



Budget Meeting

Day 1: March 8, 2022



Thank You Budget Committee!



Riley Hill, Mayor
Ken Hart, Council President
Michael Braden
John Kirby
Sam Baker
Eddie Melendrez
Susann Mills
Darin Bell
Judy Snyder
LeRoy Cammack
Lynn Johnson
David Armstrong
David Sullivan
Lee Newman



Staff Thank You

Budget Preparation Staff

- Kari Ott, Finance Director
- Adam Brown, City Manager
- May Swihart, Assistant to the City Manager
- Justin Zysk, Airport Manager

Department Heads and Staff

- Dan Cummings
- Tori Barnett
- Terry Leighton
- Sheri Smith
- Steve Bartol
- Jason Cooper
- Michael Iwai
- Casey Mordhorst
- Paul Woods

GFOA Award

Standard of Excellence

CORE Values of
Commitment and
Openness



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Ontario
Oregon**

For the Fiscal Year Beginning

July 01, 2021

Christopher P. Morill
Executive Director

City CORE Values

COMMITMENT

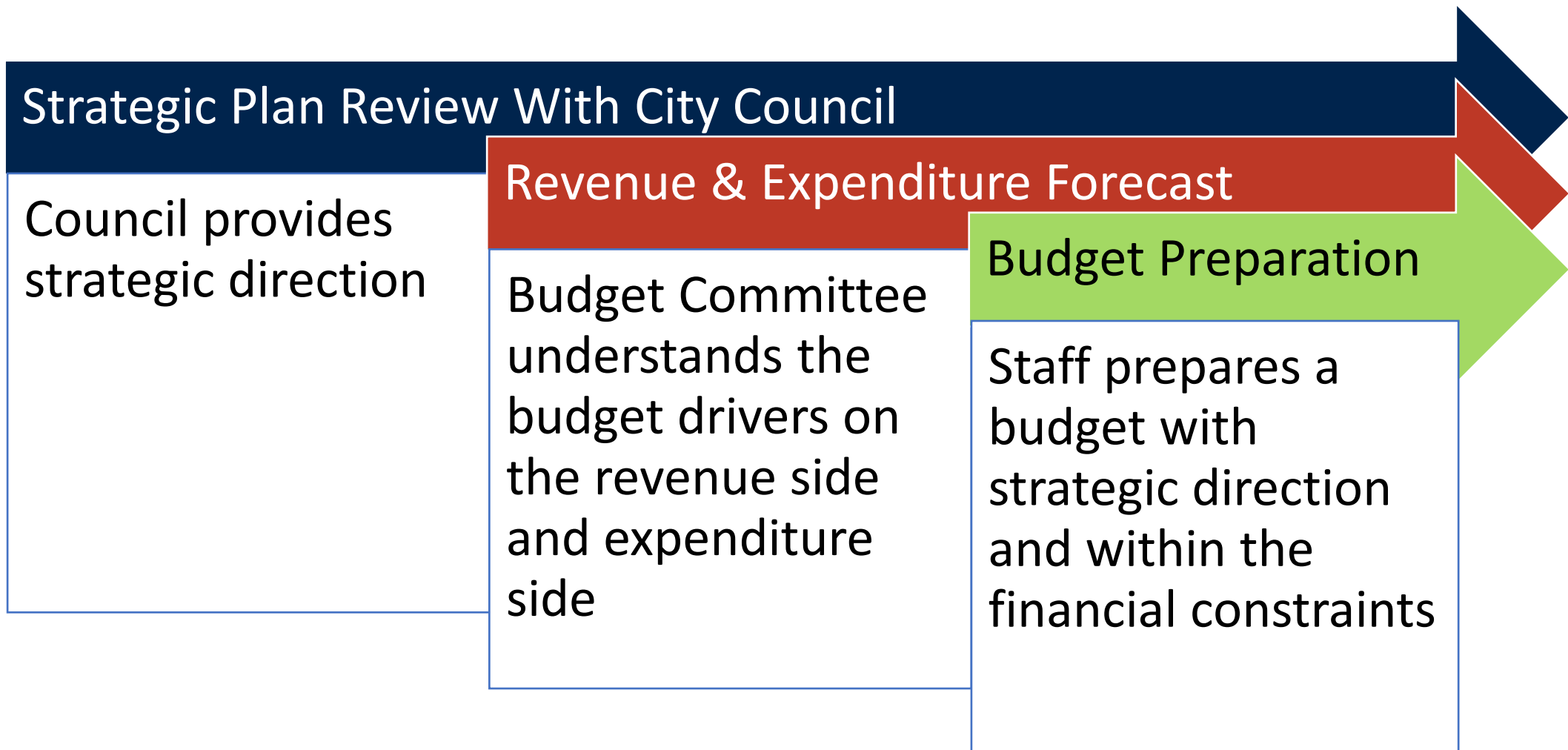
OPENNESS

RESPECT

EFFICIENCY



Budget Process



Strategic Plan



ONTARIO
CITY COUNCIL

LIFESTYLE

STRATEGIC PLAN
2019-2023

ONTARIO
CITY COUNCIL

GROWTH

STRATEGIC PLAN
2019-2023

ONTARIO
CITY COUNCIL

FINANCIAL STABILITY

STRATEGIC PLAN
2019-2023

Year 5

ONTARIO
CITY COUNCIL

EDUCATION

STRATEGIC PLAN
2019-2023

ONTARIO
CITY COUNCIL

BEAUTIFICATION

STRATEGIC PLAN
2019-2023

ONTARIO
CITY COUNCIL

DESIRABILITY

STRATEGIC PLAN
2019-2023

Accomplishments

- Wayfinding signs under fabrication
- Added security cameras to additional parks and downtown
- 23 New Housing Incentive Program applicants CY 2021.
- New detective hired
- Completed \$2.5 million CDBG wastewater line replacement
- Safe Routes to School program engineering complete
- Acquired land from Kraft Heinz for the Tater-Tot Trail and applied for NPS Predesign grant
- Rescue 1 replacement bid documents are under review
- Crack sealed 8 lane miles
- Chip sealed West Idaho, Verde, and NW 9th St. (8 miles)
- Hauled 85 dump truck loads for fall cleanup
- Free dump service on Serve Day
- More downtown activities
- Acquired Looks Nu Property for downtown attraction
- SE 5th Avenue Pedestrian Project engineering finished
- Gazebo relocated to Moore Park
- Decorative light poles going in downtown
- Diversity training rolled out by Diversity Advisory Committee
- Engineered utility improvements for Navarette, Treasure Valley 200, Park Boulevard, and Airport
- Two multifamily housing units under construction
- Opened Goodfellow Road to SE 5th Avenue
- Water Master Plan Complete
- 13 New hangers under construction
- Design for second water cassette complete

Park Match Program

 5 New Benches at Rotary Park

 Rock Sign



SE 5th Avenue



Ready for Construction This Calendar Year

Façade Grant Program



Beck Kiwanis Bath

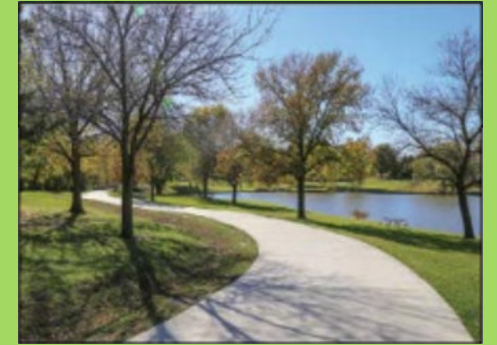
The Beck Kiwanis Bathroom remodel is out for bid.



Budget Theme



INVESTING IN THE FUTURE
of Ontario



Ontario Promise

Investing in the Future of our Youth

- \$100 into an education savings account for each student in Kindergarten, 3rd, 6th, 9th, and 12th grades



