



AGENDA
Irrigon City Council Meeting
December 17, 2024 – 6:00 PM
Irrigon City Hall - 500 NE Main Avenue

ZOOM MEETING – Information on Second Page

- Call to Order/Pledge/Roll Call
- Mayor’s Comments
- 1. **Public Comment – Maximum 3 minutes/person/topic. A maximum of 30 minutes may be allotted for the public comment. This is the time provided for individuals wishing to address the Council, at their discretion. Multiple items on the same topic need to be combined through one speaker. Please email (clerk@ci.irrigon.or.us) your comments or questions by 4:30 pm of the meeting date so that the Mayor and Council can hear your comment or question.**
- 2. * Consent Agenda (The Consent Agenda allows the Council to approve all items together without discussion or individual motions. Councilors can request an item be removed for later in the meeting and discussion)
 - a. Approval of Minutes – November 19, 2024
 - b. City Manager Report and Staff Updates
 - c. Accounts Payable
 - d. Law Enforcement
 - e. Municipal Court
 - f. Correspondence
- 3. Employment Land, Strategies Plan Update– Carla Mclane
- 4. * Contract Bid Award Food Pod Project
- 5. * Annual Audit Report
- 6. * Irrigon 2024 Council Election Certification
- 7. * 2025 SCA ODOT Grant Bid Process
- 8. * Resolution 24-12 Master Fee Schedule
- 9. * Oregon State Parks “Splash Park Grant” Agreement
- 10. Items for Future Council Meetings
 - Food Pod Loan Documents – Jan 2025
 - Swearing in of Elected Councilors – Jan 2025
 - Selection of Mayor – Jan 2025
 - Selection of Mayor Pro Tem – Jan 2025
 - SB1530 Infrastructure Project –Jan/ Feb 2025
 - Splash Park Construction - 2026
 - Ordinance 260-23 “Camping and Homelessness” - TBD
 - Development Code – On-going

Next Regular Meeting Date – January 21, 2024

* Denotes a motion and vote required.

If you would like to attend and need assistance, please phone Irrigon City Hall at 1.541.922.3047 or TTY relay 1.800.735.2900 The facility is accessible for people with disabilities. Records Requests: The public may

request documents for review, as legally applicable. A written request shall be submitted with a response in 5 business days of the time and cost for such public document request. City will proceed upon written notice to proceed or disregard the request.

Zoom Meeting Information

Topic: December 17, 2024, Irrigon City Council Meeting

Join Zoom Meeting:

<https://us02web.zoom.us/j/5419223047?pwd=fsL00DF2my8gJ4LaQVnRbSaIbhm02f.1&omn=81298990928>

Meeting ID: 541 922 3047

Passcode: 3d@k8rmH

OR

Dial In:

+1 253 215 8782 US (Tacoma)

Meeting ID: 541 922 3047

Passcode: 44113181



Minutes

Irrigon City Council Meeting
November 19, 2024 – 6:00 PM
Irrigon City Hall - 500 NE Main Avenue

- The meeting was called to order at 6:00 pm.

Mayor Patton led in the Pledge of Allegiance.

Councilors present: Mayor Michelle Patton, Mayor Pro-Tem Benji Calvert, Melvin Lambert, Daren Strong, Heather Bishop, Hector Cano, and Marilina Avila-Serratos.

A quorum was present.

City Staff present: City Manager Aaron Palmquist, Finance & Administrative Director Amanda Ferguson, City Intern Evan Purves and City Planning Consultant Carla McLane of McLane Consulting.

Audience present: Councilor Elect Thomas Roberts, Barbara Hulse, Chad Bishop and Ruth Bostick

- Mayor's Comments

Mayor Patton reminded everyone of the Annual Christmas Tree Lighting Event on December 1, 2024. There will be a Christmas bazaar from 9:00 am to 3:30 pm, petting zoo from 1:00 pm to 3:00pm and cookie decorating with Santa from 1:00pm to 3:00pm. The Christmas tree lighting will be at 5:00pm.

The City Manager is working with other entities on the details for a warming station. The times and availability will be forthcoming.

Last month she was absent from the city council meeting due to attending the League of Oregon Cities Annual Conference in Bend partaking in their training and networking with other mayors, councilors, and staff from cities across the state.

The fire station is planning on doing their annual Christmas basket.

The Giving Tree will be going up within the next two weeks, the city is waiting for names to be turned in.

A thanksgiving meal will be served at the Irrigon Senior Center in Irrigon on Thanksgiving Day from 2:00pm to 3:30, with a pickup option from 12:00 to 1:30 pm. Meal tickets will be available at the Senior Center and Irrigon Food Bank or by contacting via Facebook. Also, doors open at 10:00am with games and puzzles.

1. Public Comment

Barbara Hulse protested against making anymore industrial lands in Irrigon. She has heard rumors of such and she is against it.

Tom Roberts praised the Irrigon Chamber of Commerce for the dinner that was put on for local emergency responders. Geer prepared fabulous food and it was great to get to know people from other agencies.

2. * Consent Agenda

- a. Approval of Minutes – October 15, 2024
- b. City Manager Report and Staff Updates
- c. Accounts Payable
- d. Law Enforcement
- e. Municipal Court
- f. Correspondence

Councilor Bishop moved to accept and approve the consent agenda as presented. Councilor Calvert seconded the motion.

There being no discussion, votes were taken and motion passed unanimously.

3. Employment Land, Strategies Plan Update– Carla McLane

Carla McLane updated the city council on the activity taken place since last city council meeting in regards to employment lands. She and city manager Aaron Palmquist had a productive meeting with individuals at the Department of Land Conservation and Development (DLCD) and the Oregon Department of Transportation (ODOT) discussing what the process might look like and what their expectations would be in the process of creating additional employment lands in Irrigon. A clear path was not accomplished but there was some good news that came out of the conversation. Since Irrigon has not done an Economic Opportunities Analysis (EOA) previously, Irrigon may not need one now. The conversation will be continued to better determine what would be needed to address both employment lands and housing needs.

ODOT will need to have a Traffic Impact Analysis (TIA), any access to industrial lands will impact Highway 730, an ODOT facility. The TIA will have actions needed and then the developer will have to work with ODOT and the City of Irrigon to complete those actions.

The cost estimates are as follows: Economic Opportunities Analysis by itself \$50,000, Economic Opportunities Analysis with Housing Needs Analysis \$100,000, Traffic Impact Analysis \$30,000 and local planning assistance \$20,000 for a total estimated cost of approximately \$150,000.

In December, Carla plans to have a task list and a better understanding of landowner components.

Palmquist added that there will be no tax dollars used for these analyses. He is planning on going after other grant sources for the costs.

A town hall meeting with all stakeholders, specifically landowners, was discussed.

The process was explained as preliminary work first, then consultants conduct the analyses and then the land use processes will be followed with two public hearings and possible open house events.

4. *Irrigon Cross Connection Control Program

As part of the Irrigon Municipal Code, Title 8 (8-1-15) as adopted in Ordinance Number 104 (6-10-1986) the City of Irrigon is to have a clear and active Cross Connection program. This requirement as outlined and managed in accordance with Oregon Health Authority (OHA) requirements, is needing updated and adopted by the City Council.

City staff and JUB Engineers (City Engineer) have been working on this program as noted in the latest OHA review and inspection. Irrigon has a staff member in public works who manages the program. However, any private testing of back-flow devices is administered through a third party. This city also has multiple devices and uses an independent party for annual testing, ensuring that city water maintains safe drinking standards.

Councilor Lambert moved to accept and approve the Irrigon Cross Connection Control Program as presented by J-U-B and notification be made to OHA with postings made to the website accordingly. Councilor Strong seconded the motion.

Motion passed with anonymous vote.

5. *Quotes for Lift Station Generator (SB1530 Infrastructure Project)

Romtec failed to meet and sign the documents of agreement for the lift station generator that is part of the SB1530 Infrastructure Project, approved at last city council meeting.

