.

Chief Cooper stated with those devices, staff had the capability to shut off the display. The unit would still function and collect data. From an education or data point to show that it was a deterrent, staff had done some previous studies and compared them when the unit was on and displaying the speed compared to when it was off, and there was a clear difference in speed variances. It was most assuredly effective.

Councilor Braden appreciated staff's mindfulness to the dollars spent. Asking for one was a big deal, however....

BRADEN moved, CONTRERAS seconded, THE CITY COUNCIL APPROVE THE PURCHASE OF TWO SPEED ALERT18 MODEL CAMERA AND TEN (10) EXTRA BRACKETS AND INSTRUCT STAFF TO BRING BACK A RESOLUTION TO DESIGNATE AND APPROPRIATE FUNDING. Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2.

DEPARTMENT HEAD UPDATES

Finance: Monthly Report

Kari Ott, Finance Director, presented.

Fire: Quarterly Report

Clint Benson, Fire Chief, presented.

DISCUSSION ITEM(S)

NPDES Permit

Casey Mordhorst, Public Works Director, stated on February 1st, the city received their NPDES Permit for wastewater discharge. It became effective March 1, 2026, and continued for the next five years. This process was over two-year negotiation sessions back and forth with DEQ, the Jacobs compliance crew, staff, and Marshall Pierce was a huge part of that team. It really focused on Arsenic over the next five years, and eliminating it from the collection system. There were milestones in the permit where they had to do a project every other year to try to eliminate I and I, (infiltration and inflow) as groundwater in this area was really high in Arsenic. They were cleaning up the collection system to meet the levels they would be required to meet. They did get them to agree to extend the scheduled compliance, so staff was not having to meet the levels in 2034; it had been pushed to 2041, and gave them time to put the money in the collection system. They were still going to focus on eliminating private wells that were also high in Arsenic that was getting into the collection system. They did provide a lot of documentation to them, so they had some of the sample collections reduced. The department was really focusing on Arsenic and potentially in 2041, they would have to meet the very low 2.1 parts per billion in Arsenic. That was going to be a very tough road ahead, but staff was going to push that cleanup.

Mr. Cummings thanked Public Works and the DEQ staff for all their hard work. They'd worked well together, and it was a long process.

Councilor Kirby asked about the reference Casey made about private wells.

Mr. Mordhorst stated there were approximately 41 accounts on private wells. Years ago, that had been allowed. If someone had a sewer problem, they just hooked into the city's system, but they were not required to hook into the water. The issue couldn't be forced. They were all residential wells.

Mr. Cummings stated the city policy had been changed to no longer allow wells to be hooked into the city system. If someone wanted to hook into city sewer, they had to hook into city water, as well. That was to help eliminate the Arsenic problem. And it was not a cheap action, and staff was looking into some incentive options to get better compliance.

HAND-OUTS

Minutes

Airport: 01-05-2026; County Court: 01-21-2026

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS.

Dan Cummings stated someone he neglected to mention when discussing the Sergeants' negotiations was Finance Director Kari Ott. She was a vital part of that team, and kept them moving forward. She was so fast at providing numbers, she was able to explain the impact certain amounts would have on the budget. So, thank you to Kari, and big apologies for not mentioning earlier that she was part of that team.

Councilor Kirby stated he had announced previously that he had conducted a survey, and had received the results. Subsequent to that, it was brought to his attention that he might be breaking the law with regard to conducting a campaign. He contacted the Oregon Ethics Commission and the Oregon Secretary of State's Office, and now the \$88 he had expended would have to be noted as a donation to his account, and that would have to be filed. He also thought he'd sent those survey results to both Dan and Tori, but while those results went somewhere, they didn't go to either of them. There had been at least 150 responses. He thanked those who had responded, and to the others who had reached out through his city email address.

ADJOURN

MILLS moved, KIRBY seconded, **THE MEETING BE ADJOURNED**. Roll call vote: Mills-yes; Braden-yes; Hart-out; Contreras-yes; Kirby-yes; Bakefelt-out; Folden-yes. Motion carried 5/0/2. Meeting concluded at 7:16pm.

ACCEPTED:

Deborah K. Folden, Mayor

ATTEST:

Tori Barnett, MMC, City Recorder





EASTERN
OREGON
BORDER
BOARD

RURAL ROOTS

COMMUNITY LEADERSHIP ACADEMY

Presented by:
RDI 
RURAL DEVELOPMENT INITIATIVES

Moore Park Capstone Project

2026 Cohort

EASTERN OREGON BORDER BOARD'S RURAL ROOTS COMMUNITY LEADERSHIP ACADEMY

- 10 students that reside within the Malheur County's Border Board region
- Cohort schedule: October 2025 – May 2026
- Learn leadership and grant-writing skills
- Develop a capstone project with clear deliverables, timelines, and resource requirements
- Capstone project will be funded by Eastern Oregon Border Board through a grant in the amount of \$25,000

COHORT PROJECT

Build a stage at Moore Park that:

- Can be cohesively incorporated into Revitalize Ontario's Park Masterplan
- Can be further developed and built around
- Can be a community hub to be used by various community partners, including but not limited to business partners, vendors, education groups for outdoor school.



COHORT PROJECT INSPIRATION

Fir Street Park, Sisters, OR



PROJECT GOALS

- Create a tangible and attainable result.
- Minimize future maintenance requirements by producing a sustainable and lasting project by utilizing highly resistant construction materials, such as concrete.
- Engage various community partners to increase project buy-in.

PROJECT BACKGROUND

Cohort's original idea was to build the auditorium in phases:

Phase 1 – build the concrete pad and minimize project costs by following prescriptive construction rules, before employment of design professional services are required (max height: 30 inches with ADA ramp and railing).

Phase 1 original target completion date – May 1, 2026.

Phase 2 – the surrounding canopy could be built later, around the concrete pad, by other groups, such as Revitalize Ontario, City of Ontario, or other community partners.

PROJECT BACKGROUND

Cohort presented idea to:

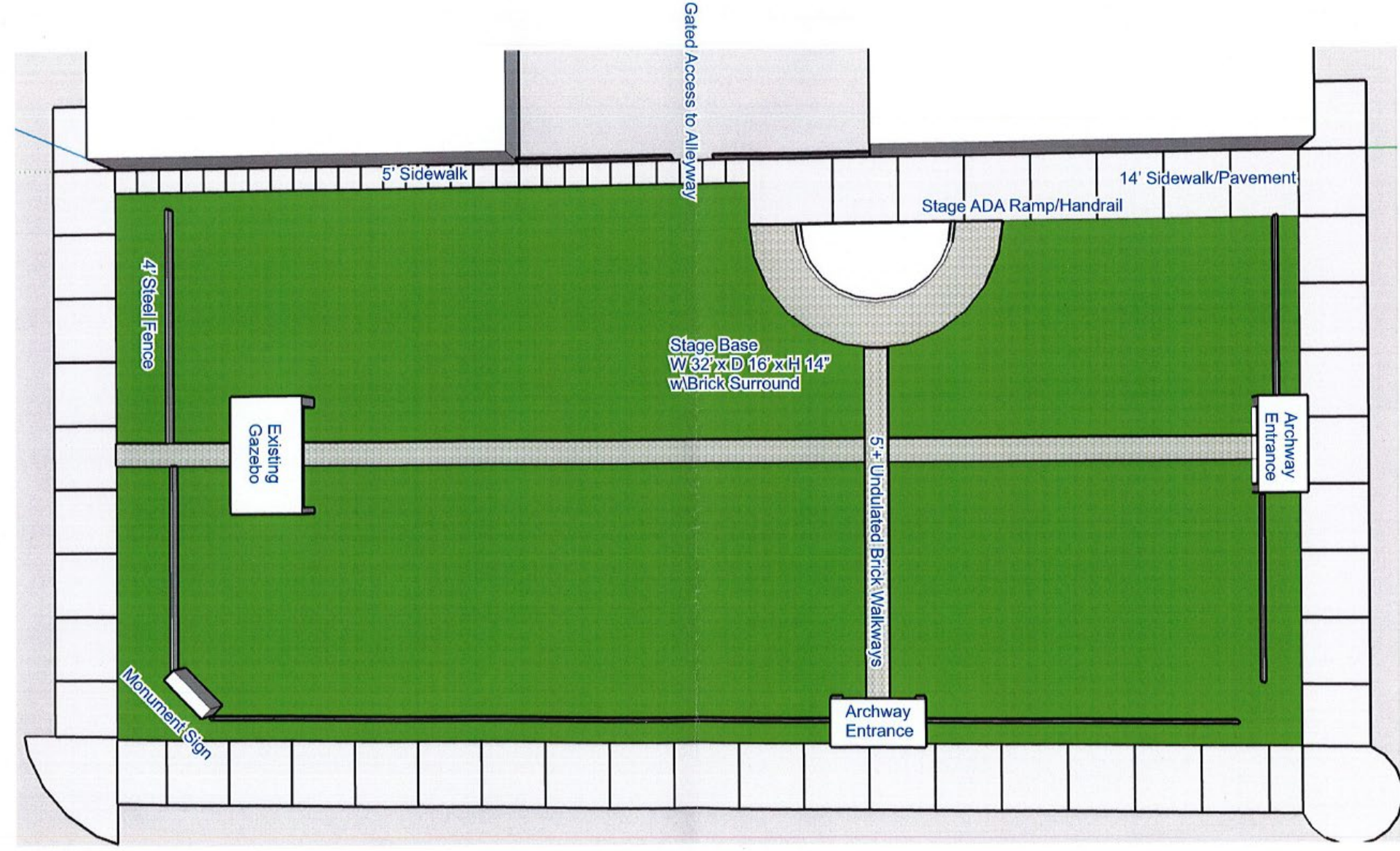
- Revitalize Ontario, at the quarterly meeting on January 28, 2026; received support.
- Eastern Oregon Border Board, at the monthly meeting on February 2, 2026; received support.
- Downtown District, at the monthly meeting on February 4, 2026; received support.

PROJECT BACKGROUND

During the February 19, 2026, City of Ontario Parks Committee, a consensus was reached that all interested parties would like to see a cohesive product constructed all at once.

While the Committee made a favorable recommendation to City Council to continue with the project, the cohort was directed to work on securing additional funding, to build the entire project at once, rather than pursuing a phased approach.

REVITALIZE ONTARIO PROPOSED PLAN



PROJECT NEXT STEPS

- Secure additional funding
- Secure Council's permission to proceed with project
- Continue working closely with Revitalize Ontario to realize their vision for Moore Park



EASTERN
OREGON
BORDER
BOARD

RURAL ROOTS

COMMUNITY LEADERSHIP ACADEMY

Presented by:



Thank you!

CITY OF ONTARIO, OREGON

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2025



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CITY OF ONTARIO, OREGON

JUNE 30, 2025

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INTRODUCTORY SECTION

CITY OF ONTARIO, OREGON
CITY COUNCIL AND OFFICIALS
 June 30, 2025

<u>NAME</u>	<u>ADDRESS</u>	<u>POSITION</u>
CITY COUNCIL		
Deborah Folden	Ontario	Mayor
Penny Bakefelt	Ontario	Council President
Michael Braden	Ontario	Councilor
Adrianna Contreras	Ontario	Councilor
Susann Mills	Ontario	Councilor
Ken Hart	Ontario	Councilor
John Kirby	Ontario	Councilor
OFFICIALS		
Dan Cummings	Ontario	City Manager/Community Development Director
Corinna Hysell	Ontario	Assistant to the City Manager/Human Resources
Tori Barnett	Ontario	City Recorder
Jason Cooper	Ontario	Chief of Police
Clint Benson	Ontario	Fire Chief
Andy Wood	Ontario	Airport Manager
Tatiana Burgess	Ontario	Planning Director
Casey Mordhorst	Ontario	Public Works Director (Jacobs)
Kari Ott	Ontario	Finance Director (Oster Professional Group)

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FINANCIAL SECTION

Independent Auditors' Report

To the City Council
City of Ontario, Oregon

Report on the Audit of the Financial Statements

Opinions

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, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Change in Accounting Principle

As described in Note 17 to the financial statements, in 2025, the City adopted new accounting guidance, GASB Statement No. 101, Compensated Absences, and GASB Statement No. 102, Certain Risk Disclosures. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary 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 combining and individual fund financial statements, other financial schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 22, 2026, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Ontario, Oregon’s internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated January 22, 2026, 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 Lindsey Cole, CPA
Lindsey Cole, CPA
Owner/Member

La Grande, Oregon
January 22, 2026

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**MANAGEMENT'S
DISCUSSION AND ANALYSIS**



CITY OF ONTARIO, OREGON
Management's Discussion & Analysis
June 30, 2025

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, 2025. 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, 2025 by \$42,408,727 (net position).
- ❖ At June 30, 2025, the General Fund total fund balance was \$7,617,617.

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



CITY OF ONTARIO, OREGON
Management's Discussion & Analysis
June 30, 2025

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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.



CITY OF ONTARIO, OREGON
Management’s Discussion & Analysis
June 30, 2025

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- ❖ *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.

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	
	6/30/2025	6/30/2024	6/30/2025	6/30/2024	6/30/2025	6/30/2024
Current and other assets	\$ 25,263,023	\$ 23,127,295	\$ 8,902,050	\$ 6,364,712	\$ 34,165,073	\$ 29,492,007
Capital assets	24,380,735	23,895,279	49,942,626	49,318,884	74,323,361	73,214,163
Total assets	<u>49,643,758</u>	<u>47,022,574</u>	<u>58,844,676</u>	<u>55,683,596</u>	<u>108,488,434</u>	<u>102,706,170</u>
Deferred outflows of resources	<u>7,968,394</u>	<u>7,483,477</u>	<u>77,596</u>	<u>84,236</u>	<u>8,045,990</u>	<u>7,567,713</u>
Current liabilities	1,530,156	2,019,776	359,208	344,740	1,889,364	2,364,516
Noncurrent liabilities						
Due within one year	117,423	120,429	340,365	340,005	457,788	460,434
Due in more than one year	11,208,094	10,996,529	3,126,458	3,478,492	14,334,552	14,475,021
Total liabilities	<u>12,855,673</u>	<u>13,136,734</u>	<u>3,826,031</u>	<u>4,163,237</u>	<u>16,681,704</u>	<u>17,299,971</u>
Deferred inflow of resources	<u>2,347,752</u>	<u>2,028,754</u>	<u>2,712,251</u>	<u>1,310,118</u>	<u>5,060,003</u>	<u>3,338,872</u>
Net investment in capital assets	24,380,735	23,895,279	46,591,099	45,627,793	70,971,834	69,523,072
Restricted net position	4,770,746	4,605,055	-	-	4,770,746	4,605,055
Unrestricted net position	13,257,246	10,840,229	5,792,891	4,666,684	19,050,137	15,506,913
Total net position	<u>\$ 42,408,727</u>	<u>\$ 39,340,563</u>	<u>\$ 52,383,990</u>	<u>\$ 50,294,477</u>	<u>\$ 94,792,717</u>	<u>\$ 89,635,040</u>



CITY OF ONTARIO, OREGON
Management's Discussion & Analysis
June 30, 2025

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Governmental Activities

The city's net position from governmental activities increased by 7.8% from \$39,340,563 to \$42,408,727. This increase of \$3,068,164 comes from a current year increase of \$3,068,164 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 increased by \$2,135,728 which is mostly due to a \$933,399 increase of unrestricted cash, accounts receivable increase of \$569,056 and prepaid expense increase of 570,727.
- ❖ Capital assets had a net increase of \$485,456; depreciation is less than asset additions.
- ❖ Current liabilities decreased by \$489,620 made up mostly of a decrease in accounts payable.
- ❖ Long term liabilities increased by \$208,559 due to increases in net pension liability, OPEB liability and compensated absences.
- ❖ Unrestricted net position increased by \$2,196,603 mostly due to an increase in unrestricted cash, increase in deferred outflows related to PERS and a decrease in deferred inflows related to PERS.

Business-Type Activities

The city's net position from business-type activities increased by 4.2% from \$50,294,477 to \$52,383,990. This increase of \$2,089,513 comes from the current year change in net position as recorded in the Statement of Activities.

- ❖ Current and other assets increased by \$2,537,338 largely due to an increase in cash balance and lease receivable.
- ❖ Capital assets increased by \$623,742 largely due to some large projects being more than depreciation expense.
- ❖ Current liabilities increased by \$14,468 made up mostly of an increase in unearned rent income.
- ❖ Long term liabilities decreased by \$351,674 due to no new debt in the current year.
- ❖ Unrestricted net position increased by \$1,124,789.



CITY OF ONTARIO, OREGON
Management's Discussion & Analysis
June 30, 2025

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Table 2. Condensed Statement of Activities

	Governmental Activities		Business-Type Activities		Total Primary Government	
	6/30/2025	6/30/2024	6/30/2025	6/30/2024	6/30/2025	6/30/2024
Revenues						
Program revenues						
Charges for services	\$ 4,010,790	\$ 3,779,604	\$ 7,660,213	\$ 7,572,615	\$ 11,671,003	\$ 11,352,219
Operating contributions	2,630,169	3,746,257	-	15,000	2,630,169	3,761,257
Capital contributions	2,106,355	1,504,615	94,582	23,607	2,200,937	1,528,222
General revenues:						
Property taxes	5,289,309	4,256,656	-	-	5,289,309	4,256,656
Local taxes and fees	5,554,616	5,983,555	-	-	5,554,616	5,983,555
Unrestricted grants	127,328	152,324	-	-	127,328	152,324
Investment income	272,236	237,564	887,668	809,631	1,159,904	1,047,195
Miscellaneous	165,082	140,206	-	-	165,082	140,206
Total revenues	20,155,885	19,800,781	8,642,463	8,420,853	28,798,348	28,221,634
Expenses						
Governmental Activities						
General government	5,223,095	5,142,994	-	-	5,223,095	5,142,994
Highways and streets	2,902,371	2,622,658	-	-	2,902,371	2,622,658
Public works	194,070	167,759	-	-	194,070	167,759
Public safety	7,171,473	7,859,203	-	-	7,171,473	7,859,203
Parks and recreation	183,071	176,286	-	-	183,071	176,286
Business-Type Activities						
Water	-	-	3,704,711	3,476,586	3,704,711	3,476,586
Sewer	-	-	3,424,687	3,346,500	3,424,687	3,346,500
Storm sewer	-	-	218,679	214,033	218,679	214,033
Airport	-	-	549,195	580,644	549,195	580,644
Aquatic	-	-	-	-	-	-
Total Expenses	15,674,080	15,968,900	7,897,272	7,617,763	23,571,352	23,586,663
Capital asset transfers	(1,325,855)	(1,624,274)	1,325,855	1,624,274	-	-
Gain (loss) on sale of asset	(69,319)	54,718	-	-	(69,319)	54,718
Transfers in (out)	(18,467)	(87,783)	18,467	87,783	-	-
Increase in net position	3,068,164	2,174,542	2,089,513	2,515,147	5,157,677	4,689,689
Net position - beginning	39,340,563	37,166,021	50,294,477	47,779,330	89,635,040	84,945,351
Net position, ending	\$ 42,408,727	\$ 39,340,563	\$ 52,383,990	\$ 50,294,477	\$ 94,792,717	\$ 89,635,040

Governmental Activities

The city's total revenues from governmental activities increased from the prior fiscal year by \$355,104 (1.8%) and the total cost of all governmental programs and services decreased by \$294,820 (1.8%). Revenues and expenses as a whole were pretty steady from the year before.



CITY OF ONTARIO, OREGON
Management's Discussion & Analysis
June 30, 2025

www.ontariooregon.org

Business-Type Activities

The city's business-type activities revenues increased \$221,610 (2.6%) from the prior fiscal year and the total costs of the business-type activities increased \$279,509 (3.4%). The total business-type revenues increased due to a large commercial water user rate increase. The expenses increased due to contract increases for public works management.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

At year-end, the city's governmental funds reported combined fund balances of \$23,313,281 which is an increase of \$2,671,941 (13%) from the prior fiscal year.

- ❖ The General Fund had a net increase of \$2,611,214. This increase was a due to conservative spending, turnover of staff, higher marijuana tax than budgeted, large increase in property taxes and setting aside funding for future years.
- ❖ The Street Fund decreased by \$34,865. This decrease is due to the planned spending for a large street project.
- ❖ The Capital Projects fund increased by 330,842 due to funds set aside for other projects.
- ❖ The Grant Fund decreased by \$71,904. This was due to the ARPA grant funds being spent.

At year-end, the city's proprietary funds reported combined net position of \$52,383,990 for enterprise funds. This is a combined increase in net position of \$2,088,095. This is mostly due to the Water and Sewer Fund projects not completed before June 30, 2025.

GENERAL FUND BUDGETARY HIGHLIGHTS

The city is continuing to operate on an annual budget.

Expenditures

Overall, expenditure appropriations (excluding transfers) were \$11,802,686 and total expenditures were \$8,976,906. This shows that 76% of the appropriated budget was expended in the fiscal year ended June 30, 2025.

Revenues

114% of the budgeted revenues for the 2024-2025 budget was received. Most of the revenues were close to the budget except the property taxes, local marijuana tax revenues and interest came in higher than budgeted.



CITY OF ONTARIO, OREGON
Management's Discussion & Analysis
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CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2025, the city shows \$74,323,361 of capital assets, net of depreciation, this is an increase of \$1,109,198 from the prior year. The city has \$24,380,735 of capital assets in governmental activities and \$49,942,626 in business-type activities. The governmental activities additions reflect a police office space remodel, cemetery pumphouse improvements, elevator upgrades, park improvements, equipment purchases, police cars, signal upgrades and street improvements. The business-type activities capital asset additions reflect the diffuser project, floc mechanism, Airport Way extension, equipment purchases, water capacity expansion, airport apron expansion, pumps & pivot improvements and other public works related improvements.

Debt

The city had a total of \$3,351,527 in long-term debt at June 30, 2025; this is a decrease of \$339,564. The decrease is due to payments being applied to the principal of the debt. The entire amount of debt is being paid out of the proprietary funds.

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, historical trends in local marijuana taxes, rate increases as allowed by ordinance for water services and the balance of project expenditures.

The city has worked to have a strong General Fund balance, which is largely attributed to the local marijuana taxes received. The city continues to struggle to fund the city services at a sustainable 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

**GOVERNMENT-WIDE FINANCIAL
STATEMENTS**

CITY OF ONTARIO, OREGON
STATEMENT OF NET POSITION
June 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and pooled investments	\$ 18,751,538	\$ 5,350,186	\$ 24,101,724
Receivables			
Property tax	316,335	-	316,335
Other taxes	899,505	-	899,505
Customer accounts receivable	343,783	858,452	1,202,235
Accounts, net	2,568,122	203,794	2,771,916
Total receivables	<u>4,127,745</u>	<u>1,062,246</u>	<u>5,189,991</u>
Accrued interest receivable	-	18,213	18,213
Restricted cash			
System development charges	992,613	-	992,613
Customer deposits	105,000	110,348	215,348
Held in evidence fund	33,829	-	33,829
Deposits held in trust	405,953	-	405,953
Total restricted cash	<u>1,537,395</u>	<u>110,348</u>	<u>1,647,743</u>
Prepaid expenses	717,284	-	717,284
Lease receivable	-	2,346,606	2,346,606
Net OPEB asset	90,756	880	91,636
Chemicals	-	13,571	13,571
Right-of-use Asset, net	38,305	-	38,305
Capital assets not being depreciated	4,762,103	8,547,220	13,309,323
Capital assets being depreciated (net of accumulated depreciation)	19,618,632	41,395,406	61,014,038
Total assets	<u>49,643,758</u>	<u>58,844,676</u>	<u>108,488,434</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	50,960	791	51,751
Deferred outflows related to PERS	7,917,434	76,805	7,994,239
Total deferred outflows	<u>7,968,394</u>	<u>77,596</u>	<u>8,045,990</u>
LIABILITIES			
Accounts payable	784,874	150,894	935,768
Accrued liabilities	200,412	-	200,412
Accrued interest payable	88	96,466	96,554
Customer deposits	105,000	110,348	215,348
Unearned rent income	-	1,500	1,500
Held in evidence fund	33,829	-	33,829
Deposits held in trust	405,953	-	405,953
Long-term liabilities			
Portion due or payable within one year			
Current portion of note payable	-	357,335	357,335
Current portion of compensated absences	96,742	801	97,543
Current portion of leases payable	20,681	-	20,681
Portion due or payable after one year			
Note payable	-	2,994,192	2,994,192
Compensated absences	548,207	7,202	555,409
Leases payable	19,149	-	19,149
Net pension liability	10,355,977	100,460	10,456,437
Net OPEB liability	284,761	6,833	291,594
Total liabilities	<u>12,855,673</u>	<u>3,826,031</u>	<u>16,681,704</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to leases	-	2,382,331	2,382,331
Deferred inflows related to OPEB	227,397	5,391	232,788
Deferred inflows related to PERS	2,120,355	20,569	2,140,924
Debt refunding	-	303,960	303,960
Total deferred inflows	<u>2,347,752</u>	<u>2,712,251</u>	<u>5,060,003</u>
NET POSITION			
Net investment in capital assets	24,380,735	46,591,099	70,971,834
Restricted for:			
Grants	325,573	-	325,573
Street projects	2,537,685	-	2,537,685
System development	992,613	-	992,613
Building inspection	901,055	-	901,055
Public Safety	13,820	-	13,820
Unrestricted	13,257,246	5,792,891	19,050,137
Total net position	<u>\$ 42,408,727</u>	<u>\$ 52,383,990</u>	<u>\$ 94,792,717</u>

CITY OF ONTARIO, OREGON
STATEMENT OF ACTIVITIES
For the Year Ended
June 30, 2025

Functions/ Programs	Program Revenues				Net (Expense) Revenue and Change in Net Position		Total
	Expenses	Charges for services	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	
Primary Government							
Governmental activities							
General government	\$ 5,223,095	\$ 1,516,619	\$ 971,084	7,956	\$ (2,727,436)	\$ -	\$ (2,727,436)
Highways and streets	2,902,371	893,000	1,125,869	1,089,971	206,469	-	206,469
Public works	194,070	792,813	-	28,787	627,530	-	627,530
Public safety	7,171,473	511,447	533,216	-	(6,126,810)	-	(6,126,810)
Parks and recreation	183,071	296,911	-	-	113,840	-	113,840
Airport	-	-	-	979,641	979,641	-	979,641
Total governmental activities	<u>15,674,080</u>	<u>4,010,790</u>	<u>2,630,169</u>	<u>2,106,355</u>	<u>(6,926,766)</u>	<u>-</u>	<u>(6,926,766)</u>
Business-Type activities							
Water	3,704,711	4,120,950	-	94,582	-	510,821	510,821
Sewer	3,424,687	3,389,622	-	-	-	(35,065)	(35,065)
Storm sewer	218,679	114,355	-	-	-	(104,324)	(104,324)
Airport	549,195	35,286	-	-	-	(513,909)	(513,909)
Total business type activities	<u>7,897,272</u>	<u>7,660,213</u>	<u>-</u>	<u>94,582</u>	<u>-</u>	<u>(142,477)</u>	<u>(142,477)</u>
Total primary government	<u>\$ 23,571,352</u>	<u>\$ 11,671,003</u>	<u>\$ 2,630,169</u>	<u>\$ 2,200,937</u>	<u>(6,926,766)</u>	<u>(142,477)</u>	<u>(7,069,243)</u>
			General revenues				
			Property and other city tax levied for:				
			General purposes		5,289,309	-	5,289,309
			Local taxes and fees		5,554,616	-	5,554,616
			Grants and contributions not restricted				
			to specific purpose		127,328	-	127,328
			Unrestricted investments earnings		272,236	887,668	1,159,904
			Miscellaneous		165,082	-	165,082
			Total general revenues		<u>11,408,571</u>	<u>887,668</u>	<u>12,296,239</u>
			Capital asset transfers		(1,325,855)	1,325,855	-
			Transfers		(18,467)	18,467	-
			Gain (loss) on sale of asset		(69,319)	-	(69,319)
			Changes in net position		3,068,164	2,089,513	5,157,677
			Net position, July 1, 2024		39,560,977	50,295,895	89,856,872
			Restatement, see note 16		(220,414)	(1,418)	(221,832)
			Net position, July 1, 2024		<u>39,340,563</u>	<u>50,294,477</u>	<u>89,635,040</u>
			Net position, June 30, 2025		<u>\$ 42,408,727</u>	<u>\$ 52,383,990</u>	<u>\$ 94,792,717</u>

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FUND FINANCIAL STATEMENTS

CITY OF ONTARIO, OREGON
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

	General Fund	Grant Fund	Street Fund	Capital Projects Fund	Nonmajor Funds	Total June 30, 2025
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Assets						
Cash and investments	\$ 5,729,464	\$ 284,717	\$ 1,190,338	\$ 5,711,724	\$ 5,835,295	\$ 18,751,538
Receivables						
Property taxes	316,335	-	-	-	-	316,335
Other taxes	737,730	-	37,802	-	123,973	899,505
Customer accounts, net allowance	26,677	-	29,362	251,696	36,048	343,783
Other	622,239	605,569	1,340,043	-	271	2,568,122
Prepaid expenses	717,284	-	-	-	-	717,284
Restricted cash						
Customer deposits	105,000	-	-	-	-	105,000
Cash held in trust	158,390	-	-	900	246,663	405,953
Held in evidence fund	33,829	-	-	-	-	33,829
System development charges	-	-	-	-	992,613	992,613
Total assets	<u>8,446,948</u>	<u>890,286</u>	<u>2,597,545</u>	<u>5,964,320</u>	<u>7,234,863</u>	<u>25,133,962</u>
Deferred outflows of resources	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows	<u>\$ 8,446,948</u>	<u>\$ 890,286</u>	<u>\$ 2,597,545</u>	<u>\$ 5,964,320</u>	<u>\$ 7,234,863</u>	<u>\$ 25,133,962</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Current liabilities						
Accounts payable	\$ 41,092	\$ 564,713	\$ 59,860	\$ 7,640	\$ 111,569	\$ 784,874
Payroll liabilities	200,407	-	-	-	5	200,412
Held by evidence fund	33,829	-	-	-	-	33,829
Held in trust	158,390	-	-	900	246,663	405,953
Customer deposits	105,000	-	-	-	-	105,000
Total current liabilities	<u>538,718</u>	<u>564,713</u>	<u>59,860</u>	<u>8,540</u>	<u>358,237</u>	<u>1,530,068</u>
Total liabilities	<u>538,718</u>	<u>564,713</u>	<u>59,860</u>	<u>8,540</u>	<u>358,237</u>	<u>1,530,068</u>
Deferred inflows of resources						
Unavailable property tax revenues	290,613	-	-	-	-	290,613
Total deferred inflows	<u>290,613</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>290,613</u>
Fund balances						
Nonspendable	717,284	-	-	-	-	717,284
Spendable						
Restricted	-	325,573	2,537,685	-	1,907,488	4,770,746
Committed	-	-	-	5,955,780	4,969,138	10,924,918
Unassigned	6,900,333	-	-	-	-	6,900,333
Total fund balances	<u>7,617,617</u>	<u>325,573</u>	<u>2,537,685</u>	<u>5,955,780</u>	<u>6,876,626</u>	<u>23,313,281</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 8,446,948</u>	<u>\$ 890,286</u>	<u>\$ 2,597,545</u>	<u>\$ 5,964,320</u>	<u>\$ 7,234,863</u>	<u>\$ 25,133,962</u>

CITY OF ONTARIO, OREGON
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT TO NET POSITION
June 30, 2025

TOTAL FUND BALANCES		\$ 23,313,281
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets are not financial resources and, therefore, are not reported in the governmental funds</p>		
Cost	\$ 46,540,443	
Accumulated depreciation	<u>(22,159,708)</u>	24,380,735
<p>Right-to-use assets are not financial resources and, therefore are not reported in the governmental funds</p>		
		38,305
<p>Compensated absences are not due in the current period and, therefore, are not reported as liabilities in the fund financial statements.</p>		
		(644,949)
<p>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.</p>		
		290,613
<p>Accrued interest receivable not received in the current year is not reported as governmental fund assets.</p>		
		0
<p>Net OPEB asset is not a financial resource and, therefore, not reported in the governmental funds.</p>		
		90,756
<p>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.</p>		
Leases payable	(39,830)	
Net pension liability	(10,355,977)	
Net OPEB liability	<u>(284,761)</u>	(10,680,656)
<p>Current year PERS contributions are deferred outflows of resources that will be a recognized expense in the subsequent period.</p>		
		7,917,434
<p>City's proportionate share of differences between projected and actual earnings on investments, and the differences between employer contributions and the proportionate share of contributions will be amortized over the next five years.</p>		
		(2,120,355)
<p>Current year OPEB contributions are deferred outflows of resources that will be a recognized expense in the subsequent period.</p>		
		50,960
<p>City's OPEB changes in assumptions or inputs will be amortized over future years.</p>		
		(227,397)
TOTAL NET POSITION		<u>\$ 42,408,727</u>

CITY OF ONTARIO, OREGON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended
June 30, 2025

	General Fund	Grant Fund	Street Fund	Capital Projects Fund	Formerly Major Fund Reserve Fund	Nonmajor Funds	Total June 30, 2025
Revenues							
Taxes							
Property taxes	\$ 5,207,360	\$ -	\$ -	\$ -	\$ -	\$ 60,991	\$ 5,268,351
Other taxes	2,994,002	-	311,593	-	-	1,022,034	4,327,629
Intergovernmental revenues	724,961	1,958,660	2,106,454	-	-	103,236	4,893,311
Charges for services	394,398	-	384,307	23,680	-	133,038	935,423
Licenses and permits	125,156	-	-	-	-	369,742	494,898
Fines and forfeits	9,200	-	-	-	-	-	9,200
Miscellaneous							
Franchise fees	1,886,223	-	-	-	-	-	1,886,223
Miscellaneous revenues	75,325	-	705	100,129	-	59,046	235,205
Donations	1,045	-	-	-	-	-	1,045
Interest on investments	271,060	-	1,093	-	-	20,443	292,596
System development charges	-	-	-	-	-	117,631	117,631
Utilities capitalization charges	-	-	-	668,990	-	-	668,990
Administration	497,148	-	508,693	-	-	-	1,005,841
Total revenues	12,185,878	1,958,660	3,312,845	792,799	-	1,886,161	20,136,343
Expenditures							
Current							
General government	2,109,468	-	-	4,703	-	1,617,220	3,731,391
Highways and streets	2,720	-	2,122,427	-	-	-	2,125,147
Public safety	6,480,912	-	-	-	-	218,953	6,699,865
Parks and recreation	145,259	-	-	1,073	-	36,739	183,071
Capital outlay	238,547	2,038,564	1,405,369	532,706	-	498,675	4,713,861
Total expenditures	8,976,906	2,038,564	3,527,796	538,482	-	2,371,587	17,453,335
Excess of revenues over (under) expenditures	3,208,972	(79,904)	(214,951)	254,317	-	(485,426)	2,683,008
Other financing sources (uses)							
Operating transfers in	70,000	8,000	180,086	76,525	-	384,680	719,291
Operating transfers out	(667,758)	-	-	-	-	(70,000)	(737,758)
Capital asset sales	-	-	-	-	-	7,400	7,400
Total other sources (uses)	(597,758)	8,000	180,086	76,525	-	322,080	(11,067)
Net change in fund balances	2,611,214	(71,904)	(34,865)	330,842	-	(163,346)	2,671,941
Fund balances, July 1, as previously reported	5,006,403	397,477	2,572,550	5,624,938	4,449,653	2,590,319	20,641,340
Change within financial reporting entity (major to nonmajor fund)	-	-	-	-	(4,449,653)	4,449,653	-
Fund balances, July 1	5,006,403	397,477	2,572,550	5,624,938	-	7,039,972	20,641,340
Fund balances, June 30	\$ 7,617,617	\$ 325,573	\$ 2,537,685	\$ 5,955,780	\$ -	\$ 6,876,626	\$ 23,313,281

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, 2025

NET CHANGE IN FUND BALANCES \$ 2,671,941

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	\$ 1,568,635	
Current year dispositions	(76,719)	
Less current year depreciation	<u>(1,006,462)</u>	485,454

Interest on loans receivable is not accrued in the governmental funds but is recorded as revenue when received.