Financial Freedom

Paying Down the PERS Unfunded
Accrued Liability with a target of 95%
funded

This budget proposes another
addition to the side account of
\$1,583,689

Creating over \$1 million in capacity
and fending off future increases

OREGON
PERS



*75 years of serving
those who serve Oregon*

Tater Tots Trail



Funding for the Tater Tots Trail and Downtown Attraction Design

Creating a place where there are things to do



Priming the Community

Investments in final engineering

Treasure Valley 200 – Utilities

- Business

Navarrete – Utilities

- Business

Airport – Utilities

- Self-sustaining Airport

Park Boulevard Extension – Road

- Residential



Water Capacity

Protecting Water Capacity
for the Future

2 Million Gallons per Day
(MGD)

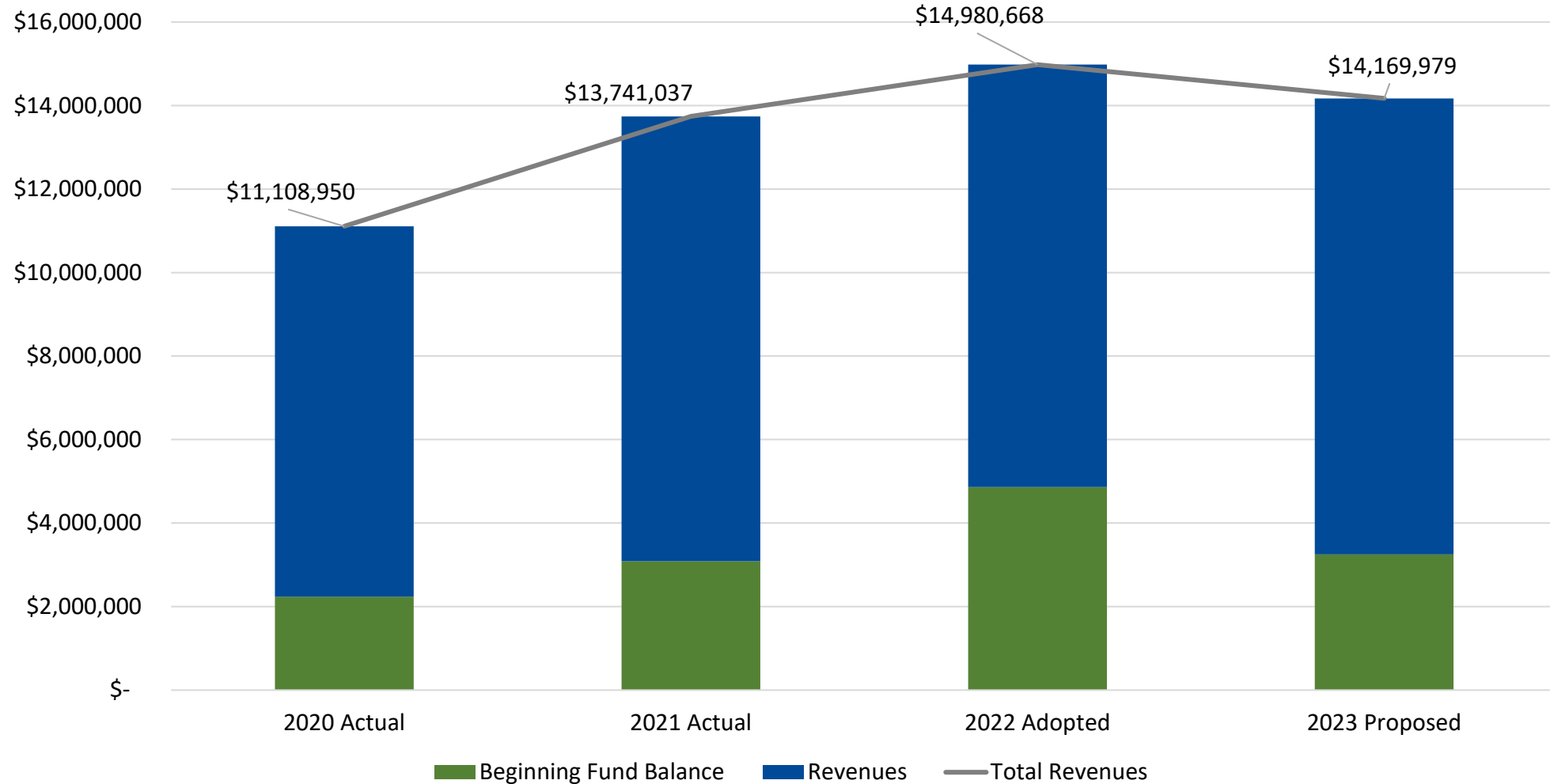




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OREGON

Revenues

General Fund Revenues 2020-23





Breakout of Total Revenues

Revenue Category	Sum of 2020 Actual	Sum of 2021 Actual	Sum of 2022 Adopted	Sum of 2023 Proposed
ADMINISTRATIVE	\$ 497,148	\$ 497,148	\$ 497,148	\$ 497,148
BEGINNING FUND BALANCE	\$ 14,606,716	\$ 16,059,333	\$ 17,806,113	\$ 16,879,139
DEBT	\$ 73,777	\$ 80,421	\$ 19,966	\$ 2,000
DEBT PROCEEDS	\$ -	\$ -	\$ 2,750,000	\$ -
DONATIONS	\$ 2,000	\$ -	\$ 12,000	\$ 2,000
FEES	\$ 9,441,274	\$ 9,749,376	\$ 9,284,596	\$ 9,177,602
FRANCHISE FEES	\$ 1,593,781	\$ 1,565,987	\$ 1,579,874	\$ 1,608,362
GRANTS	\$ 478,855	\$ 2,057,119	\$ 6,786,247	\$ 4,756,335
INTEREST	\$ 262,267	\$ 110,011	\$ 111,418	\$ 93,020
INTERGOVERNMENTAL	\$ 1,188,801	\$ 1,547,673	\$ 1,358,347	\$ 1,317,671
LEASE	\$ 67,055	\$ 63,041	\$ 50,994	\$ 48,680
LOCAL TAXES	\$ 1,822,248	\$ 3,014,105	\$ 3,000,000	\$ 3,500,000
MOTEL TAX	\$ 870,284	\$ 1,047,606	\$ 930,000	\$ 930,000
OTHER	\$ 112,892	\$ 253,461	\$ 59,000	\$ 87,000
PROPERTY TAXES	\$ 3,743,588	\$ 3,891,469	\$ 3,975,255	\$ 4,246,193
TRANSFERS IN	\$ 2,222,775	\$ 1,167,676	\$ 4,898,502	\$ 3,794,827
Grand Total	\$ 36,983,460	\$ 41,104,423	\$ 53,119,460	\$ 46,939,977



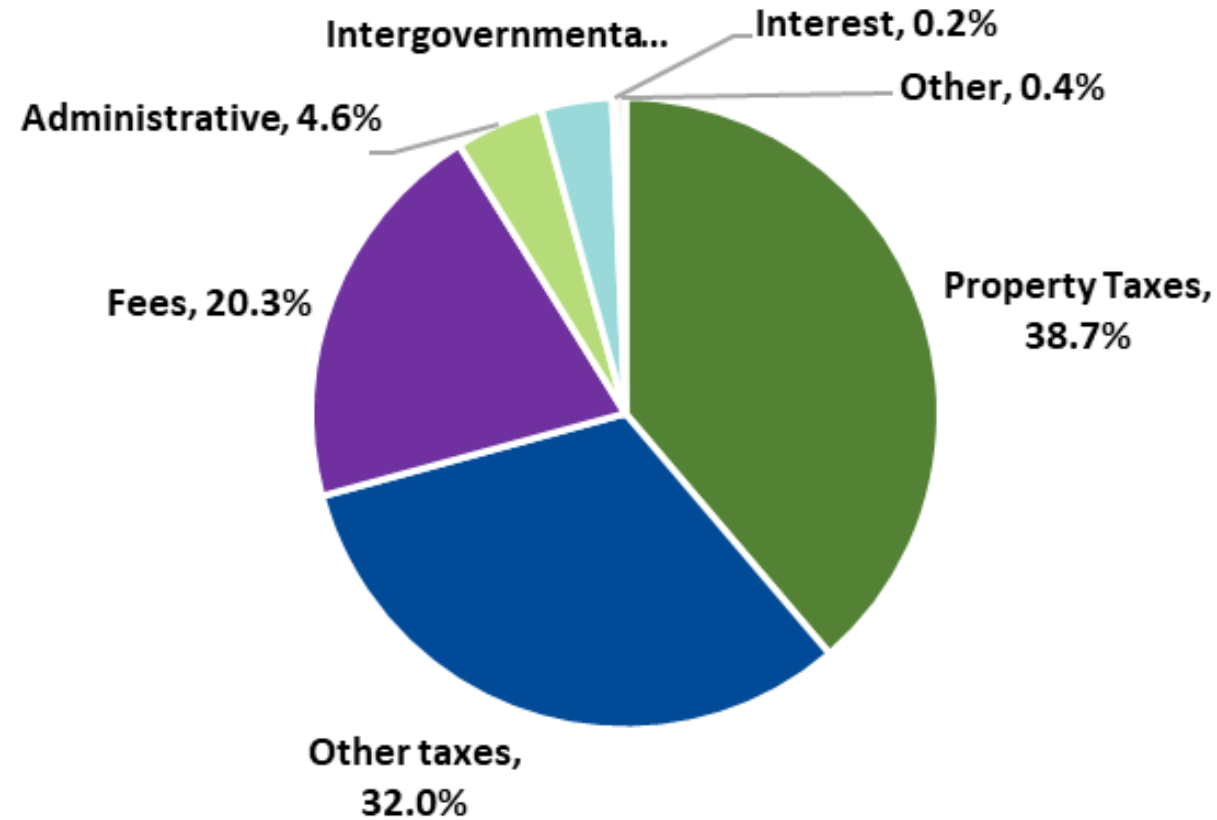
Breakout of General Fund Revenues

Revenue Category	Sum of 2020 Actual	Sum of 2021 Actual	Sum of 2022 Adopted	Sum of 2023 Proposed
Property Taxes	\$ 3,743,588	\$ 3,883,116	\$ 3,975,255	\$ 4,231,967
Fees	\$ 2,327,563	\$ 2,317,838	\$ 2,165,881	\$ 2,222,169
Other taxes	\$ 1,822,248	\$ 3,014,105	\$ 3,000,000	\$ 3,500,000
Administrative	\$ 497,148	\$ 497,148	\$ 497,148	\$ 497,148
Intergovernmental/ Grants	\$ 373,751	\$ 814,087	\$ 415,587	\$ 399,626
Interest	\$ 58,571	\$ 23,446	\$ 28,000	\$ 24,500
Other	\$ 51,919	\$ 116,509	\$ 34,500	\$ 47,500
Total	\$ 8,874,788	\$ 10,666,248	\$ 10,116,371	\$ 10,922,910