The back-up generator is a required piece of this infrastructure project. Therefore, in accordance “Intermediate procurement” under ORS 279B.070 the solicitation took place for procurement of this item.

Staff recommends acceptance of JUB Engineers recommendation of the Generator and ATS acceptance for the – Advanced Lift Station Project to Western States Equipment Company for \$38,618.00 of the back-up generator.

Councilor Lambert moved for acceptance of the advanced lift station project from Western States Equipment Company of \$38,618 for the back-up generator as presented and authorizing the mayor and city manager to sign applicable documents. Councilor Bishop seconded the motion.

Motion passed by unanimous vote.

6. *Ordinance 263-24 Vacating a City Street for Development, Declaring an Emergency

This street has previously been noted as a dedicated right of way (ROW). Historically with state practice and processes, such ROW’s where able to be realigned as part of a new and broader platting process. While “new” streets can be added during the platting process, the state has called for increased clarity on existing ROWs that will be removed, relocated, or reduced in size and length. The New Dream Subdivision, off SE Division Steet, is requesting this vacation of the full ROW for a portion of SE Thomas Avenue and a vacation for a reduction in size, as noted on Ordinance 263-24. New actions will then be noted on the future platting maps of a relocated SE Thomas Avenue, to run south of the existing ROW between SE Division and SE Tenth Streets. Additionally, a portion of SE Thomas Avenue, just off of SE Tenth Street will become SE Thomas Lane.

Councilor Calvert moved to adopt Ordinance 263-24 in vacating SE Thomas Street as presented and declaring an emergency. Councilor Lambert seconded the motion.

Clarification was requested for the declaring of an emergency. It was explained that an ordinance needs an emergency clause per City Charter to approve immediately. Vacating a street is part of a replat was not expected in the approval process but now must follow other processes per the state. The replat is scheduled to go to the Morrow County Commissioners at their December 8th meeting.

Motion passed by unanimous vote.

7. Items for Future Council Meetings

- Annual Audit Report –Dec 2024
- Oregon State Parks “Splash Park Grant” Agreement -Dec 2024 / Jan 2025
- Swearing in of Elected Councilors – Jan 2025
- Selection of Mayor – Jan 2025
- Selection of Mayor Pro Tem – Jan 2025

- SB1530 Infrastructure Project –Jan/ Feb 2025
- Food Pod Construction Project Award– Dec 2024
- Splash Park Construction - 2026
- Ordinance 260-23 “Camping and Homelessness” - TBD
- Development Code – On-going

Next Regular Meeting Date – December 17, 2024

Councilor Lambert moved to adjourn the meeting.

Meeting adjourned at 6:39 pm.

Minutes prepared by Amanda Ferguson.

Signed:

ATTEST:

Michelle Patton, Mayor

Aaron Palmquist, City Manager



City Manager Report 12-17-2024

Moving from fall into winter seems to be a little too fast for some. Thanksgiving was late this year on the calendar but still many events have and are taking place prior to the end of 2024. It seems that the year 2024 just started and we will soon be welcoming in 2025.

The holiday events have been tremendous, with a great opportunity for community members and the various vendors and organizations putting them together. The Irrigon Chamber with their holiday bazaar showcased several vendors. Thank you to the chamber and each vendor for continued opportunity. Again, the Irrigon Rural Fire Protection District will be supporting several families through generous support with the annual food baskets. This year we have another record-breaking giving tree program for needing children across our area. Rubi at Irrigon Elementary School is facilitating all the names and process. As of this writing there is still between 20 to 30 names needing someone to share Christmas giving. This year we have well over 100 children who will have the gift of giving shared with them. Please see the QR code in the lobby to take you to the dedicated webpage and individuals still needing touched.

At this month's meeting the City Council will accept and validate the results submitted by the Morrow County Clerk. These are the City of Irrigon 2024 General Election results. Four candidates will be sworn in at the January 2025 meeting. Congratulations to each of the candidates.

There are a few correspondence articles for the City Council and public to view. Council, please take note of the League of Oregon Cities (LOC) Elected Essentials Training December 19th and 20th, in the evening in Pendleton. This is a great opportunity to network and gain additional insight. Information is in the packet under correspondence regarding the training.

The LOC has also provided the Annual Transportation (ODOT) investment for cities across Oregon. Beginning in February the state legislature will convene and one critical item is a 2025 Transportation Funding Package. Let's continue to work with the LOC and our local legislators to see that a balanced comprehensive package is passed. Added to the correspondence is the proposed governor's budget for the 2025/26 Biennium.

I will be off on vacation picking my daughter up from college for Christmas break and doing some work to her place in Oklahoma. Amanda will be covering for me while I am out.

Court/Law Enforcement

The court docket for the month of December appears to be pretty full. Results from the Tuesday, December 10, 2024 Municipal Court will be reported next month. Thank you, Karma, for the extra effort in streamlining the process. The one noted property continues to see multiple unfounded calls, whether to Morrow County or the city. The individual is scheduled to go before the judge on December 10, 2024.

OSP (Oregon State Police) still processing our request regarding the opportunity for the judge, and our municipal court, to use the LEDS (law enforcement data systems) when dealing and taking action on violations and with defendants.

There are quite a few new officers with Morrow County Sheriff's Office (MCSO). This means new training to bring the sworn officers in line with the requirements before they perform duties in a sole officer situation. Training is a key area and we thank MCSO for the work being performed. Because of the various training and vacation situations the past month's information reports were not available at this writing. If they do show in time, copies will be made available for the City Council meeting.

Public Works (PW)

The Food Pod Project is noted in the packet for award. This was a very competitive process with several contractors. We are confident that this is going to be a great project, enjoyed by everyone. We are separately ordering the decorative lights, which will have solar panels for any lighting. Rock Enterprise will be doing the solar conversion for us. They have installed a proto type down by the Irrigon Clinic. Check it out when able. The light will not stay

on all night as it is winter season and there is not much sun to power the batteries. Once this project is completed staff will evaluate and see how many should be installed along the south side of 730 and the sidewalk project.

We have been working with ODOT on the ADA curb ramps at various intersections on the north side of US 730 walking path. Their project will be going out to bid soon. There will be some limited traffic on the designated streets on the north side of US 730.

Irrigon was awarded the Small City Allotment (SCA) grant. We are preparing the project for construction and have an item on this month's agenda to allow staff to use the best means possible and get the best use of resources provided.

The Oregon State Parks Commission (OSPD) submitted documents late Tuesday but in time to get it on the agenda. This agreement needs Irrigon's signature and then the State's signature before any future progress can begin. JUB will begin the process of formally designing at that time. Project construction still remains to begin sometime in 2026. for the Irrigon Splash Park project,

Staff has all equipment and processes ready for this year's winter weather, which has already dropped snow across the region.

Thank you for your patience as our public works staff work diligently to provide for the many services enjoyed in Irrigon.

Financial/Administration

As previously noted, Trista Seastone, left the City of Irrigon to work for Morrow County Health District. The position for City Clerk has been offered to Davina Marin in which she will begin on Monday, December 16, 2024. Amanda supervises the position and will be working with her as she learns her city duties. Please welcome her this month as she learns and familiarizes herself with the City Council meeting process.

Our annual audit report is in this month's packet for acceptance and approval. We have another successful year, representing the increase of fiscal strength for the city as well as noting the services staff continues to provide for our community.

Participating by Zoom has now become a generally acceptable means for connecting to public meetings. Individuals present at the meeting in person are requested to speak up and speak slower so that those with hearing challenges can hear. When using Zoom, rename yourself by clicking on the three little dots in the upper right-hand corner of the Zoom screen. To address the council on a topic/question notify the City Clerk by 4:30 pm the day of the council meeting.

Anyone from the public needing assistance or questions, contact Irrigon City Hall. For councilors, contact me directly and we will provide the requested information on time. It is always best to ask questions and gather information from all perspectives. Staff and I thank you for your continued support.