Accrued interest receivable		(5)
-----------------------------	--	-----

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.

19,545

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		(37,770)
Change in lease assets and liabilities		41

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.

(54,079)

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.

(16,963)

CHANGE IN NET POSITION

\$ 3,068,164

CITY OF ONTARIO, OREGON
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
June 30, 2025

	Enterprise Funds				Total June 30, 2025	Internal Service Fund
	Water Fund	Sewer Fund	Airport Fund	Nonmajor Funds		
ASSETS						
Current assets						
Cash and investments	\$ 2,801,193	\$ 2,157,023	\$ 19,435	\$ 372,535	\$ 5,350,186	\$ -
Receivables						
Customer accounts receivable, net allowance for doubtful accounts	509,041	410,376	12,054	9,822	941,293	-
Other receivables	13,644	42,881	64,428	-	120,953	-
Accrued interest receivable	364	7,310	10,539	-	18,213	-
Restricted cash						
Customer deposits	11,103	-	6,000	-	17,103	93,245
Current portion lease receivable	24,047	51,874	40,529	-	116,450	-
Long-term assets						
Lease receivable	207,988	455,997	1,566,171	-	2,230,156	-
Net OPEB asset	-	-	880	-	880	-
Inventories	13,571	-	-	-	13,571	-
Capital assets, net of accumulated depreciation	15,572,378	22,659,769	10,003,782	1,706,697	49,942,626	-
Total assets	<u>19,153,329</u>	<u>25,785,230</u>	<u>11,723,818</u>	<u>2,089,054</u>	<u>58,751,431</u>	<u>93,245</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to PERS	-	-	76,805	-	76,805	-
Deferred outflows related to OPEB	-	-	791	-	791	-
Total deferred outflows	<u>-</u>	<u>-</u>	<u>77,596</u>	<u>-</u>	<u>77,596</u>	<u>-</u>
LIABILITIES						
Current liabilities						
Accounts payable	95,110	48,694	6,853	237	150,894	-
Current portion of accrued compensated absences	-	-	801	-	801	-
Accrued interest	45,559	50,907	-	-	96,466	-
Deposit liability	11,103	-	6,000	-	17,103	93,245
Unearned rent income	-	-	1,500	-	1,500	-
Current portion of non-current liabilities	199,623	157,712	-	-	357,335	-
Total current liabilities	<u>351,395</u>	<u>257,313</u>	<u>15,154</u>	<u>237</u>	<u>624,099</u>	<u>93,245</u>
Non-current liabilities						
Accrued compensated absences	-	-	7,202	-	7,202	-
Notes payable	1,396,972	1,597,220	-	-	2,994,192	-
Net pension liability	-	-	100,460	-	100,460	-
Net OPEB liability	-	-	6,833	-	6,833	-
Total liabilities	<u>1,748,367</u>	<u>1,854,533</u>	<u>129,649</u>	<u>237</u>	<u>3,732,786</u>	<u>93,245</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to leases	208,034	539,618	1,634,679	-	2,382,331	-
Deferred inflows related to PERS	-	-	20,569	-	20,569	-
Deferred inflows related to OPEB	-	-	5,391	-	5,391	-
Debt refunding	147,079	156,881	-	-	303,960	-
Total deferred inflows	<u>355,113</u>	<u>696,499</u>	<u>1,660,639</u>	<u>-</u>	<u>2,712,251</u>	<u>-</u>
NET POSITION						
Net investment in capital assets	13,975,783	20,904,837	10,003,782	1,706,697	46,591,099	-
Unrestricted net position	3,074,066	2,329,361	7,344	382,120	5,792,891	-
Total net position	<u>\$ 17,049,849</u>	<u>\$ 23,234,198</u>	<u>\$ 10,011,126</u>	<u>\$ 2,088,817</u>	<u>\$ 52,383,990</u>	<u>\$ -</u>

CITY OF ONTARIO, OREGON
**RECONCILIATION OF ENTERPRISE FUNDS STATEMENT OF FUND NET POSITION
 TO THE STATEMENT OF NET POSITION**
 June 30, 2025

TOTAL ENTERPRISE FUNDS NET POSITION	\$ 52,383,990
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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	\$ 93,245	
Deposit liability	<u>(93,245)</u>	-

TOTAL NET POSITION	<u><u>\$ 52,383,990</u></u>
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CITY OF ONTARIO, OREGON
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended
June 30, 2025

	105	110	Enterprise Funds			025
	Water Fund	Sewer Fund	Airport Fund	Nonmajor Funds	Total June 30, 2025	Internal Service Fund
Operating revenues						
Consumer receipts	\$ 4,119,586	\$ 3,380,596	\$ 35,286	\$ 114,355	\$ 7,649,823	\$ -
Miscellaneous	1,364	9,026	-	-	10,390	-
Administrative	-	-	-	-	-	-
Total operating revenues	<u>4,120,950</u>	<u>3,389,622</u>	<u>35,286</u>	<u>114,355</u>	<u>7,660,213</u>	<u>-</u>
Operating expenses						
Wages and salaries	-	-	64,278	-	64,278	-
Employee benefits	294	294	33,962	12	34,562	-
Contract services	2,185,160	1,949,819	80,744	97,501	4,313,224	-
Depreciation	530,526	684,217	281,545	103,011	1,599,299	-
Insurance	117,343	117,343	3,539	4,267	242,492	-
Miscellaneous expense	-	18,764	7,382	406	26,552	-
Repairs and maintenance	-	-	10,066	-	10,066	-
Supplies - general	301,759	50,820	19,837	72	372,488	-
Supplies - petroleum	-	-	2,688	-	2,688	-
Telephone	-	-	7,991	-	7,991	-
Travel and school	-	-	767	-	767	-
Unemployment	-	-	-	-	-	-
Utilities	-	20,720	11,395	-	32,115	-
Projects	19,025	16,113	25,001	-	60,139	-
Bad debt expense	-	-	-	-	-	-
Fees	280,339	275,245	-	9,588	565,172	-
Administrative	209,341	218,361	-	3,822	431,524	-
Capital outlay	-	-	-	-	-	-
Total operating expenses	<u>3,643,787</u>	<u>3,351,696</u>	<u>549,195</u>	<u>218,679</u>	<u>7,763,357</u>	<u>-</u>
Net income from operations	477,163	37,926	(513,909)	(104,324)	(103,144)	-
Non operating income (expenses)						
Interest earned on investments	388,539	467,361	16,096	15,672	887,668	-
Interest expenses	(81,935)	(90,422)	-	-	(172,357)	-
Bond premium	21,011	17,431	-	-	38,442	-
Grants and donations	94,582	-	-	-	94,582	-
Sale of assets	-	-	-	-	-	-
Total non operating income (expenses)	<u>422,197</u>	<u>394,370</u>	<u>16,096</u>	<u>15,672</u>	<u>848,335</u>	<u>-</u>
Net income	899,360	432,296	(497,813)	(88,652)	745,191	-
Other items						
Capital contribution (distribution)	185,525	147,449	992,881	-	1,325,855	-
Transfers in	-	-	172,947	-	172,947	-
Transfers out	(92,190)	(51,217)	(8,000)	(3,073)	(154,480)	-
Total other items	<u>93,335</u>	<u>96,232</u>	<u>1,157,828</u>	<u>(3,073)</u>	<u>1,344,322</u>	<u>-</u>
Change in net position	992,695	528,528	660,015	(91,725)	2,089,513	-
Net position beginning of year, before restatement	16,057,154	22,705,670	9,352,529	2,180,542	50,295,895	-
Restatement, see note 16	-	-	(1,418)	-	(1,418)	-
Net position beginning of year	<u>16,057,154</u>	<u>22,705,670</u>	<u>9,351,111</u>	<u>2,180,542</u>	<u>50,294,477</u>	<u>-</u>
Net position end of year	<u>\$ 17,049,849</u>	<u>\$ 23,234,198</u>	<u>\$ 10,011,126</u>	<u>\$ 2,088,817</u>	<u>\$ 52,383,990</u>	<u>\$ -</u>

CITY OF ONTARIO, OREGON
**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET POSITION OF
ENTERPRISE FUNDS TO THE STATEMENT OF POSITION**

For the Year Ended
June 30, 2025

NET CHANGE IN ENTERPRISE FUNDS NET POSITION	\$ 2,089,513
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Amounts reported for business-type activities in the Statement of
Activities are different because:

Internal service funds are used by management to charge the
costs of certain activities to individual funds. The net revenue
(expense) of the internal service fund is allocated to
business-type activities.

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CHANGE IN NET POSITION	<u><u>\$ 2,089,513</u></u>
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CITY OF ONTARIO, OREGON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended
June 30, 2025

	Enterprise Funds					
	Water Fund	Sewer Fund	Airport Fund	Nonmajor Funds	Total	Internal Service Fund
Cash flows from operating activities						
Cash received from customers	\$ 4,007,082	\$ 3,425,186	\$ 82,605	\$ 113,986	\$ 7,628,859	\$ (3,098)
Cash payment to employees for services	(294)	(294)	(101,672)	(12)	(102,272)	-
Cash payment to suppliers for goods and services	(3,083,772)	(2,660,194)	(163,248)	(116,835)	(6,024,049)	-
Other operating revenues	1,364	9,026	-	-	10,390	-
Net cash provided by operating activities	<u>924,380</u>	<u>773,724</u>	<u>(182,315)</u>	<u>(2,861)</u>	<u>1,512,928</u>	<u>(3,098)</u>
Cash flows from noncapital financing activities						
Operating transfers-out to other funds	(92,190)	(51,217)	(8,000)	(3,073)	(154,480)	-
Operating transfers-in from funds	-	-	172,947	-	172,947	-
Net cash provided by noncapital financing activities	<u>(92,190)</u>	<u>(51,217)</u>	<u>164,947</u>	<u>(3,073)</u>	<u>18,467</u>	<u>-</u>
Cash flows from capital and related financing activities						
Capital grants received	94,582	-	-	-	-	-
Acquisition and construction of capital assets	(561,006)	(296,989)	(9,348)	(29,843)	(897,186)	-
Interest paid on notes payable	(87,302)	(94,838)	-	-	(182,140)	-
Payment on notes	(188,172)	(151,392)	-	-	(339,564)	-
Net cash used for capital and related financing activities	<u>(741,898)</u>	<u>(543,219)</u>	<u>(9,348)</u>	<u>(29,843)</u>	<u>(1,418,890)</u>	<u>-</u>
Cash flows from investing activities						
Interest and dividends on investments	388,539	467,361	16,096	15,672	887,668	-
Net cash provided (used) in investing activities	<u>388,539</u>	<u>467,361</u>	<u>16,096</u>	<u>15,672</u>	<u>887,668</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>478,831</u>	<u>646,649</u>	<u>(10,620)</u>	<u>(20,105)</u>	<u>1,094,755</u>	<u>(3,098)</u>
Cash and cash equivalents at beginning of year	2,333,465	1,510,374	36,055	392,640	4,272,534	96,343
Cash and cash equivalents at end of year	<u>\$ 2,812,296</u>	<u>\$ 2,157,023</u>	<u>\$ 25,435</u>	<u>\$ 372,535</u>	<u>\$ 5,367,289</u>	<u>\$ 93,245</u>
Reconciliation of operating income to net cash provided by operating activities						
Net Income	\$ 477,163	\$ 37,926	\$ (513,909)	\$ (104,324)	\$ (103,144)	\$ -
Adjustments to reconcile net income to net cash provided (used) by operating activities:						
Depreciation expense	530,526	684,217	281,545	103,011	1,599,299	-
(Increase) decrease in accounts receivable	(109,320)	18,975	35,329	(369)	(55,385)	-
(Increase) decrease in lease receivables	22,784	(425,891)	(979,879)	-	(1,382,986)	-
Increase (decrease) in accounts payable	29,195	6,991	6,162	(1,179)	41,169	-
Increase (decrease) in accrued compensated absences	-	-	2,173	-	2,173	-
Net increase (decrease) in customer deposits	-	-	-	-	-	(3,098)
Net increase (decrease) in unearned rent income	-	-	(16,745)	-	(16,745)	-
Changes in net pension liability	-	-	(12,677)	-	(12,677)	-
Leases deferred inflows	(26,004)	458,007	1,007,188	-	1,439,191	-
PERS deferred inflows	-	-	(337)	-	(337)	-
PERS deferred outflows	-	-	6,746	-	6,746	-
OPEB deferred inflows	-	-	1,722	-	1,722	-
OPEB deferred outflows	-	-	(106)	-	(106)	-
Changes in net OPEB liability/asset	-	-	(953)	-	(953)	-
Accrued interest receivable	36	(6,501)	1,426	-	(5,039)	-
Total adjustments	447,217	735,798	331,594	101,463	1,616,072	(3,098)
Net cash provided (used) by operating activities	<u>\$ 924,380</u>	<u>\$ 773,724</u>	<u>\$ (182,315)</u>	<u>\$ (2,861)</u>	<u>\$ 1,512,928</u>	<u>\$ (3,098)</u>
Reconciliation of cash and cash equivalents at year end to specific assets included on the Statement of Net Position						
Current assets						
Cash and investments	\$ 2,801,193	\$ 2,157,023	\$ 19,435	\$ 372,535	\$ 5,350,186	\$ -
Restricted assets						
Customer deposits	11,103	-	6,000	-	17,103	93,245
Total cash and cash equivalents at year end	<u>\$ 2,812,296</u>	<u>\$ 2,157,023</u>	<u>\$ 25,435</u>	<u>\$ 372,535</u>	<u>\$ 5,367,289</u>	<u>\$ 93,245</u>
Non cash capital financing transactions						
Capital contributions from (to) other funds	\$ 185,525	\$ 147,449	\$ 992,881	\$ -	\$ 1,325,855	\$ -

CITY OF ONTARIO, OREGON
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2025

	<u>Agency Funds</u>
ASSETS	
Cash and investments	<u>\$ 290</u>
Total assets	<u>290</u>
LIABILITIES	
Held in trust for other governments	<u>290</u>
Total liabilities	<u><u>\$ 290</u></u>

CITY OF ONTARIO, OREGON
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
CUSTODIAL FUNDS
For the Year Ended
June 30, 2025

<i>Recreation Board</i>	Balance			Balance
	<u>June 30, 2024</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2025</u>
ASSETS				
Cash and investments	\$ 290	\$ -	\$ -	\$ 290
Total assets	<u>290</u>	<u>-</u>	<u>-</u>	<u>290</u>
LIABILITIES				
Held in trust for other governments	<u>290</u>	<u>-</u>	<u>-</u>	<u>290</u>
Total liabilities	<u>\$ 290</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 290</u>

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**NOTES TO BASIC FINANCIAL
STATEMENTS**

CITY OF ONTARIO, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

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.

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.

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.

CITY OF ONTARIO, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

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

CITY OF ONTARIO, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

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.

Grants Fund – The Grants Funds is used to account for different federal, state and local grants received and expended.

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:

Custodial Fund-The custodial 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 custodial 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).

CITY OF ONTARIO, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

“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

CITY OF ONTARIO, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
 June 30, 2025

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

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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. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. In fiscal year 2025, the City applied the provisions of GASB Statement No 101, Compensated Absences to net position as of July 1, 2024. The City has changed from the accounting and reporting requirements previously required under GASB Statement No. 16, Accounting for Compensated Absences, to the accounting and reporting requirements required under GASB Statement No. 101. GASB No. 101 replaces GASB No. 16 and provides a unified model of recognizing and measuring liabilities for all types of compensated absences, including those not previously considered under GASB No. 16, such as sick leave, parental leave, military leave or sabbatical.

All vacation pay, and related payroll 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 termination or retirement. A liability for Sick leave and related payroll benefits is accrued when the City can reasonably estimate that the leave is more likely than not to be used. All compensated absences are paid by the individual funds as they become due.

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 two items that qualify for reporting in this category. They are the deferred amounts relating to pensions and amounts related to other post-employment benefits. These amounts are deferred and recognized as an outflow of resources in the period when the City's recognizes pension or benefit 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)

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until that time. The City has four 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 leases, 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. 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 one minor budget over expenditure violation for the fiscal year ending June 30, 2025.

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.

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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.

T. Lease Assets

Lease assets are assets which the City leases for a term of more than one year. The value of leases is determined by the net present value of the leases at the City's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

U. Leases Payable

In the government-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

Note 2. Compliance and Accountability

In accordance with GASB Statement No. 38, Certain Financial Statement Note Disclosures, violations of finance-related legal and contractual provisions, if any, are reported below, along with the actions taken to address such violations.

Violation: The city did not comply with ORS 294.456(6). Expenditures exceeded budgeted appropriations for the year ended June 30, 2025 as follows:

Reserve Fund – High Desert Task - \$1,344

Action Taken: Budget to actual reports will be monitored monthly.

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Note 3. 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, 2025:

Deposits with banks	\$	552,586
Investments		24,572,447
Cash on hand		1,055
Certificates of Deposit		623,669
		\$ 25,749,757

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

Statement of Net Position		
Cash and investments	\$	24,101,724
Restricted cash		1,647,743
Statement of Fiduciary Net Position		
Cash and investments		290
		\$ 25,749,757

As of June 30, 2025, the city held the following investments and maturities:

Investment type	Fair Value	% of investment portfolio
Local Government Investment Pool	\$ 24,572,447	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, 2025. 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, 2025, the carrying amount of the city’s deposits was \$1,176,255 and the bank balance was \$1,176,257. 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

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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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u>
<i>Cash and cash equivalents</i>			
Local Government Investment Pool (LGIP)	\$ 24,572,447	50% less than 90-days, no more than 25% over one year, and no investment over three years	Unrated
<i>Total cash and cash equivalents</i>	100.00% 24,572,447		
	100.00% \$ 24,572,447		

At June 30, 2025, the city held \$24,572,447 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 2025. 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, 2025, and for the year then ended, the city was in compliance with the aforementioned Oregon statutes.

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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, 2025, 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 4. Accounts Receivable

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

General Fund	Property taxes	\$ 316,335
General fund	Service billing, less \$825 allowance	26,677
General Fund	Local taxes	737,730
General Fund	Other	622,239
Street Fund	Other	1,340,043
Street Fund	Occupancy tax	37,802
Street Fund	Service billing, less \$908 allowance	29,362
Grant Fund	Grants	605,569
Nonmajor funds	Service billing, less \$91,629 allowance	36,048
Nonmajor funds	Occupancy tax	123,973
Nonmajor funds	Other	271
Capital Projects Fund	Service billing less \$2,132 allowance	<u>251,696</u>
	TOTAL	<u><u>\$ 4,127,745</u></u>

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

	Accounts Receivable	Allowance for Doubtful Accounts	Net Receivable
Water Fund	\$ 524,785	\$ (15,744)	\$ 509,041
Sewer Fund	423,068	(12,692)	410,376
Airport Fund	12,054	-	12,054
Nonmajor funds	10,015	(193)	9,822
TOTAL	\$ 969,922	\$ (28,629)	\$ 941,293

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

Water Fund	Other Receivables	\$ 13,644
Sewer Fund	Other Receivables	42,881
Airport Fund	Other Receivables	64,428
	TOTAL	\$ 120,953

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Note 5. Schedule of Capital Assets

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance June 30, 2024	Restatements	Additions	Deletions	Balance June 30, 2025
Governmental activities					
Capital assets not being depreciated					
Land	\$ 2,313,223	\$ -	\$ -	\$ -	\$ 2,313,223
Construction in progress	1,348,097	-	1,100,783	-	2,448,880
Total capital assets not being depreciated	<u>3,661,320</u>	<u>-</u>	<u>1,100,783</u>	<u>-</u>	<u>4,762,103</u>
Capital assets being depreciated					
Equipment and vehicles	7,724,381	-	299,884	110,156	7,914,109
Buildings and improvements	6,422,828	-	167,970	-	6,590,798
Infrastructure	27,273,435	-	-	-	27,273,435
Total capital assets being depreciated	<u>41,420,644</u>	<u>-</u>	<u>467,854</u>	<u>110,156</u>	<u>41,778,342</u>
Less accumulated depreciation for					
Equipment and vehicles	4,889,169	-	324,260	33,437	5,179,992
Buildings and improvements	3,537,751	-	185,098	-	3,722,849
Infrastructure	12,759,765	-	497,104	-	13,256,869
Total accumulated depreciation	<u>21,186,685</u>	<u>-</u>	<u>1,006,462</u>	<u>33,437</u>	<u>22,159,710</u>
Total capital assets being depreciated, net	20,233,959	-	(538,608)	76,719	19,618,632
Governmental activities capital assets, net	<u>\$ 23,895,279</u>	<u>\$ -</u>	<u>\$ 562,175</u>	<u>\$ 76,719</u>	<u>\$ 24,380,735</u>
Business-type activities					
Capital assets not being depreciated					
Land	\$ 5,615,790	\$ -	\$ -	\$ -	\$ 5,615,790
Construction in progress	5,188,080	-	1,755,281	4,011,931	2,931,430
Total capital assets not being depreciated	<u>10,803,870</u>	<u>-</u>	<u>1,755,281</u>	<u>4,011,931</u>	<u>8,547,220</u>
Capital assets being depreciated					
Equipment and vehicles	37,804,862	-	280,172	-	38,085,034
Buildings and improvements	36,788,653	-	4,111,858	-	40,900,511
Infrastructure	23,790,765	-	87,661	-	23,878,426
Total capital assets being depreciated	<u>98,384,280</u>	<u>-</u>	<u>4,479,691</u>	<u>-</u>	<u>102,863,971</u>
Less accumulated depreciation for					
Equipment and vehicles	34,389,971	-	353,981	-	34,743,952
Buildings and improvements	19,918,265	-	738,328	-	20,656,593
Infrastructure	5,561,030	-	506,990	-	6,068,020
Total accumulated depreciation	<u>59,869,266</u>	<u>-</u>	<u>1,599,299</u>	<u>-</u>	<u>61,468,565</u>
Total capital assets being depreciated, net	38,515,014	-	2,880,392	-	41,395,406
Business-type activities capital assets, net	<u>\$ 49,318,884</u>	<u>\$ -</u>	<u>\$ 4,635,673</u>	<u>\$ 4,011,931</u>	<u>\$ 49,942,626</u>

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

Governmental Activities	
General government	\$ 456,305
Highways and streets	550,157
Business-Type Activities	
Water	530,526
Sewer	684,217
Storm Sewer	103,011
Airport	281,545

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Note 6. 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/Actuarial-Financial-Information.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

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- 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

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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.

Plan Changes

Starting July 1, 2020, Senate Bill 1049 required member contributions to their IAP accounts to be redirected to the Defined Benefit Fund. If the member earns more than \$2,500 a month, 0.75% for OPSRP members and 2.5% Tier One and Tier Two members salaries that were previously contributed to the member's IAP began funding the new Employee Pension Stability Accounts to help fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account. Senate Bill 1049 also requires employers to pay contributions on reemployed PERS retirees' salary as if they were an active member, excluding IAP (6%) contributions. Beginning January 1, 2023, PERS subject salary limits increased from \$210,582 to \$225,533 per year in accordance with the Consumer Price Index for the West Region.

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.

The rates based on a percentage of payroll, first became effective July 1, 2023. The rates in effect for the fiscal year ended June 30, 2025 were 34.46 percent for Tier One/Tier Two Members, 25.48 percent for OPSRP Pension Program General Service Members, 30.27 percent for OPSRP Pension Program Police and Fire Members, and 6 percent for OPSRP Individual Account Program Members.

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

At June 30, 2025, the City reported a liability of \$10,456,437 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to June 30, 2024. 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, 2025, the City's proportion was 0.04704334 percent, which was decreased from its proportion of 0.05449390 percent measured as of June 30, 2024.

For the year ended June 30, 2025, the City's recognized pension expense (income) of \$2,262,900. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 619,447	\$ 24,956
Changes of assumptions	1,051,294	1,347
Net difference between projected and actual earnings on investments	664,276	-
Changes in proportion	75,506	2,085,095
Differences between employer contributions and proportionate share of contributions	3,347,674	29,526
Total (prior to post-MD contributions)	5,758,197	2,140,924
Contributions subsequent to the MD	2,236,042	-
Total	\$ 7,994,239	\$ 2,140,924

\$2,236,042 reported as deferred outflows of resources related to pensions resulting from the city's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	\$ 579,915
2027	1,727,208
2028	1,016,418
2029	298,494
2030	(4,762)
Total	\$ 3,617,273

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June 30, 2025

Actuarial Assumptions

The employer contribution rates effective July 1, 2023, through June 30, 2025, were set using entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (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, 2022 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, published July 24, 2023
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Long-Term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and grade COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service.
Mortality	<p>Health retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Date Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active Members: Pub-2010 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

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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 2022 Experience Study which reviewed experience for the four-year period ending on December 31, 2022.

Long-term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 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.

Asset Allocation Policy	
<u>Asset Class/Strategy</u>	<u>Target</u>
Cash	0.0%
Debt Securities	25.0%
Public Equity	27.5%
Real Estate	12.5%
Private equity	20.0%
Real Assets	7.5%
Diversifying Strategies	7.5%
Total	<u>100.0%</u>

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>20-Year Annualized Geometric</u>	<u>Annual Standard Deviation</u>
Global Equity	27.50%	8.57%	7.07%	17.99%
Private Equity	25.50%	12.89%	8.83%	30.00%
Core Fixed Income	25.00%	4.59%	4.50%	4.22%
Real Estate	12.25%	6.90%	5.83%	15.13%
Master Limited Partnerships	0.75%	9.41%	6.02%	27.04%
Infrastructure	1.50%	7.88%	6.51%	17.11%
Hedge Fund of Funds - Multistrategy	1.25%	6.81%	6.27%	9.04%
Hedge Fund of Equity - Hedge	0.63%	7.39%	6.48%	12.04%
Hedge Fund - Macro	<u>5.62%</u>	5.44%	4.83%	7.49%
Total	<u>100%</u>			
Assumed Inflation - Mean			2.35%	1.41%

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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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 6.9 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 6.9 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 (5.9 percent) or 1-percentage-point higher (7.9 percent) than the current rate:

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
City's proportionate share of the net pension liability (asset)	\$ 16,494,605	\$ 10,456,437	\$ 5,399,177

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Pension Plan Fiduciary Net Position

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

Funding Policy

Members of OPERS and OPSRP are required to contribute 6 percent of their salary covered under the plan. Pursuant to collective bargaining agreements, the required employee contribution of 6 percent of covered compensation is paid by the City for all OPERS and OPSRP eligible employees. Effective January 1, 2004, this 6 percent contribution is remitted to the Individual Account Program. The contribution requirements for plan members and the City are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature. Senate bill 1049 requires member contributions to their IAP accounts to be redirected to the Defined Benefit Fund. If a member earns more than \$2,500 a month, 0.75% for OPSRP members and 2.5% for Tier One and Tier Two members must be redirected to the Defined Benefit Fund

Payables to the Pension Plan

The city reported payables of legally required contributions to the pension plan in the amount of \$205,140 at June 30, 2025.

Changes in Plan Provisions During the Measurement Period.

There were no changes during the measurement period that requires disclosure.

Changes in Plan Provisions Subsequent to Measurement Date

There were no changes subsequent to the June 30, 2024 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, 2025, 51 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. 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, 2025, the amount deferred and investments earnings thereon, adjusted to fair market value, amount to \$4,219,230. 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, 2025.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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Note 7. 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:

	<u>Implicit Rate Subsidy Plan</u>	<u>PERS RHIA Plan</u>	<u>Total OPEB on Financials</u>
Net OPEB asset	\$ -	\$ 91,636	\$ 91,636
Deferred outflows of resources			
Contributions after the measurement date	1,901	-	1,901
Change in proportionate share	-	27,969	27,969
Changes of assumptions	19,294	-	19,294
Difference in earnings	-	2,587	2,587
Total OPEB liability	(291,594)	-	(291,594)
Deferred inflows of resources			
Change in proportionate share	-	(1,698)	(1,698)
Difference in experience	(139,280)	(1,792)	(141,072)
Change in assumptions	(88,859)	(1,159)	(90,018)
Difference in earnings	-	-	-
OPEB expense	15,272	4,229	19,501
(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 City County 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.

CITY OF ONTARIO, OREGON
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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, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries	
receiving benefits	0
Active employees	<u>48</u>
	<u><u>48</u></u>

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 \$291,594 as measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024.

For the fiscal year ended June 30, 2025, the city recognized OPEB expense from this plan of \$15,272. At June 30, 2025, the city reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience differences	\$ -	\$ 139,280
Changes of assumptions	<u>19,294</u>	<u>88,859</u>
Total (prior to post-MD contributions)	<u>19,294</u>	<u>228,139</u>
Contributions made subsequent to measurement date	<u>1,901</u>	<u>-</u>
Total	<u><u>\$ 21,195</u></u>	<u><u>\$ 228,139</u></u>

Deferred outflows of resources related to OPEB of \$1,901 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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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Year Ended June 30,	
2026	\$ (29,272)
2027	(29,267)
2028	(27,077)
2029	(27,077)
2030	(24,893)
Thereafter	<u>(71,259)</u>
Total	<u><u>\$ (208,845)</u></u>

Actuarial Assumptions and Other Inputs

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

Valuation Date	July 1, 2024
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Discount Rate	3.93 percent
Projected Salary Increases	3.40 percent
Election and Lapse Rates	30% of eligible employees 60% of male members and 35% of female members will elect spouse coverage. 5% annual lapse rate
Healthcare Cost Trend Rate	Based on long-term healthcare trend rates generated by the Society of Actuaries' Getzen Trend Model.
Mortality	Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees. Additionally, the General Service male employee table has a 15% load, the General Service female employee table has a 25% load, and the Safety male employee table has a 25% load.

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Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of June 30, 2024	\$ 364,275
Changes for the year:	
Service cost	30,267
Interest on total OPEB liability	14,277
Effect of economic/demographic gains or losses	(76,658)
Effect of assumptions changes or inputs	(33,739)
Benefit payments	(6,828)
Balance as of June 30, 2025	\$ 291,594

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 (2.93 percent) or 1-percentage-point higher (4.93 percent) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

Discount Rate

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	\$ 319,069	\$ 291,594	\$ 266,366

Healthcare cost trend

	1% Decrease	Current Healthcare Trend Rate	1% Increase
Total OPEB Liability	\$ 255,878	\$ 291,594	\$ 333,619

PERS Retirement Health Insurance Account

Plan Description

As a member of Oregon Public Employees Retirement System (OPERS), the City contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other post employment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (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 after January 1, 2004. OPERS issues a publicly available financial report that includes 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 by calling (888) 320-7377.

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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.

Funding Policy

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 Retirement Health Insurance Account 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 OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS 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 OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating cities are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.4% of annual covered payroll for Tier 1 & 2 and 0% for OPSRP. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined by PERS as an amount that is expected to finance the costs of benefits earned by employees during the year. The City's contributions to RHIA for the year ended June 30, 2025 was \$0.

The City's funding policy provides for actuarially determined annual contributions, which include the normal cost and amortization of the unfunded actuarial accrued liability.

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

At June 30, 2025, the city reported an asset of \$91,636 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023. The city's

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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, 2025, the city’s proportionate share was 0.02268728%, which is a decrease from its proportion of 0.03776784%, as of June 30, 2024.

For the year ended June 30, 2025, the city recognized OPEB expense from this plan of \$4,229. At June 30, 2025, the city reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,792
Changes of assumptions	-	1,159
Net difference between projected and actual earnings	2,587	-
Changes in proportionate share	27,969	1,698
Total (prior to post-MD contributions)	30,556	4,649
Contributions subsequent to the measurement date	-	-
Total	\$ 30,556	\$ 4,649

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,	
2026	\$ 18,534
2027	5,675
2028	1,400
2029	298
Total	\$ 25,907

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 cost trend is not applicable. Other significant actuarial assumptions are as follows:

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Valuation Date	December 31, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, published July 2023
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Long-Term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and grade COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service.
Mortality	<p>Health retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Date Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active Members: Pub-2010 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 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.

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Asset Allocation Policy

<u>Asset Class/Strategy</u>	<u>Target</u>
Cash	0.0%
Debt Securities	25.0%
Public Equity	27.5%
Real Estate	12.5%
Private equity	20.0%
Real Assets	7.5%
Diversifying Strategies	7.5%
Total	<u>100.0%</u>

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>20-Year Annualized Geometric</u>	<u>Annual Standard Deviation</u>
Global Equity	27.50%	8.57%	7.07%	17.99%
Private Equity	25.50%	12.89%	8.83%	30.00%
Core Fixed Income	25.00%	4.59%	4.50%	4.22%
Real Estate	12.25%	6.90%	5.83%	15.13%
Master Limited Partnerships	0.75%	9.41%	6.02%	27.04%
Infrastructure	1.50%	7.88%	6.51%	17.11%
Hedge Fund of Funds - Multistrategy	1.25%	6.81%	6.27%	9.04%
Hedge Fund of Equity - Hedge	0.63%	7.39%	6.48%	12.04%
Hedge Fund - Macro	5.62%	5.44%	4.83%	7.49%
Total	<u>100%</u>			
Assumed Inflation - Mean			2.35%	1.41%

Discount Rate

The discount rate used to measure the total OPEB liability was 6.90% 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.

