



Budget Meeting

Day 1: March 9, 2021

FY 2021-2022

DRAFT BUDGET



Ontario | Oregon

Thank You Budget Committee!

Riley Hill, Mayor
Freddy Rodriguez
Michael Braden
John Kirby
Sam Baker
Eddie Melendrez
Ken Hart
Darin Bell
Judy Snyder
LeRoy Cammack
Stephen Meyers
David Armstrong
David Sullivan
Lee Newman



Staff Thank You

Budget Preparation Staff

- Kari Ott, Finance Director
- Adam Brown, City Manager
- Peter Hall, Assistant City Manager

Department Heads and Staff

- Dan Cummings
- Tori Barnett
- Terry Leighton
- Sheri Smith
- Steven Romero
- Erik Hartley
- Al Cablay
- Paul Woods

City CORE Values

COMMITMENT

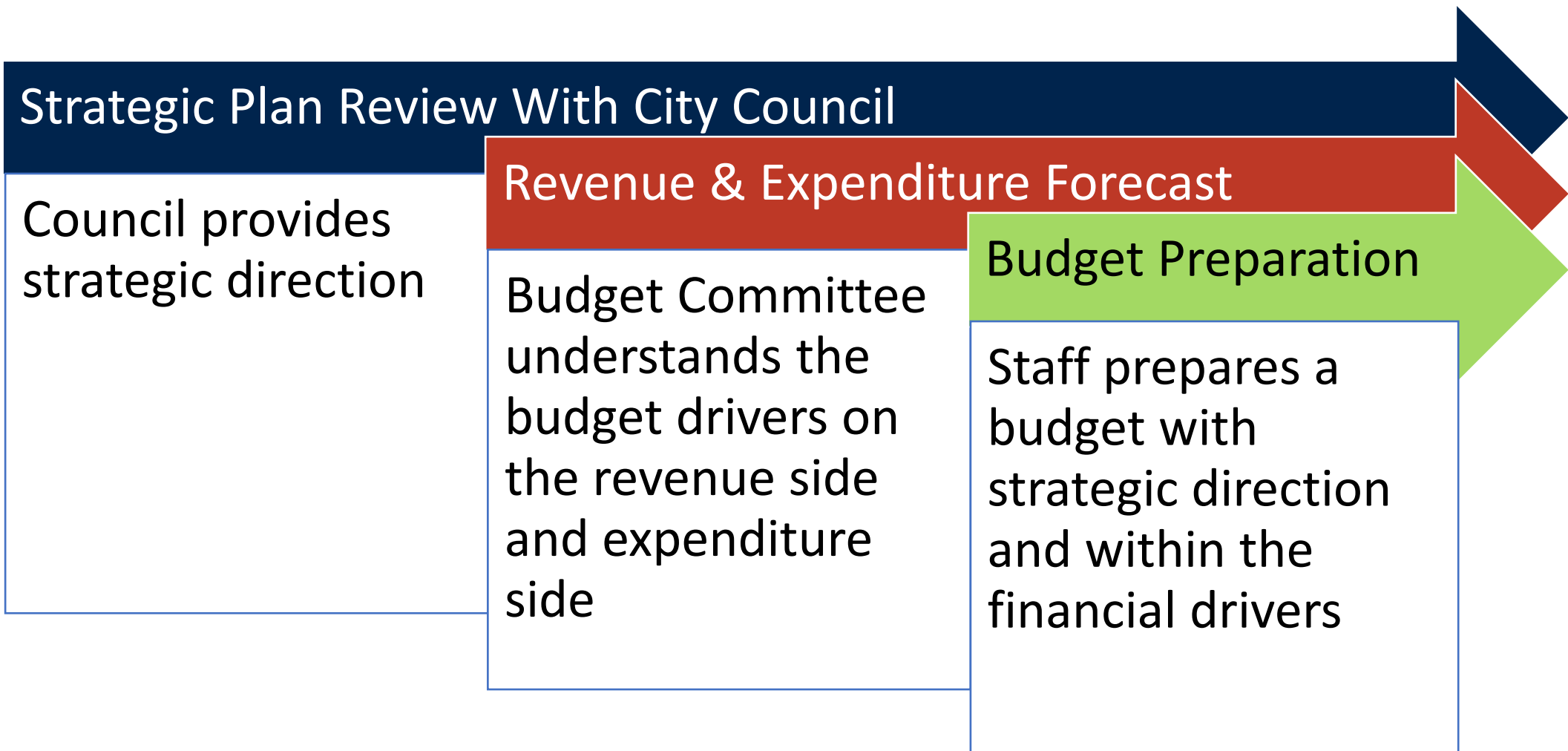
OPENNESS

RESPECT

EFFICIENCY



Budget Process



Strategic Plan

ONTARIO
CITY COUNCIL

LIFESTYLE

STRATEGIC PLAN
2019-2023

ONTARIO
CITY COUNCIL

GROWTH

STRATEGIC PLAN
2019-2023

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CITY COUNCIL

FINANCIAL STABILITY

STRATEGIC PLAN
2019-2023

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CITY COUNCIL

EDUCATION

STRATEGIC PLAN
2019-2023

ONTARIO
CITY COUNCIL

BEAUTIFICATION

STRATEGIC PLAN
2019-2023

ONTARIO
CITY COUNCIL

DESIRABILITY

STRATEGIC PLAN
2019-2023

Budget Theme



LONG-TERM
FINANCIAL
SUSTAINABILITY



GFOA Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Ontario
Oregon**

For the Fiscal Year Beginning

July 1, 2020

Christopher P. Morrell

Executive Director

Accomplishments

- Downtown bulb-outs and repaving
- Wayfinding study completed
- Implemented new brand
- Installed security cameras at city facilities and parks
- Hired professional grant writing team
- Implemented COVID-19 relief measures
- Installed first columbarium
- 15 Housing Incentive Program applicants in 2020 and 2021.
- New playground installed at Lions Park
- New walking path installed at Laxson Park
- Completed trailhead and access for the Malheur River Trail
- Dog park constructed at Lions Park
- Replacing garbage cans at Lions Park
- New detective hired
- Received \$2.5 million grant for Wastewater treatment plant
- Received grant for Safe Routes to School program
- Received a \$200K grant to update the Airport Master Plan
- Acquired land from Walmart for the Tater-Tot Trail
- Public Safety equipment purchased
- Crack sealed 13 lane miles
- Chip sealed 2 lane miles
- Hauled 80 dump truck loads for fall cleanup
- Airport mowing and spraying services contracted out
- Skate park bathroom was constructed and the grant was closed out.
- Lagoon solids removed
- Rehabbed 2 wells