Sincerely,

Aaron Palmquist

City of Irrigon
Statement of Revenues and Expenditures
Actual Versus Budget
November 1, 2024 - November 30, 2024

General Fund					
Revenues	Current Period	YTD Actual	Annual Budget	% of Budget	
10-00-4096	Beginning Fund Balance	646,240.89	580,000	111%	
10-00-4110	Property Taxes	18.01	289,100	103%	
10-00-4120	Property Taxes, Prior Years	547.96	0	0%	
10-00-4130	Interest Earned	1,669.55	15,000	53%	
10-00-4132	Interest Revenue - Leases	728.11	9,700	38%	
10-00-4210	Pet Licenses & Fees	20.00	3,000	16%	
10-00-4220	ZAYO Franchise	0.00	20,000	9%	
10-00-4221	Qwest Franchise Fees	0.00	2,900	0%	
10-00-4223	UECA Franchise Fees	0.00	65,000	25%	
10-00-4224	Cascade Natural Gas Franchise Fees	0.00	3,900	13%	
10-00-4226	Windwave Communications Franchise Fees	0.00	1,100	25%	
10-00-4227	Inland Development Franchise Fees	0.00	2,100	38%	
10-00-4228	Eastern Oregon Telecom Franchise Fees	0.00	1,400	0%	
10-00-4230	Planning/Zoning/Building Permits	430.00	40,000	5%	
10-00-4231	City licenses and fees	55.00	2,600	30%	
10-00-4235	Municipal Court Fines and Fees	5,100.00	35,000	26%	
10-00-4301	Uncollectible Accounts	0.00	0		
10-00-4311	Police Service User Fee (LAW)	4,403.04	54,600	40%	
10-00-4314	Garbage Service Fees	19,270.26	256,000	39%	
10-00-4380	Cash Over	0.00	0		
10-00-4390	Miscellaneous Receipts	382.30	7,000	29%	
10-00-4405	Qwest Lease	1,238.99	15,000	41%	
10-00-4415	U.S. Cellular Site Lease	994.66	12,000	41%	
10-00-4421	Transient Lodging Tax	0.00	1,500	19%	
10-00-4490	Nuisance Abatement Reimbursement	0.00	10,000	0%	
10-00-4630	Cigarette Tax	0.00	1,500	30%	
10-00-4640	OLCC Tax Appropriations	0.00	45,500	17%	
10-00-4650	Revenue Sharing	0.00	31,800	15%	
10-00-4750	Other Funding Sources	0.00	10,000	0%	
Total General Fund Revenues		34,857.88	1,135,519.09	1,515,700	75%
General - Administration Expenditures					
10-11-5110	Salaries	7,839.00	42,342.53	105,700	40%
10-11-5130	Overtime	0.00	128.10	1,300	10%
10-11-5140	Payroll Taxes & Benefits	5,432.70	28,952.37	77,700	37%
10-11-5155	Worker's Compensation Insurance	21.34	133.70	400	33%
Total Administration Personnel Services Expenditures		13,293.04	71,556.70	185,100	39%
10-12-5202	Building Codes/Consultant Services	0.00	3,100.00	30,000	10%
10-12-5222	Insurance/Legal/Audit	0.00	26,309.75	45,000	58%
10-12-5240	Office Supplies/Telephone/Postage/Misc. Office Uti	646.59	7,245.55	20,000	36%
10-12-5255	Travel/Education/Dues/Subscrip./Public Notice/Misc	1,092.50	8,348.15	26,000	32%
10-12-5256	Electrical Services	600.71	993.24	6,000	17%
10-12-5420	Contract Services	0.00	2,837.56	5,000	57%
10-12-5466	Grant/Donation Specific Expenses	0.00	0.00	10,000	0%
10-12-5468	Tourism	0.00	0.00	1,100	0%
10-12-5469	Garbage Service Wholesale	16,423.56	84,928.69	220,000	39%
10-12-5491	Community Support	100.00	126.60	1,000	13%
10-12-5610	Office Equipment & Software	823.00	823.00	1,000	82%
Total Administration Materials and Services Expenditures		19,686.36	134,712.54	365,100	37%
General - Municipal Court Expenditures					
10-21-5110	Salaries	1,167.49	8,659.01	23,500	37%
10-21-5140	Payroll Taxes & Benefits	992.23	7,168.38	22,500	32%
10-21-5155	Worker's Compensation Insurance	8.16	53.57	100	54%
Total Municipal Court Personal Services Expenditures		2,167.88	16,093.45	46,100	35%
10-22-5240	Office Supplies/Telephone/Postage/Misc. Office Uti	1,027.00	1,027.00	2,000	51%
10-22-5255	Travel/Education/Dues/Subscrip./Adver/Misc	0.00	1,757.18	6,000	29%
10-22-5261	State and County Fines	381.50	2,727.00	27,300	10%
10-22-5420	Contract Services	543.30	1,407.30	9,000	16%
Total Municipal Court Materials and Services Expenditures		1,951.80	6,918.48	44,300	16%
General Parks Expenditures					
10-31-5110	Salaries	3,007.63	14,971.78	41,400	36%
10-31-5130	Overtime	0.00	73.16	2,000	4%
10-31-5140	Payroll Taxes & Benefits	2,289.41	11,547.69	32,600	35%
10-31-5155	Worker's Compensation Insurance	65.55	395.97	800	49%
Total Parks Personal Services Expenditures		5,362.59	26,988.60	76,800	35%
10-32-5330	Park Restrooms, Plaza & Play Structures	378.33	464.86	6,000	8%

10-32-5420	Contract Services	357.50	3,487.50	9,000	39%
10-32-5491	Holiday Décor	35.94	1,710.11	2,500	68%
10-32-5620	Landscaping	0.00	317.22	7,000	5%
Total Parks Materials and Services Expenditures		<u>771.77</u>	<u>5,979.69</u>	<u>24,500</u>	<u>24%</u>
General - Public Safety/Code Enforcement Expenditures					
10-41-5110	Code Enforcement Salaries	961.17	11,155.78	40,000	28%
10-41-5130	Code Enforcement Overtime	0.00	102.28	1,000	10%
10-41-5140	Code Enforcement Payroll Taxes & Benefits	1,552.49	10,166.68	42,500	24%
10-41-5155	Code Enforcement Worker's Compensation Insurance	37.74	231.86	400	58%
Total Public Safety Personal Services Expenditures		<u>2,551.40</u>	<u>21,656.60</u>	<u>83,900</u>	<u>26%</u>
10-42-5201	Animal Control/Code Enforcement	200.00	956.38	8,000	12%
10-42-5203	Sheriff Contract	9,617.77	48,088.84	116,000	41%
10-42-5222	Insurance/Legal	0.00	3,188.24	3,400	94%
10-42-5240	Office Supplies/Telephone/Postage/Misc. Office Uti	0.00	166.00	1,200	14%
10-42-5241	Citations	0.00	0.00	500	0%
10-42-5255	Travel/Education	0.00	0.00	2,400	0%
10-42-5420	Lexipol Legal Services and Updates	0.00	0.00	2,500	0%
10-42-5470	Fuel/Oil/Vehicle Repair & Maintenance	0.00	0.00	10,000	0%
10-42-5476	Nuisance Abatement	0.00	0.00	10,000	0%
Total Public Safety Materials and Services Expenditures		<u>9,817.77</u>	<u>52,399.46</u>	<u>154,000</u>	<u>34%</u>
10-45-5810	Capital Lease - Principal	0.00	29,405.80	29,500	100%
Total Public Safety Debt Service Expenditures		<u>0.00</u>	<u>29,405.80</u>	<u>29,500</u>	<u>100%</u>
General Non-Allocated Expenditures					
10-02-5330	Building Maintenance	824.23	6,596.85	20,000	33%
Total Non-Allocated Materials and Services Expenditures		<u>824.23</u>	<u>6,596.85</u>	<u>20,000</u>	<u>33%</u>
10-04-7119	Interfund Transfer to Governmental Reserve	0.00	286,400.00	286,400	100%
Total Interfund Transfers		<u>-</u>	<u>286,400.00</u>	<u>286,400</u>	<u>100%</u>
10-06-5800	Operating Contingency	0.00	0.00	100,000	0%
Total General Fund Expenditures		<u>56,426.84</u>	<u>658,708.17</u>	<u>1,415,700</u>	<u>47%</u>
Revenue Over/(Under) Expenditures		<u>(21,568.96)</u>	<u>(169,429.97)</u>		
Beginning Fund Balance		<u>498,379.88</u>	<u>646,240.89</u>		
Ending Fund Balance		<u>476,810.92</u>	<u>476,810.92</u>		