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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 6.90%, as well as what the City’s proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	<u>1% Decrease (5.9%)</u>	<u>Current Discount Rate (6.9%)</u>	<u>1% Increase (7.9%)</u>
Net OPEB Liability (Asset)	\$ (84,827)	\$ (91,636)	\$ (97,498)

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, 2024 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, 2024 Measurement Date that meet this requirement and thus require a brief description under the GASB standard.

Note 8. 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, 2025, there were 12 active participants. The total cost of \$3,600 in retiree benefits are current year expenditures and were charged to the fund for which the participant was employed.

Note 9. Lease Receivables

For the year ended June 30, 2022, the city adopted GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments’ leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below:

CITY OF ONTARIO, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

At June 30, 2025, the City was a lessor in multiple non-regulated leases for farmland, for use of City property for cell towers and for Airport Hangars. Based on a review of the leases it has been determined that the Airport leases disclosed are not regulated leases. The City's leases receivable are as follows:

	Lease receivable at June 30, 2025	Deferred inflows of resources - leases for the year ended June 30, 2025
Airport leases, interest ranging from 1.72 % to 3.44%, annual payments of \$85,506 with expiration dates through fiscal year ending June 30, 2056.	\$ 1,606,700	\$ 1,634,679
Farmland leases, interest ranging from 1.01% to 1.57%, total annual receipts of \$65,350 with expiration dates through fiscal year ending June 30, 2035.	\$ 507,871	\$ 539,618
Lease of property for a cell tower, interest 1.89%, total annual receipts of \$28,213 with an expiration date of June 30, 2033.	\$ 232,035	\$ 208,034

Inflows of resources from GASB Statement No. 87 leases recognized for the year ended June 30, 2025 were:

	Business-type Activities	Total
Lease revenue	\$ 175,276	\$ 175,276
Lease interest	28,029	28,029
Total inflows of resources for leases	\$ 203,305	\$ 203,305

Note 10. Lease Obligations

At June 30, 2025 the City was a lessee in lease agreements for copiers and a postage machine with the following terms:

	Right to use lease assets, net at June 30, 2025	Lease liability at June 30, 2025
Postage Machine with Pitney Bowes, interest at 1.177%, monthly payments of \$294 with an expiration date of June 30, 2026	\$ 3,432	\$ 3,509
Copier Lease with US Bank Equipment, interest at 2.781%, monthly payments of \$1,497 with an expiration date of July 31, 2027	\$ 34,873	\$ 36,321
Total	\$ 38,305	\$ 39,830

CITY OF ONTARIO, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

At June 30, 2025, the City had the following right to use lease assets:

	Value of Right to use lease assets	Accumulated amortization	Right to use lease assets, net
Postage machine	\$ 17,158	\$ 13,726	\$ 3,432
Copier Equipment	87,551	52,678	34,873
Total	<u>\$ 104,709</u>	<u>\$ 66,404</u>	<u>\$ 38,305</u>

Note 11. Long-Term Debt

A summary of changes in long-term debt for the year ended June 30, 2025 is as follows:

Description	Balance 6/30/2024	Increases	Decreases	Balance 6/30/2025	Due within one year
BUSINESS-TYPE ACTIVITIES					
WTP Upgrade OECDD	1,784,767	-	188,172	1,596,595	199,623
OECDD-Wastewater System Improvements	1,906,324	-	151,392	1,754,932	157,712
Total Long-term Debt	<u>\$ 3,691,091</u>	<u>\$ -</u>	<u>\$ 339,564</u>	<u>\$ 3,351,527</u>	<u>\$ 357,335</u>

Business-Type Activities

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
			\$ 1,596,595		
2026	\$ 199,623	\$ 78,101	1,396,972	5.0%	(21,011)
2027	206,138	68,336	1,190,834	5.0%	(21,011)
2028	217,719	58,255	973,115	5.0%	(21,011)
2029	229,369	47,605	743,746	5.0%	(21,011)
2030	236,091	36,383	507,655	5.0%	(21,011)
2031-2032	507,655	37,543	-	5.0%	(42,024)
	<u>\$ 1,596,595</u>	<u>\$ 326,223</u>			<u>\$ (147,079)</u>

CITY OF ONTARIO, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

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	Amortization of Premium
			\$ 1,754,932		
2026	\$ 157,712	\$ 87,268	1,597,220	5.0%	\$ (17,431)
2027	169,166	79,313	1,428,054	5.0%	(17,431)
2028	175,625	70,855	1,252,429	5.0%	(17,431)
2029	187,233	61,997	1,065,196	5.0%	(17,431)
2030	193,684	52,797	871,512	5.0%	(17,431)
2031-2034	871,512	152,030	-	5.0%	(69,726)
	<u>\$ 1,754,932</u>	<u>\$ 504,260</u>			<u>\$ (156,881)</u>

Note 12. Compensated Absences

Changes in compensated absences during the fiscal year ended June 30, 2025 were as follows and are included in other liabilities on the Statement of Net Position:

	Restated Balance July 1, 2024	Net Change	Balance June 30, 2025	Due within one year
Governmental activities	\$ 607,179	\$37,770	\$ 644,949	\$ 96,742
Business-type activities	5,830	2,173	8,003	801
	<u>\$ 613,009</u>	<u>\$39,943</u>	<u>\$ 652,952</u>	<u>\$ 97,543</u>

The provisions of GASB No. 101, Compensated absences, have been applied to net position oot July 1, 2024 and as such, balances have been restated.

CITY OF ONTARIO, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

Note 13. Interfund Transfers

The detail of interfund transfers for the year ended June 30, 2025 are as follows:

Governmental Funds			Proprietary Funds		
<u>Transfers in</u>	<u>Transfer from</u>	<u>Amount</u>	<u>Transfers in</u>	<u>Transfer from</u>	<u>Amount</u>
General Fund	Nonmajor gov't	\$ 70,000	Airport Fund	General Fund	\$ 172,947
Grant Fund	Airport Fund	8,000			
Street Fund	General Fund	180,086			
Capital Projects Fund	General Fund	76,525			
Nonmajor gov't	General Fund	238,200			
	Water Fund	92,190			
	Sewer Fund	51,217			
	Nonmajor prop	3,073			
Total transfers in for governmental funds		<u>\$ 719,291</u>	Total transfers in for proprietary funds		<u>\$ 172,947</u>
<u>Transfers out</u>	<u>Transfer to</u>		<u>Transfers out</u>	<u>Transfer to</u>	
General Fund	Nonmajor gov't	\$ (238,200)	Nonmajor prop	Nonmajor gov't	\$ (3,073)
	Street fund	(180,086)			
	Airport Fund	(172,947)	Water Fund	Nonmajor gov't	(92,190)
	Capital Projects Fund	(76,525)			
Nonmajor governmental	General Fund	(70,000)	Sewer Fund	Nonmajor gov't	(51,217)
			Airport Fund	Grant Fund	(8,000)
Total transfers out for governmental funds		<u>(737,758)</u>	Total transfers out for proprietary funds		<u>(154,480)</u>
Total transfers for governmental funds		<u><u>\$ (18,467)</u></u>	Total transfers for proprietary funds		<u><u>\$ 18,467</u></u>

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 14. 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.

CITY OF ONTARIO, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

Note 15. 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 16. Fund Balance Classifications

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

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 June 24, 2025. Commitments of fund balances must be made prior to the end of the fiscal year.

Fund Balances	General Fund	Grant Fund	Street Fund	Capital Projects Fund	Nonmajor Funds	Total
<u>Nonspendable</u>						
Prepaid expenses	\$ 717,284	\$ -	\$ -		\$ -	\$ 717,284
	<u>717,284</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>717,284</u>
<u>Restricted</u>						
System development charges	-	-	-	-	992,613	992,613
Street projects	-	-	2,537,685	-	-	2,537,685
Grants	-	325,573	-	-	-	325,573
Building inspection	-	-	-	-	901,055	901,055
Public safety	-	-	-	-	13,820	13,820
	<u>-</u>	<u>325,573</u>	<u>2,537,685</u>	<u>-</u>	<u>1,907,488</u>	<u>4,770,746</u>
<u>Committed to</u>						
Capital Projects	-	-	-	5,955,780	3,903,343	9,859,123
Funds held for other departments	-	-	-	-	765,647	765,647
Revolving loan fund program	-	-	-	-	300,148	300,148
	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,955,780</u>	<u>4,969,138</u>	<u>10,924,918</u>
<u>Unassigned</u>	<u>6,900,333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,900,333</u>
TOTAL FUND BALANCES	<u>\$ 7,617,617</u>	<u>\$ 325,573</u>	<u>\$ 2,537,685</u>	<u>\$ 5,955,780</u>	<u>\$ 6,876,626</u>	<u>\$ 23,313,281</u>

CITY OF ONTARIO, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

Note 17. Tax Abatements

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

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.

The Food Processor Exemption offers property tax exemptions on qualified real and personal property machinery and equipment that is certified by Oregon Department of Agriculture. This exemption is a five-year exemption as long as the machinery and equipment remains qualified.

For the fiscal year ended June 30, 2025, the City of Ontario allocation of property tax abatements from the Food Processor Exemption amounted to \$204,037.

Note 18. New Accounting Pronouncements and Accounting Standards

During the fiscal year ended June 30, 2025, the city implemented the following GASB Pronouncements: GASB Statement No. 101, Compensated Absences. Issued June 2022. This Statements amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements related to GASB Statement No. 101 were implemented by the City and implementation resulted in decreasing the fund balance as of July 1, 2024 for governmental funds by \$220,414 and business type funds by \$1,418. Refer to the Government-Wide Statement of activities for more information.

GASB Statement No. 102, Certain Risk Disclosures. Issued December 2023, the primary objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines concentration and constraint and requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements related to GASB Statement No. 102 were implemented by the City and there were no material impacts.

The following GASB pronouncements have been issued, but are not effective as of June 30, 2025

GASB Statement No. 103, Financial Reporting Model Improvements. Issued April 2024, the objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a governments accountability. This Statement continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI). This statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they change. This Statement describes unusual or infrequent items as transactions and other events that are either unusual or infrequent in

CITY OF ONTARIO, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

occurrence. It also requires that the proprietary fund statement of revenues, expenses and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses and goes on to define both operating and nonoperating revenues. Major component unit information is required to be presented separately if it does not reduce the readability of the statements. Budgetary comparison information is required to use a single method of communication - RSI and requires governments to present variances between original and final budget amounts and variances between final budget and actual amounts. An explanation of significant variances will be required. GASB Statement No. 103 will be effective for the City for fiscal year, ending June 30, 2026.

GASB Statement No. 104, Disclosure of Certain Capital Assets. Issued September 2024, this Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94 Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in the capital as-set note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, should also be disclosed separately. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale and requires that capital assets held for sale be evaluated each reporting period. GASB Statement No. 104 will be effective for the City for fiscal year, ending June 30, 2026.

The city will implement new GASB pronouncements no later than the required effective date. The city is currently evaluating whether or not the above listed new GASB pronouncements will have a significant impact on the city's financial statements.

**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, 2025

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Property taxes	\$ 4,397,815	\$ 4,397,815	\$ 5,207,360	\$ 809,545
Other taxes	2,610,000	2,610,000	2,994,002	384,002
Franchise fees	1,806,579	1,806,579	1,886,223	79,644
Licenses and permits	134,000	134,000	125,156	(8,844)
Intergovernmental	769,963	786,835	724,961	(61,874)
Charges for services	348,365	348,365	394,398	46,033
Fines and forfeits	4,000	4,000	9,200	5,200
Miscellaneous	37,520	37,920	75,325	37,405
Interest on investments	85,000	85,000	271,060	186,060
Administrative	497,148	497,148	497,148	-
Total revenues	<u>10,690,890</u>	<u>10,708,912</u>	<u>12,185,878</u>	<u>1,476,966</u>
Expenditures				
Administration	605,440	605,440	503,062	102,378
City Council	33,357	33,357	16,008	17,349
Admin Overhead	590,214	923,998	814,836	109,162
Business Registrations	1,100	1,100	316	784
Cemetery	218,082	218,082	135,075	83,007
Community Development	199,025	199,025	157,625	41,400
Finance	273,878	273,878	269,309	4,569
Fire	2,272,209	2,307,609	1,956,046	351,563
Non-Departmental Appropriations	433,000	433,000	59,202	373,798
Police Reserve	-	-	-	-
Code Enforcement	165,030	165,030	122,553	42,477
Parks	278,294	278,294	189,146	89,148
Police	5,645,814	5,329,652	4,482,927	846,725
Technology	239,559	239,559	183,768	55,791
Capital Outlay	326,500	326,500	87,033	239,467
Contingency	468,162	468,162	-	468,162
Total expenditures	<u>11,749,664</u>	<u>11,802,686</u>	<u>8,976,906</u>	<u>2,825,780</u>
Excess of revenues over (under) expenditures	(1,058,774)	(1,093,774)	3,208,972	4,302,746
Other financing sources (uses)				
Transfers in	70,000	70,000	70,000	-
Transfers out	<u>(667,758)</u>	<u>(667,758)</u>	<u>(667,758)</u>	<u>-</u>
Total other sources (uses)	<u>(597,758)</u>	<u>(597,758)</u>	<u>(597,758)</u>	<u>-</u>
Net change in fund balance	(1,656,532)	(1,691,532)	2,611,214	4,302,746
Fund balance, July 1	<u>3,356,532</u>	<u>3,391,532</u>	<u>5,006,403</u>	<u>1,614,871</u>
Fund balance, June 30	<u>\$ 1,700,000</u>	<u>\$ 1,700,000</u>	<u>\$ 7,617,617</u>	<u>\$ 5,917,617</u>

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, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Current Year Actual</u>	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Intergovernmental	\$ 1,194,500	\$ 1,924,500	\$ 1,958,660	\$ 34,160
Total revenues	<u>1,194,500</u>	<u>1,924,500</u>	<u>1,958,660</u>	<u>34,160</u>
Expenditures				
Capital outlay	<u>1,611,652</u>	<u>2,341,652</u>	<u>2,038,564</u>	<u>303,088</u>
Total expenditures	<u>1,611,652</u>	<u>2,341,652</u>	<u>2,038,564</u>	<u>303,088</u>
Excess of revenues over (under) expenditures	(417,152)	(417,152)	(79,904)	337,248
Other financing sources (uses)				
Transfers in	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>-</u>
Total other financing sources (uses)	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>-</u>
Net change in fund balance	(409,152)	(409,152)	(71,904)	337,248
Fund balance, July 1	<u>409,152</u>	<u>409,152</u>	<u>397,477</u>	<u>(11,675)</u>
Fund balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 325,573</u></u>	<u><u>\$ 325,573</u></u>

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, 2025

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Intergovernmental	\$ 2,844,539	\$ 2,844,539	\$ 2,106,454	\$ (738,085)
Interest on investments	300	300	1,093	793
Charges for services	372,934	372,934	384,307	11,373
Other taxes	210,000	210,000	311,593	101,593
Administrative	501,515	501,515	508,693	7,178
Miscellaneous	1,000	1,000	705	(295)
Total revenues	<u>3,930,288</u>	<u>3,930,288</u>	<u>3,312,845</u>	<u>(617,443)</u>
Expenditures				
Street maintenance	<u>6,563,003</u>	<u>6,563,003</u>	<u>3,527,796</u>	<u>3,035,207</u>
Total expenditures	<u>6,563,003</u>	<u>6,563,003</u>	<u>3,527,796</u>	<u>3,035,207</u>
Excess of revenues over (under) expenditures	(2,632,715)	(2,632,715)	(214,951)	2,417,764
Other financing sources (uses)				
Transfers in	<u>180,086</u>	<u>180,086</u>	<u>180,086</u>	<u>-</u>
Total other sources (uses)	<u>180,086</u>	<u>180,086</u>	<u>180,086</u>	<u>-</u>
Net change in fund balance	(2,452,629)	(2,452,629)	(34,865)	2,417,764
Fund balance, July 1	<u>2,452,629</u>	<u>2,452,629</u>	<u>2,572,550</u>	<u>119,921</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,537,685</u>	<u>\$ 2,537,685</u>

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, 2025

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Charges for services	\$ 25,220	\$ 25,220	\$ 23,680	\$ (1,540)
Miscellaneous	244,000	244,000	100,129	(143,871)
Utilities capitalization charges	553,927	553,927	668,990	115,063
Total revenues	<u>823,147</u>	<u>823,147</u>	<u>792,799</u>	<u>(30,348)</u>
Expenditures				
Fire apparatus	373,718	373,718	-	373,718
Downtown attraction	70,363	70,363	-	70,363
Park improvements	80,000	80,000	1,073	78,927
W. Idaho extension	118,977	118,977	-	118,977
Special projects	1,266,792	1,266,792	61,176	1,205,616
Utility capitalization fee	4,966,162	4,966,162	475,753	4,490,409
E. Idaho	68,704	68,704	-	68,704
SRCI water	24,375	24,375	-	24,375
SRCI sewer	36,547	36,547	480	36,067
Total expenditures	<u>7,005,638</u>	<u>7,005,638</u>	<u>538,482</u>	<u>6,467,156</u>
Excess of revenues over (under) expenditures	(6,182,491)	(6,182,491)	254,317	6,436,808
Other financing sources (uses)				
Transfers in	76,525	76,525	76,525	-
Total other sources (uses)	<u>76,525</u>	<u>76,525</u>	<u>76,525</u>	<u>-</u>
Net change in fund balance	(6,105,966)	(6,105,966)	330,842	6,436,808
Fund balance, July 1	6,105,966	6,105,966	5,624,938	(481,028)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,955,780</u>	<u>\$ 5,955,780</u>

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)	Plan fiduciary net position as a percentage of the total pension liability
				City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	
2025	0.04704334%	\$ 10,456,437	\$ 3,804,392	274.85%	79.30%
2024	0.05449390%	10,207,081	3,550,401	287.49%	81.70%
2023	0.06089629%	9,324,444	3,493,851	266.88%	84.55%
2022	0.06623264%	7,925,716	3,455,182	229.39%	87.57%
2021	0.06453608%	14,083,992	3,355,421	419.74%	75.80%
2020	0.07823420%	13,532,643	3,165,990	427.44%	80.20%
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%

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)	(b/c)	Contributions as a percent of covered payroll
				City's covered payroll	
2025	\$ 941,634	\$ 2,236,041	(1,294,407)	\$ 4,286,198	
2024	1,172,193	1,625,593	(453,400)	3,804,392	42.73%
2023	3,418,201	5,214,071	(1,795,870)	3,550,401	146.86%
2022	2,925,354	4,194,971	(1,269,617)	3,493,851	120.07%
2021	1,225,530	1,435,401	(209,871)	3,455,182	41.54%
2020	960,741	2,678,457	(1,717,716)	3,355,421	79.82%
2019	732,326	1,664,266	(931,940)	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%

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

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
2025	0.02268728%	\$ (91,636)	\$ 3,804,392	-2.41%	220.60%
2024	0.03776784%	(138,293)	3,550,401	-3.90%	201.60%
2023	0.03356362%	(119,263)	3,493,851	-3.41%	194.66%
2022	0.02441691%	(83,848)	3,455,182	-2.43%	183.86%
2021	0.02676029%	(54,527)	3,355,421	-1.63%	150.10%
2020	0.02798296%	(54,073)	3,165,990	-1.71%	144.40%
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 actuarially required contribution	(a-b) Contribution deficiency (excess)	(c) City's covered payroll	(b/c) Contributions as a percent of covered payroll
2025	\$ -	\$ -	\$ -	\$ 4,286,198	0.00%
2024	77	77	-	3,804,392	0.00%
2023	744	744	-	3,550,401	0.02%
2022	827	827	-	3,493,851	0.02%
2021	653	653	-	3,455,182	0.02%
2020	1,911	1,911	-	3,355,421	0.06%
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 LIABILITY HEALTH INSURANCE

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Year Ended June 30,	Total OPEB Liability (asset) Beginning	Service Cost	Interest	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
2025	\$ 364,275	\$ 30,267	\$ 14,277	\$ -	\$ (76,658)	\$ (33,739)	\$ 291,594	\$ 4,275,773	6.82%
2024	327,421	29,685	12,604	-	-	(3,285)	364,275	3,563,395	10.22%
2023	404,251	35,168	9,450	-	(53,791)	(63,776)	327,421	3,513,464	9.32%
2022	360,996	34,154	8,718	-	-	1,705	404,251	3,430,796	11.78%
2021	336,247	26,353	12,647	-	(34,907)	23,204	360,996	3,399,604	10.62%
2020	296,808	23,542	12,249	-	-	11,403	336,247	3,327,887	10.10%
2019	324,623	23,219	12,224	-	(33,582)	(16,794)	296,808	3,127,725	9.49%
2018	330,185	24,819	9,859	-	-	(21,945)	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
2025	\$ 1,901	\$ 1,901	\$ -	\$ 3,563,395	0.05%
2024	6,828	6,828	-	3,513,464	0.19%
2023	2,150	2,150	-	3,430,796	0.06%
2022	3,881	3,881	-	3,399,604	0.11%
2021	1,322	1,322	-	3,327,887	0.04%
2020	2,548	2,548	-	3,127,725	0.08%
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.

CITY OF ONTARIO, OREGON
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended
June 30, 2025

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. 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, 2025 there was one budget over expenditure violation as follows:

Reserve Fund	High Desert task force	\$1,344
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OREGON PUBLIC RETIREMENT SYSTEM INFORMATION

Changes in Benefit Terms and Assumptions

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.

A legislative change that occurred after the December 31, 2017 valuation date affected the plan provisions reflected for financial reporting purposes. Senate Bill 1049, signed into law in June 2019, introduced a limit on the amount of annual salary included for the calculation of benefits. Beginning in 2020, annual salary in excess of \$195,000 (as indexed in future years) will be excluded when determining member benefits. As a result, future Tier 1/Tier 2 and OPSRP benefits for certain active members are now projected to be lower than prior to the legislation. Senate Bill 1049 was reflected in the June 30, 2019 Total Pension Liability as a reduction in liability.

A legislative change that occurred after the December 31, 2019 actuarial valuation date affected the plan provisions reflected for June 2021 financial reporting liability calculations. Senate Bill 111, enacted in June 2021, provides an increased pre-retirement death benefit for members who die on

CITY OF ONTARIO, OREGON
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended
June 30, 2025

or after their early retirement age. For GASB 67 and GASB 68, the benefits valued in the total pension liability are required to be in accordance with the benefit terms legally in effect as of the relevant fiscal year-end for the plan. As a result, Senate Bill 111 was reflected in the June 30, 2021 total pension liability. While Senate Bill 111 also made changes to certain aspect of PERS funding and administration, the change in the death benefit provision is the only change that affects the measured total pension liability. As a result, the death benefit provision is the only difference between June 30, 2020 and June 30, 2021 in the plan provisions basis used to determine the total pension liability as of those two respective measurement dates.

Actuarial Assumptions

Actuarial Assumptions and Methods Used to Set the Actuarially Determined Contributions:

Actuarial valuation:	December 31, 2021	December 31, 2019	December 31, 2017	December 31, 2015	December 31, 2013
Effective:	July 2023 - June 2025	July 2021 - June 2023	July 2019 - June 2021	July 2017 - June 2019	July 2015 - June 2017
Actuarial cost method:	Entry Age Normal				
Amortization method:	Level percentage of payroll, closed				
Asset valuation method:	Market Value				
Remaining amortization periods:	20 years				
Actuarial assumptions:					
Inflation rate	2.40%		2.50%		2.75%
Projected salary increases	3.40%		3.50%		
Investment rate of return	6.90%		7.20%	7.50%	7.75%

OTHER POST EMPLOYMENT BENEFITS

Actuarial assumptions – CIS

Actuarial Assumptions and Methods Used to Set the Actuarially Determined Contributions:

Actuarial valuation:	July 1, 2024	July 1, 2022	July 1, 2020	July 1, 2018	July 1, 2016
Effective:	June 30, 2024 and 2025	June 30, 2022 and 2023	June 30, 2020 and 2021	June 30, 2018 and 2019	June 30, 2016 and 2017
Actuarial cost method:	Entry Age Normal				
Amortization method:	Level percentage of payroll, closed				
Amortization period:	9.6 years	9.9 years	6.5 years	6.7 years	6.2 years
Remaining amortization periods:	10 years			20 years	
Actuarial assumptions:					
Inflation rate	2.40%		2.50%		
Projected salary increases	3.40%		3.50%		

Changes of Assumptions - RHIA

The PERS Board adopted assumption changes that were used to measure the June 30, 2024 total OPEB liability. The changes include the lowering of the long-term expected rate of return from 7.20 to 6.90 percent and the inflation rate from 2.5 to 2.4 percent. In addition, the healthy healthcare participation and cost trend rates, and healthy mortality assumptions were changed to reflect an updated trends and mortality improvement scale for all groups.

CITY OF ONTARIO, OREGON
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended
June 30, 2025

Actuarial assumptions – RHIA

Actuarial Assumptions and Methods Used to Set the Actuarially Determined Contributions:

Actuarial valuation:	December 31, 2021	December 31, 2019	December 31, 2017	December 31, 2015	December 31, 2013
Effective:	July 2023 - June 2025	July 2021 - June 2023	July 2019 - June 2021	July 2017 - June 2019	July 2015 - June 2017
Actuarial cost method:	Entry Age Normal				
Amortization method:	Level percentage of payroll, closed				
Amortization period:	10 years				
Asset valuation method:	Market Value				
Remaining amortization periods:	10 years			20 years	
Actuarial assumptions:					
Inflation rate	2.40%		2.50%		2.75%
Projected salary increases	3.40%		3.50%		3.75%
Investment rate of return	6.90%		7.20%	7.50%	7.75%

SUPPLEMENTARY INFORMATION

CITY OF ONTARIO, OREGON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2025

	Special Revenue Funds	
	Marijunana	Building
	Enforcement Fund	Building Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Assets		
Cash and investments	\$ 13,820	\$ 918,052
Accounts receivable		
Other taxes	-	-
Customer accounts, net of allowance	-	-
Other	-	271
Restricted cash		
Cash held in trust	-	-
System development charges	-	-
Total assets	13,820	918,323
Deferred outflows of resources	-	-
Total assets and deferred outflows	\$ 13,820	\$ 918,323
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ -	\$ 17,268
Payroll liabilities	-	-
Deposits held in trust	-	-
Total liabilities	-	17,268
Deferred inflows of resources		
Unavailable economic development loans	-	-
Total deferred inflows	-	-
Fund balances		
Spensible		
Restricted	13,820	901,055
Committed	-	-
Total fund balances	13,820	901,055
Total liabilities, deferred inflows and fund balances	\$ 13,820	\$ 918,323

Special Revenue Funds			Capital Projects Fund	Total June 30, 2025
Trust Fund	Reserve Fund	Revolving Loan Fund	SDC Fund	
\$ 739,133	\$ 3,864,142	\$ 300,148	\$ -	\$ 5,835,295
86,171	37,802	-	-	123,973
4,073	31,975	-	-	36,048
-	-	-	-	271
246,663	-	-	-	246,663
-	-	-	992,613	992,613
<u>1,076,040</u>	<u>3,933,919</u>	<u>300,148</u>	<u>992,613</u>	<u>7,234,863</u>
-	-	-	-	-
<u>\$ 1,076,040</u>	<u>\$ 3,933,919</u>	<u>\$ 300,148</u>	<u>\$ 992,613</u>	<u>\$ 7,234,863</u>
\$ 63,730	\$ 30,571	\$ -	\$ -	\$ 111,569
-	5	-	-	5
246,663	-	-	-	246,663
<u>310,393</u>	<u>30,576</u>	<u>-</u>	<u>-</u>	<u>358,237</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	992,613	1,907,488
<u>765,647</u>	<u>3,903,343</u>	<u>300,148</u>	<u>-</u>	<u>4,969,138</u>
<u>765,647</u>	<u>3,903,343</u>	<u>300,148</u>	<u>992,613</u>	<u>6,876,626</u>
<u>\$ 1,076,040</u>	<u>\$ 3,933,919</u>	<u>\$ 300,148</u>	<u>\$ 992,613</u>	<u>\$ 7,234,863</u>

CITY OF ONTARIO, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES**
NONMAJOR FUNDS
 For the Year Ended
 June 30, 2025

	Special Revenue Funds	
	Marijuana	Building
	Enforcement Fund	Fund
Revenues		
Taxes		
Property taxes	\$ -	\$ -
Other taxes	-	-
Intergovernmental revenues	33,471	-
Charges for services	-	-
Licenses and permits	-	369,742
Miscellaneous		
Special assessments	-	-
Miscellaneous	-	100
Interest on investments	-	-
System development charges	-	-
Total revenues	33,471	369,842
Expenditures		
<i>Current</i>		
Personal services	32,455	179,765
Materials and services	-	36,264
Capital outlay	-	-
Total expenditures	32,455	216,029
Excess of revenues over (under) expenditures	1,016	153,813
Other financing sources (uses)		
Operating transfers in	-	-
Operating transfers out	-	-
Capital asset sales	-	-
Total other financing sources (uses)	-	-
Net change in fund balances	1,016	153,813
Fund balances, July 1	12,804	747,242
Fund balances, June 30	\$ 13,820	\$ 901,055

Special Revenue Funds			Capital Projects Fund	Total June 30, 2025
Trust Fund	Reserve Fund	Revolving Loan Fund	SDC Fund	
\$ -	\$ -	\$ 60,991	\$ -	\$ 60,991
710,441	311,593	-	-	1,022,034
-	69,765	-	-	103,236
22,100	110,938	-	-	133,038
-	-	-	-	369,742
-	-	-	-	-
-	58,946	-	-	59,046
20,355	88	-	-	20,443
-	-	-	117,631	117,631
<u>752,896</u>	<u>551,330</u>	<u>60,991</u>	<u>117,631</u>	<u>1,886,161</u>
-	168,658	-	-	380,878
583,383	822,387	50,000	-	1,492,034
-	498,675	-	-	498,675
<u>583,383</u>	<u>1,489,720</u>	<u>50,000</u>	<u>-</u>	<u>2,371,587</u>
169,513	(938,390)	10,991	117,631	(485,426)
-	384,680	-	-	384,680
(70,000)	-	-	-	(70,000)
-	7,400	-	-	7,400
<u>(70,000)</u>	<u>392,080</u>	<u>-</u>	<u>-</u>	<u>322,080</u>
99,513	(546,310)	10,991	117,631	(163,346)
<u>666,134</u>	<u>4,449,653</u>	<u>289,157</u>	<u>874,982</u>	<u>7,039,972</u>
<u>\$ 765,647</u>	<u>\$ 3,903,343</u>	<u>\$ 300,148</u>	<u>\$ 992,613</u>	<u>\$ 6,876,626</u>

CITY OF ONTARIO, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - MARIJUANA ENFORCEMENT FUND
(BUDGET BASIS)
For the Year Ended
June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Current Year Actual</u>	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Intergovernmental	\$ 25,600	\$ 25,600	\$ 33,471	\$ 7,871
Total revenues	<u>25,600</u>	<u>25,600</u>	<u>33,471</u>	<u>7,871</u>
Expenditures				
Personal services	<u>32,455</u>	<u>32,455</u>	<u>32,455</u>	-
Total expenditures	<u>32,455</u>	<u>32,455</u>	<u>32,455</u>	-
Net change in fund balance	(6,855)	(6,855)	1,016	7,871
Fund balance, July 1	<u>6,855</u>	<u>6,855</u>	<u>12,804</u>	<u>5,949</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,820</u>	<u>\$ 13,820</u>

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, 2025

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Licenses and permits	\$ 150,000	\$ 150,000	\$ 369,742	\$ 219,742
Miscellaneous	-	-	100	100
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>369,842</u>	<u>219,842</u>
Expenditures				
Personal services	276,523	276,523	179,765	96,758
Materials and services	38,348	86,348	36,264	50,084
Contingency	475,782	427,782	-	427,782
Total expenditures	<u>790,653</u>	<u>790,653</u>	<u>216,029</u>	<u>574,624</u>
Net change in fund balance	(640,653)	(640,653)	153,813	794,466
Fund balance, July 1	<u>640,653</u>	<u>640,653</u>	<u>747,242</u>	<u>106,589</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 901,055</u>	<u>\$ 901,055</u>

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, 2025

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Other taxes	\$ 731,500	\$ 759,500	\$ 710,441	\$ (49,059)
Charges for services	20,000	20,000	22,100	2,100
Interest on investments	11,500	11,500	20,355	8,855
Total revenues	<u>763,000</u>	<u>791,000</u>	<u>752,896</u>	<u>(38,104)</u>
Expenditures				
Chamber of Commerce	242,000	262,000	234,530	27,470
OSS Mitigation	164,493	164,493	-	164,493
Visitors & Convention	398,745	398,745	312,114	86,631
Ontario Promise	34,459	34,459	-	34,459
Fairgrounds	32,500	40,500	36,739	3,761
Recreation district	279,191	279,191	-	279,191
Total expenditures	<u>1,151,388</u>	<u>1,179,388</u>	<u>583,383</u>	<u>596,005</u>
Excess of revenues over (under) expenditures	(388,388)	(388,388)	169,513	557,901
Other financing sources (uses)				
Transfers out	(70,000)	(70,000)	(70,000)	-
Total other sources (uses)	<u>(70,000)</u>	<u>(70,000)</u>	<u>(70,000)</u>	<u>-</u>
Net change in fund balance	(458,388)	(458,388)	99,513	557,901
Fund balance, July 1	<u>635,836</u>	<u>635,836</u>	<u>666,134</u>	<u>30,298</u>
Fund balance, June 30	<u>\$ 177,448</u>	<u>\$ 177,448</u>	<u>\$ 765,647</u>	<u>\$ 588,199</u>

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, 2025

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Intergovernmental	\$ 9,298	\$ 21,298	\$ 69,765	\$ 48,467
Miscellaneous	10,000	10,000	58,946	48,946
Donations	1,000	1,000	-	(1,000)
Charges for service	15,500	15,500	110,938	95,438
Other taxes	242,000	242,000	311,593	69,593
Interest on investments	-	-	88	88
Total revenues	<u>277,798</u>	<u>289,798</u>	<u>551,330</u>	<u>261,532</u>
Expenditures				
Bike path & trails	551,860	551,860	34,900	516,960
Building inspection	137,893	137,893	-	137,893
GC sinking fund	600	600	-	600
Public safety	1,053,983	1,096,282	581,064	515,218
Emergency equipment	218,217	218,217	17,611	200,606
PERS side account	356,480	801,480	801,480	-
Insurance claims	61,195	61,195	36,826	24,369
Economic development infrastructure	93,733	93,733	-	93,733
Public works	1,488,879	1,488,879	-	1,488,879
High Desert task force	16,498	16,498	17,839	(1,341)
Contingency	496,068	472,519	-	472,519
Total expenditures	<u>4,475,406</u>	<u>4,939,156</u>	<u>1,489,720</u>	<u>3,449,436</u>
Excess of revenues over (under) expenditures	(4,197,608)	(4,649,358)	(938,390)	3,710,968
Other financing sources (uses)				
Transfers in	384,680	384,680	384,680	-
Capital asset sales	-	6,750	7,400	650
Total other sources (uses)	<u>384,680</u>	<u>391,430</u>	<u>392,080</u>	<u>650</u>
Net change in fund balance	(3,812,928)	(4,257,928)	(546,310)	3,711,618
Fund balance, July 1	<u>3,812,928</u>	<u>4,257,928</u>	<u>4,449,653</u>	<u>191,725</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,903,343</u>	<u>\$ 3,903,343</u>