Park Match Program



Trail System Progress



Downtown Beautification



Wayfinding and Branding

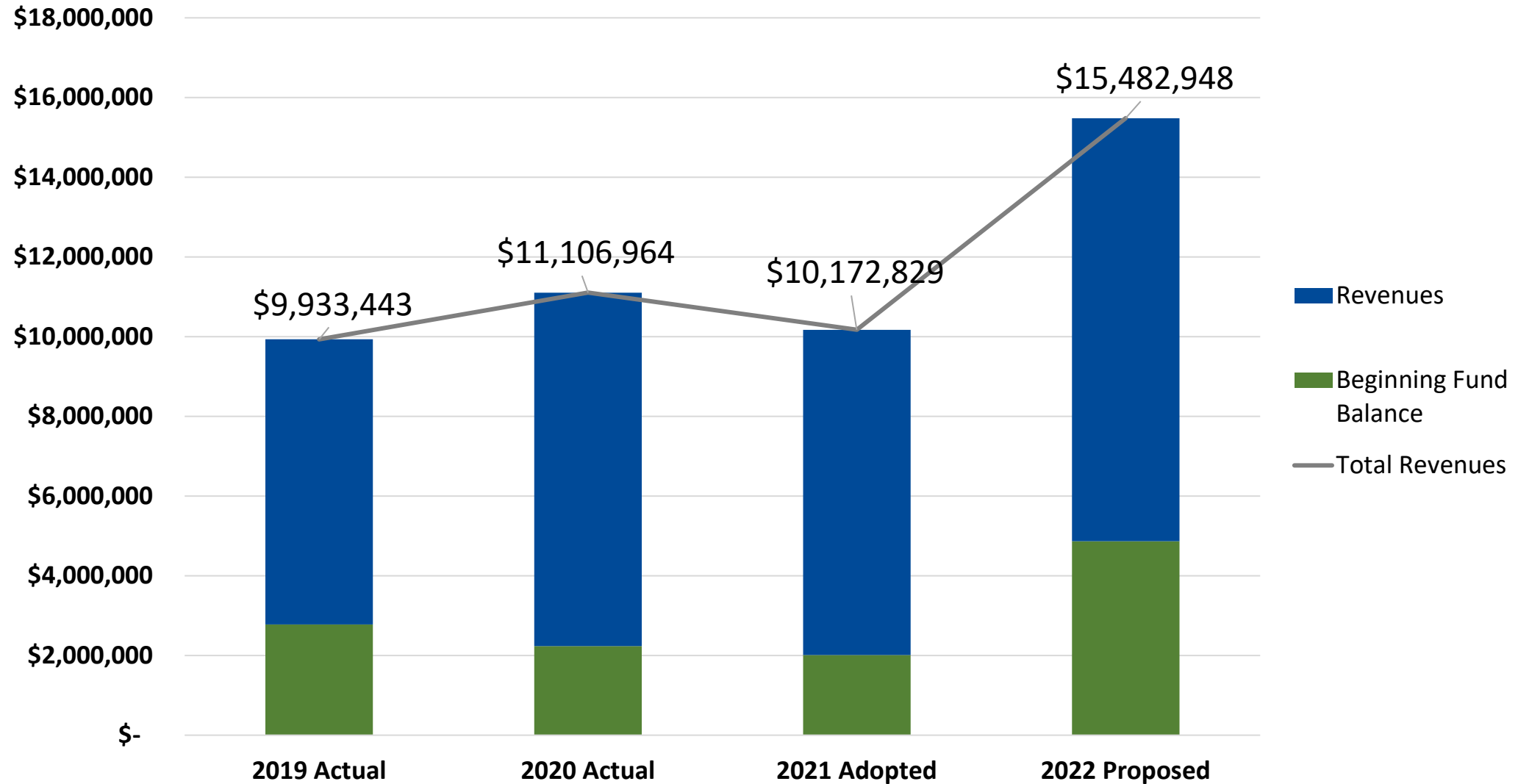




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Revenues

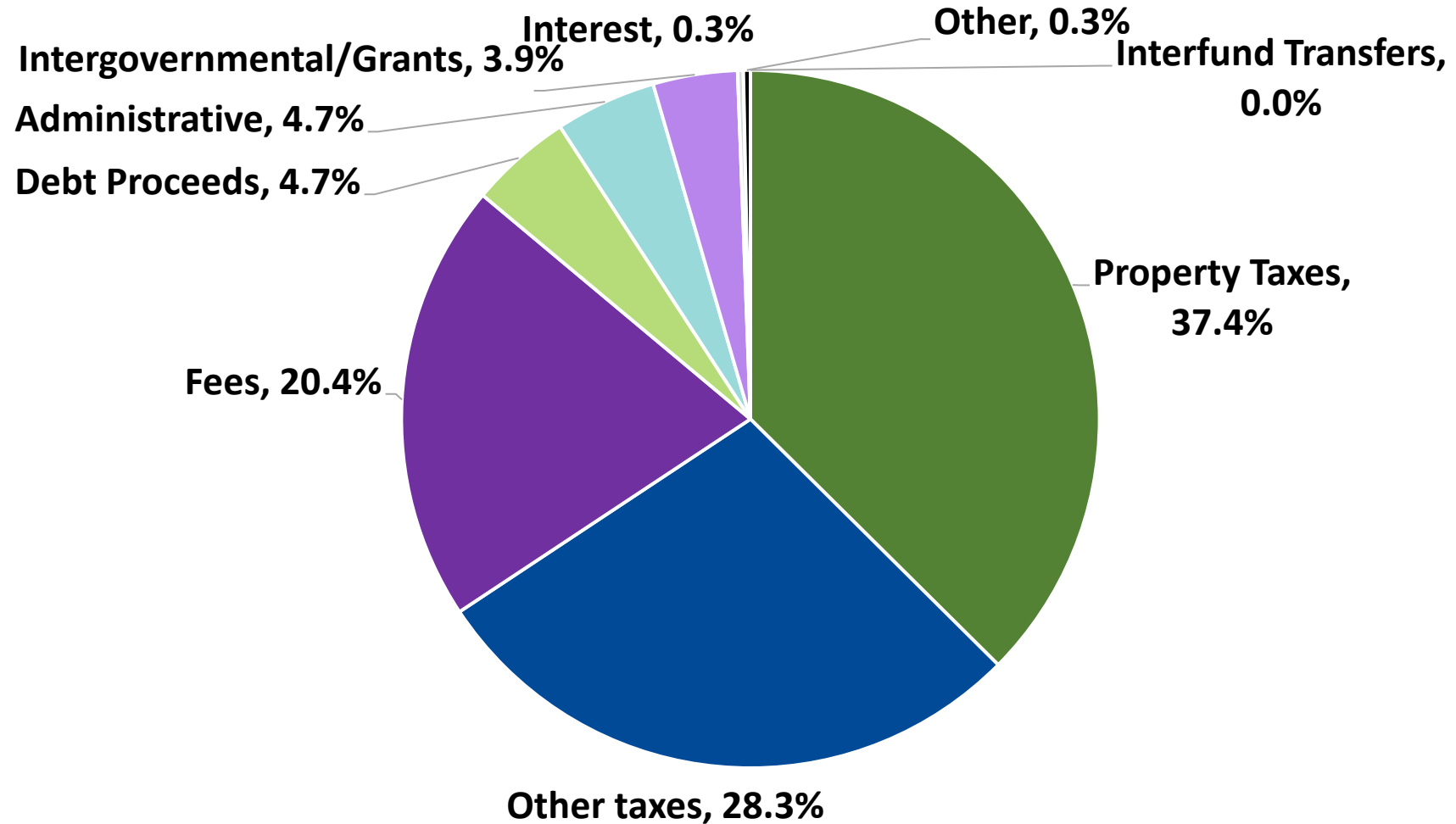
General Fund Revenues 2019-22



Breakout of Revenues

Categories	2019 Actual	2020 Actual	2021 Projected	2022 Proposed
Property Taxes	\$3,636,620	\$3,743,588	\$3,747,617	\$3,975,255
Fees and Charges	\$2,385,692	\$2,327,562	\$2,308,304	\$2,165,881
Other Taxes	\$ -	\$1,822,248	\$1,100,000	\$3,000,000
Debt Proceeds	\$ -	\$ -	\$ -	\$502,280
Administrative Services	\$497,148	\$497,148	\$497,148	\$497,148
Intergovernmental/Grants	\$359,877	\$373,751	\$406,696	\$415,587
Interest	\$67,821	\$58,571	\$65,000	\$28,000
Other	\$46,967	\$51,920	\$24,500	\$34,500
Interfund Transfers	\$160,230	\$ -	\$10,000	\$ -
Total	\$7,154,353	\$8,874,788	\$8,159,265	\$10,618,651

General Fund Revenue by Source

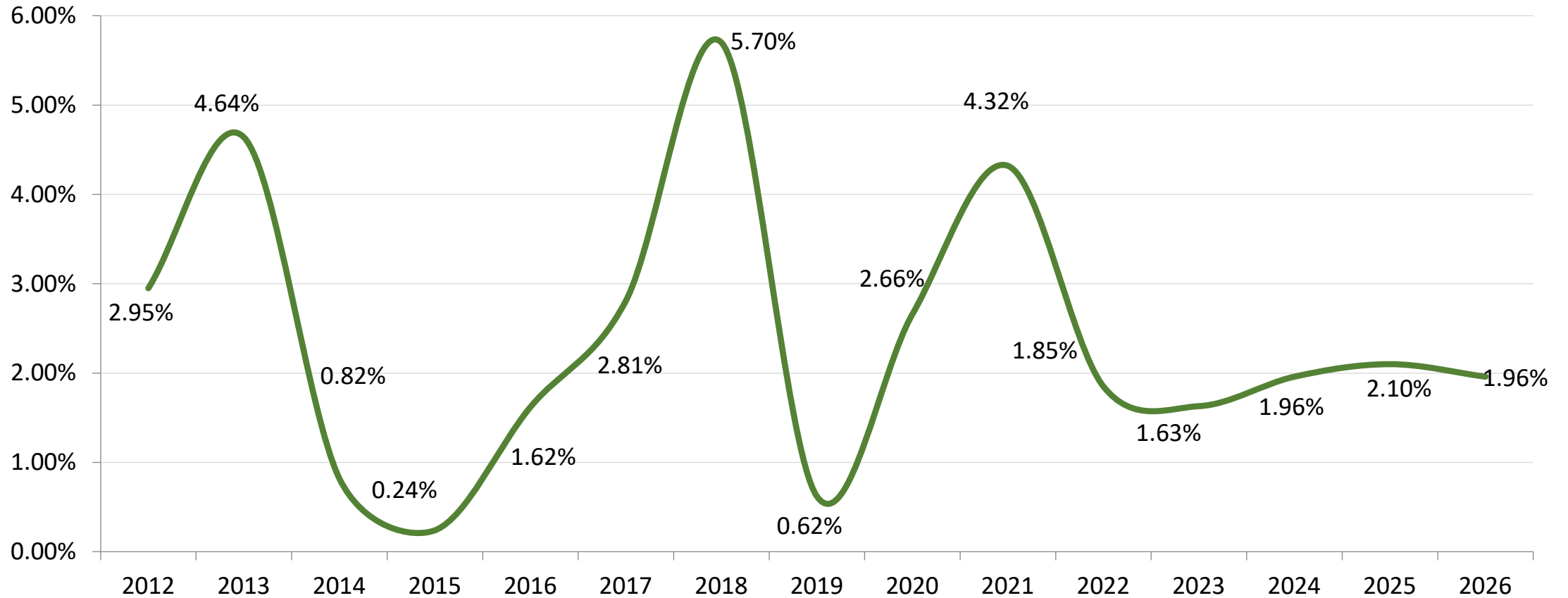


Primary Revenues

Revenue Category	Amount	Percent
Property Taxes	\$3,975,255	37.4%
Fees	\$2,165,881	20.4%
Other taxes	\$3,000,000	28.3%
Debt Proceeds	\$502,280	4.7%
Administrative	\$497,148	4.7%
Intergovernmental/Grants	\$415,587	3.9%
Interest	\$28,000	0.3%
Other	\$34,500	0.3%
Total	\$10,618,651	100.0%