Governmental Reserve Fund

Revenues		Current Period	YTD Actual	Annual Budget	% of Budget
11-00-4096	Fund Balance	0.00	1,148,304.13	1,149,400	100%
11-00-4130	Interest	5,335.43	27,698.95	43,000	64%
11-00-4340	SDC Revenue/Fees	0.00	0.00	18,000	0%
11-00-4810	Transfer from General (10)	0.00	286,400.00	286,400	100%
11-00-4820	Transfer from Street (20)	141.43	709.06	1,700	42%
11-00-4860	Transfer from Water (60)	0.00	9,000.00	9,000	100%
11-00-4870	Transfer from Sewer (70)	0.00	10,000.00	10,000	100%
Total Governmental Reserve Fund Revenues		<u>5,476.86</u>	<u>1,482,112.14</u>	<u>1,517,500</u>	<u>98%</u>
Expenditures					
11-01-5160	Vacation & Sick Leave	4,465.84	9,431.56	125,000	8%
Total Personnel Services Expenditures		<u>4,465.84</u>	<u>9,431.56</u>	<u>125,000</u>	<u>8%</u>
11-02-5330	Building Maintenance	270.42	2,490.33	24,000	10%
11-02-5474	Bicycle & Foot Path Maintenance	0.00	0.00	4,000	0%
11-02-6033	Street Lights	0.00	0.00	50,000	0%
Total Materials and Services Expenditures		<u>270.42</u>	<u>2,490.33</u>	<u>78,000</u>	<u>3%</u>
11-03-6012	Park Improvements	0.00	0.00	73,800	0%
11-03-6029	Bike and Footpaths	0.00	0.00	23,000	0%
11-03-6032	Street Improvement	0.00	104,090.00	164,500	63%
11-03-6033	Street Lights	0.00	0.00	100,000	0%
11-03-6999	Capital Improvement Plan	40,000.00	40,000.00	953,200	4%
Total Capital Outlay Expenditures		<u>40,000.00</u>	<u>144,090.00</u>	<u>1,314,500</u>	<u>11%</u>
Total Governmental Reserve Fund Expenditures		<u>44,736.26</u>	<u>156,011.89</u>	<u>1,517,500</u>	<u>10%</u>
Revenue Over/(Under) Expenditures		<u>(39,259.40)</u>	<u>177,796.12</u>		
Beginning Fund Balance		<u>1,365,359.65</u>	<u>1,148,304.13</u>		
Ending Fund Balance		<u>1,326,100.25</u>	<u>1,326,100.25</u>		0%

Irrigon Improvements Reserve (12)

Revenues		Current Period	YTD Actual	Annual Budget	% of Budget
12-00-4096	Fund Balance	0.00	2,763,226.34	4,141,400	67%
12-00-4130	Interest	9,925.22	64,406.67	100,000	64%
12-00-4400	Morrow Development. Corp/Port of Morrow	0.00	0.00	250,000	0%
12-00-4590	Congressionally Directed Spending	0.00	0.00	2,705,000	0%
12-00-4690	Other State Sources	0.00	0.00	1,000,000	2%
12-00-4720	Safe Routes to School Grant	0.00	15,638.51	300,000	0%
12-00-4727	CREZ II Community Enhancement Grant	0.00	0.00	1,620,400	0%
12-00-4750	Enhancement Application Fees	0.00	400.00	2,400	17%
Total Irrigon Improvement Reserve Revenues		<u>9,925.22</u>	<u>2,843,671.52</u>	<u>10,119,200</u>	<u>28%</u>
Expenditures					
12-02-5264	Irrigon Improvements	967.05	67,051.14	600,000	11%

12-02-5265	Business Start up	0.00	0.00	109,000	0%
12-02-5266	Enhancing Properties	0.00	18,380.00	170,000	11%
12-02-5490	Housing Incentive Program	0.00	0.00	184,000	0%
Total Materials and Services Expenditures		967.05	85,431.14	1,063,000	8%
12-03-5264	Irrigon Improvements	888.75	678,835.28	3,978,200	17%
12-03-5265	Business Start up	0.00	0.00	30,000	0%
12-03-5466	Electric Vehicle Charging Station	0.00	0.00	393,000	0%
12-03-5621	Safe Routes to School Project	465.48	508,072.73	500,000	102%
12-03-5626	Business Opportunity Incubator	0.00	0.00	1,250,000	0%
12-03-5630	Food Pod	0.00	2,334.50	0	
12-03-5661	Water Infrastructure	9,382.70	35,997.87	852,500	4%
12-03-5679	Sewer Infrastructure	19,634.15	122,148.92	852,500	14%
12-03-6037	Splash Park	0.00	0.00	1,200,000	0%
Total Capital Outlay Expenditures		30,371.08	1,347,389.30	9,056,200	15%
Total Irrigon Improvements Reserve Fund Expenditures		31,338.13	1,432,820.44	10,119,200	14%
Revenue Over/(Under) Expenditures		(21,412.91)	(1,352,375.26)		
Beginning Fund Balance		1,432,263.99	2,763,226.34		
Ending Fund Balance		1,410,851.08	1,410,851.08		0%

State Street Fund

Revenues		Current Period	YTD Actual	Annual Budget	% of Budget
20-00-4096	Beginning Fund Balance		320,475.98	320,000	100%
20-00-4130	Interest Earned	1,326.93	6,938.24	9,100	76%
20-00-4312	Street Light User Fee (STL)	1,761.21	8,796.30	21,800	40%
20-00-4313	Street Maintenance User Fee (ST)	2,641.83	13,194.51	32,700	40%
20-00-4390	Miscellaneous Resources	0.00	68.76	3,300	2%
20-00-4620	ODOT Highway Tax	14,142.95	70,906.38	170,000	42%
Total State Street Revenues		19,872.92	420,380.17	556,900	75%
Expenditures					
20-01-5110	Salaries	7,608.29	38,751.28	109,000	36%
20-01-5130	Overtime	0.00	466.42	5,000	9%
20-01-5140	Payroll Taxes & Benefits	5,318.26	27,537.23	85,200	32%
20-01-5155	Worker's Compensation Insurance	283.93	1,689.17	3,100	54%
Total Personnel Services Expenditures		13,210.48	68,444.10	202,300	34%
20-02-5240	Office Supplies/Telephone/Postage/Misc. Office Uti	353.84	1,336.58	5,000	27%
20-02-5255	Travel/Education/Dues/Subscrip./Adver/Misc	0.00	2,543.26	6,000	42%
20-02-5256	Electrical Services	4,744.57	11,731.31	31,000	38%
20-02-5420	Contract Services	97.39	2,048.39	8,000	26%
20-02-5450	Street Repair	0.00	1,976.00	32,000	6%
20-02-5462	Engineer Services	3,151.63	5,236.55	7,000	75%
20-02-5465	Supplies/Tools/Other Repair & Maintenance	141.19	6,099.10	17,200	35%
20-02-5470	Fuel/Oil/Vehicle Repair & Maintenance	319.32	5,041.64	25,000	20%
Total Materials and Services Expenditures		8,807.94	36,012.83	131,200	27%
20-04-7119	Interfund Transfer to Governmental Reserve	141.43	709.06	1,700	42%
Total Interfund Transfers		141.43	709.06	1,700	42%
20-06-5800	Operating Contingency	0.00	0.00	121,700	0%
Total State Street Fund Expenditures		22,159.85	105,165.99	456,900	23%
Revenue Over/(Under) Expenditures		(2,286.93)	(5,261.80)		
Beginning Fund Balance		317,501.11	320,475.98		
Ending Fund Balance		315,214.18	315,214.18		0