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, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Current Year Actual</u>	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Property taxes	\$ 25,779	\$ 25,779	\$ 60,991	\$ 35,212
Total revenues	<u>25,779</u>	<u>25,779</u>	<u>60,991</u>	<u>35,212</u>
Expenditures				
Materials and services	321,014	321,014	50,000	271,014
Total expenditures	<u>321,014</u>	<u>321,014</u>	<u>50,000</u>	<u>271,014</u>
Net change in fund balance	(295,235)	(295,235)	10,991	306,226
Fund balance, July 1	<u>295,235</u>	<u>295,235</u>	<u>289,157</u>	<u>(6,078)</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300,148</u>	<u>\$ 300,148</u>

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, 2025

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
System development charges	\$ 55,000	\$ 55,000	\$ 117,631	\$ 62,631
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>117,631</u>	<u>62,631</u>
Expenditures				
SDC projects	<u>915,814</u>	<u>915,814</u>	<u>-</u>	<u>915,814</u>
Total expenditures	<u>915,814</u>	<u>915,814</u>	<u>-</u>	<u>915,814</u>
Net change in fund balance	(860,814)	(860,814)	117,631	978,445
Fund balance, July 1	<u>860,814</u>	<u>860,814</u>	<u>874,982</u>	<u>14,168</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 992,613</u>	<u>\$ 992,613</u>

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, 2025

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Charges for services	\$ 3,644,650	\$ 3,644,650	\$ 4,091,223	\$ 446,573
Intergovernmental	-	-	94,582	94,582
Miscellaneous	16,000	16,000	31,114	15,114
Interest on investments	120,000	120,000	383,967	263,967
Total revenues	<u>3,780,650</u>	<u>3,780,650</u>	<u>4,600,886</u>	<u>820,236</u>
Expenses				
Personal services	600	600	294	306
Materials and services	3,145,313	3,145,313	3,093,941	51,372
Capital outlay	1,258,000	1,558,000	580,031	977,969
Debt service	275,475	275,475	275,474	1
Contingency	1,624,463	1,324,463	-	1,324,463
Total expenses	<u>6,303,851</u>	<u>6,303,851</u>	<u>3,949,740</u>	<u>2,354,111</u>
Excess of revenues over (under) expenses	(2,523,201)	(2,523,201)	651,146	3,174,347
Other financing sources (uses)				
Transfers out	(92,190)	(92,190)	(92,190)	-
Total other financing sources (uses)	<u>(92,190)</u>	<u>(92,190)</u>	<u>(92,190)</u>	<u>-</u>
Net change in fund net position	(2,615,391)	(2,615,391)	558,956	3,174,347
Net position, July 1	2,615,391	2,615,391	2,669,812	54,421
Net position, June 30	<u>\$ -</u>	<u>\$ -</u>	3,228,768	<u>\$ 3,228,768</u>

**Reconciliation to Generally Accepted
Accounting Principles**

Capital assets, net of accumulated depreciation	15,572,378
Inventory	13,571
Lease receivable	24,365
Accrued interest	(45,559)
Long-term obligations	(1,596,595)
Debt refunding deferred inflows	<u>(147,079)</u>
Net position, ending	<u>\$ 17,049,849</u>

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, 2025

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Charges for services	\$ 3,686,331	\$ 3,686,331	\$ 3,413,830	\$ (272,501)
Miscellaneous	5,000	5,000	9,026	4,026
Interest on investments	120,000	120,000	459,742	339,742
Total revenues	<u>3,811,331</u>	<u>3,811,331</u>	<u>3,882,598</u>	<u>71,267</u>
Expenses				
Personal services	600	600	294	306
Materials and services	2,640,594	2,676,023	2,644,329	31,694
Capital outlay	1,827,000	1,827,000	319,845	1,507,155
Debt service	246,230	246,230	246,230	-
Contingency	1,664,179	1,628,750	-	1,628,750
Total expenses	<u>6,378,603</u>	<u>6,378,603</u>	<u>3,210,698</u>	<u>3,167,905</u>
Excess of revenues over (under) expenses	(2,567,272)	(2,567,272)	671,900	3,239,172
Other financing sources (uses)				
Transfers out	(51,217)	(51,217)	(51,217)	-
Total other financing sources (uses)	<u>(51,217)</u>	<u>(51,217)</u>	<u>(51,217)</u>	<u>-</u>
Net change in fund net position	(2,618,489)	(2,618,489)	620,683	3,239,172
Net position, July 1	2,618,489	2,618,489	1,940,903	(677,586)
Net position, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>2,561,586</u>	<u>\$ 2,561,586</u>

**Reconciliation to Generally Accepted
Accounting Principles**

Capital assets, net of accumulated depreciation	22,659,769
Lease receivable related	(24,437)
Accrued interest	(50,907)
Long-term obligations	(1,754,932)
Debt refunding deferred inflows	<u>(156,881)</u>
Net position, ending	<u>\$ 23,234,198</u>

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, 2025

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Charges for services	\$ 70,545	\$ 70,545	\$ 79,860	\$ 9,315
Miscellaneous	25,500	25,500	-	(25,500)
Interest on investments	100	100	257	157
Total revenues	96,145	96,145	80,117	(16,028)
Expenses				
Personal services	111,064	111,064	101,672	9,392
Materials and services	181,462	181,462	144,410	37,052
Capital outlay	39,751	39,751	34,348	5,403
Total expenses	332,277	332,277	280,430	51,847
Excess of revenues over (under) expenses	(236,132)	(236,132)	(200,313)	35,819
Other financing sources (uses)				
Transfers in	172,947	172,947	172,947	-
Transfers out	(8,000)	(8,000)	(8,000)	-
Total other financing sources (uses)	164,947	164,947	164,947	-
Net change in fund net position	(71,185)	(71,185)	(35,366)	35,819
Net position, July 1, before restatement	71,185	71,185	122,930	51,745
Restatement, see note			-	-
Net position, July 1	71,185	71,185	122,930	51,745
Net position, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>87,564</u>	<u>\$ 87,564</u>

**Reconciliation to Generally Accepted
Accounting Principles**

Capital assets, net of accumulated depreciation	10,003,782
OPEB asset	880
OPEB deferred inflows	(5,391)
OPEB deferred outflows	791
Lease receivable related	(17,440)
Compensated Absences	(8,003)
OPEB liability	(6,833)
Net pension liability	(100,460)
Pension deferred inflows	(20,569)
Pension deferred outflows	<u>76,805</u>
Net position, ending	<u>\$ 10,011,126</u>

CITY OF ONTARIO, OREGON
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
June 30, 2025

	Storm Sewer Fund	Aquatic Fund	Total June 30, 2016
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets			
Cash and pooled investments	\$ 371,507	\$ 1,028	\$ 372,535
Receivables			
Customer accounts, net allowance	9,822	-	9,822
Capital assets not being depreciated	43,428	-	43,428
Capital assets being depreciated (net of accumulated depreciation)	1,663,269	-	1,663,269
Total assets	<u>2,088,026</u>	<u>1,028</u>	<u>2,089,054</u>
Deferred outflows of resources			
Deferred outflows related to PERS	-	-	-
Total deferred outflows	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows	<u>\$ 2,088,026</u>	<u>\$ 1,028</u>	<u>\$ 2,089,054</u>
Liabilities			
Accounts payable	\$ 237	\$ -	\$ 237
Total liabilities	<u>237</u>	<u>-</u>	<u>237</u>
Deferred inflows of resources			
Deferred inflows related to PERS	-	-	-
Total deferred inflows	<u>-</u>	<u>-</u>	<u>-</u>
Net position			
Net investment in capital assets	1,706,697	-	1,706,697
Unrestricted	381,092	1,028	382,120
Total net position	<u>2,087,789</u>	<u>1,028</u>	<u>2,088,817</u>
Total liabilities, deferred inflows and net position	<u>\$ 2,088,026</u>	<u>\$ 1,028</u>	<u>\$ 2,089,054</u>

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

For the Year Ended
June 30, 2025

	Storm Sewer Fund	Aquatic Fund	Total June 30, 2025
Operating revenues			
Charges for services	\$ 114,355	\$ -	\$ 114,355
Total operating revenues	<u>114,355</u>	<u>-</u>	<u>114,355</u>
Operating expenses			
Employee benefits	12	-	12
Contract services	97,501	-	97,501
Depreciation	103,011	-	103,011
Insurance	4,267	-	4,267
Miscellaneous expense	406	-	406
Supplies - general	72	-	72
Fees	9,588	-	9,588
Administrative	3,822	-	3,822
Total operating expenditures	<u>218,679</u>	<u>-</u>	<u>218,679</u>
Net income from operations	(104,324)	-	(104,324)
Non operating income (expenses)			
Interest earned on investments	15,672	-	15,672
Total non operating income (expenses)	<u>15,672</u>	<u>-</u>	<u>15,672</u>
Net income	(88,652)	-	(88,652)
Other items			
Transfers out	(3,073)	-	(3,073)
Total other items	<u>(3,073)</u>	<u>-</u>	<u>(3,073)</u>
Change in net position	(91,725)	-	(91,725)
Net position, July 1	<u>2,179,514</u>	<u>1,028</u>	<u>2,180,542</u>
Net position, June 30	<u>\$ 2,087,789</u>	<u>\$ 1,028</u>	<u>\$ 2,088,817</u>

CITY OF ONTARIO, OREGON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended
June 30, 2025

	Enterprise Funds		
	Storm Sewer Fund	Aquatic Fund	Total
Cash flows from operating activities			
Cash received from customers	\$ 113,986	\$ -	\$ 113,986
Cash payment to employees for services	(12)	-	(12)
Cash payment to suppliers for goods and services	(116,835)	-	(116,835)
Net cash provided by operating activities	<u>(2,861)</u>	<u>-</u>	<u>(2,861)</u>
Cash flows from noncapital financing activities			
Operating transfers-out to other funds	(3,073)	-	(3,073)
Net cash provided by noncapital financing activities	<u>(3,073)</u>	<u>-</u>	<u>(3,073)</u>
Cash flows from capital and related financing activities			
Acquisition and construction of capital assets	(29,843)	-	(29,843)
Net cash used for capital and related financing activities	<u>(29,843)</u>	<u>-</u>	<u>(29,843)</u>
Cash flows from investing activities			
Interest and dividends on investments	15,672	-	15,672
Net cash provided (used) in investing activities	<u>15,672</u>	<u>-</u>	<u>15,672</u>
Net increase (decrease) in cash and cash equivalents	(20,105)	-	(20,105)
Cash and cash equivalents at beginning of year	391,612	1,028	392,640
Cash and cash equivalents at end of year	<u>\$ 371,507</u>	<u>\$ 1,028</u>	<u>\$ 372,535</u>
Reconciliation of operating income to net cash provided by operating activities			
Net Income	\$ (104,324)	\$ -	\$ (104,324)
Adjustments to reconcile net income to net cash provided (used) by operating activities:			
Depreciation expense	103,011	-	103,011
(Increase) decrease in accounts receivable	(369)	-	(369)
Increase (decrease) in accounts payable	(1,179)	-	(1,179)
Total adjustments	<u>101,463</u>	<u>-</u>	<u>101,463</u>
Net cash provided (used) by operating activities	<u>\$ (2,861)</u>	<u>\$ -</u>	<u>\$ (2,861)</u>
Reconciliation of cash and cash equivalents at year end to specific assets included on the Statement of Net Position			
Current assets			
Cash and investments	\$ 371,507	\$ 1,028	\$ 372,535
Total cash and cash equivalents at year end	<u>\$ 371,507</u>	<u>\$ 1,028</u>	<u>\$ 372,535</u>
Non cash capital financing transactions			
Capital contributions from (to) other funds	\$ -	\$ -	\$ -

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, 2025

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Charges for services	\$ 110,550	\$ 110,550	\$ 114,356	\$ 3,806
Interest on investments	4,500	4,500	15,672	11,172
Total revenues	<u>115,050</u>	<u>115,050</u>	<u>130,028</u>	<u>14,978</u>
Expenses				
Personal services	18	18	12	6
Materials and services	108,992	116,340	115,658	682
Capital outlay	50,000	50,000	29,842	20,158
Contingency	317,507	310,159	-	310,159
Total expenses	<u>476,517</u>	<u>476,517</u>	<u>145,512</u>	<u>331,005</u>
Excess of revenues over (under) expenses	<u>(361,467)</u>	<u>(361,467)</u>	<u>(15,484)</u>	<u>345,983</u>
Other financing sources (uses)				
Transfers out	<u>(3,073)</u>	<u>(3,073)</u>	<u>(3,073)</u>	-
Total other financing sources (uses)	<u>(3,073)</u>	<u>(3,073)</u>	<u>(3,073)</u>	-
Change in fund net position	(364,540)	(364,540)	(18,557)	345,983
Net position, July 1	364,540	364,540	399,649	35,109
Net position, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>381,092</u>	<u>\$ 381,092</u>

**Reconciliation to Generally Accepted
Accounting Principles**

Capital assets, net of accumulated depreciation	<u>1,706,697</u>
Net position, ending	<u>\$ 2,087,789</u>

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, 2025

	Original Budget	Final Budget	Current Year Actual	Favorable (Unfavorable) Variance with Final Budget
Revenues				
Charges for services	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenses				
Materials and services	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund net position	-	-	-	-
Net position, July 1	-	-	1,028	1,028
Net position, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>1,028</u>	<u>\$ 1,028</u>

OTHER FINANCIAL SCHEDULES

CITY OF ONTARIO, OREGON
SUMMARY SCHEDULE OF CASH, CASH ITEMS AND INVESTMENTS
 June 30, 2025

1st Security Bank	
Demand accounts	\$ 552,586
Certificates of Deposit	623,669
Oregon State Treasury Local Government Investment Pool **	24,572,447
Cash on hand	1,055
Total cash and investments on books	\$ 25,749,757

SCHEDULE OF COLLATERAL SECURITY

1st Security Bank*	
Federal Deposit Insurance Corporation	\$ 250,000
Total 1st Security Bank of Washington	\$ 250,000

*Qualified depository for public funds per ORS 295.

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

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**INDEPENDENT AUDITORS'
REPORT ON COMPLIANCE AND
INTERNAL CONTROL REQUIRED
BY OREGON STATE
REGULATIONS**

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

To the City Council
City of Ontario, Oregon

We have audited the basic financial statements of the City of Ontario as of and for the year ended June 30, 2025, and have issued our report thereon dated January 22, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance and Other Matters

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 limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Highway revenues used for public highways, roads and streets (ORS Chapter 294, 368 & 373).**
- **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, 2025, as follows:

Reserve Fund – High Desert task force \$1,344

OAR 162-10-0230 Internal Control

In planning and performing our audit of the financial statements, we considered City of Ontario, Oregon's internal control over financial reporting (internal control) as a basis for designing auditing 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 over financial reporting. 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 City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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.

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 Lindsey Cole, CPA
Lindsey Cole, CPA
Owner/Member

La Grande, Oregon
January 22, 2026

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**AUDIT DELIVERABLES REQUIRED
BY THE SINGLE AUDIT ACT OF
1996**

CITY OF ONTARIO, OREGON
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Number</u>	<u>Grant Number</u>	<u>Expenditures</u>
U.S. Department of Transportation:			
<u>Pass-Through Federal Aviation Administration:</u>			
Airport Improvement Program	20.106	3-41-0044-023-2024	\$ 449,085
Airport Improvement Program	20.106	3-41-0044-024-2024	444,488
Total Airport Improvement Program			<u>893,573</u>
<u>Pass-Through Oregon Department of Transportation:</u>			
Safe Streets and Roads for All	20.939	693JJ32440027	251,979
Total U.S. Department of Transportation			<u>1,145,552</u>
U.S. Department of Housing and Urban Development:			
<u>Pass-Through Oregon Business Development Department:</u>			
Community Development Block Grant	14.228	P23006	94,582
Community Development Block Grant	14.228	H24015	7,814
Total U.S. Department of Housing and Urban Development			<u>102,396</u>
Total expenditures of federal awards			<u>\$ 1,247,948</u>

CITY OF ONTARIO, OREGON
Notes to Schedule of Expenditures of Federal Awards

Note A - Purpose of the Schedule:

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") is a supplementary schedule to City of Ontario, Oregon's financial statements and is presented for purposes of additional analysis. Because the Schedule presents only a selected portion of the activities of the City, it is not intended to and does not present either the financial position, results of operations, or changes in fund balances/equity of the City of Ontario, Oregon.

Note B - Significant Accounting Policies:

Reporting Entity

The reporting entity is fully described in Note 1 to the City's basic financial statements. The Schedule includes all federal programs administered by the City for the year ended June 30, 2025.

Basis of Presentation

The accompanying Schedule includes the federal award activity of the City under programs of the federal government for the year ended June 30, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2. U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Federal Financial Assistance

Pursuant to the Single Audit Act and the Uniform Guidance, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations. Accordingly, nonmonetary federal assistance, including federal surplus property, is included in federal financial assistance and, therefore, is reported on the Schedule, if applicable. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between the City and the federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

Major Programs

The Single Audit Act and the Uniform Guidance establish criteria to be used in defining major programs. Major programs for the City of Ontario, Oregon are those programs selected for testing by the auditor using a risk-assessment model, as well as certain minimum expenditure requirements, as outlined in the Uniform Guidance. Programs with similar requirements may be grouped into a cluster for testing purposes.

Basis of Accounting

The receipt and expenditure of federal awards are accounted for under the same basis of accounting as the fund in which they are recorded. Federal awards recorded in proprietary funds are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Federal awards recorded in governmental funds are reported using the modified accrual basis of accounting. Revenues are recognized when measurable and available. Expenditures are recorded when the related liability is incurred.

Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Insurance Coverage

For fiscal year ended June 30, 2025, the City had insurance coverage in effect comparable to other entities of similar size and circumstance.

Indirect Cost Rate

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

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

To the City Council
City of Ontario, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Ontario, Oregon, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 22, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Ontario, Oregon's internal control over financial reporting (internal control) as a basis for designing 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.

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

Our consideration of internal control 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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.

Report on Compliance and Other Matters

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

Purpose of This Report

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

CONNECTED PROFESSIONAL ACCOUNTANTS, LLC
Certified Public Accountants

By Lindsey Cole, CPA
Lindsey Cole, CPA
Owner/Member

La Grande, OR
January 22, 2026

**Independent Auditors' Report on Compliance for the Major Program
And on Internal Control over Compliance Required by the Uniform Guidance**

To the City Council
City of Ontario, Oregon

Report on Compliance for the Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Ontario, Oregon's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Ontario, Oregon's major federal program for the year ended June 30, 2025. City of Ontario, Oregon's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Ontario, Oregon complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Ontario, Oregon and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Ontario, Oregon's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of Ontario, Oregon's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Ontario, Oregon's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user

of the report on compliance about City of Ontario, Oregon's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Ontario, Oregon's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Ontario, Oregon's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Ontario, Oregon's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

CONNECTED PROFESSIONAL ACCOUNTANTS, LLC
Certified Public Accountants

By Lindsey Cole, CPA
Lindsey Cole, CPA
Owner/Member

La Grande, OR
January 22, 2026

CITY OF ONTARIO, OREGON
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

A. Summary of Audit Results

	Results
Financial Statements Audit	
1. Type of auditor's report issued	Unmodified
2. Internal control over financial reporting:	
Were significant deficiencies disclosed?	No
Of the significant deficiencies disclosed were any material weaknesses?	N/A
3. Did the audit disclose any noncompliance material to the financial statements?	No
Federal Awards	
1. Type of auditor's report issued:	
<u>Major programs:</u>	
Airport Improvement Program	
Assistance Number 20.106	Unmodified
2. Internal control over major programs:	
Were significant deficiencies disclosed?	No
Of the significant deficiencies disclosed were any material weaknesses?	N/A
3. Were any of the following disclosed in accordance with 2 CFR Section 200.516(a)?	
Significant deficiencies in internal control over major programs?	No
Material Noncompliance with the provisions of laws, regulations, contracts, or grant agreements related to major programs?	No
Known questioned costs which are greater than \$25,000 for a type of compliance requirement for a major program?	No
Known questioned costs which are greater than \$25,000 for a federal program which is not audited as a major program?	No
4. The threshold for distinguishing Types A and B programs:	\$ 750,000
5. Auditee qualified as a low-risk auditee	No

B. Findings and Questioned Costs - Financial Statement Audit

None noted as a result of our audit procedures

Questioned Costs

None Noted as a result of our audit procedures

C. Federal Awards Findings and Questioned Costs

None noted as a result of our audit procedures.

CITY OF ONTARIO, OREGON
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2025

June 30, 2024:

None noted as a result of our audit procedures

January 22, 2026

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, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and the Uniform Guidance, 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 September 30, 2025. Professional standards also require that we communicate to you the following information related to our audit.

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 Note 1 to the financial statements. As described in Note 1 to the financial statements, the City changed accounting policies by adopting *Statement of Governmental Standards (GASB Statement) No. 101, Compensated Absences and Statement of Governmental Standards No. 102, Certain Risk Disclosures*, in the fiscal year ending June 30, 2025. Accordingly, the cumulated 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 methods, assumptions, and data used to develop the useful lives of assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for doubtful accounts is based on historical collection of past due justice court fines, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimation of the Pension and OPEB liabilities and costs for financial accounting purposes are based on actuarial assumptions. We evaluated the methods, assumptions, and data used to develop the amounts reported and determined they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of incremental borrowing rates of leases is based on a generic credit spread and cost of funds at lease commencement and applying a tax-exempt organization discount.

Management's estimate of compensated absences consists of leave that is used but still unpaid, and for leave that is earned but remains unused, provided it is more likely than not to be used or paid out.

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 clearly trivial, and communicate them to the appropriate level of management. We did not identify any such misstatements during our audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that 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 January 22, 2026.

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 City'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 City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, and pension and OPEB 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 this RSI and do not express an opinion or provide any assurance on this RSI.

We were engaged to report on the combining and individual fund financial statements, other financial schedules, and schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary 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 the supplementary 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 accompany 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 any assurance on it.

Restriction on Use

This information is intended solely for the information and 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.



**AGENDA REPORT
OLD BUSINESS
February 24, 2026**

To: Mayor and City Council
FROM: Kari Ott, Finance Director
THROUGH: Danny K. Cummings, City Manager
SUBJECT: RESOLUTION #2026-106 : FUNDING FOR ELECTRONIC SPEED SIGNS
DATE: February 11, 2026

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE RESOLUTION #2026-106: A RESOLUTION TO APPROPRIATE \$14,064 TO PURCHASE TWO SPEED ALERT 18 MODEL ELECTRONIC SPEED SIGNS INCLUDING THE FIRST YEAR SUBSCRIPTION FOR DATA SERVICE AND TEN (10) ADDITIONAL MOUNTING BRACKETS FOR THE ONTARIO POLICE DEPARTMENT.

SUMMARY:

Attached is Resolution #2026-106.

BACKGROUND:

At the February 10, 20126, meeting, the City Council approved the purchase of two Speed Alert 18 model Electronic Speed signs and 10 additional mounting brackets and annual subscriptions for data services.

CURRENT SITUATION:

The resolution attached will appropriate \$14,064 from the Reserve Fund public safety department to purchase the signs, brackets, and data service.

ANALYSIS:

- A. **STRATEGIC PLAN** Providing these law enforcement tools helps meet the desirability of the lifestyle for the citizens of Ontario.
- B. **FINANCIAL** \$14,064 will be appropriated from the public safety department of the Reserve Fund, which will leave \$512,691 in public safety contingency.
- C. **TIMING** As soon as the funding is approved, the Police Department can purchase the equipment.
- D. **POLICY/LEGAL** A formal resolution approved by the City Council is required to appropriate the additional funds per ORS 294.

ALTERNATIVES:

Take No Action — The Council could take no action on this matter, which would mean the equipment would not be able to be purchased.

RECOMMENDATION:

Staff recommends the approval of Resolution #2026-106.

ATTACHMENTS:

1. Resolution #2026-106 - Funding for Electronic Speed Signs



RESOLUTION #2026-106

A RESOLUTION TO APPROPRIATE FUNDS TO PURCHASE TWO SPEED ALERT 18 MODEL ELECTRONIC SIGNS AND TEN ADDITION MOUNTING BRACKETS, INCLUDING THE FIRST YEAR ANNUAL DATA SERVICE CONTRACT

WHEREAS, The Ontario Police Department currently uses a Speed Alert Electronic Speed sign to help in controlling and educating the speeding public with good success; **and**

WHEREAS, Staff proposed the purchase of an additional sign and mounting brackets, and the Council approved the purchase of two signs and additional mounting brackets along with the annual data service subscriptions; **and**

WHEREAS, The city desires to modify the 2025-2026 budget in order to appropriate the funding from the public safety reserve department.

NOW THEREFORE, BE IT HEREBY RESOLVED by the Ontario City Council, to approve the following adjustment to the fiscal year 2025-2026 budget:

Line Item	Item Description	FY 25-26 Budget	Amount of Change	Adjusted Budget
RESERVE FUND – PUBLIC SAFETY DEPARTMENT				
055-131-871000	Contingency	\$526,755	(\$14,064)	\$512,691
055-131-712122	Mobile Radar Speed Sign	\$ -	\$14,064	\$14,064

EFFECTIVE DATE: Effective immediately upon passage.

PASSED AND ADOPTED by the City Council of the City of Ontario this 24th day of February 2026, by the following vote:

AYES:

NAYES:

ABSENT:

APPROVED by the Mayor this 24th day of February, 2026.

Deborah K. Folden, Mayor

ATTEST

Tori Barnett, MMC, City Recorder



**AGENDA REPORT
OLD BUSINESS
February 24, 2026**

To: Mayor and City Council
FROM: Jason Cooper, Police Chief
THROUGH: Danny K. Cummings, City Manager
SUBJECT: **RESOLUTION #2026-107: POLICE DEPARTMENT BODY CAMERAS**
DATE: February 17, 2026

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE RESOLUTION #2026-107: A RESOLUTION TO APPROPRIATE \$4,535 OF ADDITIONAL FUNDING TO PURCHASE POLICE BODY CAMERAS

I MOVE THE CITY COUNCIL APPROVE THE PROCUREMENT PROCESS AND CONTRACT WITH AXON ENTERPRISES, INC. FOR BODY WORN CAMERA SYSTEMS, TO INCLUDE CLOUD-BASED STORAGE, REDACTION AND REPORT ASSISTANT SOFTWARE, AND AUTHORIZE THE CITY MANAGER TO SIGN ALL DOCUMENTS REQUIRED FOR THIS PROCESS.

SUMMARY:

The Ontario Police Department's body worn camera (BWC) program currently lacks software redaction capabilities, cloud-based storage/software and internal processes that significantly impact best practices and efficiency. The agency is unable to effectively provide public records requests pertaining to officer body worn video, without compromising privacy issues and/or content exemptions. Cost(s) for additional on-site BWV storage will continue to increase. Staff seeks approval to move forward with procurement that includes body worn camera systems with the aforementioned capabilities.

BACKGROUND:

Historically, the Ontario Police Department BWC program has not possessed redaction software, since the agency implemented officer body worn cameras years ago. Public records requests involving body worn camera were denied under Oregon Revised Statutes (ORS). Previous denials were never challenged any further, until a past event occurred surrounding an OPD use of force complaint. The privacy of citizens has always been respected and the potential of re-victimizing a victim is always a concern. In-house storage capabilities and costs to store BWC video footage continues to rise.

CURRENT SITUATION:

A past Use of Force event and subsequent citizen complaint ultimately generated a public records request for officer body camera video footage. The video footage was ultimately

released without redaction as the agency did not possess software capabilities to do so. Body camera public records requests have become more prevalent and should continue trending upward. The utilization of redaction software capabilities, when appropriate, would allow the agency to be more transparent with the public, while maintaining the privacy of its citizens.

The Ontario Police Department initiated procurement for the best-practices body-worn camera system through an RFP (request for proposals). The city received four(4) proposals, which include 5-year contract agreements:

1. Lenslock \$42,280.00 (Annually)
2. Wolfcom \$54,299.00 (Annually)
3. Axon \$78,534.52 (Annually)
4. Motorola \$26,479.00 (Annually) (less options)

A committee reviewed all proposals submitted through the RFP process. The committee carefully considered all factors that would best meet OPD and City Council requirements, such as redaction capability and cloud-based storage as a part of the review process. As a result of this process, the committee selected Axon Enterprises, Inc. as the body camera vendor to provide ongoing services meeting Ontario's needs for the next 5 years.

ANALYSIS:

- A. **STRATEGIC PLAN** Follows under Desirability as it pertains to funding public safety equipment improvements.
- B. **FINANCIAL** There is an annual cost of \$78,534.52 and a 5-year contract agreement with the vendor. The Project was budgeted for FY25-26 in the amount of \$74,000 with a proposal for the remaining balance funded out of the uniform line of the police department.
- C. **TIMING** Staff would like to proceed with the procurement process as soon as practicable.
- D. **POLICY/LEGAL** Council is the approving authority for such actions.

ALTERNATIVES:

Council could not approve the motion and public records body cam video request(s) will be disseminated without redaction in accordance with Oregon revised statutes and not follow best practices.

RECOMMENDATION:

Staff recommends the Council approve the motion to procure body-worn camera systems from Axon Enterprises, Inc.