General Fund Revenue by Source



General Fund Revenue by Source



Primary General Fund Revenues

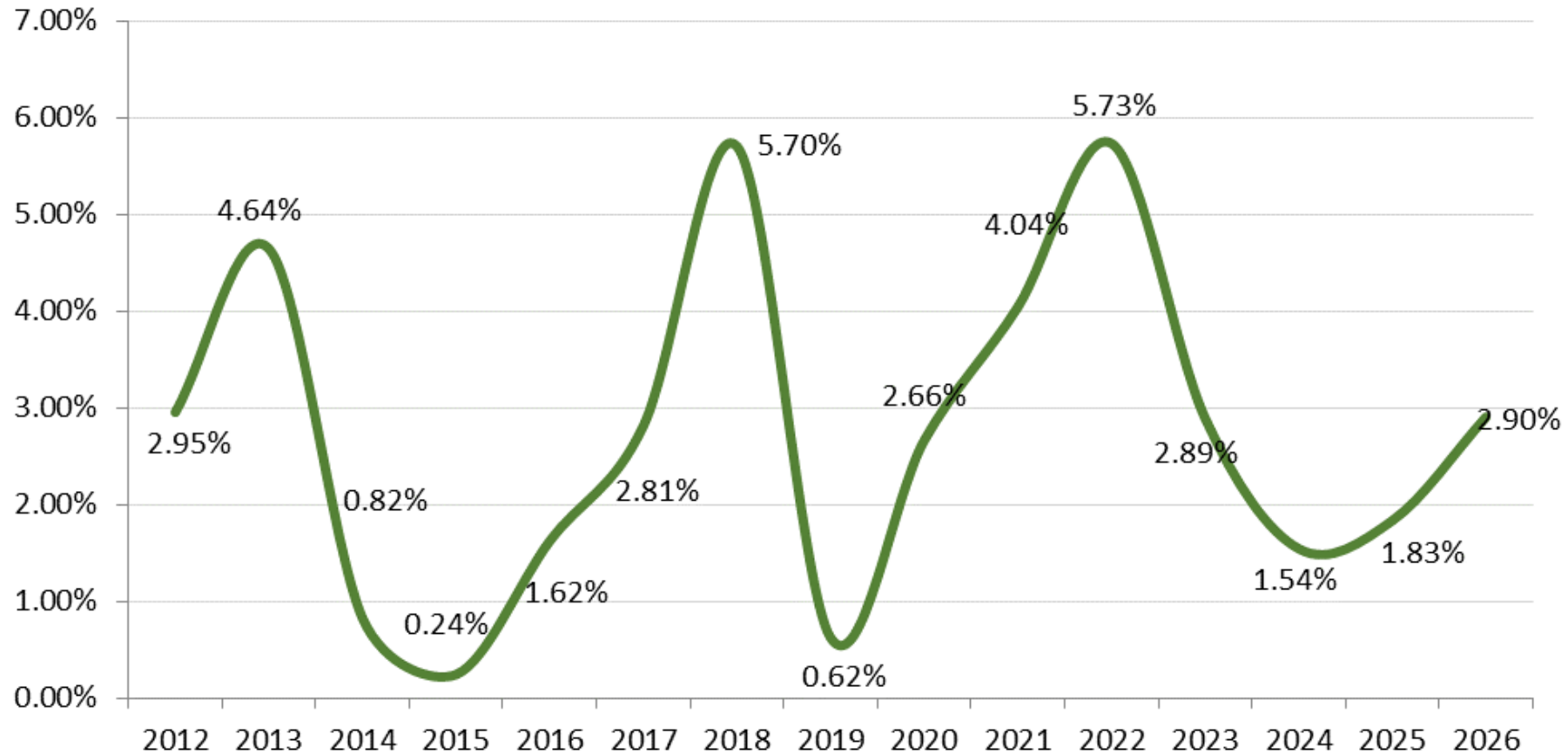


Revenue Category	Amount	Percent
Property Taxes	\$ 4,231,967	38.7%
Fees	\$ 2,222,169	20.3%
Other taxes	\$ 3,500,000	32.0%
Administrative	\$ 497,148	4.6%
Intergovernmental/Grants	\$ 399,626	3.7%
Interest	\$ 24,500	0.2%
Other	\$ 47,500	0.4%
Total	\$ 10,922,910	100.0%

City Property Tax Revenue



Percent Increase in Property Tax Revenue





Marijuana Revenues

Revenue Source	Amount	Percent
Local Taxes	\$3,500,000	96.3%
State Revenue	\$25,600	.7%
Dispensary License Fees	\$111,600	3%
Total	\$3,637,200	100.0%

State Revenue Sharing (Per Capita)



	Highway Trust Fund Revenues (Gas Tax)	Liquor Revenues (20% of Total Share)	Marijuana Tax Revenues (75% of City's Share)	Cigarette Tax Revenues	9-1-1 Tax Revenues
2019-20 Actuals	\$66.81	\$17.94	\$2.38	\$1.10	\$6.09
2020-21 Actuals	\$73.47	\$19.25	\$1.29	\$0.96	\$8.05
2021-22 Estimates	\$77.91	\$17.56	\$1.26	\$0.76	\$11.39
2022-23 Estimates	\$76.42	\$18.30	\$1.25	\$0.75	\$11.67
2022-23 Estimates	\$76.11	\$19.12	\$1.23	\$0.73	\$12.03



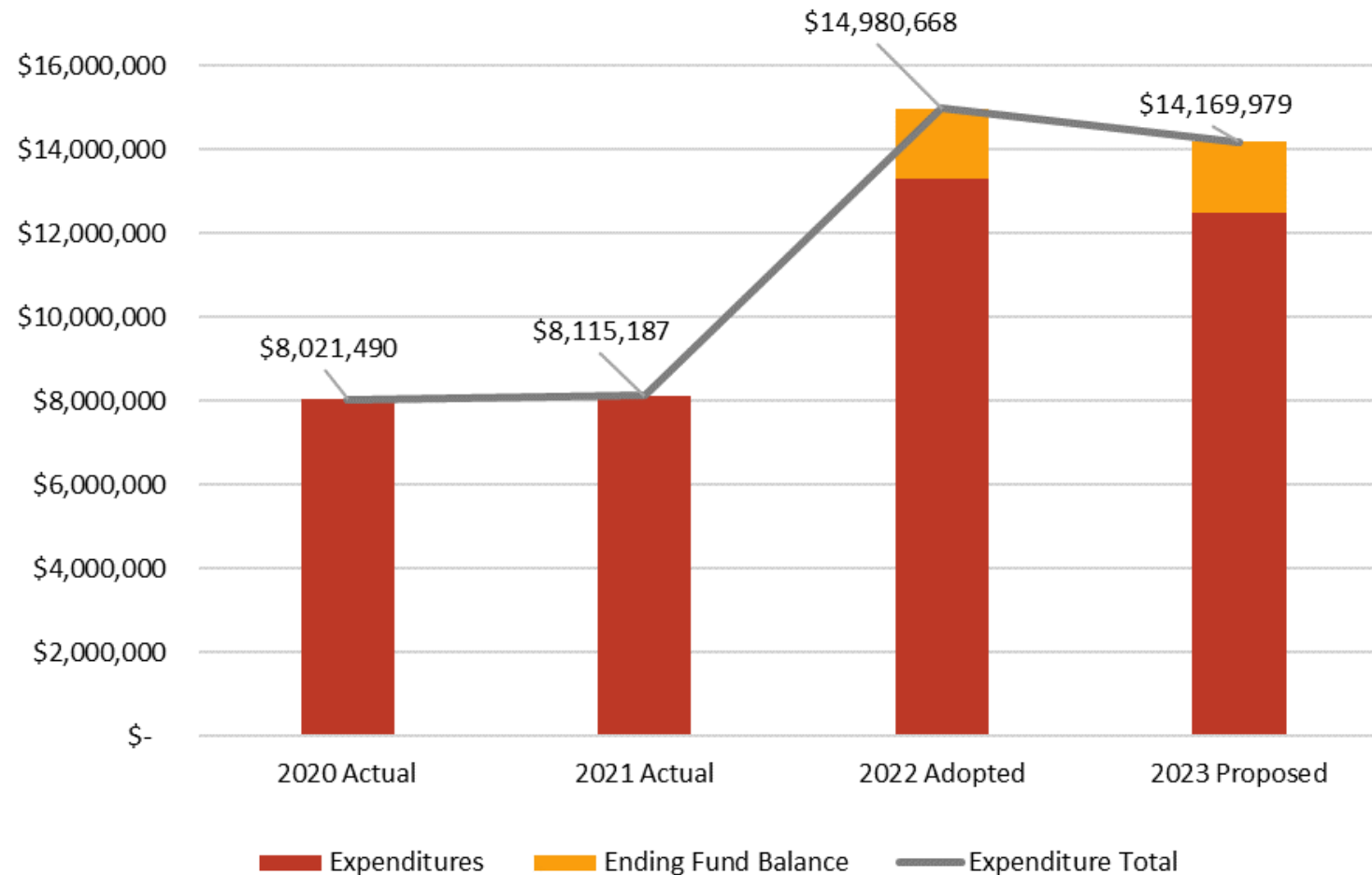
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Expenditures