Water Operation and Development Fund (60)

Revenues		Current Period	YTD Actual	Annual Budget	% of Budget
60-00-4096	Beginning Fund Balance		165,519.97	160,000	103%
60-00-4130	Interest Earned	1,101.98	5,148.52	5,000	103%
60-00-4300	Water Sales and Late Fees	34,365.56	287,411.53	540,800	53%
60-00-4301	Uncollectible Accounts	0.00	(8.93)	0	0%
60-00-4310	Service Connections	0.00	0.00	27,500	0%
60-00-4390	Miscellaneous Revenue	157.70	173.68	3,400	5%
Total Water Operations & Development Revenues		35,625.24	458,244.77	736,700	62%
Expenditures					
60-01-5110	Salaries	15,723.23	80,624.63	189,100	43%
60-01-5130	Overtime	833.27	1,711.04	6,000	29%
60-01-5140	Payroll Taxes & Benefits	11,339.10	56,385.39	139,600	40%
60-01-5155	Worker's Compensation Insurance	178.05	1,059.62	2,000	53%
Total Personnel Services Expenditures		28,073.65	139,780.68	336,700	42%
60-02-5222	Insurance/Legal/Audit	0.00	10,519.38	18,000	58%
60-02-5240	Office Supplies/Telephone/Postage/Misc. Office Uti	1,061.71	7,245.43	17,000	43%
60-02-5255	Travel/Education/Dues/Subscrip./Adver/Misc	3.73	1,207.60	10,000	12%
60-02-5256	Electrical Services	2,801.90	9,681.67	23,000	42%
60-02-5420	Contract Services	0.00	49.50	4,000	1%
60-02-5461	Testing	489.92	2,520.84	5,000	50%
60-02-5462	Engineer Services	424.49	770.64	10,000	8%
60-02-5465	Supplies/Tools/Other Repair & Maintenance	1,205.99	19,794.48	80,000	25%

60-02-5470 Fuel/Oil/Vehicle Repair & Maintenance	319.32	3,868.29	21,000	18%
Total Materials and Services Expenditures	6,307.06	55,657.83	188,000	30%
60-04-7119 Interfund Transfer to Governmental Reserve	0.00	9,000.00	9,000	100%
60-04-7165 OP Transfer to Water Reserve (65)	0.00	65,000.00	65,000	100%
Total Interfund Transfers	-	74,000.00	74,000	100%
60-06-5800 Operating Contingency	0.00	0.00	38,000	0%
Total Water Operations and Development Fund Expenditures	34,380.71	269,438.51	636,700	42%
Revenue Over/(Under) Expenditures	1,244.53	23,286.29		
Beginning Fund Balance	187,561.73	165,519.97		
Ending Fund Balance	188,806.26	188,806.26	0	

Water Reserve (62)

Revenues	Current Period	YTD Actual	Annual Budget	% of Budget
62-00-4096 Fund Balance		816,570.51	776,400	105%
62-00-4130 Interest	3,482.59	18,073.16	28,000	65%
62-00-4340 SDC Revenue/Fees	0.00	0.00	700,100	0%
62-00-4860 Transfer from Water (60)	0.00	65,000.00	65,000	100%
Total Water Reserve Revenues	3,482.59	899,643.67	1,569,500	57%
Expenditures				
62-02-5462 Engineer Services	0.00	0.00	8,000	0%
62-02-5667 Emergency Repairs	0.00	29,400.00	50,000	59%
62-02-6004 Update System Development Charge Plan	0.00	0.00	90,000	0%
62-02-6999 CIP Materials & Services	0.00	0.00	23,000	0%
Total Materials and Services Expenditures	-	29,400.00	171,000	17%
62-03-5625 Equipment Replacement	17,060.00	17,060.00		
62-03-6030 Meters for Auto Read Program	10,151.46	10,151.46	137,500	7%
62-03-6031 Test Well	0.00	0.00	200,000	0%
62-03-6999 Capital Improvement Plan	0.00	0.00	1,061,000	0%
Total Capital Outlay Expenditures	27,211.46	27,211.46	1,398,500	2%
Total Water Reserve Expenditures	27,211.46	56,611.46	1,569,500	4%
Revenue Over/(Under) Expenditures	(23,728.87)	26,461.70		
Beginning Fund Balance	866,761.08	816,570.51		
Ending Fund Balance	843,032.21	843,032.21		0%

Water Debt Service for Revenue Bonds (68)

Revenues	Current Period	YTD Actual	Annual Budget	% of Budget
68-00-4096 Beginning Fund Balance		120,878.42	127,600	95%
68-00-4130 Interest Earned	338.30	2,514.03	2,200	114%
68-00-4302 Water Bonds Fees (Wbnd)	6,116.07	30,695.22	74,500	41%
Total Water Debt Service for Revenue Bonds Revenues	6,454.37	154,087.67	204,300	75%
Expenditures				
68-04-7169 Transfer to Water GO Debt Service Fund (69)	399.00	1,995.00	4,800	42%
Total Interfund Transfers	399.00	1,995.00	4,800	42%
68-05-5743 Series 2016 B FF&C Bonds Interest	840.90	4,204.50	9,500	44%
68-05-7683 Series 2016 B FF&C Bonds Principal	0.00	0.00	53,500	0%
68-05-7685 Premium Payment	0.00	0.00	5,200	0%
Total Debt Service Expenditures	840.90	4,204.50	68,200	6%
Total Water Debt Service for Revenue Bonds Expenditures	1,239.90	6,199.50	73,000	8%
Revenue Over/(Under) Expenditures	5,214.47	27,009.75		
Beginning Fund Balance	142,673.70	120,878.42		
Ending Fund Balance	147,888.17	147,888.17	0	

Water Debt Service for General Obligation Bonds (69)

Revenues	Current Period	YTD Actual	Annual Budget	% of Budget
69-00-4096 Fund Balance		20,699.39	32,800	63%
69-00-4110 Property Taxes	6.32	104,259.79	103,200	101%
69-00-4120 Property Taxes, Prior Years	195.63	225.94		
69-00-4130 Interest	163.83	556.20	1,500	37%
69-00-4872 Transfer in from Water Debt Service (68)	399.00	1,995.00	4,800	42%
Total Water Debt Service for G.O. Bonds Revenues	764.78	127,736.32	142,300	90%
Expenditures				
69-05-5744 Series 2016 A GO Bonds Interest	2,790.55	13,952.75	33,000	42%
69-05-7684 Series 2016A GO Bonds Principal	0.00	0.00	51,000	0%
69-05-7685 Premium Payment	0.00	0.00	7,400	0%
Total Debt Service Expenditures	2,790.55	13,952.75	91,400	15%
Total Water Debt Service for Revenue Bonds Expenditures	2,790.55	13,952.75	91,400	15%
Revenue Over/(Under) Expenditures	(2,025.77)	93,084.18		
Beginning Fund Balance	115,809.34	20,699.39		
Ending Fund Balance	113,783.57	113,783.57	0	

Sewer Operations and Development Fund (70)

Revenues	Current Period	YTD Actual	Annual Budget	% of Budget
70-00-4096 Beginning Fund Balance		368,597.50	310,000	119%