City Property Tax Revenue

Percent Increase in Property Tax Revenue

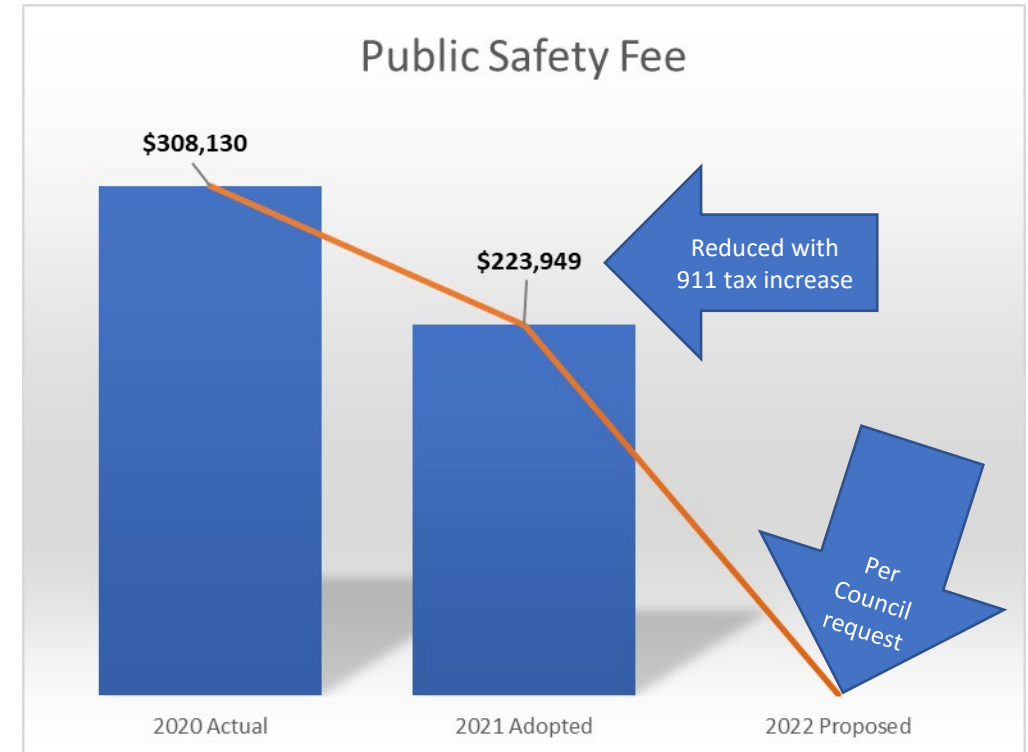


Marijuana Revenues

Revenue Source	Amount	Percent
Local Taxes	\$3,000,000	97.2%
State Revenue	\$30,000	1.0%
Dispensary License Fees	\$55,800	1.8%
Total	\$3,085,800	100.0%

Public Safety and Street Fees

- Public Safety Fee is not in the budget
 - Per Council request at the Strategic Planning Session
- Street Fee is included in the budget
 - \$367,934



State Revenue Sharing (Per Capita)



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	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
2018-19 Actuals	\$71.15	\$16.58	\$2.74	\$1.15	\$5.05
2019-20 Actuals	\$69.21	\$17.66	\$3.46	\$1.10	\$6.09
2020-21 Estimates	\$68.61	\$19.25	\$3.06	\$0.93	\$7.21
2021-22 Estimates	\$75.84	\$18.51	\$1.27	\$0.76	\$9.12
2022-23 Estimates	\$76.32	\$19.27	\$1.26	\$0.73	\$9.15



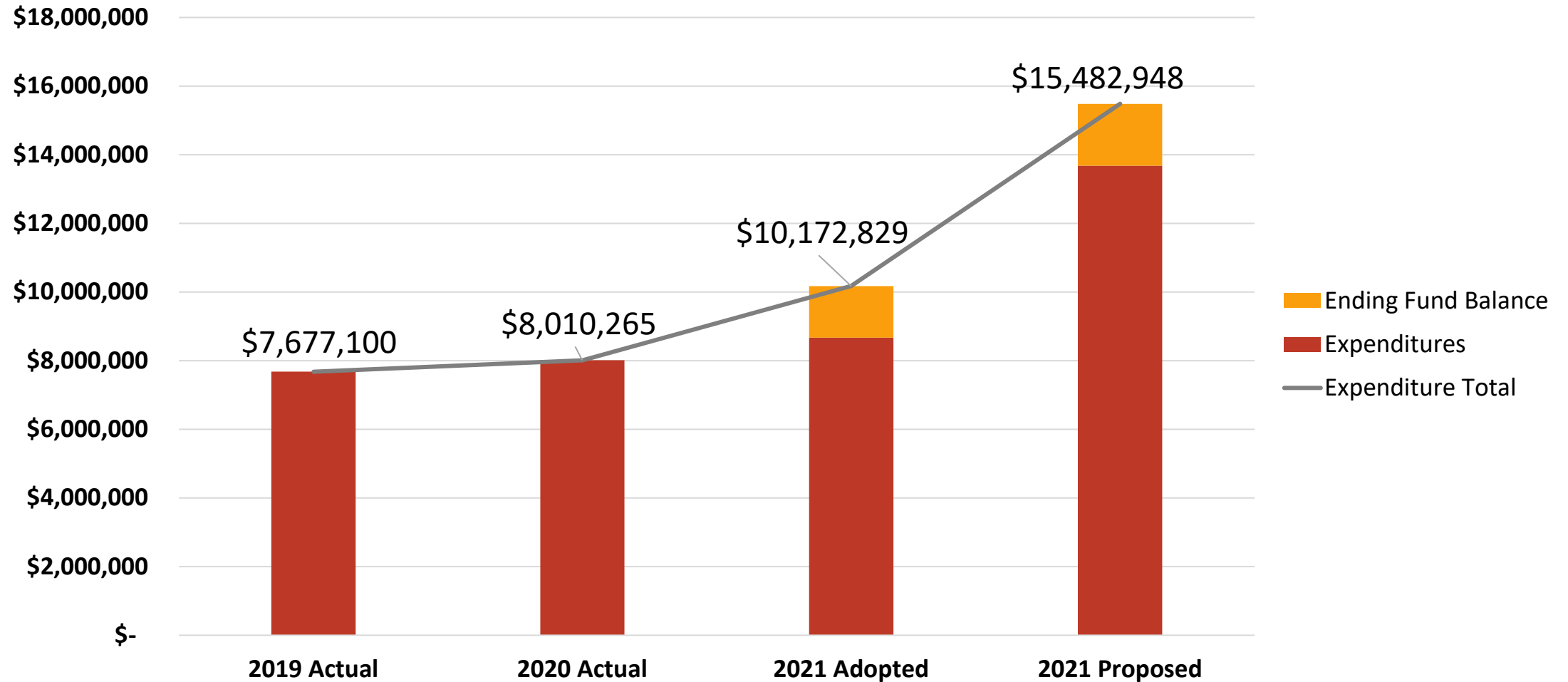
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Expenditures