General Fund Expenditures 2020-23



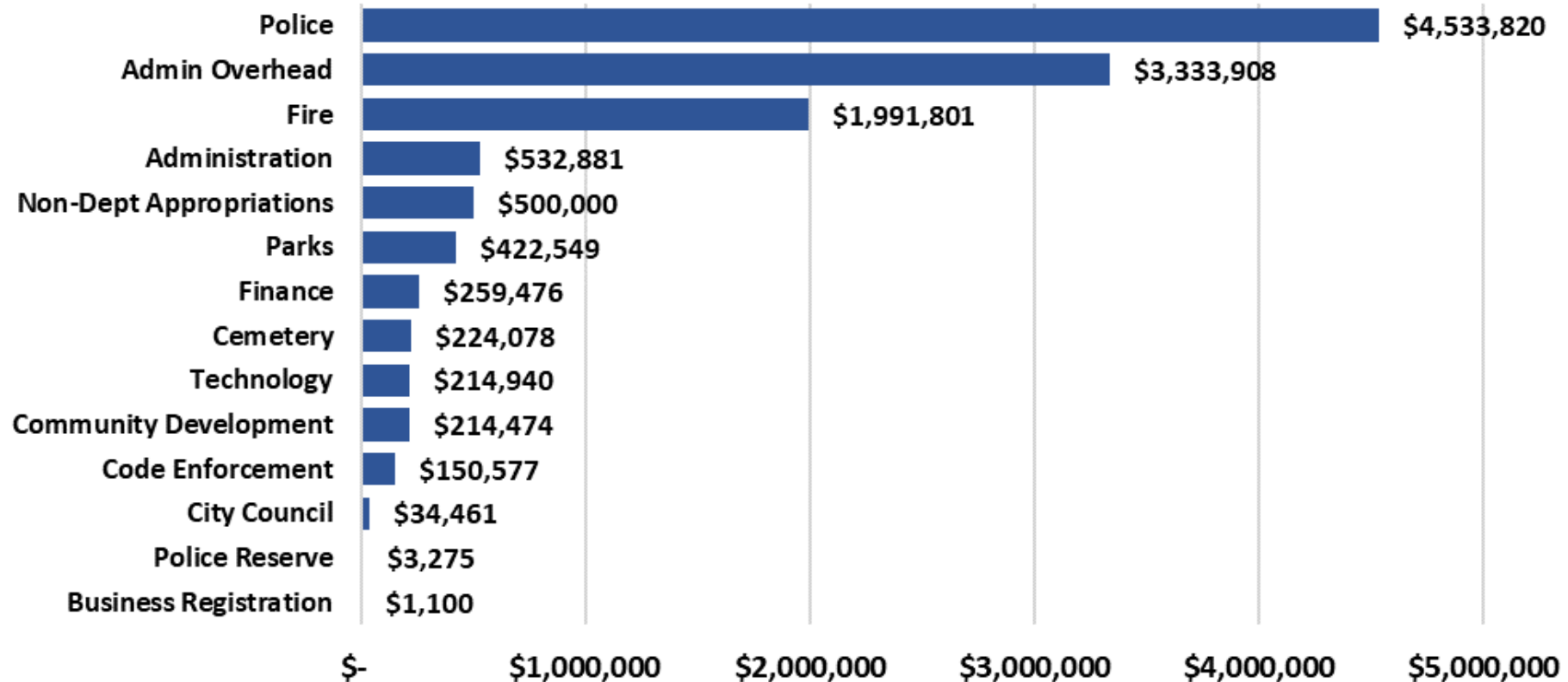
General Fund Expenditures 2020 - 2023



2023 Expenses by Department



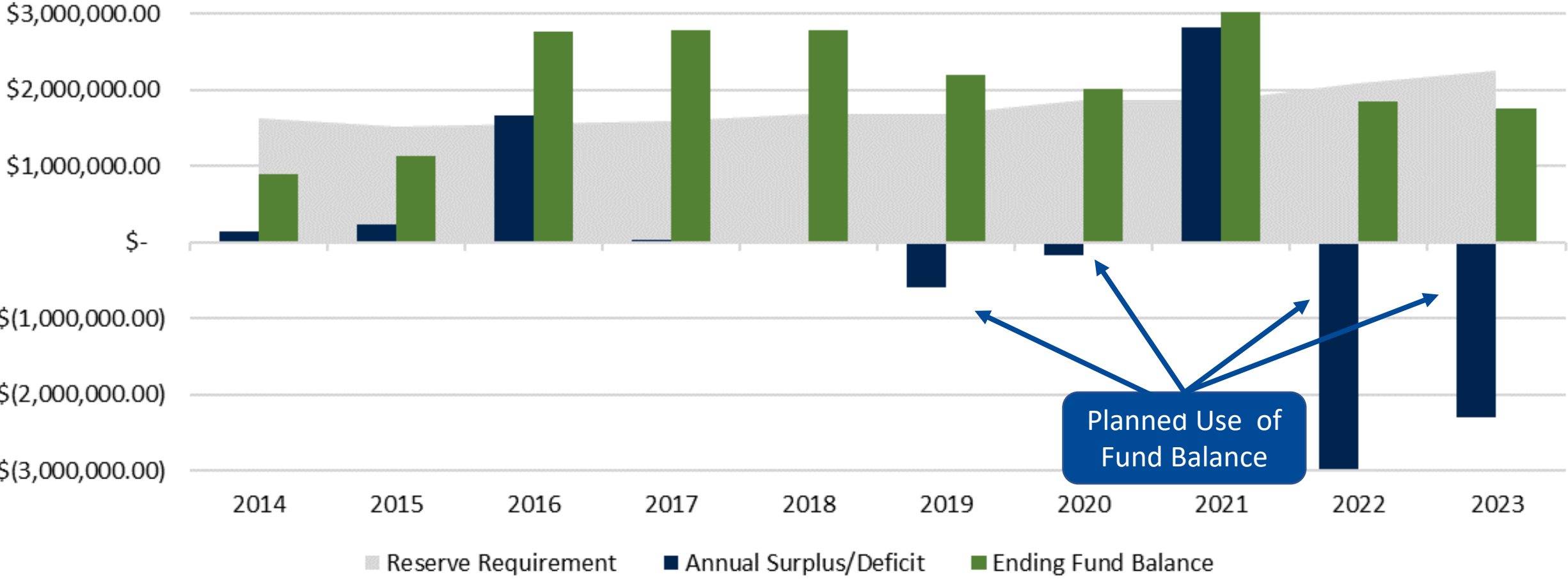
Expenditures by Department



General Fund Reserve Surplus



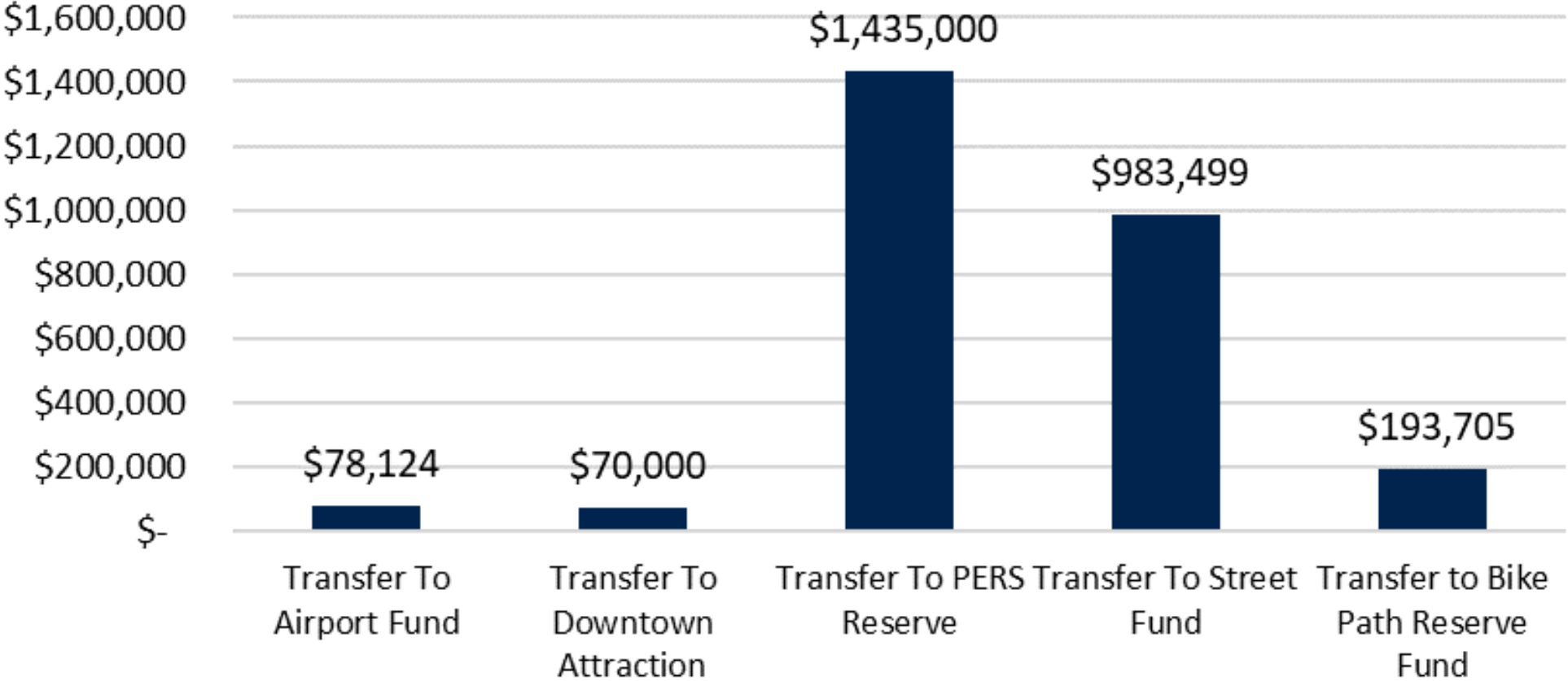
General Fund Reserve Surplus 2014 - 2023



Transfers Out of General Fund



Transfers Out of General Fund 2023





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Strategic Plan




Financial Stability | Desirability | Education

Lifestyle | Beautification | Growth

Strategy- Financial Stability



Goals

-  Pay down PERS up to 95%
-  Maintain a 3-month operating expense fund balance
-  Improve the city's bond rating