70-00-4130	Interest Earned	1,086.45	6,156.42	10,600	58%
70-00-4140	WWTP Dumpage Fees	720.00	4,176.00	11,000	38%
70-00-4300	Sewer Service Sales and Late Fees	48,387.18	242,412.89	595,400	41%
70-00-4310	Service Connections	0.00	0.00	75,000	0%
70-00-4390	Miscellaneous Revenue	0.00	177.63	3,000	6%
Total Sewer Operations and Development Revenues		50,193.63	621,477.27	1,005,000	62%
Expenditures					
70-01-5110	Salaries	16,410.81	83,252.85	206,100	40%
70-01-5130	Overtime	904.29	3,269.38	13,000	25%
70-01-5140	Payroll Taxes & Benefits	11,990.92	59,476.98	155,700	38%
70-01-5155	Worker's Compensation Insurance	213.45	1,246.93	2,200	57%
Total Personnel Services Expenditures		29,519.47	147,246.14	377,000	39%
70-02-5222	Insurance/Legal/Audit	0.00	18,652.01	30,000	62%
70-02-5240	Office Supplies/Telephone/Postage/Misc. Office Uti	1,247.23	7,921.82	18,000	44%
70-02-5255	Travel/Education/Dues/Subscrip./Adver/Misc	3.72	5,855.50	15,000	39%
70-02-5256	Electrical Services	3,462.24	8,698.11	23,000	38%
70-02-5330	Building Maintenance	0.00	2,265.00	0	
70-02-5420	Contract Services	101.81	(1,478.69)	10,000	-15%
70-02-5461	Testing	946.80	7,207.15	23,000	31%
70-02-5462	Engineer Services	134.39	661.79	11,000	6%
70-02-5465	Supplies/Tools/Other Repair & Maintenance	4,912.72	17,880.17	60,000	30%
70-02-5470	Fuel/Oil/Vehicle Repair & Maintenance	273.71	3,329.11	30,000	11%
70-02-5475	Sludge Removal	0.00	0.00	7,000	0%
Total Materials and Services Expenditures		11,082.62	70,991.97	227,000	31%
70-03-5660	Service Connections Water/Sewer	0.00	0.00	75,000	0%
Total Capital Outlay Expenditures		0.00	0.00	75,000	0%
70-04-7119	Interfund Transfer to Governmental Reserve	0.00	10,000.00	10,000	100%
70-04-7175	OP Transfer to Sewer Reserve (75)	0.00	94,400.00	94,400	100%
Total Interfund Transfers		-	104,400.00	104,400	100%
70-06-5800	Operating Contingency	0.00	0.00	121,600	0%
Total Sewer Operations and Development Expenditures		40,602.09	322,638.11	905,000	36%
Revenue Over/(Under) Expenditures		9,591.54	(69,758.34)		
Beginning Fund Balance		289,247.62	368,597.50		
Ending Fund Balance		298,839.16	298,839.16		

Sewer Reserve (72)

Revenues	Current Period	YTD Actual	Annual Budget	% of Budget
72-00-4096	Beginning Fund Balance	753,440.04	699,500	108%
72-00-4130	Interest	3,478.68	22,000	78%
72-00-4340	SDC Revenue/Fees	0.00	94,500	0%
72-00-4870	Transfer from Sewer (70)	0.00	94,400	100%
Total Sewer Reserve Revenues		3,478.68	865,088.23	95%
Expenditures				
72-02-5667	Emergency Repairs	0.00	100,000	0%
72-02-6004	Update System Development Charge Plan	0.00	90,000	0%
Total Materials and Services Expenditures		-	190,000	0%
72-03-6012	SDC Improvements	0.00	244,000	0%
72-03-6999	Capital Improvement Plan	0.00	476,400	0%
Total Capital Outlay Expenditures		-	720,400	0%
Total Sewer Operations and Development Expenditures		-	910,400	0%
Revenue Over/(Under) Expenditures		3,478.68	111,648.19	
Beginning Fund Balance		861,609.55	753,440.04	
Ending Fund Balance		865,088.23	865,088.23	

Sewer Debt Service for Revenue Bonds (78)

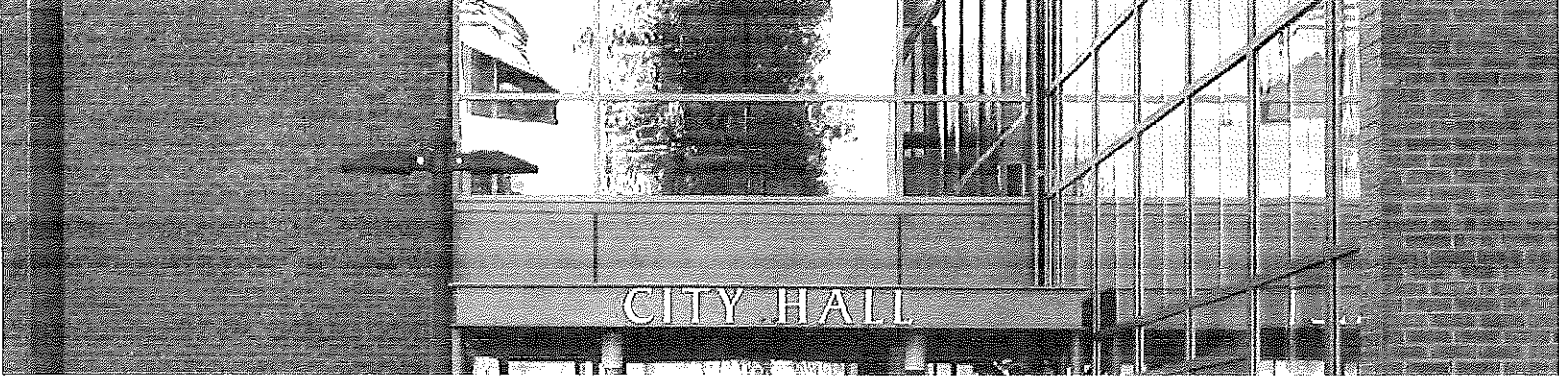
Revenues	Current Period	YTD Actual	Annual Budget	% of Budget
78-00-4096	Beginning Fund Balance	416,080.34	325,800	128%
78-00-4130	Interest Earned	1,554.46	12,000	79%
78-00-4302	Sewer Bonds Fees (Sbnd)	28,180.06	340,000	42%
Total Sewer Debt Service for Revenue Bonds Revenues		29,734.52	677,800	84%
Expenditures				
78-04-7179	OP Transfer to Sewer GO Debt Service (79)	1,268.68	15,500	41%
Total Interfund Transfers		1,268.68	15,500	41%
78-05-5740	DEQ Bond R47741 Interest Expense	866.17	13,500	33%
78-05-5741	IFA Y13004 Interest Expense	845.44	10,000	42%
78-05-5743	Series 2016 B FF&C Bonds Interest	1,047.91	12,000	44%
78-05-5746	DEQ R47742 Interest Expense	3,084.83	50,000	31%
78-05-5747	DEQ R47743 Interest Expense	557.83	9,500	30%
78-05-7680	DEQ R47741 Principal	21,663.00	41,000	53%
78-05-7681	OR Bond Y13004 Principal Sewer 2012	0.00	18,500	0%
78-05-7683	Series 2016 B FF&C Bonds Principal	0.00	67,000	0%
78-05-7685	Premium Payment	0.00	6,500	0%
78-05-7686	DEQ R47742 Principal	0.00	35,000	0%
78-05-7687	DEQ R47743 Principal	0.00	16,500	48%

Total Debt Service Expenditures	28,065.18	61,838.06	279,500	22%
Total Sewer Debt Service for Revenue Bonds Expenditures	29,333.86	68,181.46	295,000	23%
Revenue Over/(Under) Expenditures	400.66	82,634.02		
Beginning Fund Balance	498,313.70	416,080.34		
Ending Fund Balance	498,714.36	498,714.36		

Sewer Debt Service for General Obligation Bonds (79)