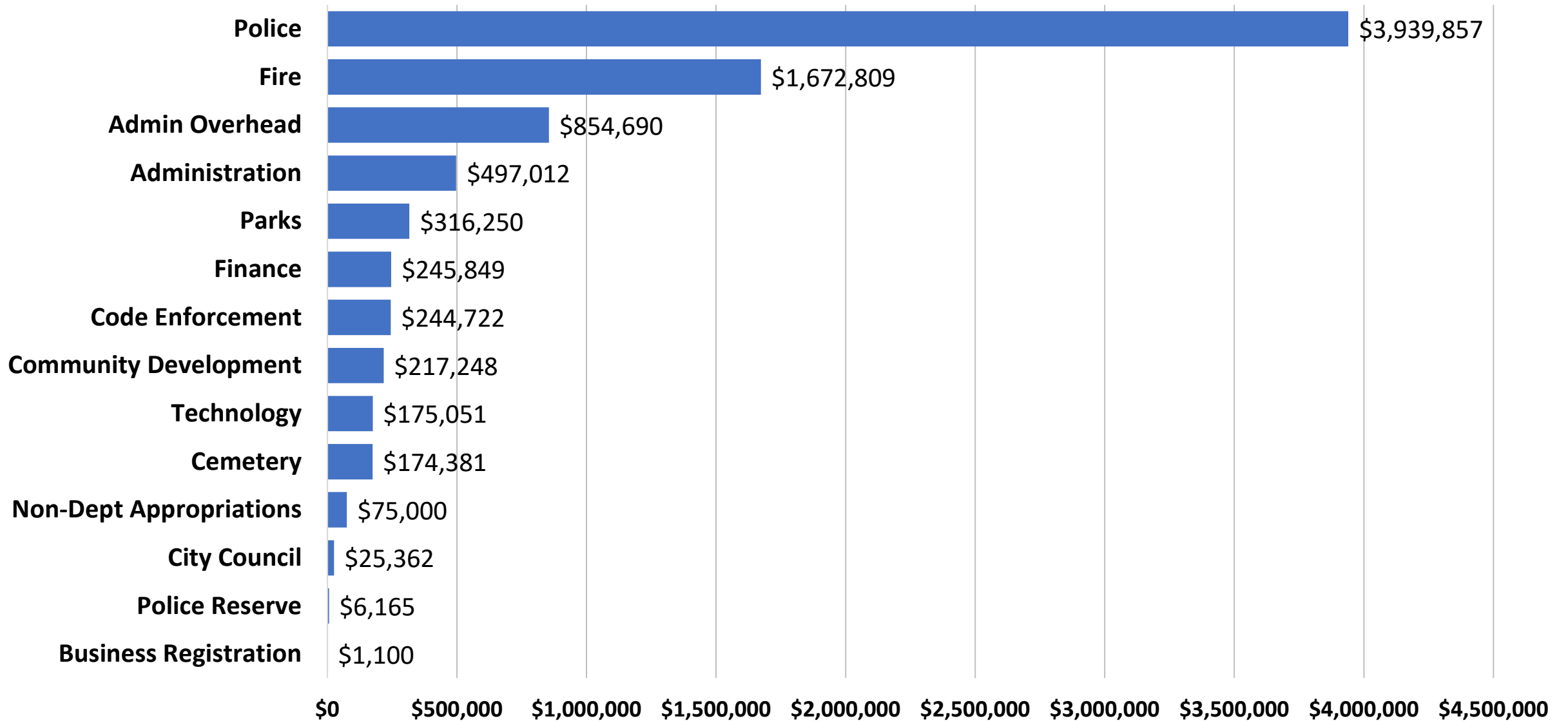
General Fund Expenditures 2019-22



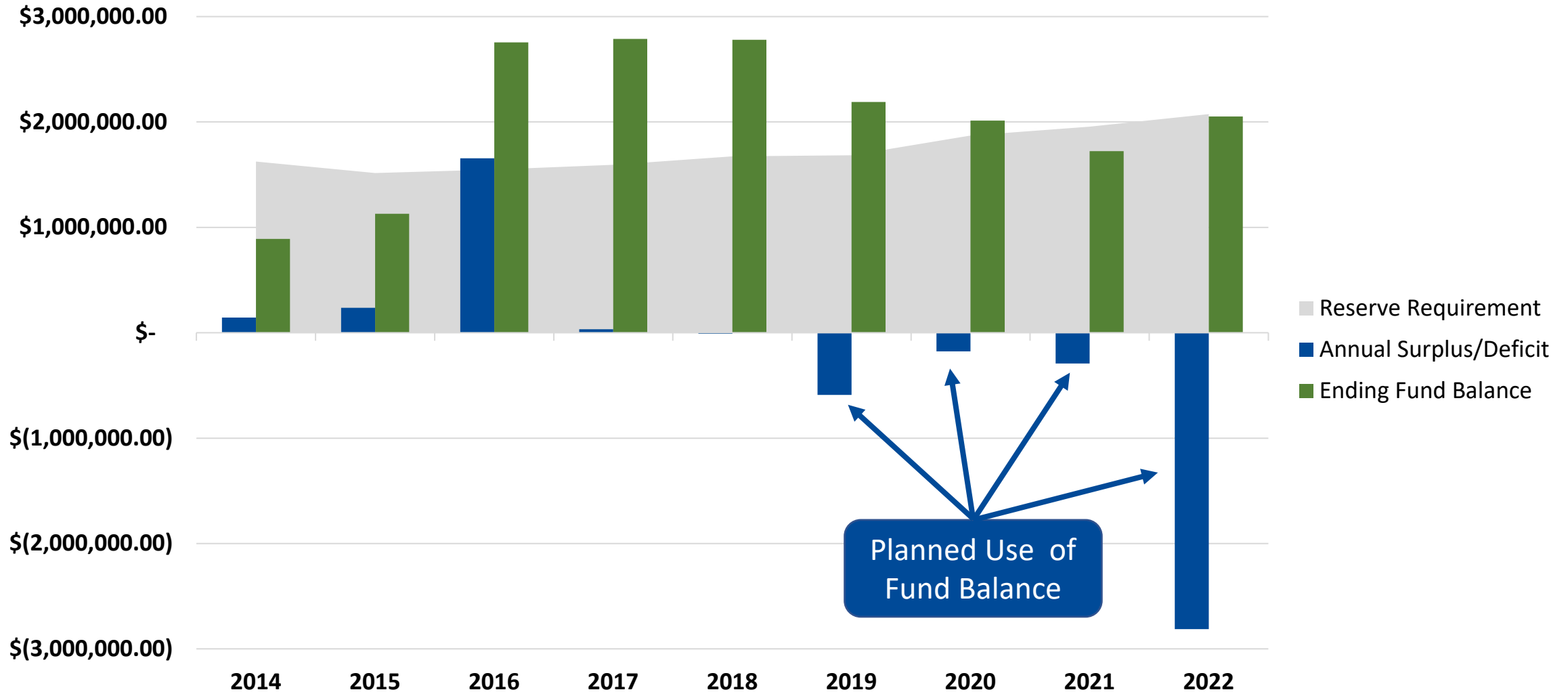
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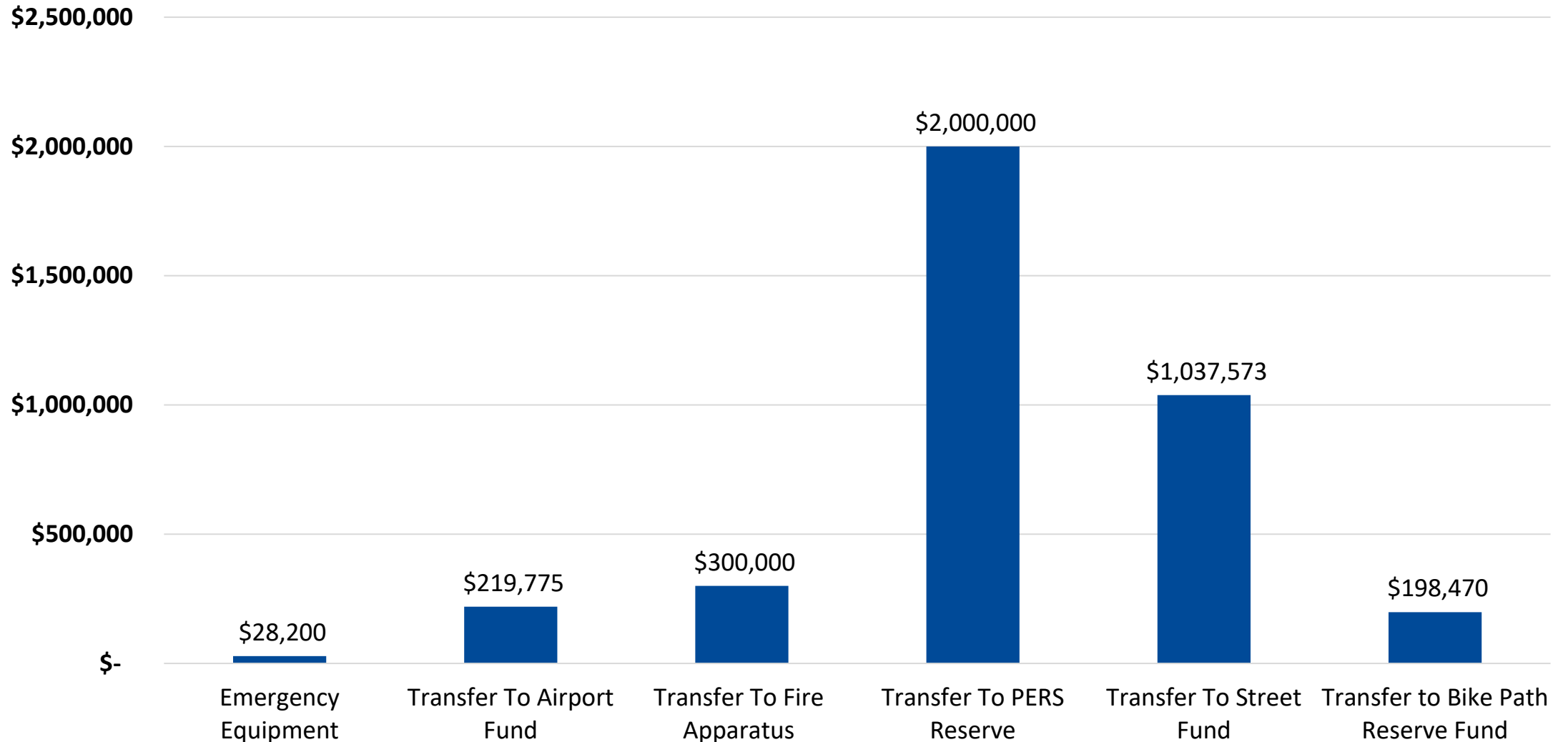
2022 Expenses by Department



General Fund Reserve Surplus



Transfers Out of General Fund





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Strategic Plan

Financial Stability | Desirability | Education
Lifestyle | Beautification | Growth

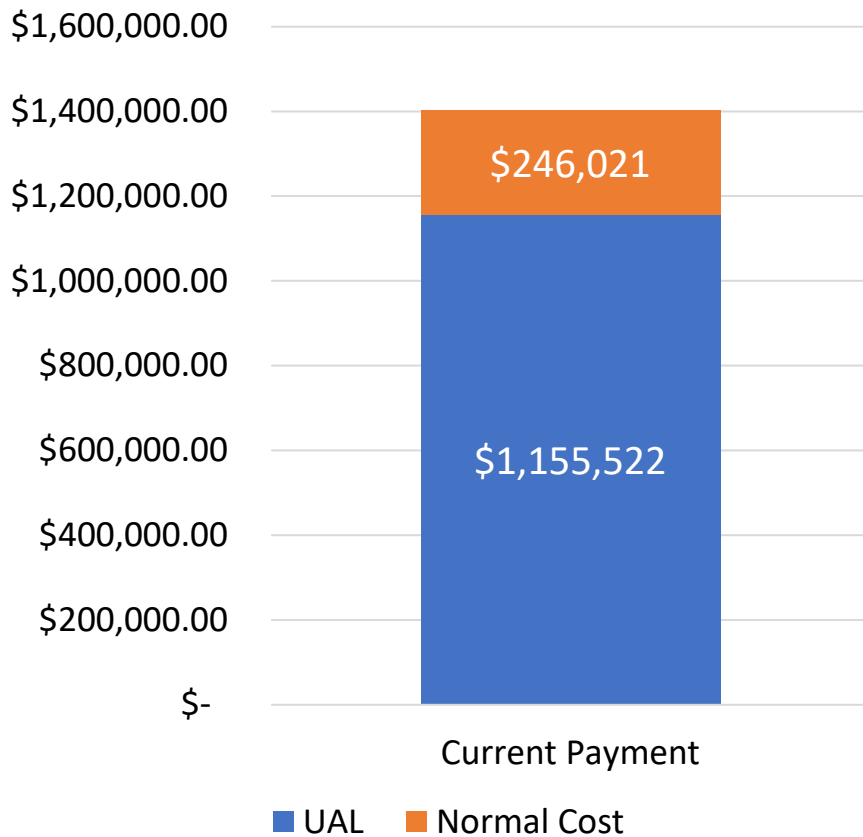
Strategy- Financial Stability

- Pay down PERS
- Maintain a 3-month operating expense fund balance
- Eliminate the Public Safety Fee
- Improve the city's bond rating