ATTACHMENTS:

1. Axon Quote
2. Resolution #2026-107 - Body Camera



DETAILED QUOTE ATTACHMENT



Axon Enterprise, Inc
 17800 N 85th St
 Scottsdale, Arizona 85255
 United States
 VAT: 86-0741227
 Domestic: (800) 978-2737
 International: +1.800.978.2737

Q-789416-46013AA

Issued: 12/22/2025

Quote Expiration: 03/31/2026

Estimated Contract Start Date: 06/01/2026

Account Number: 106134

Payment Terms: N30

Mode of Delivery: UPS-GND

Cred/Debit Amount: \$0.00

SHIP TO	BILL TO
Ontario Police Dept. - OR 444 SW 4th St Ontario, OR 97914-3401 USA	Ontario Police Dept. - OR 444 SW 4th St Ontario OR 97914-3401 USA Email:

SALES REPRESENTATIVE	PRIMARY CONTACT
Alex Aguilar Phone: (253) 389-2615 Email: alaguilar@axon.com Fax:	Jason Cooper Phone: 541-881-3225 Email: jason.cooper@ontariooregon.org Fax:

Quote Summary

Program Length	60 Months
TOTAL COST	\$392,672.60
ESTIMATED TOTAL W/ TAX	\$392,672.60

Discount Summary

Average Savings Per Year	\$18,736.42
TOTAL SAVINGS	\$93,682.12



Payment Summary

Date	Subtotal	Tax	Total
May 2026	\$78,534.52	\$0.00	\$78,534.52
May 2027	\$78,534.52	\$0.00	\$78,534.52
May 2028	\$78,534.52	\$0.00	\$78,534.52
May 2029	\$78,534.52	\$0.00	\$78,534.52
May 2030	\$78,534.52	\$0.00	\$78,534.52
Total	\$392,672.00	\$0.00	\$392,672.00



Quote Unbundled Price: \$486,361.80
 Quote List Price: \$437,776.20
 Quote Subtotal: \$392,672.60

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

Item	Description	Qty	Term	Unbundled	List Price	Net Price	Subtotal	Tax	Total
Program									
BWCUnTAP	BWC Unlimited with TAP	28	60	\$128.58	\$99.66	\$99.66	\$167,428.80	\$0.00	\$167,428.80
A la Carte Hardware									
H00002	AB4 Multi Bay Dock Bundle	2			\$1,638.90	\$1,638.90	\$3,277.80	\$0.00	\$3,277.80
H00001	AB4 Camera Bundle	28			\$899.00	\$899.00	\$25,172.00	\$0.00	\$25,172.00
A la Carte Software									
73449	AXON BODY - LEGACY LICENSE - CONNECTED CAMERA	28	60		\$5.42	\$5.42	\$9,105.60	\$0.00	\$9,105.60
85760	AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE	28	60		\$22.57	\$22.57	\$37,917.60	\$0.00	\$37,917.60
102011	AXON AI ASSISTANT	28	60		\$32.55	\$29.30	\$49,215.60	\$0.00	\$49,215.60
101283	AXON RECORDS - DRAFT ONE - AI-ASSISTED REPORT WRITING	28	60		\$70.52	\$52.89	\$88,855.20	\$0.00	\$88,855.20
ProLicense	Pro License Bundle	4	60		\$48.82	\$48.75	\$11,700.00	\$0.00	\$11,700.00
A la Carte Services									
85144	AXON BODY - PSO - STARTER	1			\$10,000.00	\$0.00	\$0.00	\$0.00	\$0.00
Total							\$392,672.60	\$8.00	\$392,672.60

Delivery Schedule

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
AB4 Camera Bundle	100147	AXON BODY 4 - CAMERA - NA US FIRST RESPONDER BLK RAPIDLOCK	28	1	05/01/2026
AB4 Camera Bundle	100466	AXON BODY 4 - CABLE - USB-C TO USB-C	31	1	05/01/2026
AB4 Camera Bundle	100775	AXON BODY 4 - MAGNETIC DISCONNECT CABLE	31	1	05/01/2026
AB4 Camera Bundle	74028	AXON BODY - MOUNT - WING CLIP RAPIDLOCK	31	1	05/01/2026
AB4 Multi Bay Dock Bundle	100206	AXON BODY 4 - 8 BAY DOCK	2	1	05/01/2026
AB4 Multi Bay Dock Bundle	70033	AXON - DOCK WALL MOUNT - BRACKET ASSY	2	1	05/01/2026
AB4 Multi Bay Dock Bundle	71019	AXON BODY - DOCK POWERCORD - NORTH AMERICA	2	1	05/01/2026
BWC Unlimited with TAP	73309	AXON BODY - TAP REFRESH 1 - CAMERA	28	1	11/01/2028
BWC Unlimited with TAP	73689	AXON BODY - TAP REFRESH 1 - DOCK MULTI BAY	4	1	11/01/2028
BWC Unlimited with TAP	73310	AXON BODY - TAP REFRESH 2 - CAMERA	28	1	05/01/2031
BWC Unlimited with TAP	73688	AXON BODY - TAP REFRESH 2 - DOCK MULTI BAY	4	1	05/01/2031

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
BWC Unlimited with TAP	73689	AXON EVIDENCE - STORAGE - UNLIMITED (AXON DEVICE)	28	06/01/2026	05/31/2031
BWC Unlimited with TAP	73746	AXON EVIDENCE - ECOM LICENSE - PRO	28	06/01/2026	05/31/2031



Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
Pro License Bundle	73683	AXON EVIDENCE - STORAGE - 10GB A LA CARTE	12	06/01/2026	05/31/2031
Pro License Bundle	73746	AXON EVIDENCE - ECOM LICENSE - PRO	4	06/01/2026	05/31/2031
A la Carte	101283	AXON RECORDS - DRAFT ONE - AI-ASSISTED REPORT WRITING	28	06/01/2026	05/31/2031
A la Carte	102011	AXON AI ASSISTANT	28	06/01/2026	05/31/2031
A la Carte	73449	AXON BODY - LEGACY LICENSE - CONNECTED CAMERA	28	06/01/2026	05/31/2031
A la Carte	85760	AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE	28	06/01/2026	05/31/2031

Services

Bundle	Item	Description	QTY
A la Carte	85144	AXON BODY - PSO - STARTER	1

Warranties

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
BWC Unlimited with TAP	80464	AXON BODY - TAP WARRANTY - CAMERA	28	05/01/2027	05/31/2031
BWC Unlimited with TAP	80465	AXON BODY - TAP WARRANTY - MULTI BAY DOCK	4	05/01/2027	05/31/2031



Shipping Locations

Location Number	Street	City	State	Zip	Country
1	444 SW 4th St	Ontario	OR	97914-3401	USA

Payment Details

May 2026

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 1	101283	AXON RECORDS - DRAFT ONE - AI-ASSISTED REPORT WRITING	28	\$17,771.05	\$0.00	\$17,771.05
Annual Payment 1	102011	AXON AI ASSISTANT	28	\$9,843.12	\$0.00	\$9,843.12
Annual Payment 1	73449	AXON BODY - LEGACY LICENSE - CONNECTED CAMERA	28	\$1,821.12	\$0.00	\$1,821.12
Annual Payment 1	85144	AXON BODY - PSO - STARTER	1	\$0.00	\$0.00	\$0.00
Annual Payment 1	85760	AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE	28	\$7,583.52	\$0.00	\$7,583.52
Annual Payment 1	BWCLwTAP	BWC Unlimited with TAP	28	\$33,485.75	\$0.00	\$33,485.75
Annual Payment 1	H00001	AB4 Camera Bundle	28	\$5,034.40	\$0.00	\$5,034.40
Annual Payment 1	H00002	AB4 Multi Bay Dock Bundle	2	\$855.56	\$0.00	\$855.56
Annual Payment 1	ProLicense	Pro License Bundle	4	\$2,340.00	\$0.00	\$2,340.00
Total				\$78,534.52	\$0.00	\$78,534.52

May 2027

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 2	101283	AXON RECORDS - DRAFT ONE - AI-ASSISTED REPORT WRITING	28	\$17,771.05	\$0.00	\$17,771.05
Annual Payment 2	102011	AXON AI ASSISTANT	28	\$9,843.12	\$0.00	\$9,843.12
Annual Payment 2	73449	AXON BODY - LEGACY LICENSE - CONNECTED CAMERA	28	\$1,821.12	\$0.00	\$1,821.12
Annual Payment 2	85144	AXON BODY - PSO - STARTER	1	\$0.00	\$0.00	\$0.00
Annual Payment 2	85760	AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE	28	\$7,583.52	\$0.00	\$7,583.52
Annual Payment 2	BWCLwTAP	BWC Unlimited with TAP	28	\$33,485.75	\$0.00	\$33,485.75
Annual Payment 2	H00001	AB4 Camera Bundle	28	\$5,034.40	\$0.00	\$5,034.40
Annual Payment 2	H00002	AB4 Multi Bay Dock Bundle	2	\$855.56	\$0.00	\$855.56
Annual Payment 2	ProLicense	Pro License Bundle	4	\$2,340.00	\$0.00	\$2,340.00
Total				\$78,534.52	\$0.00	\$78,534.52

May 2028

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 3	101283	AXON RECORDS - DRAFT ONE - AI-ASSISTED REPORT WRITING	28	\$17,771.05	\$0.00	\$17,771.05
Annual Payment 3	102011	AXON AI ASSISTANT	28	\$9,843.12	\$0.00	\$9,843.12
Annual Payment 3	73449	AXON BODY - LEGACY LICENSE - CONNECTED CAMERA	28	\$1,821.12	\$0.00	\$1,821.12
Annual Payment 3	85144	AXON BODY - PSO - STARTER	1	\$0.00	\$0.00	\$0.00
Annual Payment 3	85760	AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE	28	\$7,583.52	\$0.00	\$7,583.52
Annual Payment 3	BWCLwTAP	BWC Unlimited with TAP	28	\$33,485.75	\$0.00	\$33,485.75
Annual Payment 3	H00001	AB4 Camera Bundle	28	\$5,034.40	\$0.00	\$5,034.40
Annual Payment 3	H00002	AB4 Multi Bay Dock Bundle	2	\$855.56	\$0.00	\$855.56
Annual Payment 3	ProLicense	Pro License Bundle	4	\$2,340.00	\$0.00	\$2,340.00
Total				\$78,534.52	\$0.00	\$78,534.52



May 2029

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 4	101283	AXON RECORDS - DRAFT ONE - AI-ASSISTED REPORT WRITING	28	\$17,771.05	\$0.00	\$17,771.05
Annual Payment 4	102011	AXON AI ASSISTANT	28	\$9,843.12	\$0.00	\$9,843.12
Annual Payment 4	73449	AXON BODY - LEGACY LICENSE - CONNECTED CAMERA	28	\$1,821.12	\$0.00	\$1,821.12
Annual Payment 4	85144	AXON BODY - PSO - STARTER	1	\$0.00	\$0.00	\$0.00
Annual Payment 4	85760	AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE	28	\$7,583.52	\$0.00	\$7,583.52
Annual Payment 4	BWCLwTAP	BWC Unlimited with TAP	28	\$33,485.75	\$0.00	\$33,485.75
Annual Payment 4	H00001	AB4 Camera Bundle	28	\$5,034.40	\$0.00	\$5,034.40
Annual Payment 4	H00002	AB4 Multi Bay Dock Bundle	2	\$655.56	\$0.00	\$655.56
Annual Payment 4	ProLicense	Pro License Bundle	4	\$2,340.00	\$0.00	\$2,340.00
Total				\$78,534.52	\$0.00	\$78,534.52

May 2030

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 5	101283	AXON RECORDS - DRAFT ONE - AI-ASSISTED REPORT WRITING	28	\$17,771.05	\$0.00	\$17,771.05
Annual Payment 5	102011	AXON AI ASSISTANT	28	\$9,843.12	\$0.00	\$9,843.12
Annual Payment 5	73449	AXON BODY - LEGACY LICENSE - CONNECTED CAMERA	28	\$1,821.12	\$0.00	\$1,821.12
Annual Payment 5	85144	AXON BODY - PSO - STARTER	1	\$0.00	\$0.00	\$0.00
Annual Payment 5	85760	AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE	28	\$7,583.52	\$0.00	\$7,583.52
Annual Payment 5	BWCLwTAP	BWC Unlimited with TAP	28	\$33,485.75	\$0.00	\$33,485.75
Annual Payment 5	H00001	AB4 Camera Bundle	28	\$5,034.40	\$0.00	\$5,034.40
Annual Payment 5	H00002	AB4 Multi Bay Dock Bundle	2	\$655.56	\$0.00	\$655.56
Annual Payment 5	ProLicense	Pro License Bundle	4	\$2,340.00	\$0.00	\$2,340.00
Total				\$78,534.52	\$0.00	\$78,534.52



RESOLUTION #2026-107

**A RESOLUTION TO APPROPRIATE ADDITIONAL FUNDING TO
PURCHASE POLICE BODY CAMERAS**

WHEREAS, The Ontario Police department budgeted in 2025-2026 for updated body cameras that will allow the city to be more transparent with the public while maintaining citizen privacy; **and**

WHEREAS, The city received proposals and chose a company that worked best for the city, the cost was \$4,535 higher than the \$74,000 already in the budget; **and**

WHEREAS, The city desires to modify the 2025-2026 budget in order to appropriate the funding from the public safety reserve department.

NOW THEREFORE, BE IT HEREBY RESOLVED by the Ontario City Council, to approve the following adjustment to the fiscal year 2025-2026 budget:

Line Item	Item Description	FY 25-26 Budget	Amount of Change	Adjusted Budget
GENERAL FUND				
001-024-618200	Uniforms	\$32,830	(\$4,535)	\$28,295
001-024-711117	Body Cameras	\$74,000	\$4,535	\$78,535

EFFECTIVE DATE: Effective immediately upon passage.

PASSED AND ADOPTED by the City Council of the City of Ontario this 24th day of February 2026, by the following vote:

AYES:

NAYES:

ABSENT:

APPROVED by the Mayor this 24th day of February, 2026.

Deborah K. Folden, Mayor

ATTEST

Tori Barnett, MMC, City Recorder



**AGENDA REPORT
OLD BUSINESS
February 24, 2026**

To: Mayor and City Council

FROM: Dan Cummings, City Manager/Community Development Director
Kari Ott, Finance Director

THROUGH: Danny K. Cummings, City Manager

SUBJECT: ONTARIO RECREATION DISTRICT SWIMMING POOL FUNDS RELEASE

DATE: February 12, 2026

PROPOSED MOTION:

I MOVE THE CITY COUNCIL REAFFIRM THE \$250,000 SUPPORT FUNDING TO THE ONTARIO RECREATION DISTRICT AND CONFIRM THAT THEY HAVE MET THE CONDITIONS AS OUTLINED BY THE ATTACHED DOCUMENT IN THIS REPORT. THE CITY COUNCIL WOULD LIKE TO INSTRUCT STAFF TO RELEASE THE FUNDS TO THE ONTARIO RECREATION DISTRICT.

SUMMARY:

The City budgeted \$250,000 toward the construction of the Ontario Pool at the time construction began.

BACKGROUND:

The City budgeted \$250,000 toward the construction of the Ontario Pool at the time construction began, with conditions to be met as well as the start of the construction as outlined in the attached document.

CURRENT SITUATION:

The Recreation Board has requested the city to release the funding to the Recreation Board.

ANALYSIS:

- A. **STRATEGIC PLAN** The pool is part of the Desirability and Beautification of the Council's Strategic Plan.
- B. **FINANCIAL** The \$250,000 is in the current budget earmarked for the pool project.
- C. **TIMING** The request was made and should be distributed as soon as possible.
- D. **POLICY/LEGAL** According to the conditions made during the granting of the funds, it is the City Council's responsibility to reaffirm and release the funds.

ALTERNATIVES:

None given.

RECOMMENDATION:

Staff recommends that as the conditions have been met, the City Council should instruct staff to release the funds.

ATTACHMENTS:

1. Handout 4 Pool \$250K funding requirements
2. OAC Renovation Fundraising Outline Update
3. OAC Renovation Financial Summary
4. OAC 2- 300 Dpi with Logo
5. OAC Renovation Construction Timeline
6. Ontario Aquatic Center – Operations Policy Manual
7. OAC Business Plan-2
8. LG25-014 Ontario Aquatics Center_NTP Letter-1-1
9. L26005 Ontario Recreation District Award Letter-2

Proposed series of votes in order:

- Vote to support contribution conditions (below)
- Vote on one-time \$250,000 contribution
 - If vote fails
- Vote on one-time \$150,000 contribution

Conditions for City of Ontario pool financial support

The City of Ontario budget committee supports a one-time donation in the FY21-22 City budget for the construction and reopening of the pool in Ontario with the following conditions:

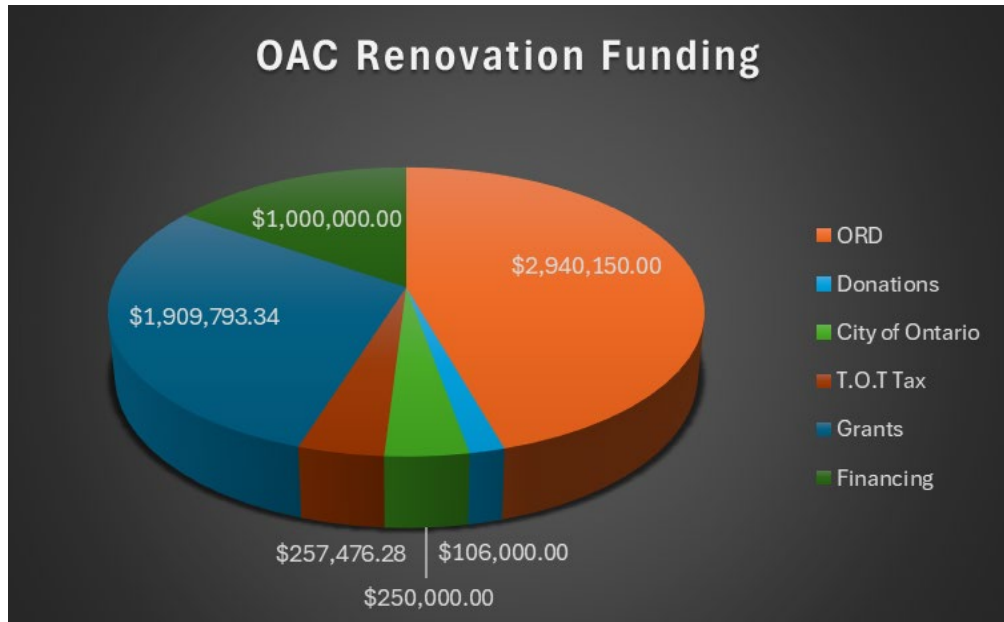
- One time contribution of \$150,000 or \$250,000
- The name of the pool/pool complex will include the name of the city, "Ontario"
- If any broad group is provided a discount to access pool services, Ontario residents will also receive that discounted rate
- The Recreation District will supply to the Council / public with a written:
 - Fundraising plan
 - Financial plan for funding the building and maintenance/operations of the pool
 - Construction rendering of the completed pool/pool complex
 - Construction timeline
 - Detailed operations plan
- Approved funds will be held by City and not released to the Recreation District until construction has begun
- Approved funds will not be released without a reaffirming vote by the City Council that these conditions have been met

FUNDRAISING OUTLINE PAST & PRESENT

<u>2024</u>			<u>2026</u>		
\$ 3,500,000.00			\$ 5,500,000.00		
<i>Target Amount</i>	<i>Funding Prospects</i>	<i>Goal Met</i>	<i>Target Amount</i>	<i>Funding Prospects</i>	<i>Goal Met</i>
\$775,000	ORD	X	\$1,000,000	BIZ OR	X
\$750,000	ORD	X	\$1,000,000	OPRD	X
\$500,000	ORD	X	\$1,000,000	EOBEDB	X
\$400,000	ORD	X	\$775,000	ORD	X
\$400,000	ORD	X	\$750,000	ORD	X
\$320,000	City of Ontario	X	\$500,000	ORD	X
	Local Donors	X	\$400,000	ORD	X
\$320,000	Local Donors	X	\$400,000	ORD	X
	TOT Tax	X	\$320,000	City of Ontario	X
\$125,000	EOBEDB Grant	X		Local Donors	X
\$3,590,000 Goal Met March 2024			\$320,000	Local Donors	X
<i>GMP Returned at \$4,000,000.00 exceeding project budget by \$500,000.00</i>				TOT Tax	X

OAC Renovation Guaranteed Maximum Price			
Bid Package/Scope		Low	%
Div 1	Gen. Cond. & Req.	\$274,730.00	6.05%
Div 1.2	Surveying / Final Clean	\$5,700.00	0.13%
Div 2	Demo / Ex. Cond. / Site/ Landscape	\$887,665.00	19.55%
Div 3	Concrete/ Curb & Gutter / Rebar	\$530,000.00	11.67%
Div 5	Structural Steel	\$13,452.00	0.30%
Div 6	Wood Framing / Trusses / Millwork	\$39,575.00	0.87%
Div 7	Thermal and Moisture Protection and Roofing	\$46,665.00	1.03%
Div 8	Doors/ Frames / Hardware / Storefront / Windows	\$111,595.00	2.46%
Div 9	Finishes / Framing / Gyp/ Ceilings / Paint / Stucco	\$367,655.00	8.10%
Div 13	Specialty Construction	\$1,856,739.00	40.89%
Div 15	Fire Protection / Plumbing / HVAC	\$282,827.00	6.23%
Div 16	Electrical / Fire Alarm / Telecom	\$117,839.00	2.60%
Div 17	Project Specific Requirements / Allowances	\$6,480.00	0.14%
SUB TOTAL BUILDING		\$4,540,922.00	
OH&P		\$227,046.00	
Contingency		\$238,398.00	
P&P Bond Cost		\$36,546.00	
SUB TOTAL PROJECT		\$5,042,912.00	
Owner Allowances		\$10,135.00	
Guaranteed Max Price		\$5,053,047.00	

OAC Renovation Financial Summary			
Funding Avenues & Priority		Funds Available	Amount
ORD Gen.	ORD Capital Outlay	Currently	\$ 2,865,150.00
ORD Gen.	ORD Contingency	Currently	\$ 75,000.00
OAC Specific	ORD Pool Donations	Currently	\$ 86,000.00
OAC Specific	Ontario Swim Club Inc.	Currently	\$ 20,000.00
OAC Specific	City of Ontario Donation	Project Start	\$ 250,000.00
OAC Specific	City of Ontario TOT	Project Start	\$ 257,476.28
OAC Specific	EOBEDB	Project Start	\$ 909,793.34
OAC Specific	OPRD	Currently	\$ 1,000,000.00
OAC Specific	Business Oregon***	2/1/2026	\$ 1,000,000.00
Total			\$ 6,463,419.62
Guaranteed Maximum Price			\$ 5,058,042.00
			\$ 1,405,377.62







Ontario Aquatic Center Renovation – Construction Timeline

December 2025 – August 2026 | Visual Overview



Risk Mitigation & Schedule Protection

Weather: *Winter sequencing, concrete curing buffers, and schedule float built into structural phases.*

Inspections & Permits: *Early coordination with inspectors and advance scheduling of required approvals.*

Supply Chain: *Early procurement of long-lead equipment such as pumps, filters, and electrical components.*

Staff Readiness: *Operations and lifeguard training coordinated during commissioning phase.*

Ontario Recreation District

Ontario Aquatic Center – Seasonal Outdoor Pool

Operations Policy Manual

1. Purpose and Authority

This Operations Policy Manual establishes the official policies, procedures, and operational standards governing the seasonal outdoor public swimming pool operated by the Ontario Recreation District (ORD). The purpose of this manual is to ensure safe, compliant, fiscally responsible, and equitable operation of the Ontario Aquatic Center for the benefit of the community.

This manual is adopted under the authority of the Ontario Recreation District Board and shall be reviewed annually.

2. Facility Description

The Ontario Aquatic Center is a seasonal, outdoor public swimming facility designed to serve residents and visitors through recreation, swim instruction, and water safety education.

Facility Type: Seasonal outdoor public swimming pool

Operating Season: Late May through early September (weather dependent)

3. Governance and Management

3.1 Oversight

The Ontario Aquatic Center is owned and operated by the Ontario Recreation District. Oversight responsibility rests with the ORD Board.

3.2 Management Structure

- Aquatic Facility Manager (primary authority on-site)
- Head Lifeguard
- Lifeguards
- Swim Instructors
- Admissions/Front Desk Staff
- Maintenance Support (district or contracted)

The Aquatic Facility Manager is responsible for day-to-day operations, compliance, staffing, safety, and reporting.

4. Operating Schedule

4.1 Seasonal Operations

- Pre-season preparation: April–May
- Operational season: Memorial Day weekend through Labor Day weekend
- Post-season shutdown: September

4.2 Hours of Operation

Operating hours are established annually based on staffing availability, weather, and community demand and may include: - Lap swim - Swim lessons - Open swim - Evening programs and rentals

ORD reserves the right to modify hours as necessary.

5. Staffing Policies

5.1 Staffing Ratios

- Minimum staffing: one certified lifeguard per 25 swimmers
- Additional lifeguards required for:
 - Deep-water areas
 - Splash or specialty features
 - Instructional programs

A Manager or Head Lifeguard must be on duty at all times the facility is open.

5.2 Training and Certification

All aquatic staff must maintain current certifications in: - Lifeguarding - CPR/AED - First Aid

Pre-season training shall include emergency action plans, rescue drills, customer service, and facility-specific procedures.

6. Admissions and Revenue Control

6.1 Fees

The District shall establish and approve: - Daily admission fees - Season passes - Program fees - Rental fees

6.2 Financial Controls

- Daily cash reconciliation
 - Point-of-sale tracking
 - Monthly revenue reporting
 - Compliance with District financial policies
-

7. Safety and Risk Management

7.1 Emergency Action Plans

Written Emergency Action Plans (EAPs) shall be maintained and practiced regularly for: - Water rescues - Spinal injuries - Medical emergencies - Missing persons - Severe weather - Facility evacuation

7.2 Weather and Environmental Conditions

The facility shall close for unsafe conditions including lightning, extreme weather, or poor air quality and reopen only when conditions meet safety standards.

7.3 Incident Reporting

All incidents shall be documented, reviewed by management, and retained according to District policy.

8. Water Quality and Maintenance

8.1 Regulatory Compliance

The Aquatic Center shall comply with all applicable state and local health regulations.

8.2 Daily Operations

- Water chemistry testing at required intervals
- Facility inspections
- Maintenance logs

8.3 Preventive Maintenance

Routine and scheduled maintenance shall be performed to protect public safety and District assets.

9. Programs and Community Access

9.1 Program Offerings

- Public swim
- Learn-to-swim programs
- Lifeguard training
- Special aquatic programs

9.2 Equity and Access

ORD is committed to equitable access through: - Scholarships or reduced fees - Community partnerships - Designated low-cost access times

10. Rentals and Special Events

Private rentals and special events may be approved subject to: - Staffing availability - Compliance with facility rules - Applicable fees and agreements

11. Communication and Public Information

ORD shall provide timely information regarding: - Schedules and programs - Closures and weather impacts - Policies and rules

12. Insurance and Liability

ORD shall maintain appropriate insurance coverage including: - General liability - Professional liability - Workers' compensation

Annual reviews shall be conducted with insurance providers.

13. Seasonal Startup and Shutdown

13.1 Startup

- System inspections
- Water balancing
- Staff training
- Safety inspections

13.2 Shutdown

- Pool draining and winterization
 - Facility security
 - End-of-season evaluation
-

14. Performance Review

ORD shall annually evaluate: - Attendance and usage - Financial performance - Safety metrics - Community feedback

Findings shall inform future operations.

One-Page Executive Summary for City Council

Ontario Aquatic Center – Operations Overview

The Ontario Recreation District will operate the renovated Ontario Aquatic Center as a **seasonal outdoor public swimming pool**, providing safe, affordable, and equitable access to aquatic recreation and water safety programming.

Key Operational Commitments

- **Seasonal Operation:** Late May through early September
- **Safety First:** Certified lifeguards, defined emergency action plans, and strict regulatory compliance
- **Fiscal Responsibility:** Controlled admissions, transparent revenue tracking, and professional oversight
- **Community Access:** Swim lessons, public swim, and equitable access programs
- **Asset Stewardship:** Preventive maintenance and long-term facility care

Staffing and Oversight

- On-site Aquatic Facility Manager
- Certified lifeguards and instructors
- Oversight by the Ontario Recreation District Board

Accountability

- Annual operational review
- Insurance and risk management protocols
- Compliance with health and safety standards

This operational framework ensures the City's investment is protected, the facility is professionally managed, and the community receives lasting public benefit.



Ontario Aquatic Center Business Plan

Business Name: Ontario Aquatic Center

Location: Ontario, Oregon

Business Type: Public Special District Local Government – Tax Exempt.

Mission: To provide families in our rural community with a safe, affordable, and fun outdoor space for swimming, play, and healthy recreation.

Vision: To become a beloved community hub where families gather, kids learn to swim, and everyone has access to affordable summertime fun.

Executive Summary

Ontario Recreation District has created a unique early intervention strategy for youth and at-risk youth, through the developments of our partnerships and community operations. This facility can and will make the most significant difference in the lives of our community, and most importantly the future lives of the next generation of our community. The Ontario Aquatic Center will serve as the central feature of the Ontario Community Recreation Center in the heart of Ontario, Oregon. This facility will include a 25meter six lane swimming pool, kids pool, and splash park as aquatic features.

Objectives

1. Build and launch the community recreation facility by May 20th 2027
2. Establish this facility as both a community center and competitive swim meet space
3. Host weekly community nights, swimming lessons, and seasonal events.
4. Become financially self-sustaining by Year 3 through memberships and local partnerships.

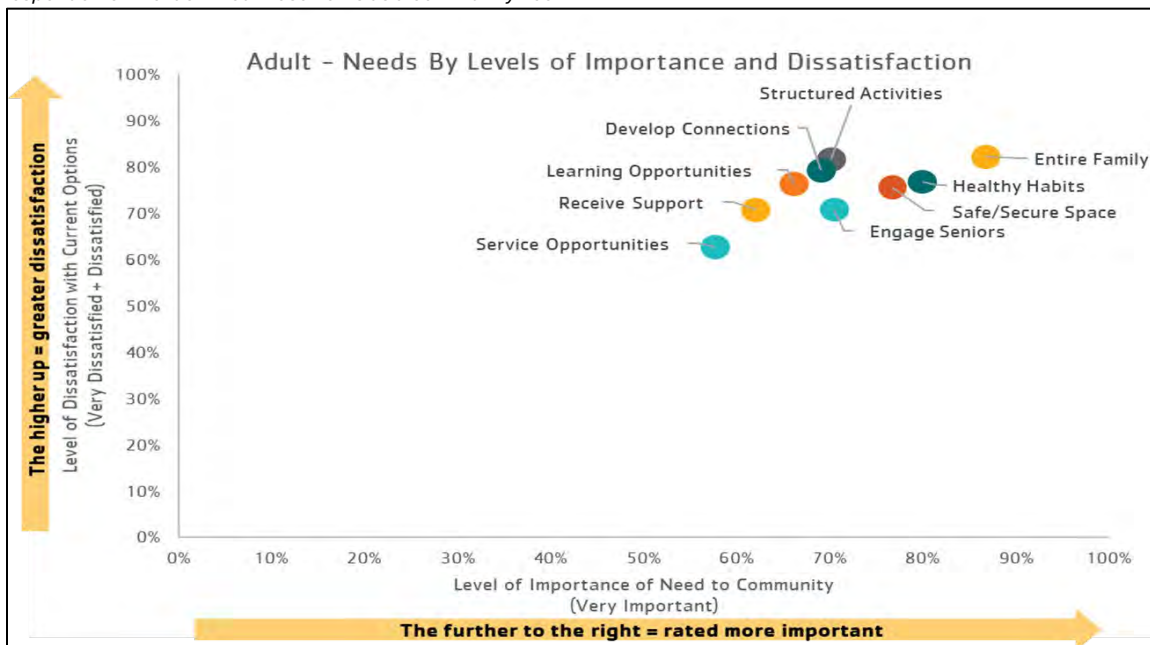


Community Context & Market Need

In rural communities like Eastern Oregon, families often lack access to public recreational spaces, especially aquatic facilities. The nearest pool may be 20+ miles away, creating barriers for low-income or single-vehicle households. This has been demonstrated through a community needs assessment survey facilitated and conducted by the YMCA of the treasure valley and the Mountain States Alliance of YMCAs in 2020. The survey included over 1100 responses that provided a confidence interval of 2.9% with a confidence level of 95%.

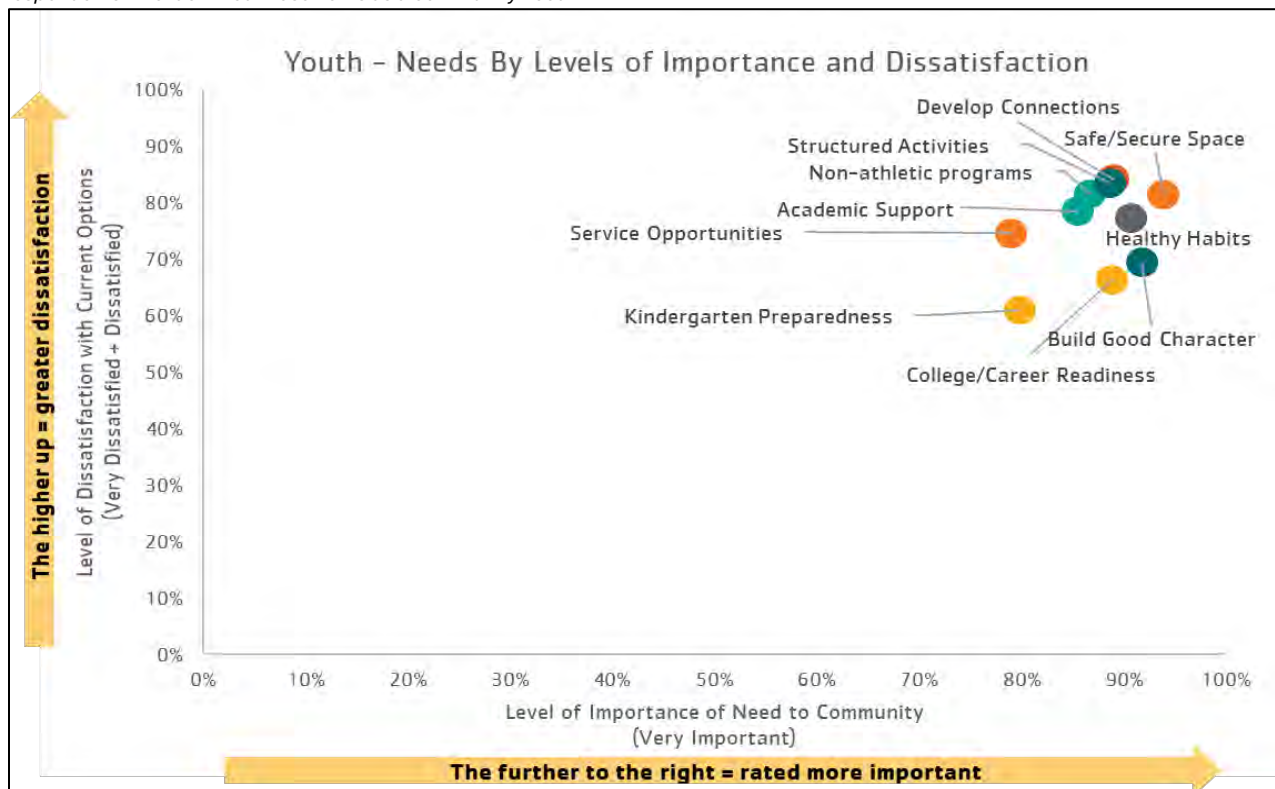
Results for Questions Relating to Adults	% Identifying Topic as a Community Need
Availability of services aimed at engaging the entire family unit	78%
Adults are supported in practicing positive habits that include physical activity and healthy eating	68%
Presence of safe and secure community spaces for adults	65%
Adults have convenient access to structured activities in a community facility	63%
Availability of services that engage senior populations	62%
Presence of community spaces where adults can develop connections with others	62%
Availability of learning opportunities for adults	57%
Adults receiving support from groups within the community	52%
Availability of service or volunteer opportunities for adults	46%

On the left, you can see all the different needs-related items that were listed on the survey. In the right column is the percent of survey respondents who identified those items as a community need



Results for Questions Relating to Youth/Teens	% Identifying Topic as a Community Need
Safe and secure community spaces for our youth	81%
Presence of community spaces where youth can develop connections with others	80%
Youth have convenient access to structured activities in a community facility	78%
Availability of non-athletic programs that draw out youth skills, creativity, and confidence	77%
Youth are supported in practicing positive habits that include physical activity and healthy eating	75%
Availability of academic support structures for youth outside of school (tutoring, mentoring, etc.)	75%
Youth have opportunities to build good character	69%
Youth exit high school with college or career readiness skills	67%
Availability of service or volunteer opportunities for youth	66%
Children enter into kindergarten prepared for success	59%

On the left, you can see all the different needs-related items that were listed on the survey. In the right column is the percent of survey respondents who identified those items as a community need.





Target Market

The target market for a community outdoor public swimming pool includes a diverse cross-section of the local population. The key segments can be grouped by demographic, psychographic, and behavioral factors, as well as institutional and organizational users.

1. Families with Children

- Age: Parents aged 25–45; children aged 2–12
- Needs/Preferences: Safe, affordable recreational activities; swimming lessons; social environment for children; shaded areas and seating for parents
- Usage Patterns: Weekends, holidays, and summer afternoons
- Marketing Channels: Local schools, parenting groups, community newsletters, Facebook parenting groups, district online accounts/registration platform.

2. Teens and Young Adults

- Age: 13–24
- Needs/Preferences: Social interaction, fun and active leisure, a hangout spot in summer, access to slides or water features and after-hours events.
- Usage Patterns: After summer work, weekends, and peak summer months
- Marketing Channels: Social media (Instagram, TikTok, Snapchat), school newsletters, local youth clubs, Youth-In-Action center through ORD. *Additional employment opportunities through our district will also be marketed.*

3. Fitness and Recreational Swimmers

- Age: 25–65+
- Needs/Preferences: Lap swimming, water aerobics, health and wellness programs, quiet or dedicated swim times
- Usage Patterns: Early mornings, weekday evenings, off-peak hours
- Marketing Channels: Local gyms, fitness groups, wellness newsletters, health clinics, and social media.

4. Senior Citizens

- Age: 65+
- Needs/Preferences: Low-impact exercise like water aerobics or therapy swims, social interaction, accessibility (ramps, handrails, etc.)
- Usage Patterns: Mornings and mid-day during weekdays
- Marketing Channels: Senior centers, local newspapers, community boards, word of mouth

5. Schools and Youth Organizations

- Target: Local public and private schools, summer camps, after-school programs, Scouts, etc.
- Needs/Preferences: Group swim lessons, recreational outings, event rentals
- Usage Patterns: Weekday mornings or reserved times; seasonal or recurring group visits



- Marketing Channels: Direct outreach to schools and camps, municipal partnerships exist to continue to pursue grant funding to offset program costs and allow free swimming lesson opportunities for youth.

6. Tourists and Visitors

- Age: All ages
- Needs/Preferences: Affordable family-friendly activities, cool-off spot, amenities (lockers, showers, snack bar)
- Usage Patterns: Peak season, daytime
- Marketing Channels: Visitor centers, local hotels, travel blogs, Google Maps, summer recreation program events that include baseball/softball tournaments and after event specials to tourists.