Revenues	Current Period	YTD Actual	Annual Budget	% of Budget
79-00-4096 Beginning Fund Balance		118,169.65	120,000	98%
79-00-4110 GO Sewer Property Taxes	5.73	94,595.69	93,600	101%
79-00-4120 Property Taxes, Prior Years	172.26	212.24		
79-00-4130 Interest	362.52	2,463.38	5,600	44%
79-00-4873 Transfer in from Sewer Debt Service (78)	1,268.68	6,343.40	15,500	41%
Total Sewer Debt Service for G.O. Bonds Revenues	1,809.19	221,784.36	234,700	94%
Expenditures				
79-05-5744 Series 2016 A GO Bonds Interest	4,598.03	22,990.15	54,400	42%
79-05-7684 Series 2016A GO Bonds Principal	0.00	0.00	84,100	0%
79-05-7685 Premium Payment	0.00	0.00	12,100	0%
Total Debt Service Expenditures	4,598.03	22,990.15	150,600	15%
Total Sewer Debt Service for G.O. Bonds Expenditures	4,598.03	22,990.15	150,600	15%
Revenue Over/(Under) Expenditures	(2,788.84)	80,624.56		
Beginning Fund Balance	201,583.05	118,169.65		
Ending Fund Balance	198,794.21	198,794.21		
Total Revenue Over/(Under) Expenditures	(93,141.80)	(974,280.56)		
Total Beginning Fund Balances	6,777,064.40	7,658,203.16		
Total Ending Fund Balances	6,683,922.60	6,683,922.60		

12/12/2024



ELECTED ESSENTIALS WORKSHOPS

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Topics include:

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- What City Officials Need to Know About Oregon's Public Records Law
- Public Meetings in Oregon – What the Law Says & Best Practices
- Understanding Your Legal Obligations Under Oregon's Ethics Laws
- Legal Powers & Impediments Affecting Elected Officials
- Lobbying 101

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Remaining Dates and Locations:

Pendleton – Convention Center	Region 11	Dec. 19, 5 p.m. - 9 p.m. and Dec. 20, 5 p.m. - 9 p.m.
Redmond – City Hall	Region 9	Jan. 8, 8:15 a.m. - 5 p.m.
Klamath Falls – Council Chambers	Region 10	Jan. 14, 8:15 a.m. - 5 p.m.
Phoenix – Civic Center	Region 7	Jan. 15, 8:15 a.m. - 5 p.m.
Baker City – Armory	Region 12	Jan. 31, 8:15 a.m. - 5 p.m.
Salem – Local Government Center	Catch All	Feb. 5, 8:15 a.m. - 5 p.m.



December 6, 2024

Co-Chair Representative McLain
Co-Chair Senator Gorsek
Members of the Joint Committee on Transportation

Subject: Annual transportation investment needs of cities

The LOC has further explored the principal question of transportation needs for cities to inform members of the Joint Committee on Transportation. The LOC has produced a set of transportation needs based on a smaller subset of LOC members and has built a simple projection based on lane miles present across Oregon. These projected needs are conservative and represent needs based on over 11,300 road miles in Oregon. This work combines survey results that the LOC conducted in the spring of 2024 and, more recently, in the last 30 days.

Based on the assessment, the LOC estimates a funding gap of **\$1.657 Billion annually**. This includes over **\$1.024 Billion annually** of capital investment gaps and an annual operations and maintenance need of over **\$633 million**. I want to clarify that since the estimate of capital construction needs are largely based on Transportation System Plans (TSP), cities would not expect state resources to match the local need. Instead, cities leverage multiple funding sources that can be identified over the planning horizon. What's important about the capital needs is simply the scale of the investment and the critical importance of state resources to the overall investment in Oregon's entire transportation system. Cities in Oregon are challenged to identify and leverage additional transportation needs to meet the core objective of community safety on streets and in neighborhoods.

Cities use utility fees, service charges, levies, bonds, gas taxes, registration fees, and the state block grant programs (STBG) to supplement the SHF. In addition, system development charges (SDCs) are a normal part of local transportation funding. These revenues are almost entirely limited to new transportation facilities associated with growth. They are not structured or allowed to be applied to core operations or maintenance.

Our member survey clearly shows that all cities, regardless of size, depend on the distribution of State Highway Fund (SHF) revenue. Some cities receive SHF revenue that accounts for 60 percent or more of their transportation budget. For many cities, the SHF is their only source of revenue for transportation projects and operations and maintenance programs.

This table shows the scale of the SHF distribution based on city population. Two-thirds of Oregon’s 241 cities have less than 5,000 in population, so they must leverage grant funds from other sources for transportation projects of any significant scale.

Table 1.0: State Highway Fund Distribution

City	Population	State Highway Fund Dist.
Cove	670	\$50,521
Pilot Rock	1,338	\$103,872
Myrtle Point	2,508	\$200,107
Sheridan	5,987	\$498,253
La Grande	12,823	\$1,059,431
Woodburn	27,044	\$2,063,937

While there has not been much discussion related to the Small City Allotment (SCA) program, cities remain very supportive of continuing this program. For cities under 5,000, the SCA presents access to as much as \$250,000/project and a real chance for meaningful capital improvement. Since its inception in HB 2017, five million dollars have been allocated to each annual grant cycle. Typically, the grant requests exceed available funds by a factor of three, with the most recent cycle identifying 73 projects valued at over \$17 million and only \$5 million available for distribution.

Operations and Maintenance - Road Conditions

Based on the data received, the LOC estimates that Oregon’s cities face an annual funding gap of **\$633,221,223** for core operations and maintenance needs. This is based on the funding required to bring their street conditions to “fair” or “good” over a 20-year planning horizon.” The data received from cities included assessments based on their respective transportation objectives over 10, 20, and 30-year horizons. These data points above the track with LOC’s recent street conditions results. Cities rated their street conditions based on the Pavement Conditions Index (PCI), a standard rating system. This completed survey found that 41 percent of the streets were in poor to very poor condition, while streets with a "fair" rating comprised just 38 percent. These results illustrate cities' funding challenges despite significant funding increases due to HB 2017.

City Specific Examples

Madras - With a population of just over 8,000, Madras faces significant funding challenges. This includes an additional \$5.6 million annually to meet operational standards and complete the paving of unpaved streets. The SHF revenue represents 56 percent of their annual transportation budget of \$1.4 million.

Manzanita – The fate of Oregon’s small cities is illustrated by the budgetary constraints faced by Manzanita, with a population of 603. Their annual transportation budget is \$240,388 and includes a SHF contribution of 20 percent, with the balance of funding coming from a subsidized general fund allocation and franchise fees. Given the limited funding ability, the city has no capital

improvement projects, has limited maintenance, and is a good example of communities facing funding hardships due to Measure 5 and 50 limitations.

Medford – With a population of 90,887, Medford receives \$6.9 million in SHF, representing 38 percent of its annual transportation program budget of \$18 million. Medford estimates that it needs an additional \$2.15 million annually to maintain current conditions and an additional \$7 million to address a backlog in street maintenance. Even with an additional \$11 million coming from other revenue sources, they also estimate an annual shortfall of \$7.2 million to meet capital improvements.

Capital Improvements

The LOC’s infrastructure investment survey from the spring of 2024 identified over \$5.8 billion from 125 cities that returned surveys. While there is a range of planning timelines, we used a 20-year planning horizon to estimate needs. Based on the data submitted, cities are falling short of annual capital construction objectives of \$1,065,724,074 billion annually. This estimate is based on averaging a lane mile cost using projected costs associated with Transportation System Plans (TSP) submitted by cities.

Cities face significant funding challenges related to capital projects, annual operations, and maintenance investments to meet their street conditions and operational objectives. To help illustrate this, we have the following data from a range of cities. This funding is a snapshot of five cities that have completed their most recent assessment as part of their respective TSP.