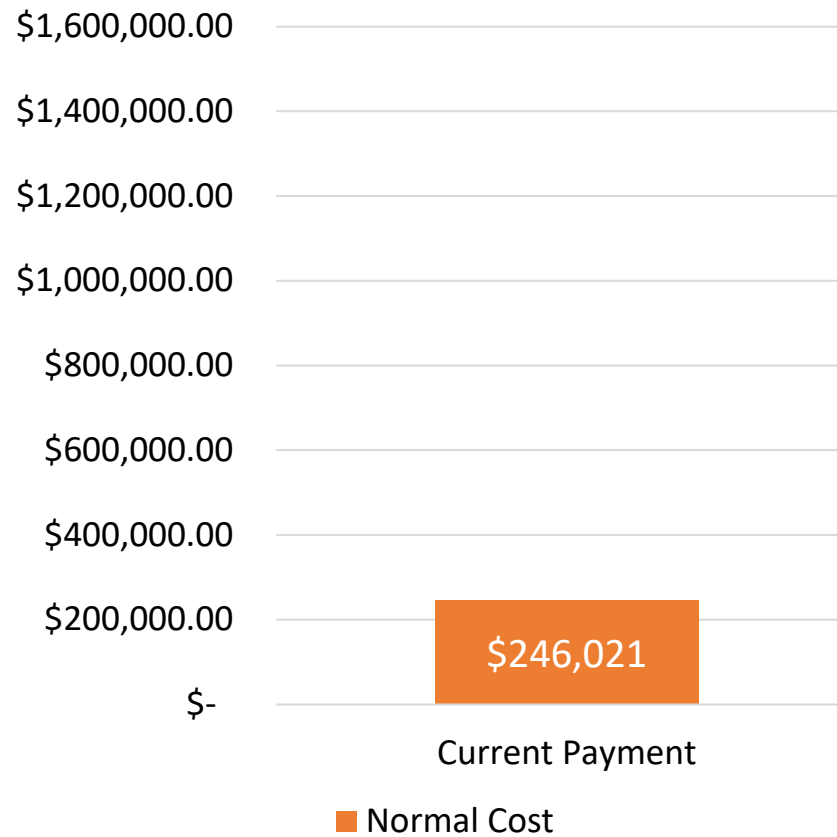


PERS Strategy

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.

How much will it take to pay down our UAL?

At 7.2% investment return (currently used by PERS)
 A payoff of \$7,900,000 (order of magnitude) should pay off the \$15,143,215 current UAL balance.

Loan Amortization Schedule

Enter values	
Loan amount	\$ 7,900,000.00
Annual interest rate	7.20 %
Loan period in years	20
Number of payments per year	1
Start date of loan	1/7/2022
Optional extra payments	\$ -

Lender name:

Loan summary	
Scheduled payment	\$ 757,335.19
Scheduled number of payments	20
Actual number of payments	20
Total early payments	\$ -
Total interest	\$ 7,246,703.88

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	1/7/2023	\$ 7,900,000.00	\$ 757,335.19	\$ -	\$ 757,335.19	\$ 188,535.19	\$ 568,800.00	\$ 7,711,464.81	\$ 568,800.00
2	1/7/2024	\$ 7,711,464.81	\$ 757,335.19	\$ -	\$ 757,335.19	\$ 202,109.73	\$ 555,225.47	\$ 7,509,355.08	\$ 1,124,025.47
3	1/7/2025	\$ 7,509,355.08	\$ 757,335.19	\$ -	\$ 757,335.19	\$ 216,661.63	\$ 540,673.57	\$ 7,292,693.45	\$ 1,664,699.03
4	1/7/2026	\$ 7,292,693.45	\$ 757,335.19	\$ -	\$ 757,335.19	\$ 232,261.27	\$ 525,073.93	\$ 7,060,432.18	\$ 2,189,772.96
5	1/7/2027	\$ 7,060,432.18	\$ 757,335.19	\$ -	\$ 757,335.19	\$ 248,984.08	\$ 508,351.12	\$ 6,811,448.11	\$ 2,698,124.08
6	1/7/2028	\$ 6,811,448.11	\$ 757,335.19	\$ -	\$ 757,335.19	\$ 266,910.93	\$ 490,424.26	\$ 6,544,537.18	\$ 3,188,548.34
7	1/7/2029	\$ 6,544,537.18	\$ 757,335.19	\$ -	\$ 757,335.19	\$ 286,128.52	\$ 471,206.68	\$ 6,258,408.66	\$ 3,659,755.02

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
Tier 1/Tier 2	35.17%	43.79%	35.65%
OPSRP General Services	24.95%	35.19%	26.32%
OPSRP Police/Fire	29.58%	39.56%	30.68%
Annual Savings from Side Account Contribution			\$296,133

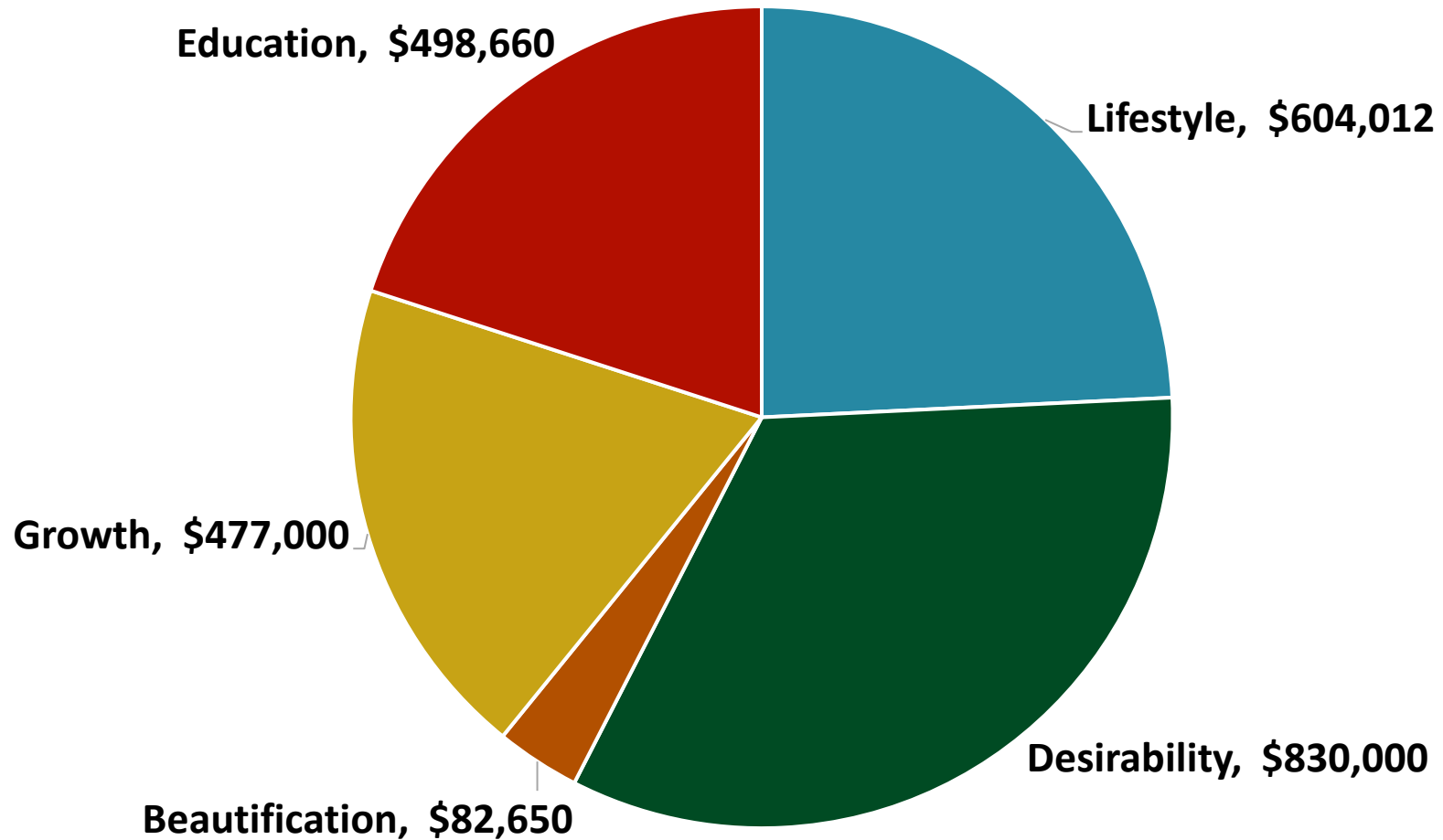
The City of Ontario would have had to reduce services by **\$296,133** annually for the next two years to cover the additional PERS cost.

PERS

\$2,148,689

Budgeted to pay down PERS in FY 21-22

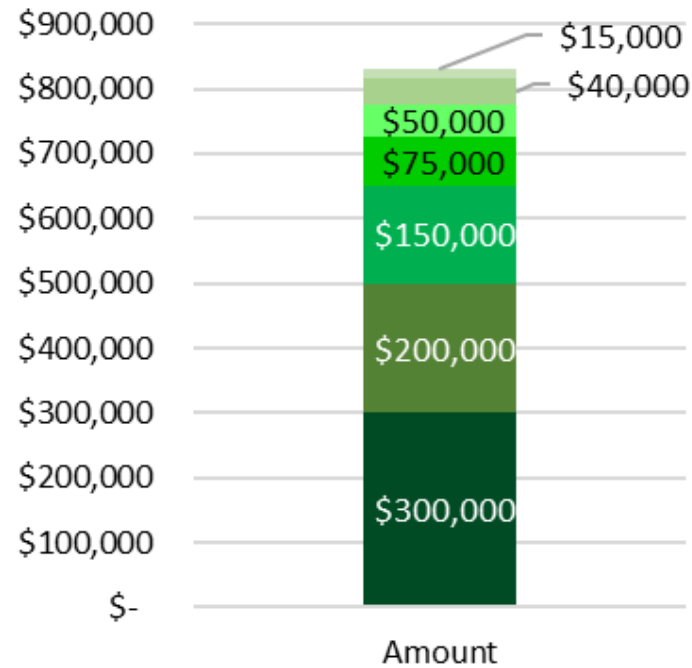
Strategic Spending



Strategy- Desirability



Desirability Expenditures

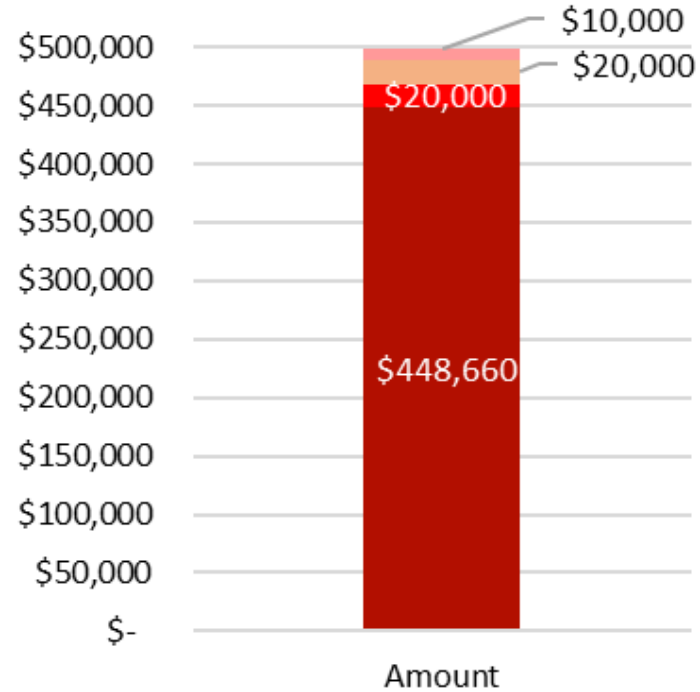


- Phantom Concrete Pad
- Malheur River Trail
- Downtown Attraction
- North-South Trail*
- Pool Payment
- Downtown Attraction Land
- Tater Tot Trail