Accomplishments

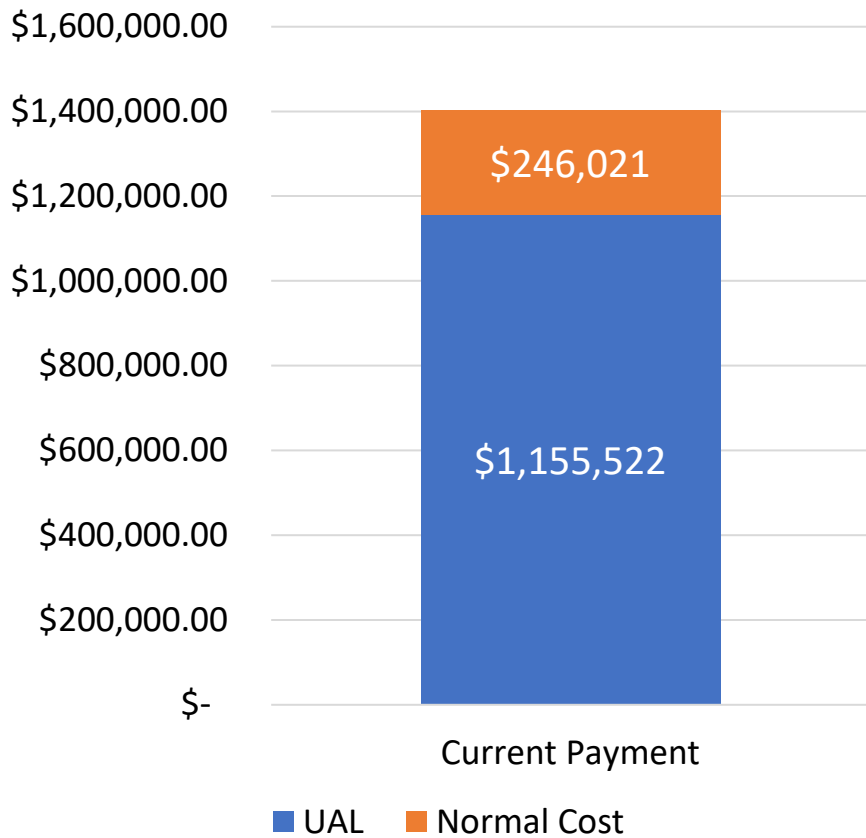
-  Eliminated Public Safety Fee



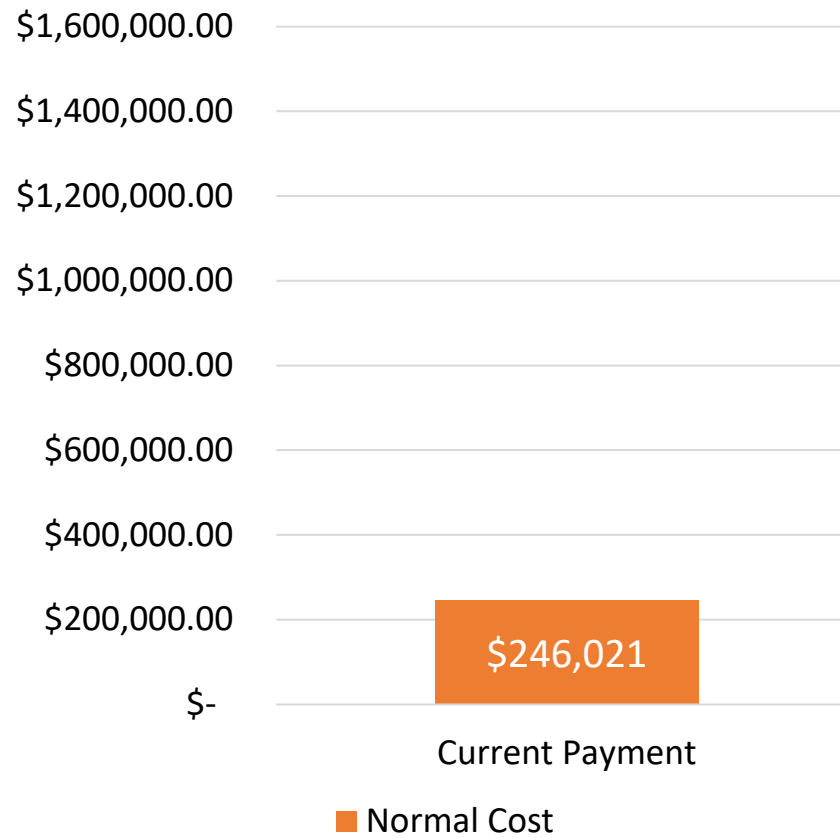
PERS Strategy



Annual Required Contribution



Annual Required Contribution



Eliminating the Unfunded Accrued Liability will provide the city with over \$1.1 million less in retirement expenses, allowing the city to provide more services.

Had We Not Created a Side Account



Retirement Category	2019-2021 Rates	2021-2023 Advisory Rates (before side account)	2021-2023 Rates after Side Account	2023-2025 Advisory Rates
Tier 1/Tier 2	35.17%	43.79%	35.65%	40.37%
OPSRP General Services	24.95%	35.19%	26.32%	32.01%
OPSRP Police/Fire	29.58%	39.56%	30.68%	36.76%
Annual Savings from Side Account Contribution			\$296,133	

The City of Ontario would have had to reduce services by **\$296,133** annually for the next two years to cover the additional PERS cost.

Without the additional contributions made over the last two years, we would have **faced an increase of 6%** on all plan levels for the next biennium.