7. Low-Income Residents

- Age: All ages
- Needs/Preferences: Affordable or free recreational options, community inclusion, subsidized swim programs
- Usage Patterns: Variable
- Marketing Channels: Community centers, public housing programs, local outreach initiatives. All rec program sports scholarship recipients information provided and incurred.

8. Event Organizers and Community Groups

- Target: Organizations planning birthday parties, charity events, or recreational gatherings
- Needs/Preferences: Space rentals, group discounts, access to amenities and event facilities
- Usage Patterns: Weekends, special booking times
- Marketing Channels: Direct inquiries, local directories, community event platforms
-

Summary of Core Needs Across Segments:

1. Affordability

- ORD will offer in-district discounted rates to taxpayers within the Ontario boundary. Costs will also be offset through the sports scholarship fund that exists to support such programs. Additionally local partnerships with school districts and non-profit entities will allow grant and state funding opportunities to provide free or reduced program costs to residents.

2. Safety and cleanliness

- Following the COVID-19 pandemic, ORD recognized the importance of early design and planning strategies to ensure our facilities are limited by the impacts of disease or unsafe facilities. As a new facility the safety guidelines and operations will be circumvented through a risk management evaluation by the Special Districts Association of Oregon. Using UV-C filters and double filtered options within our water treatment process will ensure cleanliness of



facilities. This includes a quick response to changes and adjustments through live monitoring of facility operations through the use of wireless accounts and chemical management systems.

3. Accessibility and inclusivity
 - ORD utilizes existing adaptive equipment to ensure accessibility and inclusivity are considered for our local communities. No one should be denied access to our facility simply due to accessibility limitations. We have and will continue to make the purchasing and use of adaptive equipment a priority for our facilities and programs.
4. Variety of programming (recreational, fitness, educational)
 - ORD has mastered recreational programming as demonstrated by our administration of over 20+ programs annually with program enrollments exceeding 1000 participants in some programs. Aquatic facility programming will primarily be based on revenue needs through top program offerings such as open swim, lap swim, and aerobics. Specialty programming such as on water movie nights, night parties, etc. will fit within nonoperational hours listed in normal operations.
5. Community engagement and sense of belonging
 - ORD has found our point of community engagement and belonging through our model of early intervention for youth and at-risk youth. This model includes this facility as a needed point for hiring additional employees. This model serves to identify, correct, and redirect at risk youth down a positive and impactful life course. Producing a greater next generation of our community to improve our health outcomes, poverty outcomes, and education outcomes.

Services Offered

1. Daily admission and seasonal family passes
 - Daily admissions and passes will account for 45% of our revenues and must be the primary focus of marketing and services offered in this facility. Providing amenities that are appealing and enticing to continue to attract visitors will be a primary goal. This reach will need to expand into all local communities.
2. Group and private swimming lessons
 - Swimming lessons currently have limited availability across the entire region and local counties of both Oregon and Idaho. Due to the high demand and limited facilities and lessons offered, many choose to travel to even further Idaho locations for swimming lessons. Efficiency for swimming lessons is not only essential to the 10% of annual projected revenues but also to ensuring safety is taught and continued to be taught to youth living in an area with



access to local large rivers and lakes that have claimed the lives of several youth over the last decade.

3. Lifeguard training and teen employment

- The hiring, training, and retention of lifeguards is the primary focus of our operations to ensure we can maximize our attendance to the facility but also ensure continuous years of staffing possibilities for our facility. We have already demonstrated this through our splash park facility that resulted in over 80 applications this year for 9 positions. We remain as the largest employer of youth ages 14-18 years old in our region that help us operate our facilities and recreational programs. Additionally, our pay structure and Oregon minimum wage requirements will allow us to show competitive wages relative to Idaho locations and extremely rural Oregon facilities. We believe becoming a lifeguard training facility will add to our revenues in the future.

4. Community swimming nights and movie events

- While we believe these services will provide unique opportunities for revenue and community support, these events must remain within limited hours or hours unrestricted within normal operations. Primary revenues must come from the most popular and interesting programs such as open swim, lap swim, and aerobics. These events will remain a focus but will not remove opportunities from revenues projected through regular operating hours.

5. Birthday party and picnic area rentals

- Party rentals and unique food access options will ensure the facility can remain open while rentals add to significant revenue options. The flexibility of these rentals to bring their own food, possibly cook food on small propane grills, and have their own private space will allow them to remain a high interest that also provides increased margins on admission revenues. While rentals are estimated below 10% of total revenues. We have seen rentals become more and more interested by families, school districts, and local entities looking to host private events.

6. Snack stand with affordable food options

- Concessions will be the unique opportunity and focus of our district to attempt to break even or generate a small amount of revenue out of our facility. We have taken examples from other rural Oregon facilities such as Pendleton Oregon, where over \$75,000.00 is generated seasonally through concessions sales. This is where we believe we will not only offer a unique service through the options provided, but also our partnership with a neighboring major business called Burger West, who will provide online and in person ordering options to be delivered to patrons at our facility. We believe the concession options will be significant in our attempts to generate true revenue from this facility.



Operations Plan

Season: Memorial Day to Labor Day

Hours: 6 a.m. – 8 p.m., 6 days/week (Sunday Open Swim 1 p.m. -4 p.m.)

Staffing:

- 2 Aquatics Supervisors (full season)
- 1 Assistant Manager
- 6–8 Lifeguards (part-time/rotating) & Swim Instructors
- 2 Attendants/Concessions/Entry Staff

Time/Day	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
6:00am	Lap Swim	Lap Swim	Lap Swim	Lap Swim	Lap Swim	Lap Swim	Closed
7:00am	Water Aerobics	Water Aerobics	Water Aerobics	Water Aerobics	Water Aerobics	Water Aerobics	
8:00am	Swim Lessons	Swim Lessons	Swim Lessons	Swim Lessons	Swim Lessons	Swim Lessons	
9:00am							
10:00am							
11:00am							
12:00pm	Closed for Upkeep	Closed for Upkeep	Closed for Upkeep	Closed for Upkeep	Closed for Upkeep	Closed for Upkeep	
1:00pm	Open Swim	Open Swim	Open Swim	Open Swim	Open Swim	Open Swim	
2:00pm							
3:00pm							
4:00pm							
5:00pm	Lap Swim/Aerobics	Lap Swim/Aerobics	Lap Swim/Aerobics	Lap Swim/Aerobics	Lap Swim/Aerobics	Lap Swim/Aerobics	
6:00pm	Open Swim	Open Swim	Open Swim	Open Swim	Open Swim	Open Swim	
7:00pm							
Personnel Requirements:							
	Position	Hours	Rate	Expense	Season	Taxes	Total Cost
	Supervisors	90.00	\$18.50	\$ 1,665.00	\$ 24,975.00	\$ 2,122.88	\$ 27,097.88
	Lifeguards	135.50	\$15.50	\$ 2,100.25	\$ 31,503.75	\$ 2,677.82	\$ 34,181.57
	Attendants	85.00	\$14.70	\$ 1,249.50	\$ 18,742.50	\$ 1,593.11	\$ 20,335.61
	Total Personnel Expenses:				\$ 75,221.25	\$ 6,393.81	\$ 81,615.06

Local Partnerships:

- County wide School districts for swim programs
 - Ontario School district and Four Rivers Community School 2nd/3rd Grade “Everyone Swims Program” through USA Swimming Grant.
- Community center and churches for promotion
 - Ontario Senior Center and Youth programs at local Churches for events.
- Local farms/vendors for snack shack supplies
 - Burger West of Ontario will offer onsite ordering and delivery in addition to our concession stand.
- Volunteer groups for fundraising and events
 - Utilizing existing 501(c)(3) Ontario Swim Club Inc. to operate and manage fundraising events for facility events and programs.
- Local entities and staff discounts to help recruit families to our community.
 - Boys and Girls Club of Western Treasure Valley.



Marketing Plan

This marketing plan aims to promote the community outdoor public swimming pool as an inclusive, affordable, and enjoyable destination for recreation, fitness, and social connection. The strategy focuses on increasing usage across all demographic groups, improving public awareness, and enhancing seasonal engagement.

1. Marketing Objectives

- Attain 1% of in-district population attendance daily for 110 days to reach revenue goals of \$40,000.00
- Attain 50% of 1% of in-district population through season passes and punch passes.
- Reach 50-75% of available youth ages 4-14yrs in district through swimming lessons.
- Engage at least 3 local schools/youth programs in partnerships.
- Improve visibility through online platforms and community channels.

2. Target Markets

Refer to the previous response for detailed segmentation. Prioritized groups:

- Families with children
 - Young children under 5yrs account for 6.4% of our local in-district population of 759 people.
- Teen and young adults
 - Teens and young adults under 18yrs old account for 24.4% of our local district population of 2895 people.
- Recreational/fitness swimmers
 - One additional add on will be competitive swimming teams and meets.
- Senior citizens
 - Over 65yrs old account for 19.9% of our local district population of 2361 people.
- Schools and youth organizations
 - Existing partnerships exist with local school districts in Ontario, Vale, Nyssa, Adrian and the Boys and Girls Club of the Western Treasure Valley.

3. Unique Selling Propositions (USPs)

- Affordable access to clean, safe, outdoor recreation
- Family-friendly amenities (splash pads, shallow zones, lifeguards)
- Fitness options (lap lanes, water aerobics, swim lessons)
- Community-focused programming (events, learn-to-swim, senior mornings)
- Convenient location with seasonal hours and accessible facilities

4. Promotional Strategies

A. Digital Marketing



- Social Media Campaigns
 - Platforms: Facebook, Instagram, TikTok
 - Content: Event promos, weather-related pool reminders, safety tips, user-generated content (photos/videos)
 - Paid ads: Geo-targeted ads for nearby zip codes
 - Influencer partnerships: Collaborate with local parents or fitness bloggers
- Google Business Profile
 - Ensure accurate hours, high-quality images, and current announcements
 - Encourage satisfied visitors to leave reviews
- Email Marketing
 - Monthly newsletters featuring upcoming programs, pool hours, events, and health tips
 - Segmented lists: parents, fitness users, seniors
- Website
 - Mobile-friendly, with:
 - Daily schedule
 - Online registration for swim lessons and passes
 - Live weather or capacity updates
 - FAQ and safety policies

B. Community Outreach

- School Partnerships
 - Offer group discounts or field trips
 - Provide flyers for backpacks and teacher newsletters
 - Sponsor school sports/swim teams
- Community Events
 - Open house weekends or “free swim” days
 - Themed pool parties (e.g., movie nights, glow swims)
 - Collaborate with food trucks, local bands, or vendors
- Senior Centers and Health Clinics
 - Offer “Senior Splash” mornings and therapy swim sessions
 - Distribute brochures through senior organizations and local doctors
- Local Media
 - Press releases to local newspapers and radio
 - Feature stories on seasonal opening, upgrades, or community impact

C. Print Materials

- Posters/flyers distributed to:
 - Libraries, recreation centers, schools
 - Grocery stores and cafes
- Banners at major intersections or nearby parks



- Flyers in local water bills or municipal newsletters

D. Incentives & Promotions

- Family Discounts for multi-pass purchases
 - Early Bird Pass Sales with discounts before the season starts
 - Refer-a-Friend reward programs (e.g., free guest pass)
 - Punch Cards for regular visitors (e.g., swim 9 times, 10th is free)
 - Birthday Party Packages with included swim time and shaded rental space
6. Budget Allocation (*Marketing & Advertising budgeted through Rec Programs*)
- Digital Ads & Social Media: 30%
 - Print Materials: 10%
 - Community Events & Partnerships: 25%
 - Website & Online Tools: 15%
 - Incentives & Promotions: 10%
 - Contingency/Other: 10%

6. Measurement and Evaluation

- Attendance records and season pass sales annually.
- Swim program enrollments.
- Website and social media analytics (clicks, reach, engagement)
- Customer surveys and community feedback
- Google review ratings and public comments

7. Timeline

Month	Activity
March	Finalize program schedule, print materials, update website
April	Launch early bird pass sales, contact schools and partners
May	Grand opening promotions, start social media ads
June–August	Run events, peak promotions, collect feedback
September	Thank-you campaign, season wrap-up, evaluation, and future planning



Financial Plan

Estimated Project Startup Costs

Item	Cost Estimate
Land acquisition/prep	\$7,280.00 (<u>Completed in 2021</u>)
Pool construction	\$5,053,048.00
Splash pad	\$750,000.00 (<u>Completed in 2018</u>)
Restrooms and facilities	\$255,000.00 (<u>Completed in 2018</u>)
Equipment/furniture	\$25,000.00
Permits, insurance, legal	\$15,000.00
Launch marketing	\$10,000.00
Working capital (3–6 months)	\$50,000
TOTAL	\$5,153,048.00

Funding Sources:

• Ontario Recreation District Capital Outlay:	\$3,288,830.00
• Rural Economic development grants :	\$909,000.00
• Fundraisers, Entity Donations:	\$250,000.00
• Business and Community Donations:	\$88,480.00
• Transient Lodging Tax (Repairs/Maintenance):	\$257,476.28
• <i>Oregon Parks & Recreation Department Grant:</i>	<i>\$1,000,000.00 (Approved 8/2025)</i>
• <i>Financing Option (~4.2% 20yr):</i>	<i>\$1,000,000.00 (Approved 2025)</i>
TOTAL	\$6,813,786.28

**Cost estimates and funding sources derived from Ontario Aquatic Center Renovation 12/25 official Bid Opening Day and existing ORD 2025-2026 approved budgets.*



Revenue Projections (May-September 2027)

Revenue Source Est. Annual Income

Daily Admissions \$40,000 (Daily Target:145)
 Season Passes \$30,000 (Daily Target:2-3)
 Swim Lessons \$15,000 (Daily Target:2-3)
 Concessions \$50,000 (Daily Target: \$575)
 Party Rentals \$10,000 (Daily Target:1-2)
 Sponsorships \$10,000 (Daily Target:1-2)

Revenue \$155,000.00

TLT Tax 1% \$90,000.00 (TLT 1%)

Aquatics Budget \$389,750.00 (55%)

Total Revenues \$643,750.00

Daily Rates	Price		
Gen. Admission	\$4.00		
Senior/Child	\$3.00		
Lap Swim/Aerobics	\$2.00		
Memberships	Price		
10 Visit Punch Pass	\$35.00		
Monthly In District	\$50.00		
Monthly Out of District	\$80.00	Rentals	Price
Monthly Family In District	\$100.00	Party Room 2hr Min.	\$100.00
Monthly Family Out of District	\$250.00	Sm. Shade/Pergola 2hr Min.	\$50.00
Season In District	\$120.00	Lg. shade 2hr Min.	\$75.00
Season Out of District	\$200.00	Full Splash Park Hourly	\$100.00
Season Family In District	\$200.00	Full Pool Hourly	\$200.00
Season Family Out of District	\$500.00	Full Facility Hourly	\$300.00
Lessons	Price	Sponsorships	Price
Group Lessons 8x30min.	\$60.00	Beat The Heat!	\$100.00
Private Lessons 8x30min.	\$110.00	Free Swim Days!	\$100.00

Expense Projections (May-September 2027)

Operating Costs (Est.):

Personnel: \$80,262.00
 Utilities: \$28,829.49 (Reimbursed Annually through 2022 TLT 1% Tax)
 Repairs & Maintenance: \$29,413.59 (Reimbursed Annually through 2022 TLT 1% Tax)
 Office Supplies: \$28,249.76
 Pool Chemicals: \$12,562.98 (Reimbursed Annually through 2022 TLT 1% Tax)
 Facility Supplies: \$10,441.89
 Insurance: \$5,845.83
 Equipment: \$4,782.40 (Reimbursed Annually through 2022 TLT 1% Tax)
 Training/Travel: \$3,172.98
 Licenses/Permits: \$714.44
 Debt Services: \$75,000.00
 *Capital Outlay: \$75,000.00 (Budgeted reserve funding)
 *Contingency: \$100,000.00 (Budgeted reserve funding)

Gross Expense: **\$455,275.35**

Season Revenues: **\$155,000.00**

TLT 1% Reimbursement: **\$90,000.00 (Reimbursed by City of Ontario)**

Projected Net Subsidy: \$210,275.35 (Includes \$175,000.00 Reserve Funding)

Projected Budget Impact: 33% of Aquatics Budget (\$643,750.00)



Risks & Mitigation

Risk	Strategy
<p>Unpredictable weather</p>	<p>Budget conservatively (33%); rainy day passes to avoid refunds. -Ontario averages roughly 2.46 rainy days annually between May and September. Reserving just 3% of the remaining 66% of the aquatic facility budget will be sufficient to cover losses through 3-4 rainy day closures.</p>
<p>Low turnout in early years</p>	<p>Offer deep community discounts and family bundles. -ORD currently operates a splash park with several community partnerships and discounts that will allow us to continue to market to our local communities. Attendance currently sits between 100-200 attendees per day. The addition of this facility will increase this with the understanding that we must meet daily and weekly admission projections. Unique programs and offerings will drive admissions and memberships in the following years.</p>
<p>Lifeguard staffing</p>	<p>Hire locally early; offer training and bonuses -ORD currently remains the largest employer of youth ages 14-18yrs old. We have also continued to operate an aquatic facility through 7-9 staff throughout the summer with applications of over 80+ for these positions. In addition to this and the minimum wage requirements set through Oregon, our competitive lifeguard wage of 15-20\$ hourly will more than double Idaho facility wages and be more sustainable than existing Oregon facilities. We will also remain as one of the few with a 25m six-lane swimming pool needed to test and train lifeguards.</p>
<p>Maintenance challenges</p>	<p>Budget for upkeep and sustainability (67% in contingency) -Long term sustainability has been our focus since the inception of this project. This has not only included design and future operational considerations, but also the additional passing of a 1% Transient Lodging Tax that will only be for funding maintenance and repairs. While upfront maintenance and repairs will not be required out of a new facility, we will continue to earmark this as contingency for future repairs and maintenance to the facility. Currently that tax has generated roughly 125k annually since its inception in 2023. This is in addition to the existing 100k ORD outlined within the budget for contingencies. Essentially covering the entire annual operating expenses on just maintenance and repairs alone.</p>



Conclusion

The Ontario Aquatic Center will be a cornerstone of rural life, giving children a place to learn, families a place to bond, and the whole community a reason to celebrate summer. By focusing on affordability, safety, and connection, this pool will pay dividends in community health and joy for generations.

The Ontario Community Recreation Center and Aquatic Center represent more than just a place to swim—it is a vibrant, inclusive space where residents of all ages can connect, stay active, and enjoy affordable recreation. By offering a wide range of programs, from swim lessons and fitness classes to family-friendly events, the facility will serve as a cornerstone of community health, wellness, and engagement.

With strong community partnerships, targeted marketing strategies, and a focus on accessibility and safety, the pool will not only meet local demand for recreational services but also foster a sense of pride and belonging among residents. Backed by careful planning and a sustainable operational model, this venture is well-positioned to thrive season after season, creating lasting social and economic value for the entire community.

We invite stakeholders, partners, and local leaders to support this initiative and help bring a refreshing, family-friendly, and community-enhancing resource to life.



Oregon

Tina Kotek, Governor

Parks and Recreation Department

725 Summer St. NE, Suite C

Salem, OR 97301-1271

(503) 986-0980

Fax (503) 986-0794

stateparks.oregon.gov

December 1, 2025

Andrew Maeda
Ontario Recreation District
745 SW 3rd Ave.
Ontario, OR 97914

RE: **NOTICE TO PROCEED**
Local Government Grant Program
LG25-014 – Ontario Aquatics Center Renovation

Andrew:

Included with this letter is a signed Agreement for the Ontario Aquatics Center Renovation project. This signed Agreement and letter authorizes you to proceed with project work. You have one year to complete significant work (i.e. the award of a contract, or completion of at least 25 percent of the work, if done by agency force account). You have until **December 31, 2027** to complete the project.

Once project work has begun you should submit quarterly Progress Reports and Requests for Reimbursement via OPRD's online grant management system at oprdrants.org.

Please keep in mind that all LGGP assisted project improvements must meet ADA requirements for accessibility.

We encourage you to offer appropriate media opportunities and involvement of your local legislators in order to help build public awareness of the project's purpose and benefits. Please contact me prior to any event celebrating your project's completion.

Thank you for your participation in this program. And again, congratulations on being selected to receive Local Government Grant Program funding assistance. If you have any questions, please feel free to contact me at 503-951-1317 or mark.cowan@oprdrants.org.

Sincerely,

Mark Cowan
Grant Program Coordinator

Included: Signed Agreement



January 16, 2026

Andrew Maeda, Executive Director
Ontario Recreation District
745 SW 3rd Ave.
Ontario, OR 97914

RE: Award for Special Public Works Fund, Ontario Aquatic Center Renovation, Project Number L26005, 1/12/2026

Dear Andrew Maeda:

Congratulations on your successful application for the above-referenced project. Enclosed please find a summary showing the funding amount and special terms and conditions of the award. The financing contract will contain the full terms and conditions of your award and will be sent to you for proper signatures. **Contract documents need to be returned as soon as feasible, but no later than 60 days after the date of receipt from Business Oregon.** Please note that the legal obligations for funding and for reimbursement of project expenses are subject to execution of the contract.

The project must comply with all applicable state laws, regulations and procurement requirements. As a reminder, you must provide copies of all solicitations at least 10 days before advertising, and all draft contracts at least 10 days before signing.

We encourage you to offer appropriate media opportunities to help build public awareness of your project's purposes and benefits. Please notify us of any event celebrating your project. As always, we are available to answer questions that may arise during the implementation of your project. If you need assistance, please contact me at 971-382-2187 or by email at Gail.Nelson@biz.oregon.gov.

Sincerely,

Gail Nelson, Regional Project Manager
Business Oregon

c: Feather Sams-Huesties, Regional Development Officer
Representative Mark Owens
Senator Mike McLane



**AGENDA REPORT
NEW BUSINESS
February 24, 2026**

To: Mayor and City Council
FROM: Kari Ott, Finance Director
THROUGH: Danny K. Cummings, City Manager
SUBJECT: **RESOLUTION #2026-108: DLCD GRANT FOR ONTARIO PLANNING AND ZONING DEVELOPMENT STANDARDS**
DATE: February 17, 2026

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE RESOLUTION #2016-108: A SUPPLEMENTAL BUDGET TO APPROPRIATED UNEXPECTED GRANT REVENUES RECEIVED FROM THE DEPARTMENT OF LAND CONSERVATION & DEVELOPMENT AND AUTHORIZE CITY MANAGER DAN CUMMINGS TO SIGN THE RELATED DOCUMENTS.

SUMMARY:

Attached is Resolution #2026-108.

BACKGROUND:

The Planning Department needs to update, standardize, and modernize the city development ordinance. This is a very time-consuming process and requires specific expertise.

CURRENT SITUATION:

The city applied for and received a Housing Planning Assistance Grant from the Department of Land Conservation and Development (DCLD). This grant gives funds to the city to hire Winterbrook Planning to prepare hearing-ready documents and presentations for amending Ontario Planning and Zoning Development Standards to comply with applicable Oregon housing statutes and rules. The project is not to exceed \$69,500.

ANALYSIS:

- A. **STRATEGIC PLAN** No direct impact.
- B. **FINANCIAL** There is no match required. This would be a net financial impact of zero, a maximum of \$69,500 grant revenue and expense.
- C. **TIMING** As soon as the attached resolution is received the project can officially begin.
- D. **POLICY/LEGAL** A formal resolution approved by the City Council is required to appropriate the additional funds per ORS 294.

ALTERNATIVES:

The city could choose not to accept the grant. This would cause the city to lose \$69,500 of grant funding.

RECOMMENDATION:

Staff recommends the approval of Resolution #2026-108.

ATTACHMENTS:

1. Resolution #2026-108 - DLCD grant



RESOLUTION #2026-108

**A SUPPLEMENTAL BUDGET TO APPROPRIATE UNEXPECTED GRANT REVENUES
RECEIVED FROM THE DEPARTMENT OF LAND CONSERVATION &
DEVELOPMENT**

- WHEREAS,** The Ontario Planning and Zoning Development Standards need to be updated to comply with applicable Oregon housing statues and rules; **and**
- WHEREAS,** The city was awarded a Housing Planning Assistance Grant from the Oregon Department of Land Conservation & Development not to exceed \$69,500; **and**
- WHEREAS,** Winterbrook Planning has the expertise to update the codes and will work with the city; **and**
- WHEREAS,** The city desires to modify the 2025-2026 budget in order to appropriate the funding.

NOW THEREFORE, BE IT HEREBY RESOLVED by the Ontario City Council, to approve the following adjustment to the fiscal year 2025-2026 budget:

Line Item	Item Description	FY 25-26 Budget	Amount of Change	Adjusted Budget
GENERAL FUND				
001-000-469109	Comm Dev Grants	\$ -	\$69,500	\$69,500
001-012-615550	Contract Servies	\$ -	\$69,000	\$69,500

EFFECTIVE DATE: Effective immediately upon passage.

PASSED AND ADOPTED by the City Council of the City of Ontario this 24th day of February 2026, by the following vote:

AYES:

NAYES:

ABSENT:

APPROVED by the Mayor this 24th day of February, 2026.

Deborah K. Folden, Mayor

ATTEST

Tori Barnett, MMC, City Recorder



**AGENDA REPORT
PUBLIC HEARING
February 24, 2026**

To: Mayor and City Council
FROM: Tori Barnett, City Recorder
THROUGH: Danny K. Cummings, City Manager
SUBJECT: **RESOLUTION #2026-109: MASTER FEE SCHEDULE 2026-2027**
DATE: February 17, 2026

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE RESOLUTION #2026-109: A RESOLUTION ADOPTING A MASTER FEE SCHEDULE FOR THE 2026-2027 FISCAL YEAR.

SUMMARY:

Attached is proposed Resolution #2026-109 prepared by staff, which combines all city fees into one schedule, as updated from Resolution #2024-111 adopted for fiscal year 2024-2025. Staff is asking for approval in accordance with the upcoming Ontario 2026-2027 budget.

BACKGROUND:

In June 2018, the city implemented the need to review fees collected by the city and developed a master fee list. Prior to that list, fees were determined by individual departments, and reviewed randomly as issues arose, and were addressed and/or adjusted at that time. The first Master Fee Schedule was presented to the Council in 2018, with only a few increases to established fees. Since that time, there have been several updates to the list as needed.

CURRENT SITUATION:

The current list is for FY 2024-2025. Staff would like to make updates to that list according to the upcoming FY 2026-2027 budget. This resolution, if adopted, would become effective July 1, 2026, and would supersede all previous Master Fee Schedules. There are only minimal increases proposed, and any sections that were missing from previous lists have been added.

ANALYSIS:

- A. **STRATEGIC PLAN** There is no strategic plan impact.

- B. **FINANCIAL** Following review by staff, various adjustments were made where increases were merited based on time and materials required to cover the costs associated with the fee. Other sections were added to cover the costs of areas that were not previously included, but that did incur costs to operate or produce. Costs could be adjusted by the Council at any time during the year by adopting a new resolution. It is being done now due to the upcoming budget adoption.
- C. **TIMING** Staff would like to have this updated version effective July 1, 2026, to keep in line with the 2026-2027 budget.
- D. **POLICY/LEGAL** The passage of a fee is subject to ORS 294.160(1) which reads: *"The governing body of a city, county or other unit of local government shall provide an opportunity for interested persons to comment on the enactment of any ordinance or resolution prescribing a new fee or a fee increase or an increase in the rate or other manner in which the amount of a fee is determined or calculated."*

Ontario City Charter Chapter X. Miscellaneous Provisions Section 10.6 Fee Increases. reads: *Any proposal to implement or increase fees or local taxes (except for a general retail which is governed separately in this Charter) must be affirmed by a two-thirds vote of the entire Council. (Ord. No. 2815-2022 § 2(Exh. A), 10-11-22)*

ALTERNATIVES:

Council could elect not to adopt the new fee schedule and fees collected would continue to be charged based on the existing resolution.

Council could table the action and direct staff to do further research on the fees proposed and bring back an updated version of the proposed resolution based on any findings.

RECOMMENDATION:

Staff recommends the adoption of proposed Resolution #2026-109 and the attached Master Fee Schedule as presented.

ATTACHMENTS:

1. Reso #2026-109 2026-2027 Master Fee Schedule
2. Master Fee List Template Removed Columns 2026-2027



RESOLUTION #2026-109

A RESOLUTION ADOPTING A MASTER FEE SCHEDULE FOR THE 2026-2027 FISCAL YEAR

- WHEREAS,** The City of Ontario charges various fees for services that need to be reviewed periodically; and
- WHEREAS,** A master fee schedule is a best practice for local governments; and
- WHEREAS,** A master fee schedule can be reviewed annually around budget time to make adjustments comprehensively; and
- WHEREAS,** The Ontario City Council desires to amend and adopt fees annually by resolution.

NOW THEREFORE, BE IT HEREBY RESOLVED, the Ontario City Council adopts the attached fee schedule for the 2026-2027 fiscal year as amended from the 2024-20252 fiscal year schedule.

EFFECTIVE DATE: July 1, 2026

PASSED AND ADOPTED by the City Council of the City of Ontario this _____ day of February, 2026, by the following vote:

AYES:

NAYES:

ABSENT:

APPROVED by the Mayor this _____ day of February, 2026.

Deborah K. Folden, Mayor

ATTEST:

Tori Barnett, MMC, City Recorder



City of Ontario Master Fee List

FY 2026-2027

Explanation of Fee (What is it for?)	2024-2025 Current Fee	2026-2027 Proposed Fee	% Increase
Fire Department			
City Burn Permits (each)	\$20.00	\$25.00	25.00%
City Burn Barrels	\$33.00	\$35.00	6.06%
Fire Report Requests	\$5.00	\$10.00	100.00%
Public Safety Fee (Split with OPD)	\$10.00	\$10.00	0.00%
Non-Public Safety Entity Public Safety Building Rental	\$0.00	\$200.00	N/A
Airport			
Single Engine Weekly	\$25.00	\$25.00	0.00%
Twin/Turbo Weekly	\$50.00	\$50.00	0.00%
Heavy Turbo/Jet Weekly	\$75.00	\$75.00	0.00%
Single Engine Monthly	\$62.50	\$62.50	0.00%
Twin/Turbo Monthly	\$125.00	\$125.00	0.00%
Heavy Turbo/Jet Monthly	\$187.50	\$187.50	0.00%
Single Engine Yearly	\$625.00	\$625.00	0.00%
Twin/Turbo Yearly	\$1,250.00	\$1,250.00	0.00%
Heavy Turbo/Jet Yearly	\$1,875.00	\$1,875.00	0.00%
Fuel Flow Fees 100LL Aviation	\$0.07	\$0.07	0.00%
Fuel Flow Fees for Jet-A Fuel	\$0.09	\$0.09	0.00%
Commercial Usage Agreement Annual Fee	\$1,250.00	\$1,250.00	0.00%
Administration			
Records Requests: 8.5x11 p/page	\$0.25	\$0.25	0.00%
Records Requests: 11x17 p/page	\$0.50	\$0.50	0.00%
Records Requests: DVD	\$10.00	\$10.00	0.00%
Records Requests: Cassette	\$5.00	\$5.00	0.00%
Records Request: Staff Time	Varies	Varies	N/A
General Government			
Transient Merchant Application	\$100.00	\$100.00	0%
Transient Merchant: Daily Fee	\$500.00	\$500.00	0%
Transient Merchant: Monthly Fee	\$1,000.00	\$1,000.00	0%
Transient Merchant: Six-Month Fee	\$2,000.00	\$2,000.00	0%
Christmas Tree Lots: Application	\$20.00	\$20.00	0%
Christmas Tree Lots: Daily Fee	\$20.00	\$20.00	0%
Christmas Tree Lots: Season Fee	\$200.00	\$200.00	0%
Firework Stands: Application	\$0.00	\$20.00	N/A
Firework Stands: Daily Fee	\$0.00	\$20.00	N/A
Firework Stands: Season Fee	\$20.00	\$200.00	900%
Entertainment: Application	\$10.00	\$10.00	0%
Entertainment: Annual	\$1,000.00	\$1,000.00	0%
Entertainment: Daily	\$100.00	\$100.00	0%
Garage/Yard Sale: Permit	\$5.00	\$5.00	0%
Flea Market: Application	\$10.00	\$10.00	0%



City of Ontario Master Fee List

FY 2026-2027

Explanation of Fee (What is it for?)	2024-2025 Current Fee	2026-2027 Proposed Fee	% Increase
Flea Market: Daily	\$10.00	\$10.00	0%
Flea Market: Monthly	\$200.00	\$200.00	0%
Flea Market: Six-Months	\$500.00	\$500.00	0%
Peddler/Canvassers/Solicitors: Application	\$20.00	\$20.00	0%
Peddler/Canvassers/Solicitors: Daily	\$10.00	\$10.00	0%
Peddler/Canvassers/Solicitors: Weekly	\$40.00	\$40.00	0%
Peddler/Canvassers/Solicitors: Monthly	\$100.00	\$100.00	0%
Peddler/Canvassers/Solicitors: Annual	\$200.00	\$200.00	0%
Sidewalk Food Vendor: Application	\$20.00	\$20.00	0%
Sidewalk Food Vender: Per Additional Employee	\$5.00	\$5.00	0%
Sidewalk Food Vendor: Monthly	\$25.00	\$25.00	0%
Sidewalk Food Vendor: Annual	\$75.00	\$75.00	0%
Special Events: Application	\$15.00	\$15.00	0%
Special Events: Park Pavilion	\$15.00	\$15.00	0%
Special Events: Large Portion of Park	\$55.00	\$55.00	0%
Special Events: Clean-Up Deposit 10<	\$30.00	\$30.00	0%
Special Events: Clean-Up Deposit 10 - 25<	\$55.00	\$55.00	0%
Special Events: Clean-Up Deposit 25 - 50<	\$85.00	\$85.00	0%
Special Events: Clean-Up Deposit 50 - 100<	\$125.00	\$125.00	0%
Special Events: Clean-Up Deposit 100 - 250<	\$300.00	\$300.00	0%
Special Events: Clean-Up Deposit 250>	\$600.00	\$600.00	0%
Special Events: Damage from Equipment (Dep)	\$550.00	\$550.00	0%
Special Events: Damage from Vehicles (Dep)	\$550.00	\$550.00	0%
Special Events: Staff Pre/Post Inspection	\$75.00	\$75.00	0%
Special Events: Staff Street Closure	\$150.00	\$150.00	0%
Taxi Cab Application	\$20.00	\$20.00	0%
Taxi Cab Per Vehicle	\$60.00	\$60.00	0%
Dealer of Regulated Property: Annual	\$25.00	\$25.00	0%
Social Gaming License Annual	\$100.00	\$100.00	0%
Social Gaming License Monthly	\$50.00	\$50.00	0%
Social Gaming License Weekly	\$25.00	\$25.00	0%
Social Gaming License Daily	\$10.00	\$10.00	0%
LIEN Search	\$25.00	\$25.00	0%
Non-Sufficient Funds	\$25.00	\$25.00	0%
Community Development [Building Fees Under Attachment A]			
Appeals (Any Action)	\$195.00	\$195.00	0%
Change of Zoning Map	\$357.00	\$357.00	0%
Comprehensive Plan Change	\$551.00	\$551.00	0%