Strategy- Education

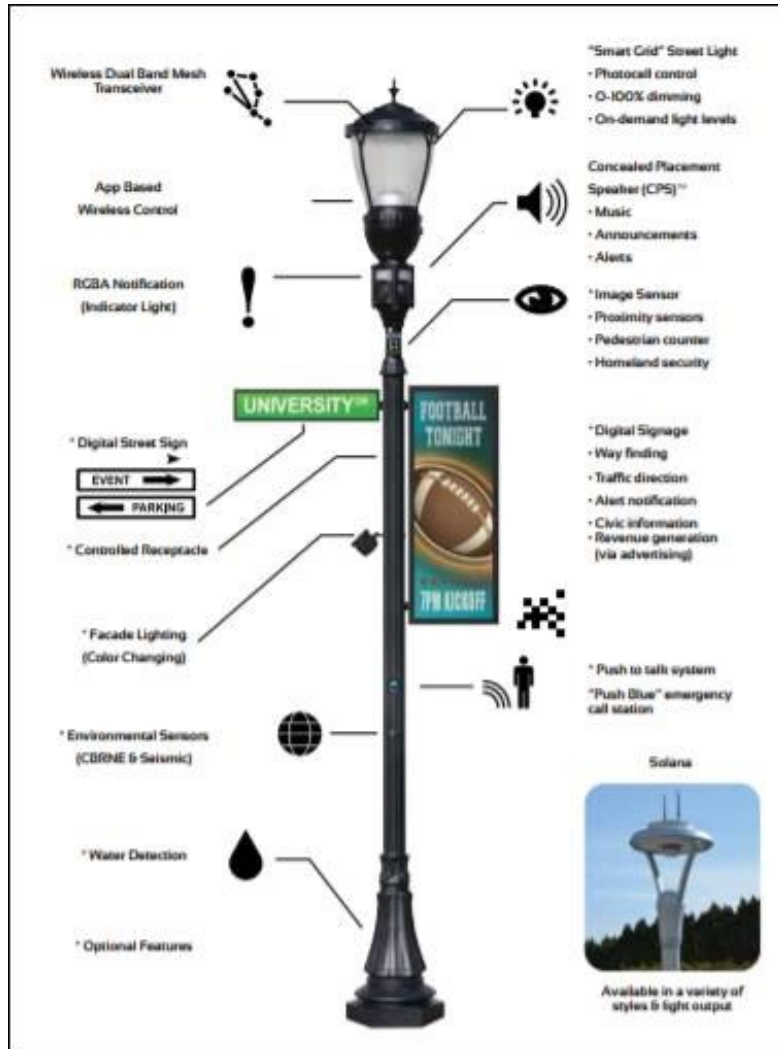


Education Expenditures

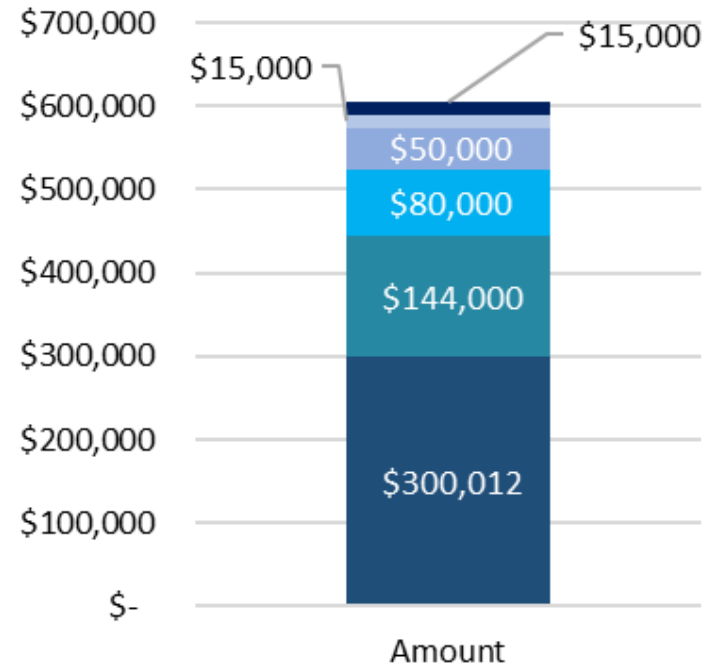


- School Grant
- Marijuana Education
- School Zone Mast Arm
- Safe Routes to School*

Strategy- Lifestyle

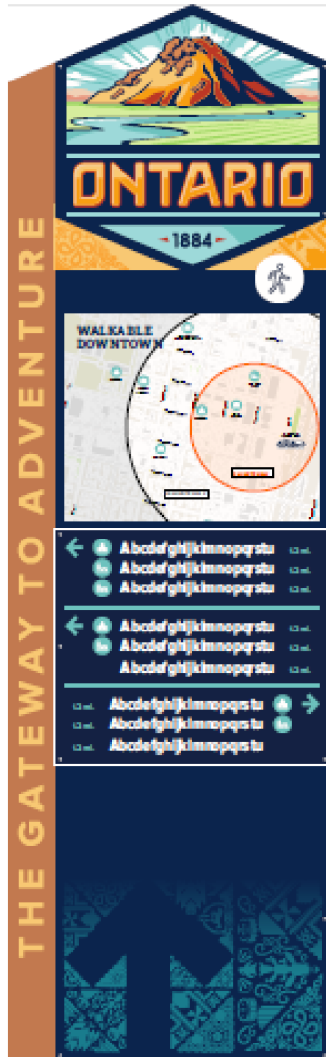


Lifestyle Expenditures

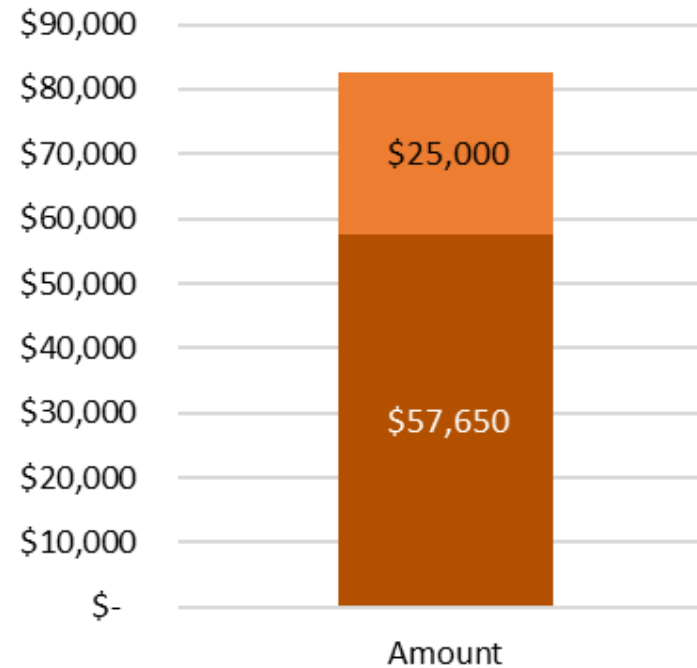


- Homeless
- Transit
- Playground Grants
- South Oregon Irrigation
- Beck Park Bathroom
- Downtown Street Lighting*

Strategy- Beautification



Beautification Expenditures

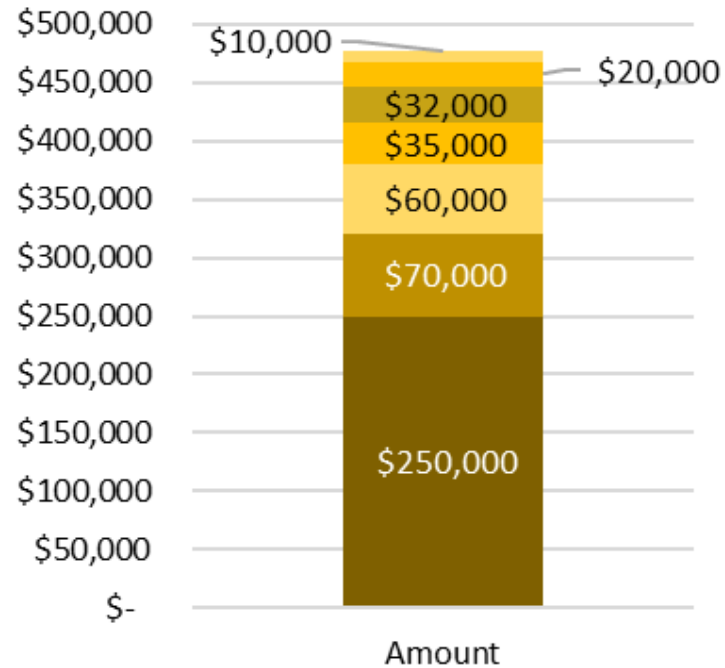


- Façade Grant
- Wayfinding Signs

Strategy- Growth



Growth Expenditures



- SREDA
- North Park Blvd Extension
- Airport Master Plan
- Airport Fencing
- TV 200 Property Development
- Navarette Property Development
- Airport Utility Extension



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Non-Departmental Appropriation Requests

Summary of Requests

- SREDA- \$10,000
- Transit Program- \$15,000 (\$5,000 increase from FY 20-21)
- Façade Grant- \$25,000
- Homeless Program- \$15,000 (\$5,000 increase from FY 20-21)
- Marijuana Youth Education- \$20,000 (\$15,000 increase from FY 20-21)
- School Grant Program- \$10,000
- Tater Tot Festival- \$5,000
- Desert Sage Event Center- \$14,015
- Recreation District- \$150,000

Total: \$264,015

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 SRT gets people to jobs in our community and gets seniors to doctors.