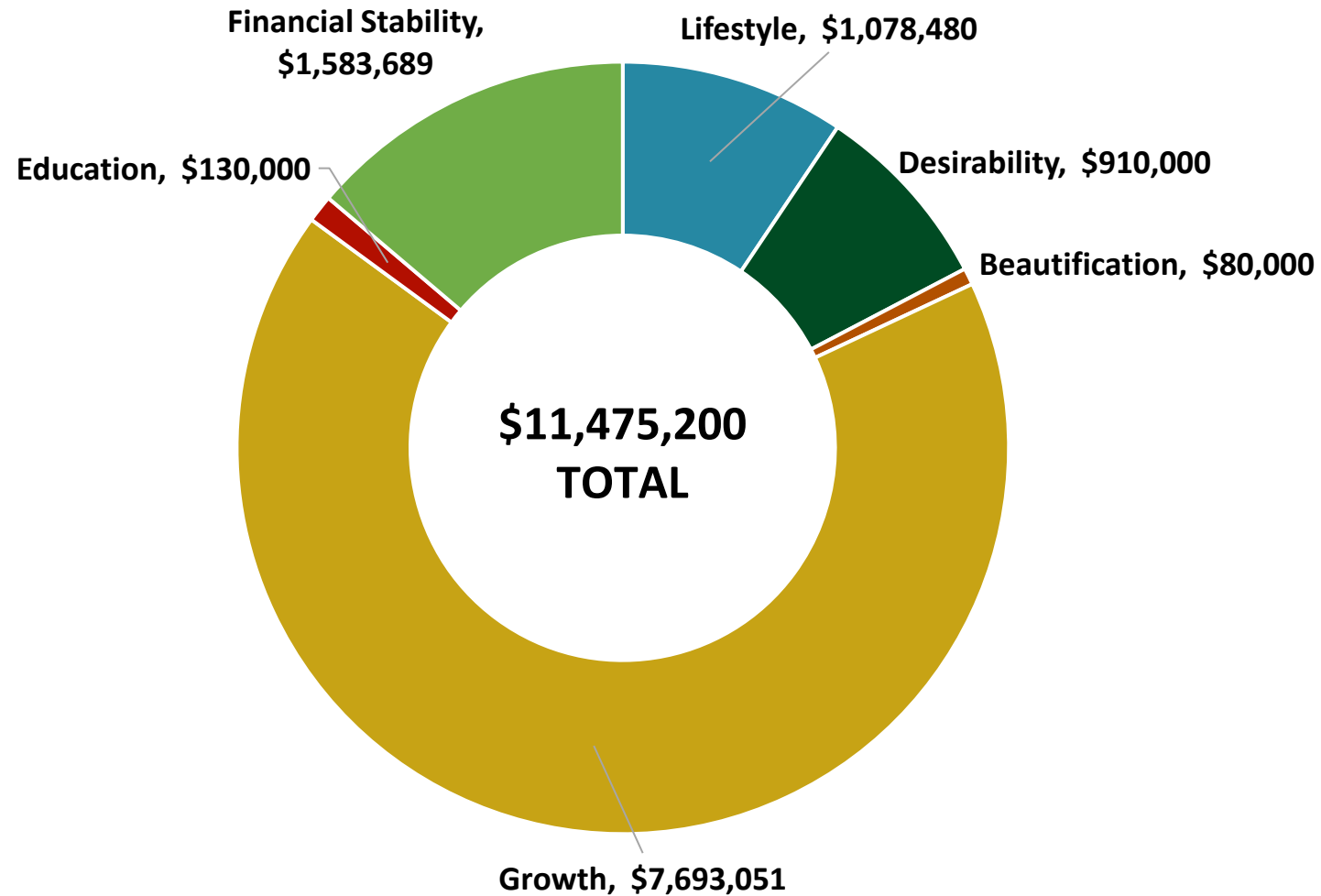
PERS

\$1,583,689

Recommended

Budgeted to pay down PERS in FY 22-23

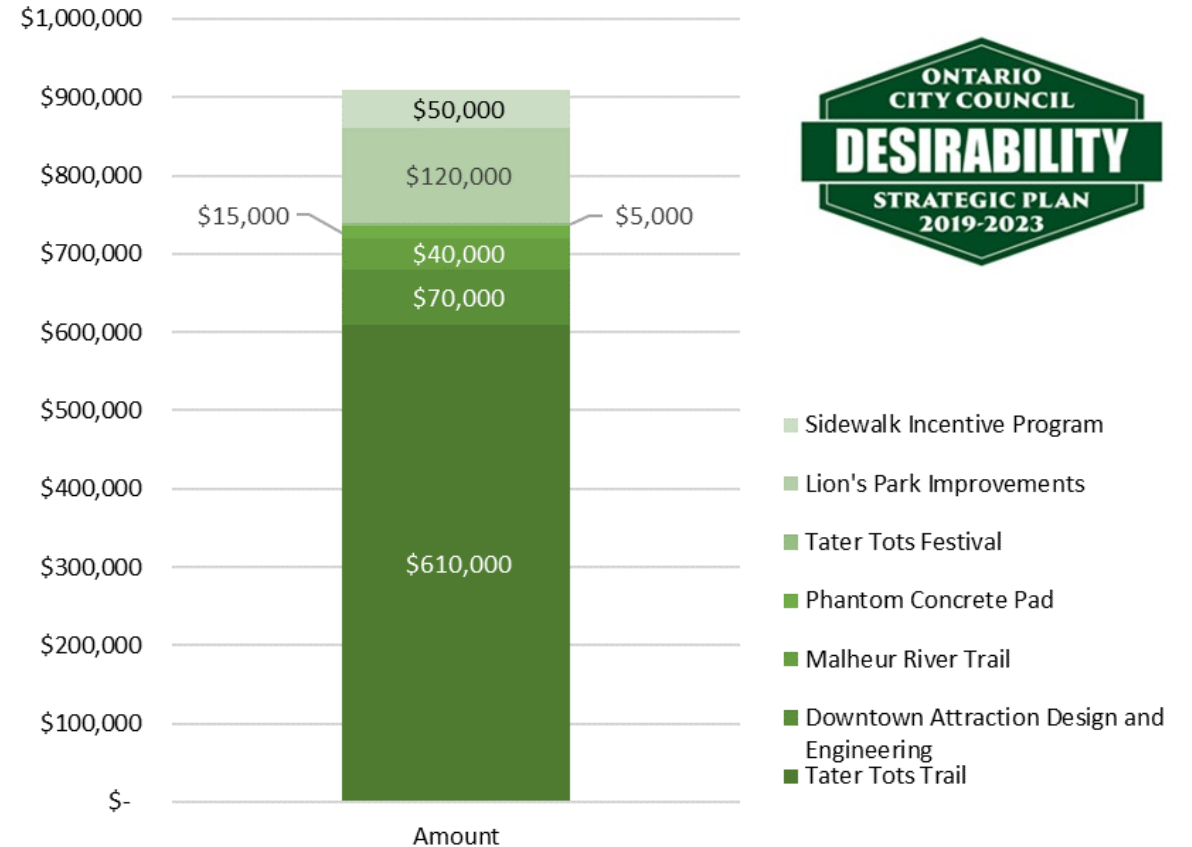
Strategic Spending



Strategy- Desirability



Desirability Expenditures



Strategy- Education

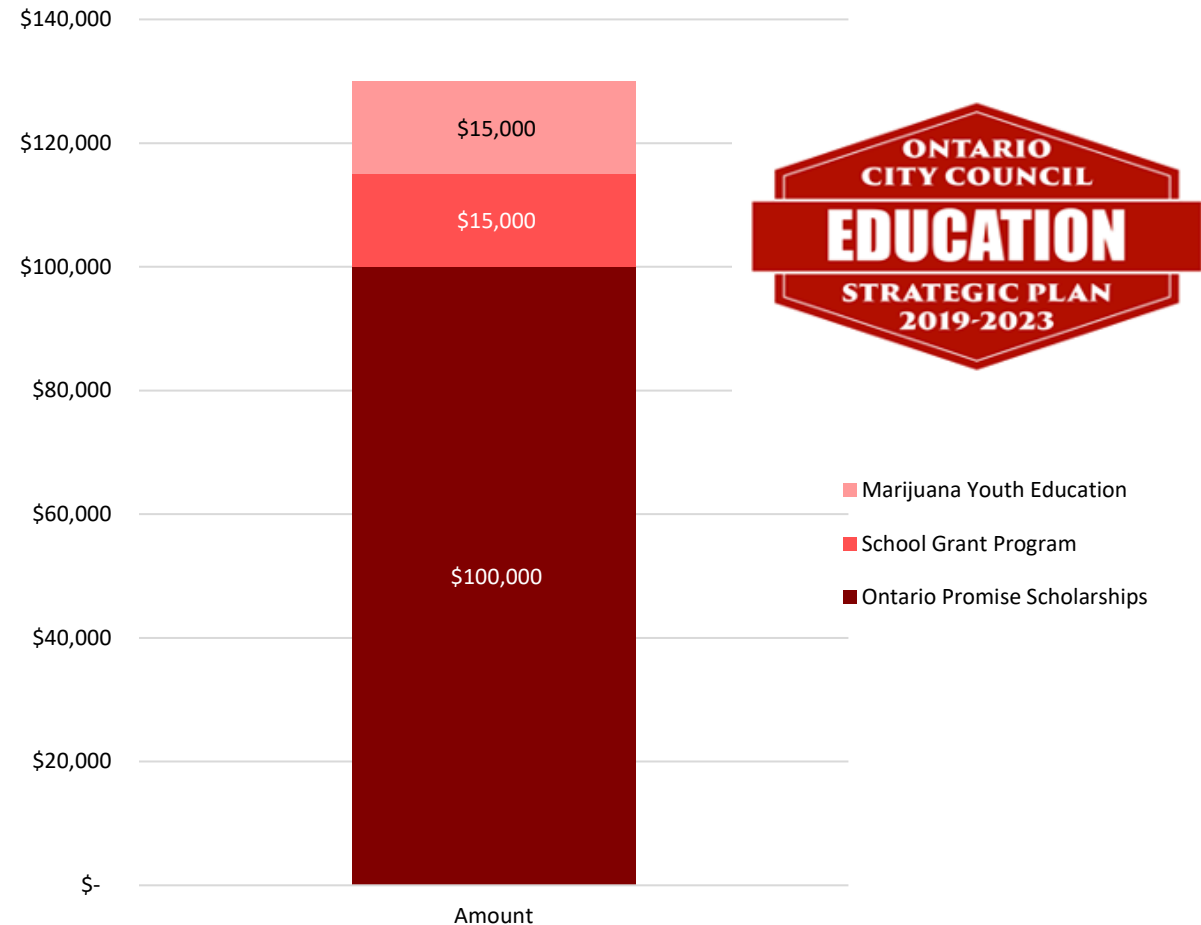
Ontario Promise



"HARVEST OUR FUTURE"
ESCUELA COMUNITARIA CUATRO RIOS
 FOUR RIVERS COMMUNITY SCHOOL
 "COSECHA NUESTRO FUTURO"
POSITIVE



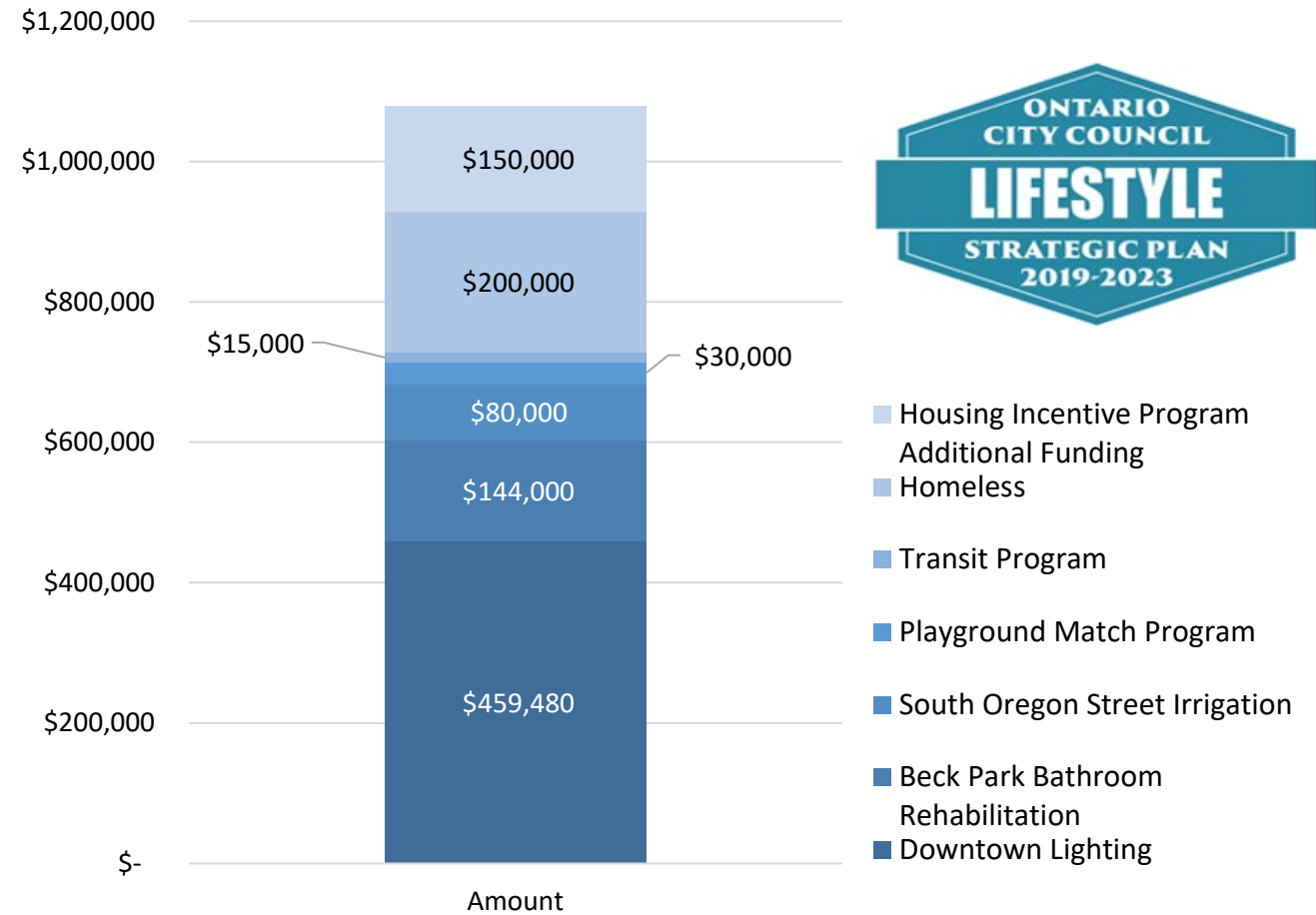
Education Expenditures



Strategy- Lifestyle

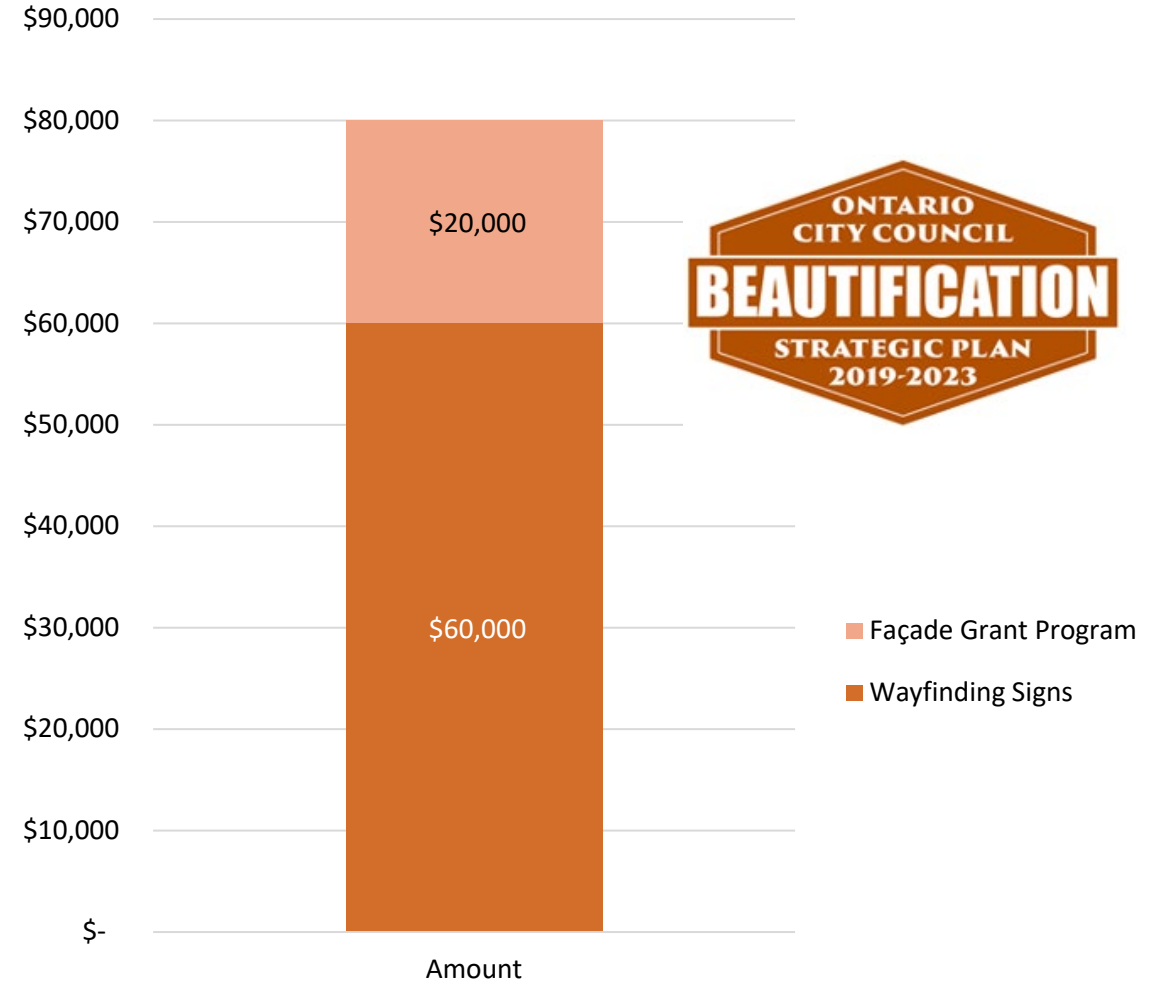


Lifestyle Expenditures



Strategy- Beautification

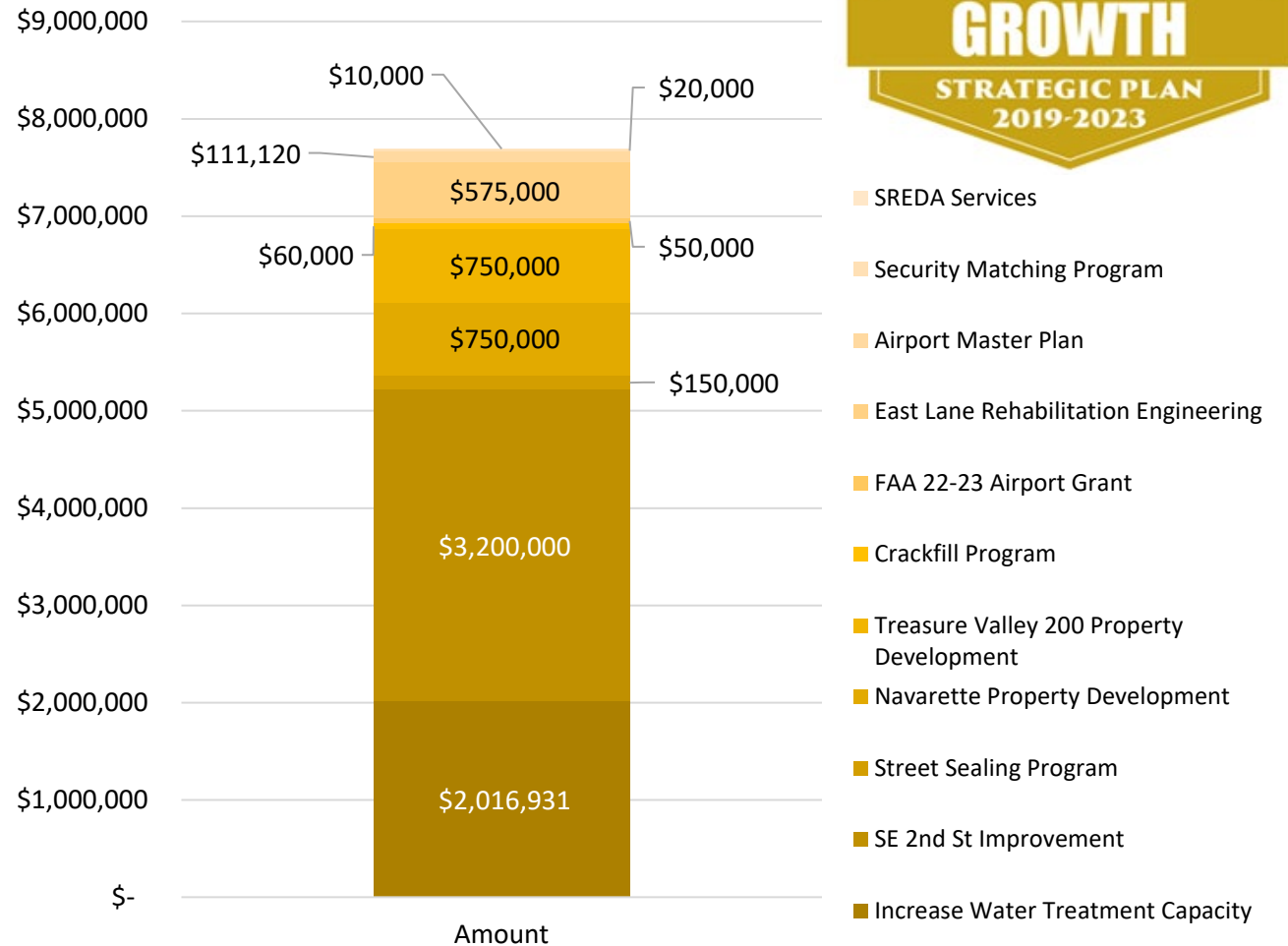
Beautification Expenditures



Strategy- Growth



Growth Expenditure














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Non-Departmental Appropriation Requests

Summary of Requests

-  SREDA- \$10,000
-  Transit Program- \$15,000
-  Façade Grant- \$20,000 (carryover from last year)
-  Security Grant- \$20,000 (carryover from last year)
-  Marijuana Youth Education- \$15,000
-  School Grant Program (Tech Fair)- \$15,000
-  Tater Tots Festival- \$5,000
-  Recreation District- \$250,000 (carryover from last year)
-  Sidewalk Incentive Program- \$50,000 (new community project)

Total: \$400,000

SREDA

Partners with the city to assist with marketing available buildings and land as well as assisting local businesses with expansion and actively recruiting new investments and living wage jobs to the community.

Request: \$10,000

Recommended: \$10,000

Benefit: Increases the capacity of Ontario's staff in relation to Economic Development. Assists with attraction and retention of businesses.

Transit Program



Request: \$15,000