City of Ontario Master Fee List

FY 2026-2027

Explanation of Fee (What is it for?)	2024-2025 Current Fee	2026-2027 Proposed Fee	% Increase
Conditional Use Permit	\$195.00	\$195.00	0%
Short-Term Rental License	\$60.00	\$60.00	0%
Short-Term Rental Annual Renewal	\$10.00	\$10.00	0%
Grading and Excavation Permit	\$43.00	\$43.00	0%
Non-Conforming Use Exception	\$130.00	\$130.00	0%
Petition to Vacate Right of Way	\$390.00	\$390.00	0%
Partition	\$421.00	\$421.00	0%
Property Line Adjustment	\$180.00	\$180.00	0%
Site Development	\$60.00	\$60.00	0%
Subdivision, Tentative Plat 30 lots<	\$572.00	\$572.00	0%
Subdivision/Partition Final Plat-ROW	\$190.00	\$190.00	0%
Subdivision (Per Each Lot Over 30)	\$10.00	\$10.00	0%
Floodplain Development Permit - Residential (Principal Structure)	\$100.00	\$100.00	0%
Floodplain Development Permit - Residential (Accessory Structure)	\$50.00	\$50.00	0%
Floodplain Development Permit - Commercial (Principal Structure)	\$200.00	\$200.00	0%
Floodplain Development Permit - Commercial (Accessory Structure)	\$100.00	\$100.00	0%
Temporary Use Permit	\$130.00	\$130.00	0%
Annexation/Zone Change	\$390.00	\$421.00	8%
Hearing Body Variance	\$160.00	\$160.00	0%
Variance, Administrative	\$60.00	\$60.00	0%
Admin Action Notice/Mailing	\$120.00	\$120.00	0%
Planning Commission Action Notice/Mail (Hearings Officer)	\$260.00	\$260.00	0%
Building: See Attachment A			
Police			
Public Safety Fee (Split with OFR)	\$10.00	\$10.00	0.00%
Copy of Paper Report	\$15.00	\$15.00	0.00%
Copy of Audio Report on City Provided Thumbdrive	\$20.00	\$20.00	0.00%
Copy of Video/Photos on City Provided Thumbdrive	\$20.00	\$20.00	0.00%
Cruelty to Animals	\$440.00	\$440.00	0.00%
Dog License Annually (<i>Altered</i>)	\$15.00	\$15.00	0.00%
Dog License Annually (<i>Unaltered</i>)	\$35.00	\$35.00	0.00%
Replacement Dog Tag	\$5.00	\$5.00	0.00%



City of Ontario Master Fee List

FY 2026-2027

Explanation of Fee (What is it for?)	2024-2025 Current Fee	2026-2027 Proposed Fee	% Increase
Dogs: Public Nuisance	\$265.00	\$265.00	0.00%
Dog Release Form	\$35.00	\$35.00	0.00%
Dog Kennel Application	\$100.00	\$100.00	0.00%
Noise Variance Application	\$20.00	\$20.00	0.00%
Fingerprint Card	\$15.00	\$15.00	0.00%
Parking Fines	\$50.00	\$50.00	0.00%
Impounded Vehicle Release	\$125.00	\$125.00	0.00%
False Alarm (1st)	\$0.00	Letter	N/A
False Alarm (2nd)	\$0.00	2nd Letter: Warning Next Time Fee	N/A
False Alarm (3rd)	\$100.00	\$100.00	0.00%
False Alarm (4th)	\$200.00	\$200.00	0.00%
False Alarm (5th/↑)	\$350.00	\$350.00	0.00%
Code Enforcement			
Derelict Structure Months 1-6/month	\$300.00	\$300.00	0%
Derelict Structure Months 7-12/month	\$550.00	\$550.00	0%
Derelict Structure Months 13-18/month	\$800.00	\$800.00	0%
Derelict Structure Thereafter	\$1,500.00	\$1,500.00	0%
Derelict Structure Appeal	\$300.00	\$300.00	0%
Abatement Administrative	\$250.00	\$250.00	0%
Public Works			
Water Deposit	\$170.00	\$170.00	0%
Shut Off	\$50.00	\$50.00	0%
Turn On	\$50.00	\$50.00	0%
After Hours (2-Hr Callback)	\$70.00	\$70.00	0%
Meter Tampering	\$75.00	\$75.00	0%
Water Service Damage	Assessed Individually	Assessed Individually	0%
Water Connection	\$100.00	\$100.00	0%
Water Hot Tap	\$400.00	\$400.00	0%
Drop In Meter 3/4"	\$535.00	\$535.00	0%
Drop in Meter 1"	\$655.00	\$655.00	0%
Sewer Connection	\$100.00	\$100.00	0%
Sewer Tap	\$275.00	\$275.00	0%
NW Area of Ontario Lift Station Per Acre (OMC 8-7-3.1)	\$2,975.00	\$2,975.00	0%
Land Development Inspections (OMC 10B-02-50)	3% of Value of Required City Improved Infrastructure	3% of Value of Required City Improved Infrastructure	0%
Concrete Approach (C/G/SW)	\$55 + \$.30/LF	\$55 + \$.30/LF	0%
Concrete Approach (C/G)	\$55 + \$.30/LF	\$55 + \$.30/LF	0%
Curb & Gutter Only	\$55 + \$.30/LF	\$55 + \$.30/LF	0%



City of Ontario Master Fee List

FY 2026-2027

Explanation of Fee (What is it for?)	2024-2025 Current Fee	2026-2027 Proposed Fee	% Increase
ADA Ramp Inspection	\$75.00	\$75.00	0%
Asphalt Approach	\$55 + \$.30/sq yd	\$55 + \$.30/sq yd	0%
Curb/Gutter/Sidewalk	\$55 + \$.30/LF	\$55 + \$.30/LF	0%
Sidewalk Only	\$55 + \$.30/LF	\$55 + \$.30/LF	0%
Street Surfacing/Asphalt	\$55 + \$.30/sq yd	\$55 + \$.30/sq yd	0%
Obstruction in ROW: Equipment, Material Piles, Building Materials, Etc. (x5 Days)	\$85.00	\$85.00	0%
Obstruction: Dumpster or Storage Container (per week)	\$15.00	\$15.00	0%
Application: Long Term Use of ROW	\$55.00	\$55.00	0%
ROW Encroachment (per day)	\$17.00	\$17.00	0%
Permit Time Extension (exceeds date on permit) (per day)	\$17.00	\$17.00	0%
Concrete Approach (C/G/SW)	\$55 + \$.30/LF	\$55 + \$.30/LF	0%
Concrete Approach (C/G)	\$55 + \$.30/LF	\$55 + \$.30/LF	0%
Curb & Gutter Only	\$55 + \$.30/LF	\$55 + \$.30/LF	0%
ADA Ramp Inspection	\$75.00	\$75.00	0%
Asphalt Approach	\$55 + \$.30/sq yd	\$55 + \$.30/sq yd	0%
Curb/Gutter/Sidewalk	\$55 + \$.30/LF	\$55 + \$.30/LF	0%
Sidewalk Only	\$55 + \$.30/LF	\$55 + \$.30/LF	0%
Street Surfacing/Asphalt	\$55 + \$.30/sq yd	\$55 + \$.30/sq yd	0%
Obstruction in ROW: Equipment, Material Piles, Building Materials, Etc. (x5 Days)	\$85.00	\$85.00	0%
Obstruction: Dumpster or Storage Container (per week)	\$15.00	\$15.00	0%
Application: Long Term Use of ROW	\$55.00	\$55.00	0%
ROW Encroachment (per day)	\$17.00	\$17.00	0%
Permit Time Extension (exceeds date on permit) (per day)	\$17.00	\$17.00	0%
Bore/Bell Hole/Trench <50'	\$55.00	\$55.00	0%
Bore/Bell Hole/Trench 50-300lf	\$165.00	\$165.00	0%
Bore/Bell Hole/Trench 301-600lf	\$330.00	\$330.00	0%
Bore/Bell Hole/Trench 601-900lf	\$495.00	\$495.00	0%
Bore/Bell Hole/Trench 901-1200lf	\$660.00	\$660.00	0%
Bore/Bell Hole/Trench 1201-1500lf	\$825.00	\$825.00	0%
Bore/Bell Hole/Trench 1501/↑ per lf	\$825 + \$.50/LF	\$825 + \$.50/LF	0%
Transverse Bore	\$55.00	\$55.00	0%
Longitudinal Bore	\$55.00	\$55.00	0%
Water Meter Charge 3/4" (Stubbed)	\$1,530.00	\$1,530.00	0%



City of Ontario Master Fee List

FY 2026-2027

Explanation of Fee (What is it for?)	2024-2025 Current Fee	2026-2027 Proposed Fee	% Increase
Water Meter Charge 3/4" (Alley)	\$3,060.00	\$3,060.00	0%
Water Meter Charge 3/4" (Street)	\$4,590.00	\$4,590.00	0%
Water Meter Charge 1" (Stubbed)	\$1,830.00	\$1,830.00	0%
Water Meter Charge 1" (Alley)	\$3,660.00	\$3,660.00	0%
Water Meter Charge 1" (Street)	\$4,590.00	\$4,590.00	0%
Water Meter Charge 1½" & Larger (Stubbed)	Assessed Individually	Assessed Individually	
Water Meter Charge 1½" & Larger (Alley)	Assessed Individually	Assessed Individually	
Water Meter Charge 1½" & Larger (Street)	Assessed Individually	Assessed Individually	
Frozen Meter Fee	\$70.00	\$70.00	0%
Hydrant Stand One Time Use	\$40.00	\$40.00	0%
Hydrant Stand Monthly Meter	\$40.00	\$40.00	0%
Cemetery			
In-City Adult Space	\$350.00	\$350.00	0%
In-City Adult Space Perp Care & Maintance	\$450.00	\$450.00	0%
In-City Adult Space Open/Close	\$350.00	\$350.00	0%
In-City Adult Cremains Open/Close	\$175.00	\$175.00	0%
Non-City Adult Space	\$500.00	\$500.00	0%
Non-City Adult Space Perp Care & Maintance	\$500.00	\$500.00	0%
Non-City Adult Open/Close	\$400.00	\$400.00	0%
Non-City Adult Cremains Open/Close	\$200.00	\$200.00	0%
In-City Infant Space	\$175.00	\$175.00	0%
In-City Infant Perp Care & Maintance	\$450.00	\$450.00	0%
In-City Infant Open/Close	\$275.00	\$275.00	0%
In-City Infant Cremains Open/Close	\$175.00	\$175.00	0%
Non-City Infant Space	\$225.00	\$225.00	0%
Non-City Infant Perp Care & Maintance	\$500.00	\$500.00	0%
Non-City Infant Open/Close	\$300.00	\$300.00	0%
Non-City Infant Cremains Open/Close	\$200.00	\$200.00	0%
Adult Disinterment	\$1,050.00	\$1,050.00	0%
Infant Disinterment	\$650.00	\$650.00	0%
Cremains Disinterment	\$450.00	\$450.00	0%
Saturday Service	\$400.00	\$400.00	0%
After 3:00 p.m. Any Day	\$400.00	\$400.00	0%
Cemetery Deed Transfer	\$50.00	\$50.00	0%
In-City Columbarium Single	\$350.00	\$350.00	0%
In-City Columbarium Perp Care & Maintenance	\$200.00	\$200.00	0%
In-City Columbarium Open/Close	\$150.00	\$150.00	0%
Non-City Columbarium Single	\$450.00	\$450.00	0%



City of Ontario Master Fee List

FY 2026-2027

Explanation of Fee (What is it for?)	2024-2025 Current Fee	2026-2027 Proposed Fee	% Increase
Non-City Columbarium Perp Care & Maintenance	\$200.00	\$200.00	0%
Non-City Columbarium Open/Close	\$200.00	\$200.00	0%

CITY OF ONTARIO 2026-2027 MASTER FEE SCHEDULE

Attachment A

CITY OF ONTARIO BUILDING DEPARTMENT RATES AND CHARGES		
<i>Other fees may apply: see the State of Oregon Structural Specialty Code and/or Oregon Residential Specialty Code. When applicable, structural permits use valuation as determined by International Code Council (ICC) Valuation Table current as of April 1 of each year, as per OAR 918-050-0100.</i>		
STRUCTURAL PERMIT FEE TABLE:		
RESIDENTIAL Valuation	RESIDENTIAL Fee	
\$1 - \$500	\$40.00	
\$501 - \$2,000	\$40.00 for the first \$500 plus \$1.50 for each additional \$100 or fraction thereof, to and including \$2,000	
\$2,001 - \$25,000	\$62.50 for the first \$2,000 plus \$6.00 for each additional \$1,000 or fraction thereof, to and including \$25,000	
\$25,001 - \$50,000	\$200.50 for the first \$25,000 plus \$4.50 for each additional \$1,000 or fraction thereof, to and including \$50,000	
\$50,001 - \$100,000	\$313.00 for the first \$50,000 plus \$3.00 for each additional \$1,000 or fraction thereof, to and including \$100,000	
\$100,001 - \$500,000	\$463.00 for the first \$100,000 plus \$2.50 for each additional \$1,000 or fraction thereof, to and including \$500,000	
\$500,001 - \$1,000,000	\$1,463.00 for the first \$500,000 plus \$2.00 for each additional \$1,000 or fraction thereof, to and including \$1,000,000	
\$1,000,001 and above	\$2,463.00 for the first \$1,000,000 plus \$2.00 for each additional \$1,000 or fraction thereof	
COMMERCIAL Valuation	COMMERCIAL Fee	
\$1 - \$500	\$76.00	
\$501 - \$2,000	\$76.00 for the first \$500 plus \$2.85 for each additional \$100 or fraction thereof, to and including \$2,000	
\$2,001 - \$25,000	\$118.75 for the first \$2,000 plus \$11.40 for each additional \$1,000 or fraction thereof, to and including \$25,000	
\$25,001 - \$50,000	\$380.95 for the first \$25,000 plus \$8.55 for each additional \$1,000 or fraction thereof, to and including \$50,000	
\$50,001 - \$100,000	\$594.70 for the first \$50,000 plus \$5.70 for each additional \$1,000 or fraction thereof, to and including \$100,000	
\$100,001 - \$500,000	\$879.70 for the first \$100,000 plus \$4.75 for each additional \$1,000 or fraction thereof, to and including \$500,000	
\$500,001 - \$1,000,000	\$2,779.70 for the first \$500,000 plus \$3.80 for each additional \$1,000 or fraction thereof, to and including \$1,000,000	
\$1,000,001 and above	\$4,679.70 for the first \$1,000,000 plus \$3.80 for each additional \$1,000 or fraction thereof	
<i>When a structural permit is required by the state building code for retaining walls, decks, fences, accessory structures, etc – see Structural Permit fees table by valuation</i>		
Residential Permit fee	\$40.00 minimum	
Commercial Permit fee	\$76.00 minimum	
Building Plan Review fee	65% of Building Permit	This fee is in addition to building fees
Fire and Life Safety Plan Review	40% of Building Permit	This fee is in addition to building fees

CITY OF ONTARIO 2026-2027 MASTER FEE SCHEDULE

Attachment A

Structural – Additional Plan Review (when applicable)	\$60 per hour	This fee is in addition to building fees
State Surcharge Fee	12% of Building Permit fee or current state rate	This fee is in addition to building fees
Residential Fire Suppression Systems – Standalone System (Structural)	Fees calculated according to the square footage of area to be covered, as per table below:	Fees include Plan Review
Square Footage of Area to be Covered		Fee
0 – 2,000 sq. ft.		\$40.00
2,001 – 3,600 sq. ft.		\$58.00
3,601 – 7,200 sq. ft.		\$85.00
7,201 sq. ft. and greater		\$122.00
Commercial Fire Suppression – Sprinkler and Alarms	Structural Plan Review and Fire & Life Reviews are additional	See Commercial Structural Permit Fee table by valuation
Solar PV Permit – Prescriptive Path System	\$250.00	When required, fee includes plan review and one inspection
Solar PV Permit – Non-Prescriptive Path System	Fees as per Structural Permit Fee Table by valuation to include the solar panels, racking, mounting elements, rails and the cost of labor to install. Solar electrical equipment including collector panels and inverters shall be excluded from the Structural Permit valuation.	
Deferred Submittal Plan Review fee (Structural) – in addition to project plan review fees	65% of the building permit fee calculated using the value of the deferred portion with an \$62.50 minimum for Residential and \$118.75 for Commercial projects	
Phased Project Plan Review fee – in addition to project plan review fees	\$150.00 minimum phasing fee for residential projects and \$225.00 for commercial projects plus 10% of the total project building permit fee, not to exceed \$1500 per phase	
Demolition Permit	\$50.00 – residential \$100.00 – commercial	Plans and scope of work shall be submitted showing all work. Plans may be required to be engineered. Proof of DEQ permits shall be submitted. No State Surcharge applies.
Additions/Alterations and all other non-new type of work – to existing residential and commercial structures	Fees based on valuation – see above Structural Permit Fee Table.	
INSPECTIONS AND OTHER BUILDING FEES – Inspection fees apply to all disciplines		
Reinspection Fee	\$60.00	Per each inspection
Each additional inspection, above allowable	\$60.00	Per each inspection

CITY OF ONTARIO 2026-2027 MASTER FEE SCHEDULE

Attachment A

Inspection for which no fee is specifically indicated (as required)	\$60.00	Per each inspection
Inspection outside of business hours	\$90.00 per hour	Scheduled at the Building Official's discretion. Two-hour minimum charge.
Investigation fee (inspection, incurs surcharge)	\$60.00 per hour	
Residential Certificate of Occupancy (C of O)	No charge	
Commercial C of O	No charge	
Temporary Residential C of O	\$50.00	Valid for 30 days.
Temporary Commercial C of O	\$95.00	Valid for 30 days; can be extended for a maximum of 180 days – \$95 fee for each 30-day period.

MECHANICAL PERMIT FEE TABLE:

RESIDENTIAL Appliances	RESIDENTIAL Fees	
Air conditioner	\$20.00	For each unit
Air handling unit up to 10000 cfm	\$12.00	For each unit
Air handling unit 10,001 cfm and over	\$22.00	For each unit
Appliance of piece of equipment regulated by code but no classified in other appliance categories	\$25.00	For each unit
Attic or crawl space fans	\$12.00	For each unit
Chimney/liner/flue/vent	\$8.00	For each unit
Clothes dryer exhaust	\$12.00	For each unit
Decorative gas fireplace	\$12.00	For each unit
Ductwork – no appliance/appurtenance	\$10.00	For each unit
Evaporative cooler other than portable	\$12.00	For each unit
Floor furnace, including vent	\$18.00	For each unit
Flue vent for water heater or gas fireplace	\$12.00	For each unit
Furnace – greater than 100,000 BTU	\$22.00	For each unit
Furnace – up to 100,000 BTU	\$18.00	For each unit
Furnace/burner including duct work/vent/liner	\$18.00	For each unit
Gas or wood fireplace/insert	\$12.00	For each unit
Gas fuel piping outlets	\$15.00	For each unit
	\$3.50	additional gas outlets over 4
Heat pump	\$30.00	For each unit

CITY OF ONTARIO 2026-2027 MASTER FEE SCHEDULE

Attachment A

Hood served by mechanical exhaust, including ducts for hood	\$12.00	For each unit
Hydronic hot water system	\$25.00	For each unit
Installation or relocation domestic/type incinerator	\$25.00	For each unit
Mini split system	\$30.00	For each unit
Oil tank/gas diesel generators	\$18.00	For each unit
Pool or spa heater, kiln	\$18.00	For each unit
Range hood/other kitchen equipment	\$12.00	For each unit
Repair, alteration, or addition to mechanical appliance including installation of controls	\$15.00	For each unit
Suspended heater, recessed wall heater, or floor mounted heater	\$18.00	For each unit
Ventilation fan connected to single duct	\$12.00	For each unit
Ventilation system not a portion of heating or air-conditioning system authorized by permit	\$12.00	For each unit
Water heater	\$8.00	For each unit
Wood/pellet stove	\$12.00	For each unit
Other heating/cooling	\$20.00	For each unit
Other fuel appliance	\$25.00	For each unit
Other environment exhaust/ventilation	\$20.00	For each unit
Mechanical Permit Fee minimum	\$40.00	Minimum fee for residential installations
Mechanical Plan Review Fee	25% of Mechanical Permit Fee	For residential installations
Mechanical – Additional Plan Review (when applicable)	\$60.00 per hour	
State Surcharge	12% of Mechanical Permit Fee (or current state rate)	
COMMERCIAL Mechanical Permit	Per Structural Fee Table	Permit fees will be based on valuation of the project – see above Structural Commercial Permit Fee Table
Mechanical permit fee minimum	\$76.00	Minimum fee for commercial
Mechanical Plan Review Fee	40% of Mechanical Permit Fee	For commercial installations
Mechanical – Additional Plan Review (when applicable)	\$60.00 per hour	
State Surcharge	12% of Mechanical Permit Fee (or current state rate)	

CITY OF ONTARIO 2026-2027 MASTER FEE SCHEDULE

Attachment A

MANUFACTURED DWELLING INSTALLATION PERMIT FEE TABLE:

Manufactured homes – set-up and installation fee	\$175.00 – single wide \$275.00 – double wide \$375.00 – triple wide	Includes the concrete slab, runners or foundations that are prescriptive, electrical feeder and plumbing connections and all cross-over connections and up to 30 lineal feet of site utilities. Decks, other accessory structures, and foundations that are not prescriptive, utility connections beyond 30 lineal feet, new electrical services or additional branch circuits, and new plumbing – may require separate permits. All decks 30” above ground, carports, garages, porches, and patios are based on valuation and may also require separate permits.
State (Cabana) Fee	\$30.00	State required administrative fee

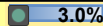
MANUFACTURED DWELLING PARK/RV PARK CONSTRUCTION (Area Development Permit):

The Area Development Permit fee to be calculated based on the valuations shown in Table 2 of OAR 918-600-0030 for Manufactured Dwelling/Mobile Home Parks and Table 2 of OAR 918-650-0030 for Recreational Park & Organizational Camp – and applying the valuation amount to Table 1 as referenced for each (Exhibit 1)


MISCELLANEOUS FEES:

Reinstatement fee for permits expired up to 6 months past their expiration date	\$40.00 for residential \$76.00 for commercial	Subject to State 12% surcharge
Reinstatement fee for permits expired more than 6 months, but less than one year past their expiration date	50% of original permit fee	Subject to State 12% surcharge
Permit Extension	\$40.00 for residential \$76.00 for commercial	Must apply before permit expiration date. Extends permit validity for 180 days.
Return Check Fee	\$25.00	
Other fees:		
Refund of any plan review that has been started or completed.	no refund	
Electrical/Plumbing Permits	Issued and inspected by Malheur County Building Department	

**CITY OF ONTARIO
GENERAL FUND - DEPARTMENT REVENUE
FOR THE PERIOD ENDED
DECEMBER 31, 2025**

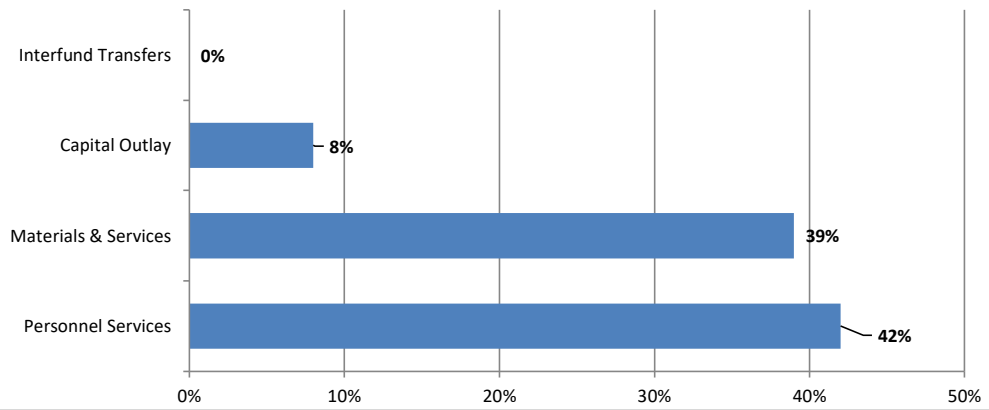
DEPARTMENT	BUDGET	ACTUAL	% REALIZED	COMMENTS
<i>GENERAL FUND BEGINNING FUND BALANCE</i>	4,695,701	7,617,616	162.2%	
Parks	111,020	77,654	69.9%	
Parks & Recreation	111,020	77,654	69.9%	
Fire	234,492	75,771	32.3%	
Code Enforcement	13,100	3,085	23.5%	
Police	746,885	394,919	52.9%	
Dispensary Business License	130,200	72,000	55.3%	
Public Safety Total	1,124,677	545,774	48.5%	
Interest	85,000	118,398	139.3%	
State Revenue Sharing	145,898	28,147	19.3%	
Administrative Services	497,148	248,574	50.0%	
Other General Revenues	8,000	30,313	378.9%	
Property Taxes	4,733,677	4,444,336	93.9%	
Alcohol Bvg License & Fee	212,129	60,286	28.4%	
Cigarette tax	7,005	2,942	42.0%	
Marijuana tax	2,500,000	-	0.0%	
Franchise Fees	1,877,480	451,853	24.1%	Quarterly payments
Cemetery	30,900	22,755	73.6%	
General Government Total	10,097,237	5,407,603	53.6%	
Planning & Zoning	4,000	1,431	35.8%	
Community development	4,000	1,431	35.8%	
Operating Transfers In	48,090	-	0.0%	
Transfer Total	48,090	-	0.0%	
GENERAL FUND REVENUE TOTALS	\$ 11,385,024	\$ 6,032,462	53.0%	
YTD CURRENT YEAR PROFIT(LOSS)		\$ 1,299,710		
YTD BUDGET BENCHMARK			50.0%	 3.0%

**CITY OF ONTARIO
GENERAL FUND - DEPARTMENT EXPENDITURES
FOR THE PERIOD ENDED
DECEMBER 31, 2025**

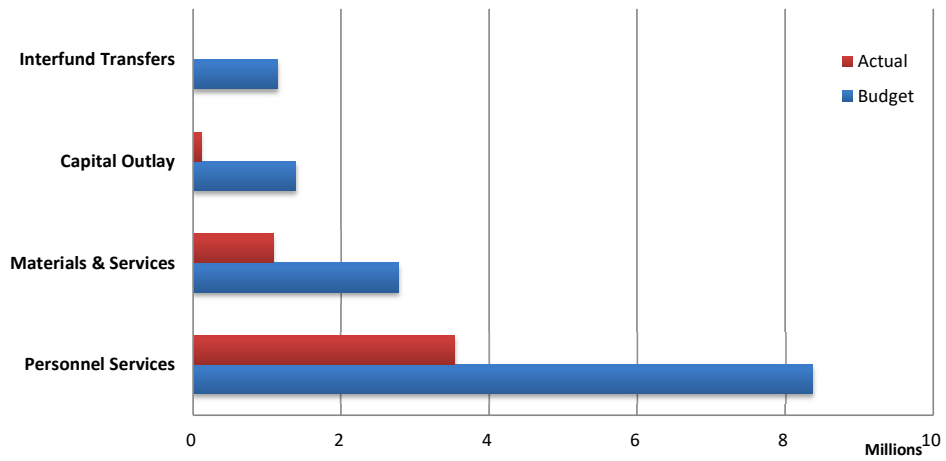
DEPARTMENT	BUDGET	ACTUAL	% EXPENDED	COMMENTS
Parks	476,419	76,286	16.0%	
Parks & Recreation	476,419	76,286	16.0%	
Fire	2,808,489	1,156,890	41.2%	
Code Enforcement	248,976	56,808	22.8%	
Police	6,004,047	2,311,024	38.5%	
Public Safety Total	9,061,512	3,524,722	38.9%	
Administration	638,385	269,623	42.2%	
City Council	31,857	7,719	24.2%	
Business Registration	1,100	263	23.9%	
Cemetery	140,823	70,413	50.0%	Jacobs contract prepaid
Finance	286,138	127,921	44.7%	
Technology	303,774	122,915	40.5%	
General Government Total	1,402,077	598,854	42.7%	
Community development	174,421	83,447	47.8%	
Community Development	174,421	83,447	47.8%	
Administrative Overhead	1,009,600	398,633	39.5%	
Non-Departmental Contributions	454,500	50,810	11.2%	
Other Total	1,464,100	449,443	30.7%	
Operating Transfers Out	1,090,544	-	0.0%	
GENERAL FUND TOTALS	\$ 13,669,073	\$ 4,732,752	34.6%	
YTD BUDGET BENCHMARK			50.0%	 15.4%

**CITY OF ONTARIO
GENERAL FUND - DEPARTMENT EXPENDITURES
FOR THE PERIOD ENDED
DECEMBER 31, 2025**

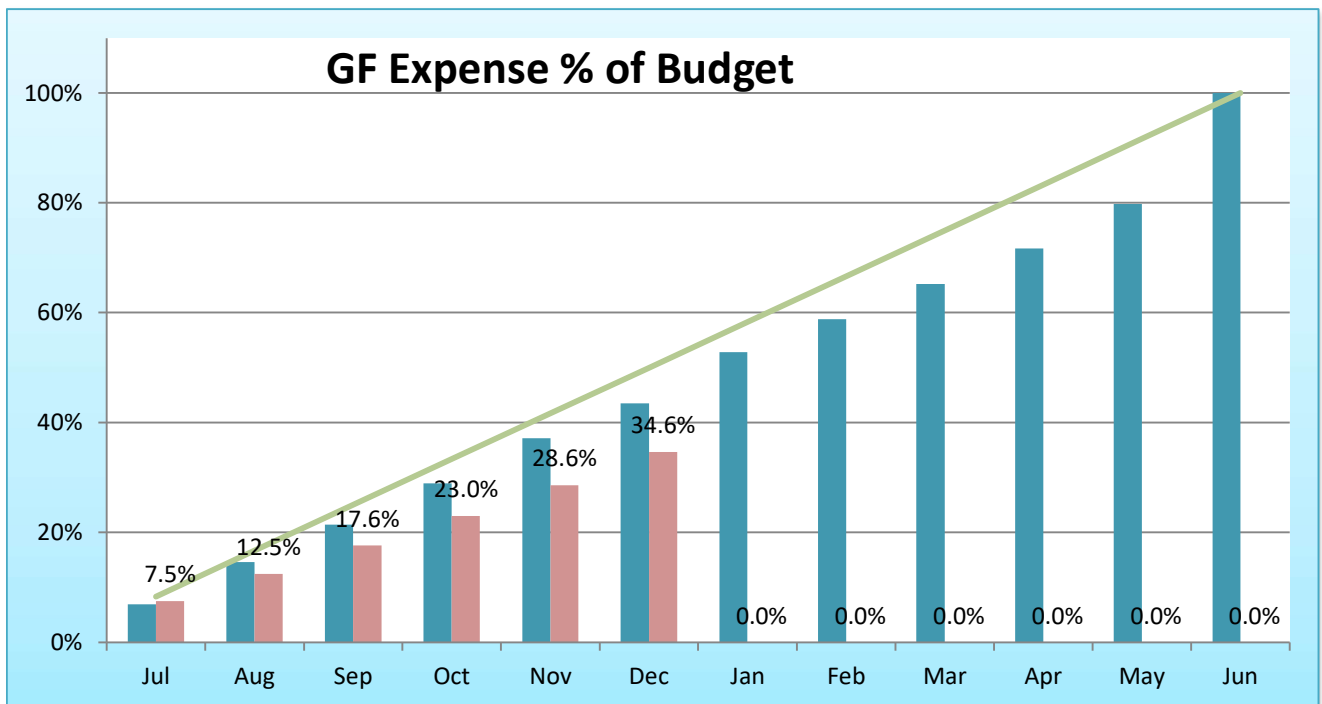
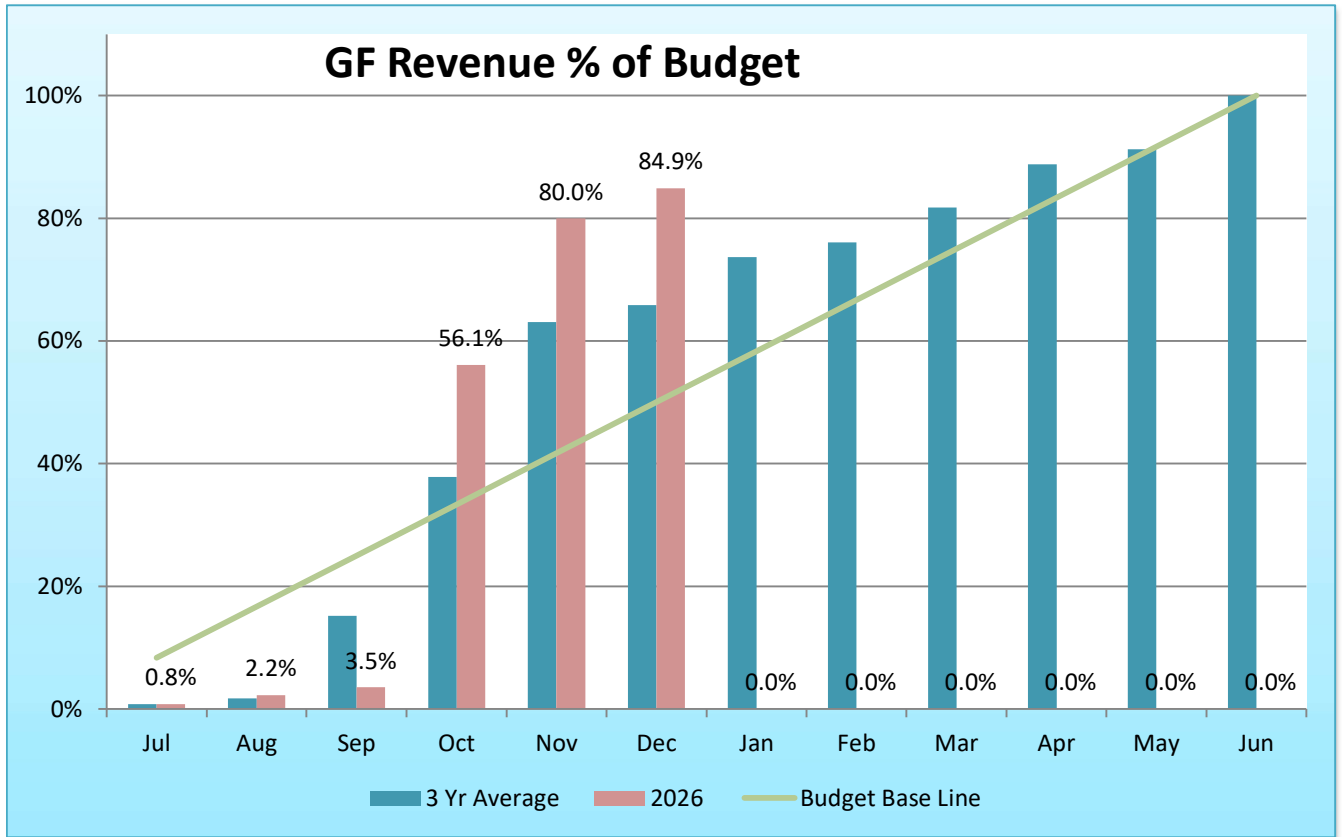
% Expended by Category