Façade Grant

This will be added to the \$25,000 budgeted for last year, bringing the total program to \$50,000 of matching funds.



Request: Strategic Plan

Recommended: \$25,000

Benefit: Growth and Beautification.

Homeless Program



Request: \$15,000

Recommended: \$15,000

Benefit: Lifestyle.

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: Ad Hoc Committee

Recommended: \$20,000

Benefit: Education



MALHEUR COUNTY
HEALTH DEPARTMENT



School Grant Program

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

- Drones
- Robotics
- Gaming

School Tech Grants

- Robotics

Request: \$10,000

Recommended: \$10,000

Benefit: Education

Tater Tot Festival



Request: \$5,000

Recommended: \$5,000

Benefit: Desirability and Lifestyle

Desert Sage Event

- Fence Replacement



Request: \$14,015

Recommended: \$14,015

Benefit: Beautification

Recreation District

- Aquatic Center reopening



Request: \$300,000

Recommended: \$150,000

Benefit: Desirability and Lifestyle

Add P2P



Request: \$2,000*

Recommended: \$2,000

Benefit: Education. They can leverage this appropriation many times more than what we are giving.

*** Request received after deadline**



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General Fund Budget Changes

Operating Changes

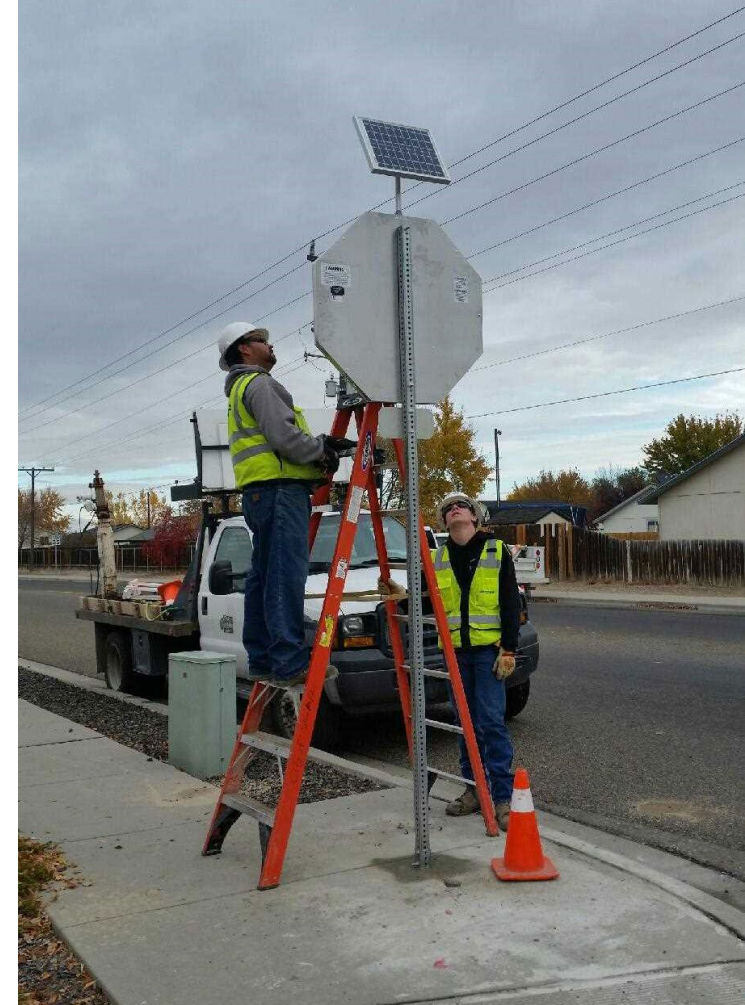
- Add 1 FTE (Firefighter)
 - Approximately \$140,143 annually (fully-burdened)
- Exchange 1 Code Enforcement Officer for 1 Police Officer
 - Code Enforcement Officer approximately \$97,876
 - Police Officer approximately \$125,282



Jacobs Changes

- 3% increase maximum
 - The formula calculation allows them to negotiate up to 3.9%

Jacobs





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Capital Program



**CAPITAL
IMPROVEMENT
PLAN**
FY's 21-26 DRAFT



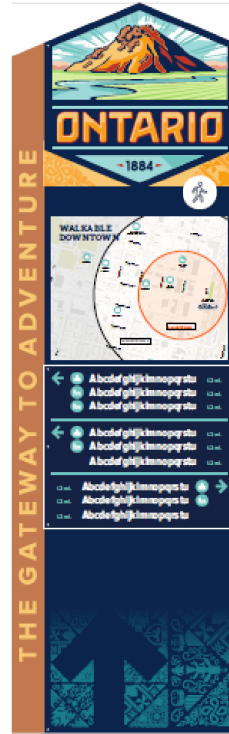
General Fund

- Downtown Attraction **\$50,000**
- Wayfinding Signs **\$57,650**
- Downtown Lighting **\$300,012**
- South Oregon Street Irrigation **\$80,000**
- Malheur River Trail **\$40,000**
- Downtown Attraction Land Acquisition **\$200,000**
- Enterprise Camera System **\$20,000**
- Interior LED Lighting **\$104,413 Energy Savings Project**
- Exterior LED Lighting **\$33,253 Energy Savings Project**

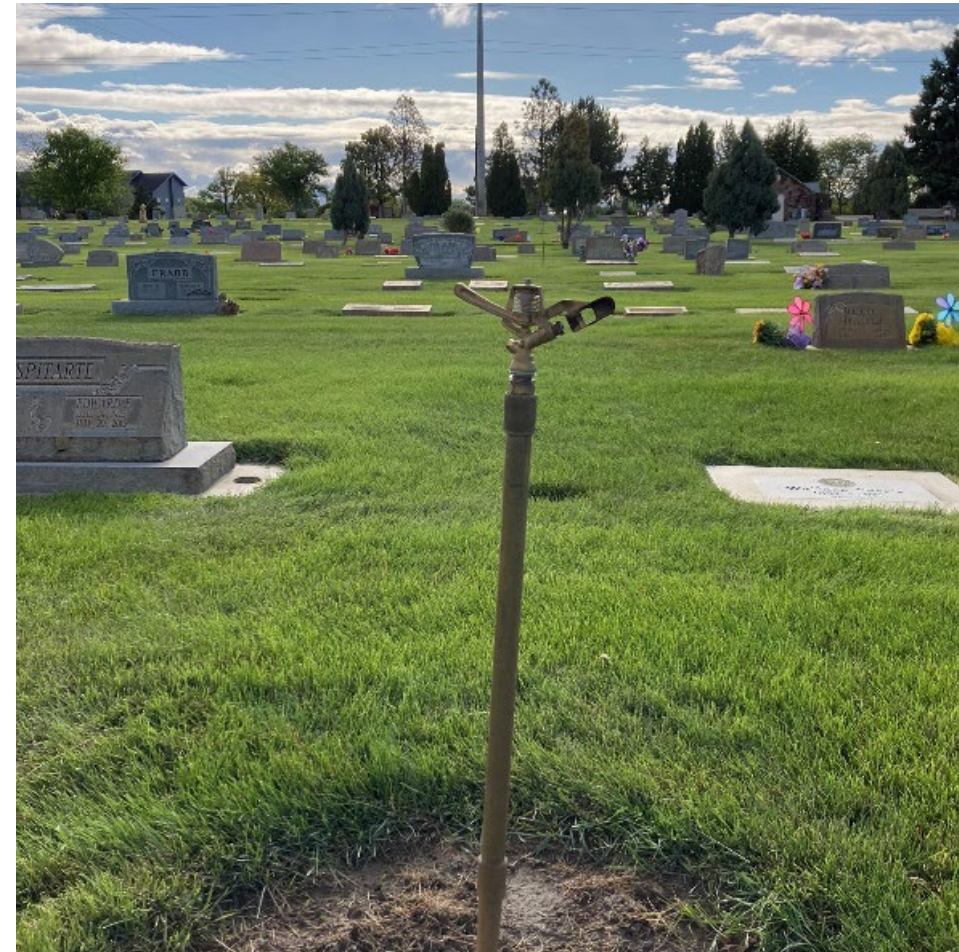
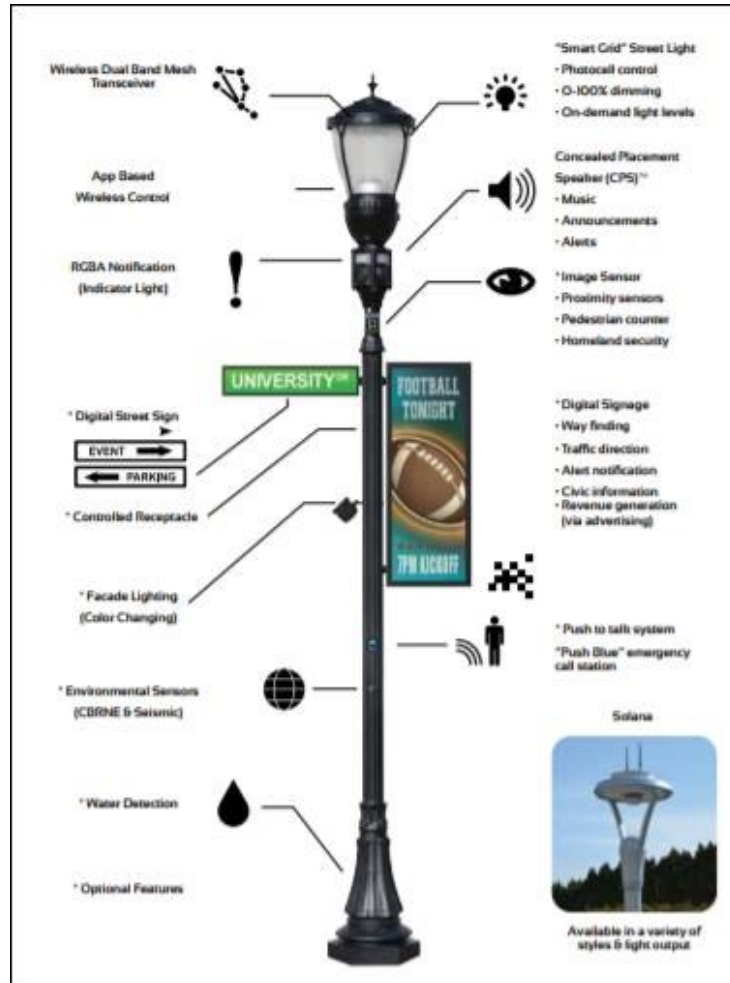
General Fund (Continued)