Recommended: \$15,000

Benefit: Growth. The Malheur Express gets people to jobs in our community and gets seniors to doctors.

Façade Grant

This was carried over from previous years funding. There has been a total of \$100,000 matching funds.

Carryover: \$20,000

Recommended: \$20,000

Benefit: Growth and Beautification.



Security Grant

Grant program for businesses to improve security measures at their physical locations. Carrying over funds from previous year. No new funds needed.

Carryover: \$20,000

Recommended: \$20,000

Benefit: Growing and maintaining businesses.





Marijuana Youth Education

Recommendation from the
Marijuana Ad Hoc Committee

Use existing service providers and
educators to determine how to
most effectively use these funds

Request: \$15,000

Recommended: \$15,000

Benefit: Education



**MALHEUR COUNTY
PREVENTION COALITION**

Juvenile Department

**ALTRUISTIC
RECOVERY**

School Grant Program

Tech Fair (a non-traditional fair for a different demographic)

- Drones
- Robotics
- Gaming

Request: \$15,000

Recommended: \$15,000

Benefit: Education

Tater Tot Festival



Request: \$5,000

Recommended: \$5,000

Benefit: Desirability and Lifestyle

Recreation District

Aquatic Center. Carryover the same amount from last budget.



Request: \$250,000

Recommended: \$250,000

Benefit: Desirability and Lifestyle

Malheur Council on Aging

Flooring for Congregate Meals
at MCOA



Request: \$7,500

Recommended: \$0

Benefit: Beautification

Meals on Wheels (MCOA)



Request: \$14,015

Recommended: \$0

Benefit: Beautification

Sidewalk Incentive Program



Grant program to incentivize property owners to build or rehabilitate their sidewalks.