Budget to Actual by Category



**CITY OF ONTARIO
GENERAL FUND
FOR THE PERIOD ENDED
DECEMBER 31, 2025**



**CITY OF ONTARIO
OTHER FUNDS - EXPENDITURES
FOR THE PERIOD ENDED
DECEMBER 31, 2025**

DEPARTMENT/FUND	REVENUES				EXPENDITURES		
	BUDGET	ACTUAL	% REALIZED		BUDGET	ACTUAL	% EXPENDED
002 Marijuana Enforcement Fund	31,549	22,495	71.3%		31,549	8,674	27.5%
010 Grant Fund	1,774,077	445,410	25.1%		1,774,077	200,833	11.3%
027 Building Fund	957,103	102,321	10.7%		271,537	140,418	51.7%
030 Capital Projects Fund	6,144,414	6,345,118	103.3%		6,144,414	255,779	4.2%
031 SDC Fund	1,020,771	1,006,879	98.6%		1,020,771	-	0.0%
045 Street Fund	5,452,772	3,563,968	65.4%		5,452,772	1,448,111	26.6%
050 Trust Funds	1,452,158	1,152,271	79.3%		1,452,158	140,723	9.7%
055 Reserve Funds	4,401,625	4,249,976	96.6%		3,721,138	272,019	7.3%
060 Revolving Loan Fund	313,857	300,148	95.6%		313,857	50,000	15.9%
105 Water Fund	6,814,691	5,531,407	81.2%		5,557,324	2,080,025	37.4%
110 Sewer Fund	5,729,717	4,894,882	85.4%		4,613,711	1,731,313	37.5%
115 Storm Sewer Fund	492,466	446,312	90.6%		173,999	106,702	61.3%
120 Airport Fund	273,791	210,238	76.8%		273,791	274,838	100.4%
125 Aquatic Fund	1,029	1,029	100.0%		1,029	-	0.0%

Comments:

YTD BUDGET BENCHMARK

50.0%



ONTARIO
OREGON

Public Works Department

QUARTERLY PRESENTATION OCTOBER - DECEMBER 2025

Engineering Development Review & Special Projects



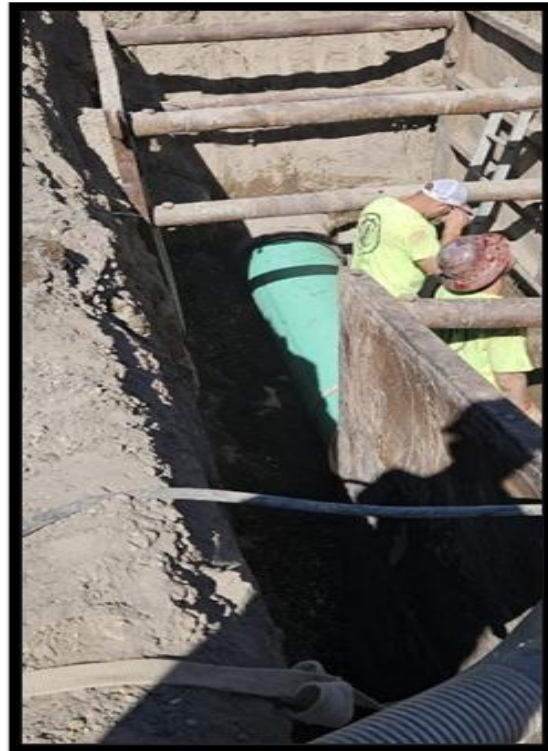
- 18 Right of Way permits issued
- 5 PDAC meetings held
- 1 Address changes or additions
- Multiple Plan reviews
- Construction inspections: Airport Fence, BLM Way, SE 12th Ave/SE 1st St
- Collections system rehab project kick off meeting



Engineering Development Review & Special Projects



- Moore Park construction inspection
- City Hall Alarm Upgrade
- WTP Floc Mechanism



Water Treatment Plant



- Removed #2 filter media
- Submitted the annual Water Use Report
- Demolition on the Flocculator in Clarifier #1
- Received new River intake pump



Water Treatment Plant



Wastewater Treatment Plant

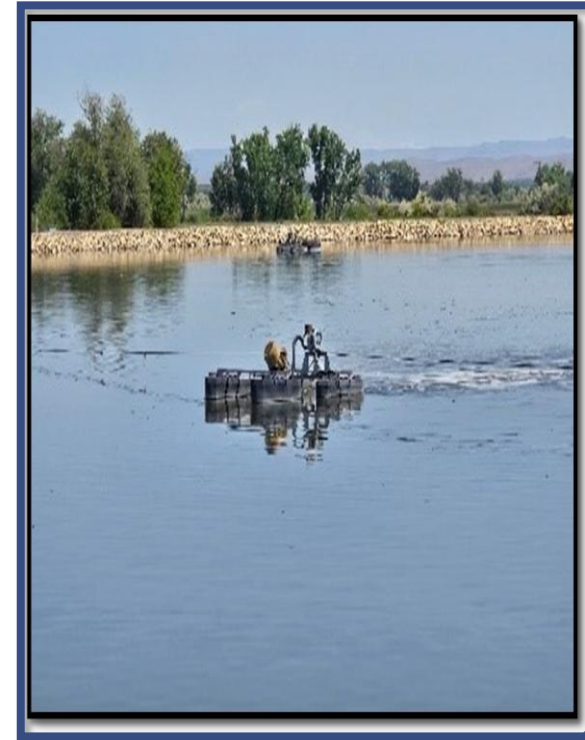


ONTARIO
OREGON

- Replaced the level sensor in Skyline Lagoon
- Replaced Cells in the Michro Chlor generator
- Started flowing to outfall 001 in November
- Internal Lab Audit



Wastewater Treatment Plant



Buildings, Parks & Cemeteries



- Disced the weeds from the Old Golf course an Airport
- 15 funerals at Evergreen and 0 funeral at Sunset Cemetery
- Remove the flower down town
- Shut off and winterized the irrigation systems trough out town
- Hung lights on the Lion's Park Christmas tree



Building, Parks & Cemeteries



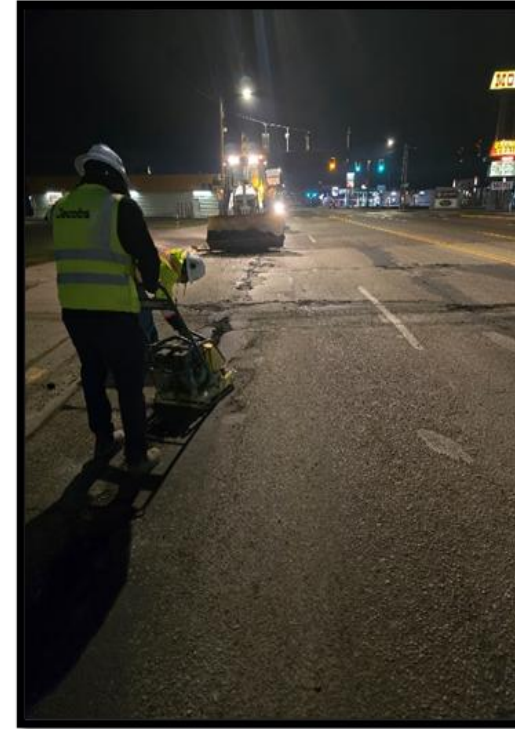
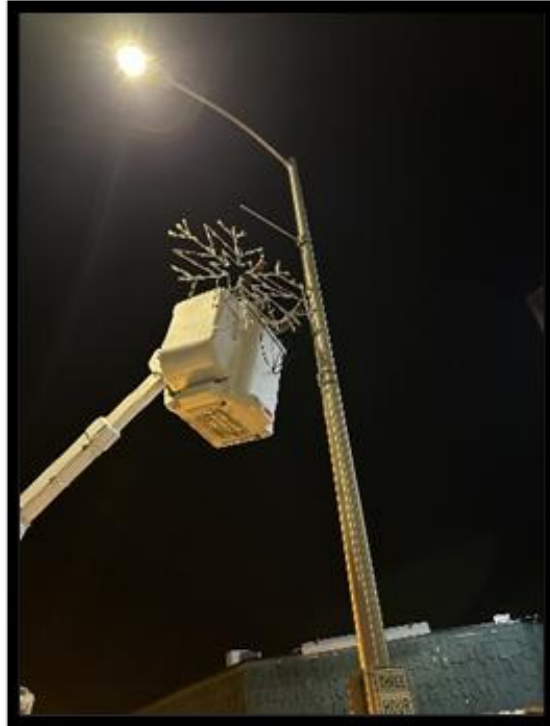
Field Services



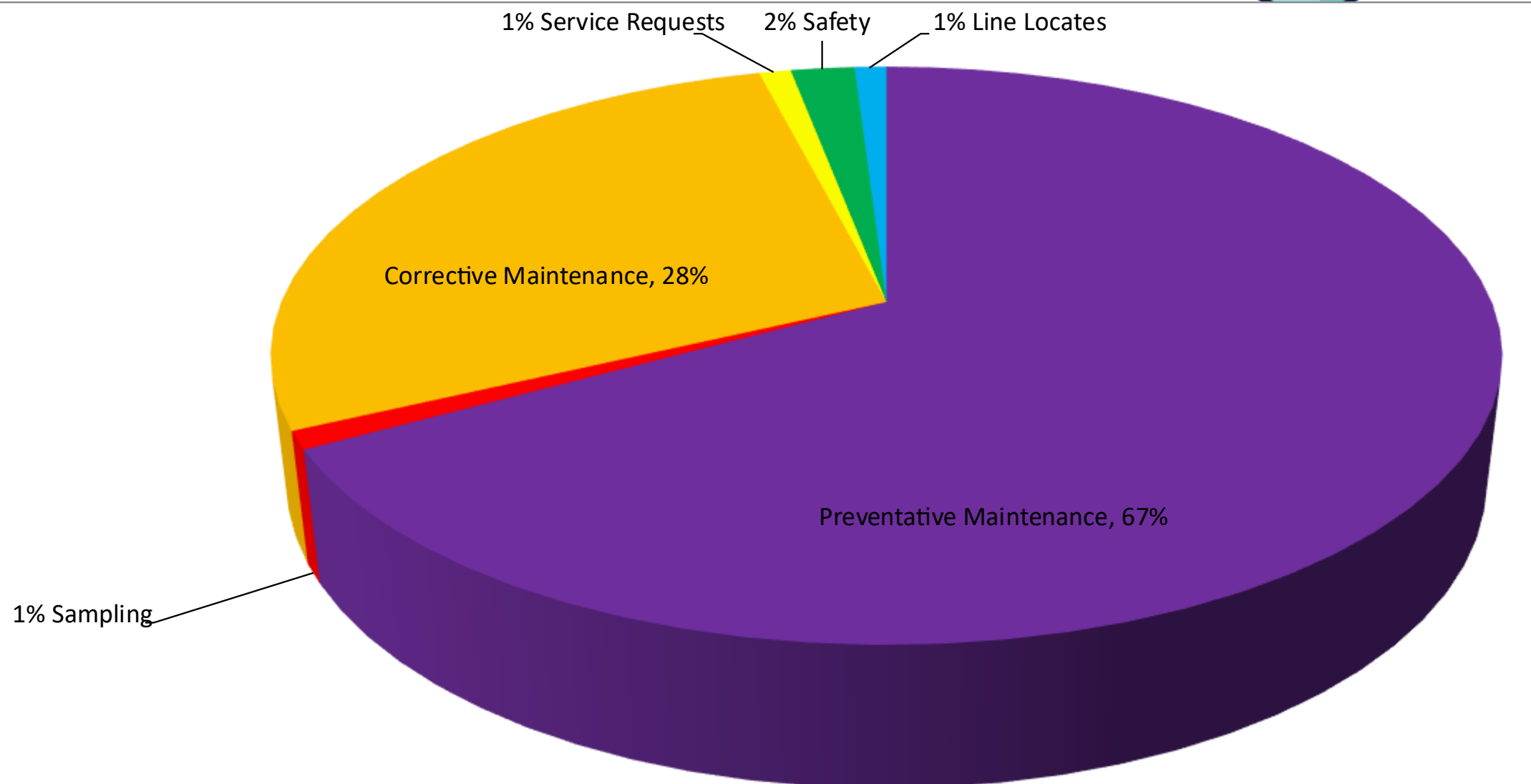
- Installed 7 new water service
- Replaced 148 water meters that failed
- 135 utility locates completed
- Holiday banners and lit decorations installed
- Cleaned all storm catch basins
- Primary and secondary routes swept, full town sweeping completed as well
- Fall Leaf pickup completed
- Pothole repair through out town



Field Services: Streets & Collection/Distribution



Department Summary





ONTARIO
OREGON

Questions?



MALHEUR COUNTY COURT MINUTES

January 28, 2026

The regularly scheduled meeting of the County Court was called to order by Judge Dan Joyce at 9:00 a.m. with Commissioner Ron Jacobs and Commissioner Jim Mendiola present. Judge Joyce led the Pledge of Allegiance. Members of the media, public and staff had the opportunity to join the meeting electronically or in person. Present in the meeting room were Administrative Officer Lorinda DuBois, Economic and Community Development Coordinator Taylor Rembowski, Sheriff Travis Johnson, and Treasurer/Tax Collector Jennifer Forsyth. Notice of the meeting was posted on the County website, Courthouse bulletin board, and emailed to the Argus Observer and those persons who have requested notice. The agenda is recorded as instrument # [2026-0396](#)

LANDFILL

Environmental Health Director Evan Magner met with the Court and requested authorization to waive disposal fees at Lytle Blvd. Landfill for refuse collected on BLM ground. Backcountry Deputy Perkins is finding a lot of dumped refuse and is working with BLM to cleanup some of the areas. Mr. Magner suggested waiving the disposal fees for the debris collected; larger items would need dismantled and separated as not all materials are accepted at the landfill (and possibly incur a disposal fee). The County's contract with the landfill contractor provides that the County may dispose of up to 15,000 pounds of waste per year without paying fees. Mr. Magner has spoken with Chad Gerulf (contractor) and DEQ. The tonnage will be tracked and included in the County's annual report to DEQ; it is not anticipated that the cleanup project will greatly impact the annual tonnage amount allowed under the County's DEQ permit. After discussion, Commissioner Mendiola moved to approve waiver of fees at the landfill for disposal of garbage collected on BLM property in conjunction with the BLM cleanup project. Commissioner Jacobs seconded the motion on the condition that the Federal government cooperate with the County in efforts to control the accumulation of refuse on federal property within Malheur county, and the motion passed unanimously.

Vote: RJ/JM/DJ in favor. Approved.

COURT MINUTES

Commissioner Mendiola moved to approve Court Minutes of January 21, 2026 as written. Commissioner Jacobs seconded and the motion passed unanimously.

Vote: JM/RJ/DJ in favor. Approved.

SUPPLEMENTAL BUDGET RESOLUTION

Commissioner Jacobs moved to approve Resolution No. R26-05: In the Matter of Fiscal Year 2025/2026 Supplemental Budget by Resolution Under Local Budget Law ORS 294.471. Commissioner Mendiola seconded and the motion passed unanimously. The purpose of the supplemental budget is to allocate grant funds in the Jail budget from the Oregon State Police CJIS Division that were not anticipated when the budget was adopted – these funds are to be used in purchasing a new Livescan. See instrument # [2026-0397](#)

Vote: RJ/JM/DJ in favor. Approved.

CORRESPONDENCE – OWYHEE LEGISLATION

Commissioner Jacobs moved to sign a letter to Senator Ron Wyden and Representative Cliff Bentz regarding the Owyhee legislation. Commissioner Mendiola seconded and the motion passed unanimously. The Owyhee Basin Stewardship Coalition (OBSC) met with the Court in December and requested a letter of support for Representative Cliff Bentz's Oregon Owyhee Wilderness and Community Protection Act. See instrument # [2026-0398](#)

Vote: RJ/JM/DJ in favor. Approved.

EXECUTIVE SESSION

Executive Session was held in accordance with ORS 192.660(2)(h) (Legal Counsel) with Judge Joyce presiding and Commissioner Jacobs and Commissioner Mendiola present. Also present were County Counsel Stephanie Williams, Administrative Officer Lorinda DuBois, Treasurer/Tax Collector Jennifer Forsyth; and present electronically were Tax/Treasurer Management Assistant Angie Micheli and Antonio Sunseri with the Argus Observer. No decisions were made during the session.

OUTSIDE LEGAL COUNSEL

Commissioner Jacobs moved to authorize County Counsel and the Treasurer/Tax Collector to hire an attorney to represent Malheur County in responding to a subpoena and any other legal matters that may arise in the Lynch v. Multnomah County district court lawsuit. Commissioner Mendiola seconded and the motion passed unanimously.

Vote: RJ/JM/DJ in favor. Approved.

REALTOR – TAX FORECLOSED PROPERTY

Ms. Forsyth and Ms. Williams discussed the need to hire a realtor to market homes the County acquires by Tax Foreclosure as the homes were the primary residence of the landowners (HB 2089 (2025)). The County acquired three homes in January; the properties need cleaned up, one needs a tree removed, and occupants need removed. The homes are valued under \$250,000 so an appraiser is not required. The new law provides that the County can choose the process it exercises to obtain a realtor. The County could develop a process to solicit for interested realtors along with a selection process; or the County could directly appoint a realtor. If a property does not sell within 12 months with a realtor, then the County can sale the property at auction.

PUBLIC COMMENTS

Judge Joyce asked for comments from the public; no public comments were received.

COURT ADJOURNMENT

Commissioner Jacobs moved to adjourn the meeting. Commissioner Mendiola seconded and the motion passed unanimously.

Vote: RJ/JM/DJ in favor. Approved.

Accounts Payable

Checks by Date - Summary by Check Date

User: kari.ott
 Printed: 2/19/2026 10:54 AM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
ACH	880050	Linsay Norman, DVM	01/07/2026	1,500.00
134092	880048	IGT Construction, LLC	01/07/2026	500.00
134094	037600	AT&T	01/07/2026	28.18
134095	879455	Carquest Auto Parts	01/07/2026	240.11
134096	637828	Century Link Communications, LLC	01/07/2026	37.58
134097	216000	D & B Supply Company	01/07/2026	25.16
134098	UB*12296	BRUCE ERLEBACH	01/07/2026	31.93
134099	&509	Matsy's Restaurant & Catering	01/07/2026	45.00
134100	879012	State of Oregon Dept of Public Safety Stan	01/07/2026	45.00
134101	333809	State of Oregon Government Ethics Commi	01/07/2026	1,684.40
134102	879551	Painter Holdings & Business Ventures, Inc.	01/07/2026	19.50
134103	879226	PortaPros	01/07/2026	627.00
134104	879469	SBRK Finance Holdings, Inc.	01/07/2026	1,960.00
134105	T7125	Snake River Valley EAA Chapter 837	01/07/2026	618.00
134106	130950	Sparklight Business	01/07/2026	140.62
134107	704400	Star Fire District	01/07/2026	1,443.36
134108	879764	T&Z Hardware, Inc.	01/07/2026	5.46
134109	788402	TransUnion Risk & Alternative Data Soluti	01/07/2026	100.00
134110	863995	White Cloud Communications-Boise, Inc.	01/07/2026	4,294.35
134111	879059	Help Them to Hope	01/07/2026	4,000.00
134112	880048	IGT Construction, LLC	01/07/2026	3,092.66
134113	879845	Student Loan Fund of Idaho Marketing Ass	01/07/2026	2,875.00
Total for 1/7/2026:				23,313.31
134116	376000	Idaho Power	01/08/2026	2,263.78
134117	879733	Waste Connections of Oregon, Inc.	01/08/2026	461.87
Total for 1/8/2026:				2,725.65
134118	880051	Jeremy Beaumont	01/12/2026	899.99
Total for 1/12/2026:				899.99
134119	0143466	Amazon Capital Services	01/13/2026	589.67
134120	626400	Campo & Poole Distributing, LLC	01/13/2026	7,410.91
134121	232601	Decatur Electronics, LLC	01/13/2026	180.00
134122	879640	James C. Ferraris	01/13/2026	9,011.36
134123	303800	Frank's Extinguisher Service	01/13/2026	92.99
134124	879700	Richard Frazier	01/13/2026	190.78
134125	UB*12297	MELINDA HOLDERNESS	01/13/2026	87.57
134126	451600	Malheur County Administration Office	01/13/2026	200.00
134127	461607	MicroTechnology Systems, Inc.	01/13/2026	12,279.00
134128	602320	NAPA Auto Parts	01/13/2026	49.98
134129	880016	Nelson Tire, LLC	01/13/2026	913.55
134130	879301	Net Assets Corporation	01/13/2026	330.00
134131	596071	Ontario Volunteer Firefighters Association	01/13/2026	47.99

Check No	Vendor No	Vendor Name	Check Date	Check Amount
134132	240100	State of Oregon Dept of Consumer & Busir	01/13/2026	2,597.93
134133	642093	Red's Automotive Repair, Inc.	01/13/2026	982.72
134134	880003	T-Mobile	01/13/2026	31.70
134135	879553	Training & Employment Consortium	01/13/2026	238.95
134136	879742	Trinity Health Epic - PP	01/13/2026	100.00
134137	879733	Waste Connections of Oregon, Inc.	01/13/2026	296.99
134138	879635	Western Building Maintenance, Inc.	01/13/2026	3,846.83
134139	190549	Wienhoff Drug Testing	01/13/2026	75.00
134140	0143466	Amazon Capital Services	01/13/2026	94.95
134141	879530	Nicholas Ducote	01/13/2026	880.00
134142	879762	Engineering Northwest, LLC	01/13/2026	6,400.00
134143	412500	Keller Associates, Inc.	01/13/2026	13,570.00
134144	0143466	Amazon Capital Services	01/13/2026	104.15
134145	879762	Engineering Northwest, LLC	01/13/2026	13,240.00
Total for 1/13/2026:				73,843.02
134146	879637	Bryant Lovlien & Jarvis PC Attorneys at La	01/20/2026	4,200.00
134147	144000	Cascade Natural Gas Corporation	01/20/2026	1,145.70
134148	879451	CDR Labor Law, LLC	01/20/2026	2,852.50
134149	637830	Century Link	01/20/2026	530.73
134150	336784	G.W., Inc.	01/20/2026	434.00
134151	879641	Garrett's Dry Cleaning, LLC	01/20/2026	27.49
134152	333890	Graphix Wear	01/20/2026	204.00
134153	441140	Looks Nu, Inc.	01/20/2026	140.00
134154	461607	MicroTechnology Systems, Inc.	01/20/2026	311.94
134155	880016	Nelson Tire, LLC	01/20/2026	860.56
134156	500400	Norco, Inc.	01/20/2026	141.66
134157	&690	Oregon City/County Management Associati	01/20/2026	338.94
134158	582152	State of Oregon Department of Aviation	01/20/2026	75.00
134159	516494	State of Oregon Department of Transportati	01/20/2026	332.04
134160	528405	Oster Professional Group, CPA's PC	01/20/2026	28,301.53
134161	672453	Sea Western Fire Fighting Equipment Sea-\	01/20/2026	2,260.06
134162	689005	Chad Sombke, Ph.D., PC	01/20/2026	500.00
134163	879680	U.S. Bank Equipment Finance	01/20/2026	1,497.00
134164	879151	Larvik Disposal Company	01/20/2026	50.24
134165	863995	White Cloud Communications-Boise, Inc.	01/20/2026	415.00
134166	880017	Granite Construction Company	01/20/2026	370,215.73
134167	644110	Riverside, Inc.	01/20/2026	42,476.66
134168	774300	Tate T. Turner	01/20/2026	380.00
Total for 1/20/2026:				457,690.78
ACH	878915	Jacobs Engineering Group, Inc.	01/21/2026	3,480.00
ACH	878915	Jacobs Engineering Group, Inc.	01/21/2026	83,038.82
ACH	878915	Jacobs Engineering Group, Inc.	01/21/2026	548,870.13
Total for 1/21/2026:				635,388.95
ACH	880033	GreenWorks P.C.	01/26/2026	22,858.26
ACH	880050	Linsay Norman, DVM	01/26/2026	632.80
ACH	878915	Jacobs Engineering Group, Inc.	01/26/2026	541,835.05
134169	0143466	Amazon Capital Services	01/26/2026	233.52
134170	033300	Argus Observer 117-A	01/26/2026	70.37
134171	879745	AT&T Mobility, LLC	01/26/2026	2,066.57
134172	21409	Big Sky Sportswear	01/26/2026	568.65

Check No	Vendor No	Vendor Name	Check Date	Check Amount
134173	262000	Eastside Florist	01/26/2026	58.00
134174	879653	FileOnQ, Inc	01/26/2026	650.00
134175	376000	Idaho Power	01/26/2026	2,337.74
134176	879417	LightSpeed Networks, Inc.	01/26/2026	1,398.86
134177	879363	Danielle Llamas	01/26/2026	200.00
134178	&509	Matsy's Restaurant & Catering	01/26/2026	30.00
134179	461607	MicroTechnology Systems, Inc.	01/26/2026	6,350.10
134180	282601	Oregon State Police	01/26/2026	1,048.44
134181	T7125	Snake River Valley EAA Chapter 837	01/26/2026	618.00
134182	879553	Training & Employment Consortium	01/26/2026	424.80
134183	288897	Verizon	01/26/2026	338.43
134184	879736	Desert Sage Event Center	01/26/2026	10,598.03
134185	&260	Four Rivers Cultural Center	01/26/2026	84,761.81
134186	539200	Ontario Area Chamber of Commerce	01/26/2026	69,284.22
134187	285632	Ferguson Waterworks #1701	01/26/2026	41,180.52
134188	333895	Grant Mechanical, Inc.	01/26/2026	8,031.85
134189	879896	RH2 Engineering, Inc.	01/26/2026	2,034.37

Total for 1/26/2026:

797,610.39

134190	879797	Ken H. Abbott	01/27/2026	1,500.00
134191	879808	Cy A. Armstrong	01/27/2026	1,500.00
134192	880085	Joseph James Arritola	01/27/2026	6,000.00
134193	879798	Mark C Bateman	01/27/2026	1,500.00
134194	879810	Thomas C Beaumont	01/27/2026	1,500.00
134195	879799	Kelly Bennett	01/27/2026	1,500.00
134196	879563	Andrew P Bentz	01/27/2026	1,500.00
134197	880041	Jacob Blundred	01/27/2026	1,500.00
134198	879572	Scott S Browen	01/27/2026	1,500.00
134199	879842	Cody J. and Jenna Cannon	01/27/2026	1,500.00
134200	880094	CAPS Wholesale, LLC	01/27/2026	220,000.00
134201	879779	Maria Guadalupe Carrillo	01/27/2026	1,500.00
134202	879726	Mark L Clark	01/27/2026	1,500.00
134203	880081	Joshua G Cleaver	01/27/2026	6,000.00
134204	880001	Crystal Payan Corona	01/27/2026	1,500.00
134205	880011	Ramiro A Corona	01/27/2026	1,500.00
134206	879573	Chad and Carrie Costello	01/27/2026	1,500.00
134207	879780	Peggy Daugherty	01/27/2026	1,500.00
134208	879891	Elva L de Boer	01/27/2026	1,500.00
134209	879908	Mary Beth De Bord	01/27/2026	1,500.00
134210	879880	Bo J. De Forest	01/27/2026	1,500.00
134211	879832	Jonathan De Leon	01/27/2026	1,500.00
134212	879939	Salesta C Frasc	01/27/2026	1,500.00
134213	879800	Juana Carolina Gomez	01/27/2026	1,500.00
134214	879927	Meagan Nicole Gray	01/27/2026	1,500.00
134215	879557	Troy C Hansen	01/27/2026	1,500.00
134216	879731	James Frederick Harrington	01/27/2026	1,500.00
134217	880010	Terrill Hashagen	01/27/2026	1,500.00
134218	880015	Erika Hernandez	01/27/2026	1,500.00
134219	880088	Scott D Holland	01/27/2026	6,000.00
134220	880091	Rachael H Holtry	01/27/2026	646.00
134221	880002	Charlene LaRae Hughes	01/27/2026	1,500.00
134222	879560	Taylor Jewkes	01/27/2026	1,500.00
134223	879674	Ernesto Juarez	01/27/2026	1,500.00
134224	880087	Edgar Juarez-Perez	01/27/2026	6,000.00
134225	879669	Thomas C Keim	01/27/2026	1,500.00
134226	880089	Michael G and Susan M Kurth	01/27/2026	4,178.00

Check No	Vendor No	Vendor Name	Check Date	Check Amount
134227	880090	Lauren Hoshaw	01/27/2026	714.67
134228	879558	Megan Lowder	01/27/2026	1,500.00
134229	879559	Lisa Maeda	01/27/2026	1,500.00
134230	879877	Leonel Dionicio Martinez	01/27/2026	1,500.00
134231	879556	Dustin Andrew Martinsen	01/27/2026	1,500.00
134232	879725	Jacob Lionel May	01/27/2026	1,500.00
134233	880082	Dorinda Mc Pheeters	01/27/2026	6,000.00
134234	879696	KC Meiwald	01/27/2026	1,500.00
134235	879993	Elizabeth S. Muniz	01/27/2026	534.86
134236	879603	Christina Marie Musser	01/27/2026	1,500.00
134237	880083	Edwin D Nelson	01/27/2026	6,000.00
134238	879813	Dorena R. Newman	01/27/2026	1,500.00
134239	880044	Patricia M Nickols	01/27/2026	1,500.00
134240	880028	Tammy Ann Orme	01/27/2026	1,245.44
134241	880084	Oscar Paniagua	01/27/2026	6,000.00
134242	879730	Norman Alexander Poole	01/27/2026	1,500.00
134243	879928	Kathleen Jo. Pozzi	01/27/2026	1,500.00
134244	879616	Donald L. and Elayne M. Ray	01/27/2026	1,500.00
134245	879538	Lisa L. Reeser	01/27/2026	1,500.00
134246	879909	Paul Revelle	01/27/2026	1,500.00
134247	879776	Anthony Salomone	01/27/2026	1,500.00
134248	879949	Kevin Mauricio Sanchez-Gonzalez	01/27/2026	1,500.00
134249	879881	Raquel Sandoval-Gonzalez	01/27/2026	1,500.00
134250	879901	Zachary Adam Schacher	01/27/2026	1,500.00
134251	879919	Christopher Frank Scott	01/27/2026	1,500.00
134252	879588	Cody and Ashey Servis	01/27/2026	1,500.00
134253	879814	Stephanie Marie Sesker	01/27/2026	1,500.00
134254	879561	Gregory W and Kristia M Simmons	01/27/2026	1,500.00
134255	879854	Linda Thode Smith	01/27/2026	1,500.00
134256	879599	Gary T Taylor	01/27/2026	1,500.00
134257	879590	Yvette Tuckness	01/27/2026	1,500.00
134258	879938	James Millard Walker	01/27/2026	1,500.00
134259	879604	Michael K. Walker	01/27/2026	1,500.00
134260	879879	Gary Wentzel	01/27/2026	1,500.00
134261	879668	Stephanie A Wilson	01/27/2026	1,500.00
Total for 1/27/2026:				357,818.97
134263	642081	CASH	01/29/2026	3,000.00
Total for 1/29/2026:				3,000.00
134264	880080	Charles Burton	01/30/2026	1,000.00
134265	637830	Century Link	01/30/2026	596.00
134266	376000	Idaho Power	01/30/2026	1,543.30
134267	879882	Malheur County Building Department	01/30/2026	589.50
134268	UB*12299	SUZIE NISHIHARA	01/30/2026	116.66
134269	UB*11408	NORTHGATE-ATTN OFFICE	01/30/2026	9.73
134270	539200	Ontario Area Chamber of Commerce	01/30/2026	120.00
134271	T242	State of Oregon Office of the Secretary of S	01/30/2026	450.00
134272	879424	Benjamin Henry Schlupe	01/30/2026	100.00
134273	UB*12298	ZOILA SILVAN	01/30/2026	11.43
134274	878977	Snake River Valley Chief's Associaton	01/30/2026	200.00
134275	879635	Western Building Maintenance, Inc.	01/30/2026	3,846.83
134276	879898	Avidity Solutionz	01/30/2026	7,469.70
134277	22427	Conсор North America, Inc.	01/30/2026	2,549.75
134278	285632	Ferguson Waterworks #1701	01/30/2026	3,972.56

Check No	Vendor No	Vendor Name	Check Date	Check Amount
134279	879138	Stantec Consulting Services, Inc.	01/30/2026	2,119.75
134280	704400	Star Fire District	01/30/2026	1,000.00
Total for 1/30/2026:				25,695.21
Report Total (192 checks):				2,377,986.27

City of Ontario, Oregon

2026-2027 Budget Calendar



Departments Prepare Requested Budget Documents	January 1, 2026 through March 31, 2026
Departments Turn in Budget Documents to Finance	April 1, 2026
Finance Prepare Requested/Proposed Budget	April 1 through April 17, 2026
Proposed Budget Reviewed with Departments	April 20 through April 30, 2026
Proposed Budget prepared by City Manager and Finance for Budget Committee	May 1 through May 12, 2026
Publish First Notice of Budget Committee Meeting (5 to 30 days before meeting)	May 6, 2026
Proposed Budget made available to Budget Committee and Public	May 12, 2026
Publish Second Notice of Budget Committee Meeting (5 days before meeting)	May 13, 2026
Budget Committee Meetings (Budget Committee approves budget) (Budget Committee approves state revenue sharing)	May 26 through May 28, 2026
Prepare Budget Summary	May 29, 2026 through May 31, 2026
Publish Budget Summary and Notice of Budget Hearing (5 to 30 days before hearing)	June 1, 2026
Public Hearing by City Council	June 23, 2026
City Council Adopts Budget, Makes Appropriations, Imposes Taxes, and Categorizes Taxes, Election to Receive State Revenues	June 23, 2026
Certify Taxes to County Assessor	By July 15, 2026
File Budget Document with County Clerk	By September 30, 2026