- Automated Shut-Off Irrigation **\$235,602** **Energy Savings Project**
- Underground Irrigation **\$90,000**
- Beck - Bathroom Rehab **\$144,000**
- Riding Mower **\$20,000**
- Playground Match Program **\$50,000**
- Patrol Vehicle **\$43,000**
- Patrol Vehicle Equipment **\$10,000**
- Police Department Remodel **\$9,000**
- Equipment Purchase (Server) **\$9,000**

Downtown Projects



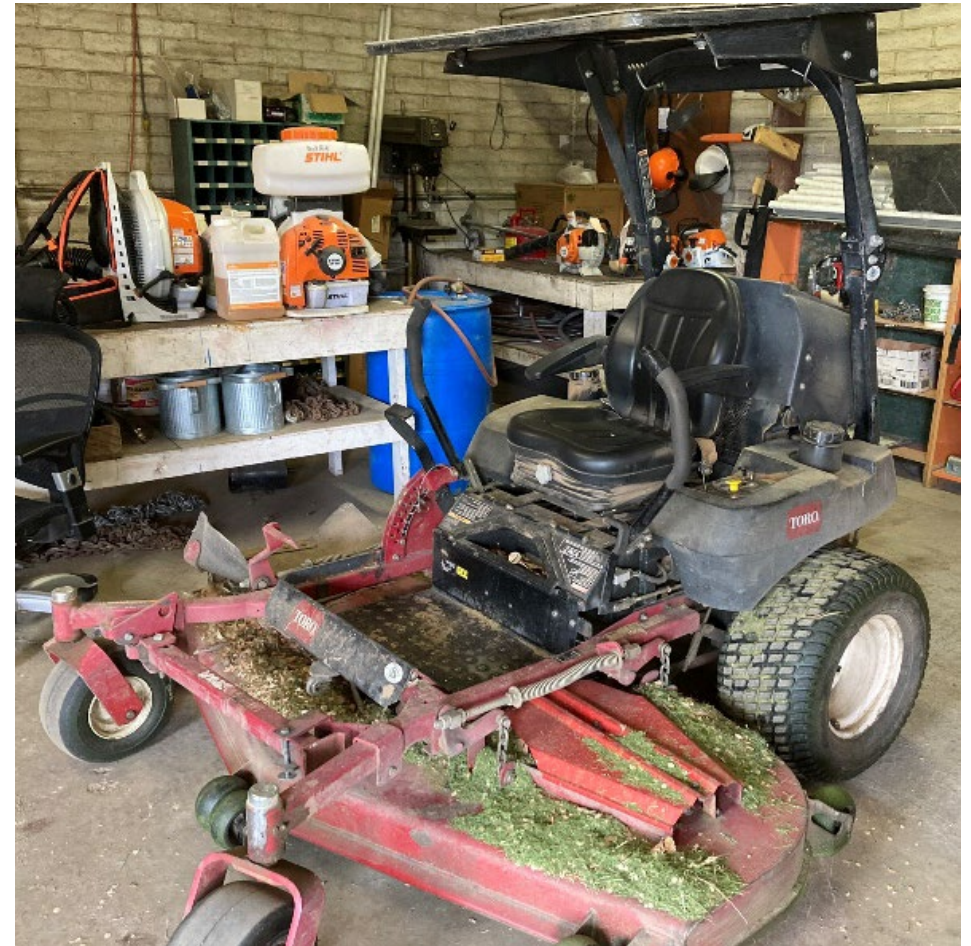
Energy Savings Projects



Beck Park Bathroom



Vehicles and Equipment



Airport Fund

- BLM Consolidation of Efforts **\$150,000**
- Ford F-150 **\$25,000**
- Airport Master Plan **\$32,000**
- Phantom Concrete Pad **\$15,000**
- Airport Fencing **\$35,000**

Airport Projects



Vehicles and Equipment



Street Fund

- ~~SE 2nd ODOT Project \$367,000~~
- North Park Boulevard Extension **\$20,000**
- SE 2nd Street Improvement **\$1,600,000**
- 13 STR-01 Street Sealing **\$150,000**
- Crackfill **\$60,000**
- East Lane Rehabilitation **\$41,000**
- ODOT Signal Upgrades **\$30,000**
- School Zone Mast Arm **\$20,000**
- Sidewalks- Safe Routes to School **\$448,660**
- SE 5th ODOT Project **\$1,852,018**

Street Projects



North Park
Boulevard Extension
(Engineering)



East Lane
Rehabilitation
(Engineering)



SE 5th Avenue
Project
(Grant)



SE 2nd Street
Project
(Grant)

Street Projects (Schools)



Stormwater Fund

- 24-Inch Storm System **\$100,000**
- Americold Intersection Repair **\$20,000**
- North Dorian Ditch **\$40,000**
- Storm Drainage Mainline Repair **\$50,000**

North Dorian Ditch



Wastewater Fund

- Security Upgrade **\$25,000**
- CCTV System **\$175,000**
- WWTP PLC's Update **\$200,000**
- Tapadera Lift Station **\$850,000**
- CDBG Wastewater Project **\$2,500,000**
- Facility Plan **\$270,000**
- Diffuser Design and Construction **\$272,000**
- Flow Pacing (VFD's) **\$72,527 Energy Savings Project**
- Equipment Purchase **\$510,000**
- Skyline and Malheur Farms Upgrades **\$305,000**

Wastewater Fund

- Pickup Truck **\$35,000**
- Vaccon Sewer Cleaner **\$450,000**
- Tractor Mower **\$25,000**



Wastewater Projects



Skyline Pump



Water Fund

- Security Upgrade **\$15,000**
- Reservoir Improvements **\$27,000**
- Well-14 Flow Meter **\$7,500**
- Automatic Backwash System **\$50,000**
- Chlorine Generation System **\$7,500**
- Effluent Control Valve Controllers **\$25,000**
- Floc Mechanism and Sediment Basin **\$50,000**
- Heinz Meter Signal **\$40,000**
- WesTech **\$15,000**
- Booster Pump (Eastside) **\$85,000**
- Booster Pump (Westside) **\$90,000**

Water Fund (Continued)

- WTP Pumps **\$845,559 Energy Savings Project**
- WTP Facility Improvements **\$52,500**
- Vibration Analysis **\$60,000**
- Chlorine Analyzer **\$16,400**
- Equipment Purchase **\$16,000**
- Microchlor Cell Replacement **\$15,000**
- Increase WTP Capacity **\$2,750,000**
- Solids Removal **\$50,000**
- Turbidimeter Replacement **\$18,000**
- Well Rehabilitation **\$25,000**

Capacity Increase Project



Vehicles and Equipment



Grant Fund

- Brownsfield Grant **\$100,000**
- Police Grant Projects **\$2,500**
- FAA 2021 Airport Grant **\$50,000**

Reserve Fund

- North-South Trail **\$75,000**
- Tater Tot Trail **\$345,000**
- Capital Outlay **\$93,733** (Infrastructure)
- Capital Outlay **\$108,974** (Insurance Reserves)
- Equipment Purchase **\$140,637** (Future equipment purchase)
- Radio Equipment **\$175,701**
- Fire Equipment **\$21,707**
- Police Equipment **\$10,000**
- Site Improvements-Water **\$100,000**
- Site Improvements-Sewer **\$100,000**
- Capital Outlay **\$600** (Hollingsworth Well)

Trail Projects



Capital Projects Fund

- Downtown Attraction **\$8,513**
- STR-5 E Idaho Ave **\$68,704**
- Fire Equipment **\$1,450,000**
- Park Improvements **\$4,000**
- Canyon Booster Pump **\$10,000**
- SRCI Water Projects **\$875**
- SRCI Lower Lift Station **\$500,000**



Capital Projects Fund (Continued)

- Airport Wastewater Extension **\$250,000**
- Navarette Property Development **\$70,000**
- Treasure 200 Property Development **\$60,000**
- Water/Sewer Line Replacement **\$400,000**
- Meter Register Replacement **\$75,000**
- Capital Outlay **\$118,977** (West Idaho Extension)

Ladder Truck and Rescue-1



Shovel-Ready Projects



Treasure Valley 200
Property Utility
Extension

Airport Utility
Extension



Navarette Property
Utility Extension



SDC Fund

- Capital Outlay **\$539,542**

Wrap Up and Next Steps

- Questions – Now or ones you would like us to be prepared to answer tomorrow night.
- Fund-by-fund review and approval.



Budget Committee Meeting Dates

- Meeting – Day 2
 - Wednesday, March 10, 2021
 - 6:00 PM
- Meeting – Day 3
 - Thursday, March 11, 2021
 - 6:00 PM