Request: \$50,000

Recommended: \$50,000

Benefit: Beautification



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General Fund Budget Changes


Operating Changes

- Increase Records Specialist and Evidence Technician to full-time, add an additional full-time records specialist
 - Increase current records specialist to full-time \$19,000
 - Increase evidence technician to full time \$45,578
 - Add additional full-time records specialist \$84,598
- Remove 1 FTE (Information Technology) \$85,885

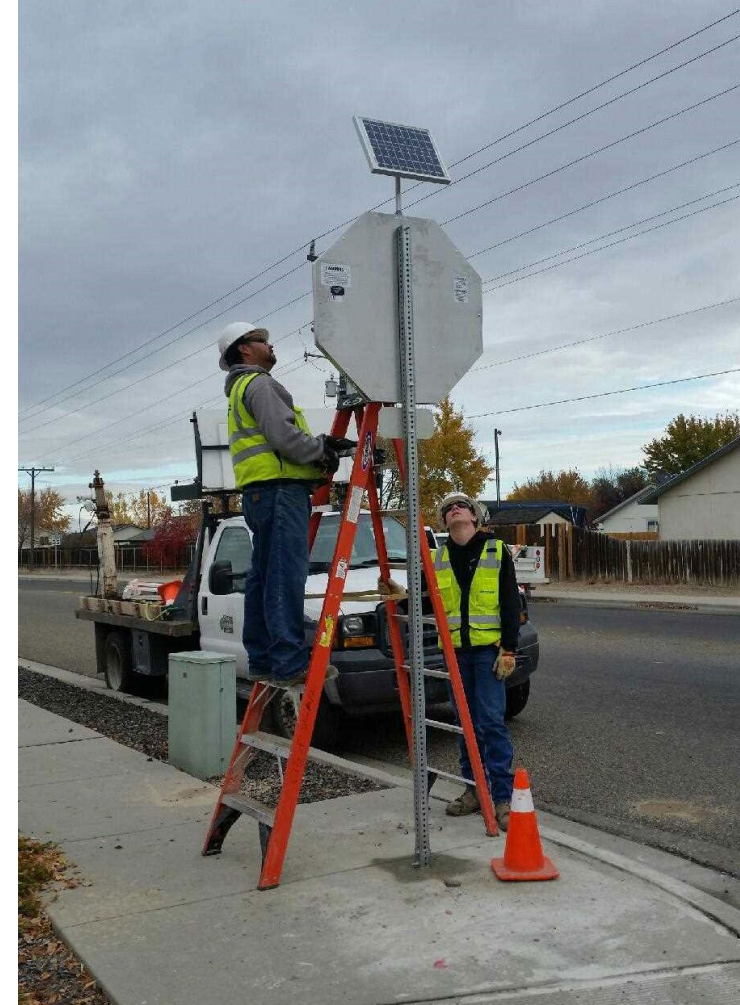


Jacobs Changes

5% service contract increase

 Ferric Chloride may be higher again as it was this year due to national supply shortages.

Jacobs



Oster Changes

 3% service contract increase





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Capital Program






CAPITAL
IMPROVEMENT
PLAN

FY's 22-27













General Fund

Vehicles & Equipment

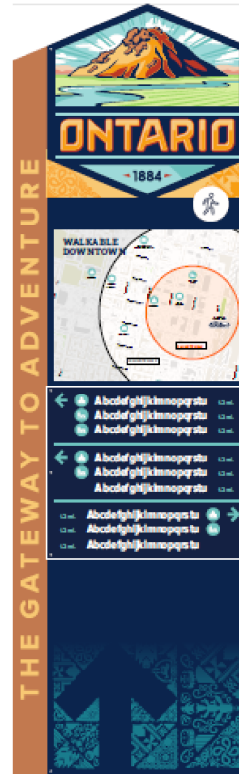
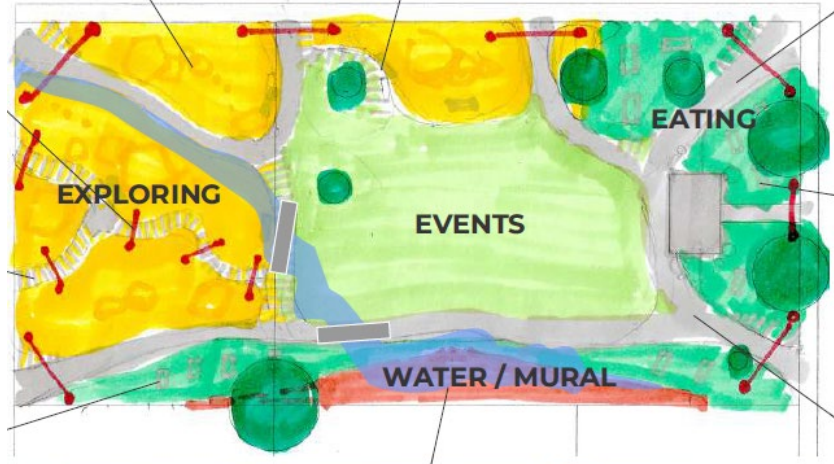
-  Parks/Cemetery Pickup \$27,500
-  Fire Supervisor Vehicle \$50,000
-  Parks Utility Cart \$11,000

General Fund

Capital Projects

-  Fiber Lines **\$15,600** (Carryover)
-  Wayfinding Signs **\$60,000**
-  Public Works Equipment Storage Completion **\$25,000**
-  Cemetery Equipment Shed - **\$47,500**
-  Evergreen Irrigation Completion - **\$40,000**
-  Lion's Park Shelter - **\$100,000**
-  Lion's Park Sidewalk - **\$60,000**
-  Parks Security Cameras - **\$10,000**
-  Beck Park Path - **\$45,000**
-  Evidence Room Improvements - **\$35,000**

Downtown Projects



Airport Fund



- BLM Consolidation of Efforts **\$560,000**
- Airport Master Plan **\$111,120**
- Phantom Concrete Pad **\$15,000**
- Airport Lighting Improvements **\$16,000**
- Well Water Meters **\$10,000**



Airport Projects




Try again for the relocation of F4

- Had to use current year's funding to finish the fence by Airport Way \$15,000

Infrastructure Bill

- \$159,000 per year
- Currently they added to the Airport Improvement Program (AIP)
- We would like to pursue it for build out of utilities, fiber, or the BLM Road

Street Fund

-  10-YD Dump Truck **\$225,000**
-  Chip Seal **\$150,000**
-  Crackfill **\$60,000**
-  Haul Sweeper Solids **\$50,000**
-  ODOT Signal Upgrades **\$35,000**
-  SE 2nd Street Improvement **\$3,200,000**
-  East Lane Repair **\$575,000**
-  Grant Matches **\$100,000**



Street Projects



North Park
Boulevard Extension
(Engineering)

East Lane
Rehabilitation
Engineering
Complete



SE 5th Avenue
Project
(Grant)

SE 2nd Street
Project
(Grant)



Wastewater Fund

Capital Projects

- Diffuser **\$200K** (carryover)
- Public Works Equipment Storage Completion **\$50K**
- Disinfection & Dechlorination Systems **\$10K**
- Headworks Conveyor **\$50K**
- Office Roof & Repair **\$150K**
- Pollutant Source Identification & Removal **\$500K**
- Pumps & Valves **\$100K**
- SCADA Upgrade **\$100K**
- Shop Lean-to Cover **\$60K**
- Shop Roof **\$60K**
- Skyline & Malheur Farm Upgrades **\$30K**



Wastewater Fund

Going to be delivered after June 30, 2022

 Pickup Truck **\$35,000**

 Vaccon Sewer Cleaner **\$450,000**



Wastewater Projects



Water Fund







Vehicles & Equipment

- Pickup Purchase - **\$40K**









Capital Projects

- Booster Station Pumps and Flow Meter - **\$117K**
- Chlorine Pumps - **\$10K**
- Floc Mechanism and Sediment Basis - **\$75K**
- Equipment Storage Facility - **\$50K**
- Regulatory Compliance - **\$25K**
- SCADA Upgrade (Telemetry) - **\$100K**
- Small Pump Replacements - **\$15K**
- Westech Filter Media Replacement - **\$200K**
- WTP Plan Capacity Expansion - **\$225K**
- WTP Pumps - **\$77.5K**

Grant Fund

-  FAA 2021 Airport Grant **\$50,000**
-  EOBB Grant Funds Payout **\$100,000**
-  EOBB Housing Incentive Payout **\$150,000**
-  ARPA- Storm Infrastructure **\$300,000**
-  ARPA- Homeless **\$200,000**
-  ARPA- Water Capacity Increase **\$1,791,931**

Reserve Fund

-  Snake River Water Trail - **\$40,000**
-  Tater Tots Trail - **\$610,000**
-  2 Police Patrol Cars - **\$100,006**
-  Fire Generator - **\$21,707** (carryover)
-  Police Car Camera Systems (2) - **\$10,000**
-  Mobile Radar Speed Sign - **\$5,539**
-  Fire Turnouts & Airpacks - **\$140,637** (*savings for future*)
-  Capital Outlay- **\$93,733** (Economic Development Infrastructure)

Trail Projects



Tater Tots Trail Design Funds
\$610,000

Heinz Kraft Property Acquired
National Park Service Grant
Submitted

Capital Projects Fund

-  Fire Equipment - **\$634,280**
-  Downtown Attraction - **\$78,513**
-  Kiwanis Park Improvements - **\$4,000**
-  Water/Sewer Line Replacement - **\$150K**
-  Meter Register Replacement - **\$75K**
-  Treasure 200 Property Development - **\$1.5 Million**
-  Manhole Repair and Replacement - **\$50K**
-  SRCI Water Projects - **\$84,500**
-  SRCI Wastewater Projects - **\$15K**

Fire Apparatus



Grant Application submitted and grant match money set aside for \$100,000.



Bid specifications being prepared – should go out for bid the current fiscal year.

Shovel-Ready Projects



Treasure 200
Property Utility
Extension Fully
Engineered

Airport Utility
Extension –
Engineering Phase








Navarette Property
Utility Extension
Fully Engineered



ARPA Funding





-  \$2.4 Million
-  \$150,000 to Revolving Loan Fund
 - We could see another 35 homes built under the Housing Incentive Program
-  \$300,000 Design of the 2003 Stormwater Mainline
-  \$200,000 for Long-term Homelessness Solutions
-  \$1.8 million for the water capacity expansion to defer any costs from being passed on to rate payers.

Questions staff asked to determine how it should be spent:

How can we continue growth?

How can we reduce burden on taxpayers?

Wrap Up and Next Steps

-  Questions – Now or ones you would like us to be prepared to answer.
-  Next Steps: Fund-by-fund review and approval. You can begin today if the committee would like.



Budget Committee Meeting Dates

We can go at your pace. Two more days are scheduled for as much as you need.

Meeting – Day 2

- Wednesday, March 9, 2022
- 6:00 PM

Meeting – Day 3

- Thursday, March 10, 2022
- 6:00 PM