Table 2.0: Transportation System Plan – Funding Needs

City	Population	Capital Need	Planning Horizon
Beaverton	96,945	\$616 million	20-year
Hillsboro	107,730	\$870 million	20-year
Medford	83,098	\$551 million	20-year
Portland	630,498	\$3 billion	10-year
Lebanon	19,726	\$197 million	20-year

City Specific Examples

Bend—Bend has been among Oregon’s fastest-growing communities over the last twenty years, and estimates of its capital investment exceed \$270 million. Bend’s annual transportation budget is \$27.4 million, with SHF revenue over \$9.2 million. Other funding sources include franchise fees, general fund subsidies, utility fees, and System Development Charges (SDCs). Bend estimates their operations and maintenance needs are short \$ 6 million annually to meet an \$81 million backlog in deferred maintenance.

Lebanon – 56 percent of Lebanon’s transportation budget comes from the SHF, which has an overall annual budget of \$2.6 million for a community with 20,000 residents. Their capital needs are just shy of \$197 million over a 20-year planning horizon. Given their current funding sources, they will be severely challenged to meet the transportation objectives.

Portland – Portland, the largest city in the state, manages transportation assets with a replacement value of \$21 billion. Portland has over 4,378 lane miles of streets, 159 bridges, 1,366 traffic signals, and 60,391 streetlights. Due to insufficient funding, the City has been unable to maintain these assets to the City’s standards. The cost to bring the City’s existing assets into fair or better condition is about \$600 million/year for ten years. The cost to build the projects listed in the TSP for which PBOT is a lead is about \$300 million/year for ten years.

The LOC appreciates the effort and focus of the Joint Committee on Transportation. We fully recognize there are many difficult choices ahead. We are hopeful the combination of the public input with the summer and fall road show along with this work group process have helped connect the importance of Oregon entire transportation that connects communities across Oregon.

Sincerely,

Jim McCauley
Legislative Director



(<https://www.orcities.org/>)

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> Resources: Communications (<https://www.orcities.org/resources/communications>)

> LOC Bulletin (<https://www.orcities.org/resources/communications/bulletin>)

> **Governor Releases Recommended Biennial Budget for FY 25-27**

LOC News

Governor Releases Recommended Biennial Budget for FY 25-27

This week, Governor Kotek released her recommended budget, and the top three priorities appear to be housing/homelessness, behavior health and education funding. Oregon’s budget is a tool to carry out the state’s law and policy decisions. It appropriates the state’s general fund, allocates the state’s lottery fund, and expends the state’s other funds and federal funds. The budget covers two fiscal years, meaning it runs from July 1 of an odd-numbered year to June 30 of the next odd-numbered year. For example, July 1, 2025 to June 30, 2027 would be considered a biennium.

The Oregon budget process has three major steps:

1. Agency Request Budgets – state agencies provide budgets to the governor’s office based on their programs.
2. Governor Recommended Budget (GRB) – the governor proposes a budget based on the agency request budgets and aligns it with her vision and priorities for the state. The GRB is usually released the first week of December of even-numbered years.
3. Legislative Adopted Budget – during the long legislative session the Oregon State Legislature starts with the GRB and makes changes based on their priorities and must pass a budget by the close of session. The Legislature may make changes to the budget over the biennium during the short session or special sessions.

After the recent **revenue forecast**

(<https://www.orcities.org/resources/communications/bulletin/state-leaders-hear-december-revenue-forecast>), the GRB anticipates \$39.4 billion of resources coming in via taxes and carry forward and has proposed a budget for \$39.3 billion.

Highlights of the GRB:

Infrastructure

- \$100 million to establish a new Housing Infrastructure Program. These new funds will establish a program to fund water, sewer, stormwater, and transportation infrastructure linked to new housing development to unlock thousands of new affordable and market rate rental and homeownership units.
- \$60 million in lottery bonds to recapitalize the Special Public Works Fund. This is a decrease from \$90 million in the prior biennium.
- \$31 million, including \$11 million to continue and strengthen protection of Oregon's water quality and quantity and \$20 million in lottery bonds. These funds will help protect and manage the surface and groundwaters that supply Oregonians with drinking water by supporting programs to repair or replace domestic drinking water wells; provide safe drinking water to communities experiencing drought and drinking water emergencies; and enhance protection of groundwater aquifers at risk from pollution, as well as surface waters experiencing harmful algae blooms.

Housing/Homelessness

- \$880 million new bond authority to build more affordable rental homes, permanent supportive housing and affordable homes for purchase.
- \$217.9 million to maintain Oregon's statewide system of shelters.
- \$188.2 million to maintain current efforts to transition Oregonians out of homelessness and into housing.
- \$173.2 million to maintain services to prevent Oregonians from becoming homeless in the first place.
- \$105.2 million to maintain long-term rental assistance.
- \$6.4 million in expanded investments to partner with cities and developers to expedite housing development.

Transportation

- \$7.3 billion total funds, representing a 15.3% increase from the previous biennium. This includes new revenue of \$1.75 billion, which largely covers the Oregon

Department of Transportation's funding needs, including operations and maintenance challenges. There is no additional funding recommended for local governments. For comparison, the 2017 transportation package had an infusion of \$5.3 billion of new revenue over a seven-year period. It is expected that the Legislature will identify additional revenue for the final 2025 transportation package that will also include distributions to local governments.

Behavior Health

- Proposed spending for human services agencies, which includes the **Oregon Health Authority** (<https://www.oregon.gov/oha/pages/index.aspx>) and the **Department of Human Services** (<https://www.oregon.gov/odhs/pages/default.aspx>), asks for \$2.9 billion more than the current two-year budget. \$330 million is expected to go towards increasing the state's treatment capacity and its workforce.

Energy/Environment

- \$25 million additional investment for the Community Renewable Energy Program.
- \$1.2 million in continuing funds to address communities most affected by smoke and heat.

Wildfire

- \$150 million one-time funds from the state's reserve account to pay for immediate wildfire costs following a fire season so contractors are paid in a timely manner. This is being offered because the governor called a special session to fund \$218 million for wildfire costs from the 2024 wildfire season.
- \$130 million toward funding the state's wildfire readiness and mitigation efforts, bringing the funding level to SB 762 levels from the 2021 legislative session.
- The Legislature will be evaluating funding options and changes in wildfire policy to establish a more reliable and stable funding program.

Resources:

- **Full Governor Recommended Budget FY 25-27** [↗](#)
- **Summary of Governor Recommended Budget** [↗](#)

Contact: Jenna Jones, Lobbyist – jjones@orcities.org (<mailto:jjones@orcities.org>)

Last Updated 12/6/24

View all LOC news >



MEMORANDUM

To: City Council
From: Aaron Palmquist, City Manager
Date: December 17, 2024
RE: EOA (Economic Opportunities Analysis - Item #3)

This agenda item is continuous information on the progress taking place regarding Employment Lands (EOA).

Tonight, Carla McLane, again provides the continual path forward and information for council discussion and needed opportunities in Irrigon and the long-term benefit and need for improved and clearer understanding.



MEMORANDUM

To: City Council
From: Aaron Palmquist, City Manager
Date: December 17, 2024
RE: Food Pod Project Bid Acceptance and Awards Item #4

The City of Irrigon only received Seven (7) eligible bids and opened as noted in the public procurement process. JUB Engineers has provided a breakdown of the bids along with their engineer estimate.

With the seven (7) bidders, the lowest noted and public bidder, Bolen Construction complies with the noted requirements as set forth in the bidding documents. This bidder has previously successfully completed work within the City of Irrigon (e.g. Division Multi-Use Pathway)

Staff recommends acceptance of JUB Engineers recommendation of award for the City of Irrigon – Bolen Construction for \$350,336.50 as presented and authorizing the Mayor and City Manager to sign contract documents.

HELPING EACH OTHER
CREATE BETTER COMMUNITIES



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GROUP



GATEWAY
MAPPING
INC.

J-U-B FAMILY OF COMPANIES

December 2, 2024

Aaron Palmquist, MBA/PA
City of Irrigon
500 NE Main Ave.
Irrigon, OR 97844

RE: Food Truck Pod Project Recommendation for Award

Dear Aaron,

The Food Truck Pod Project was advertised on the QuestCDN website, the Oregon Daily Journal of Commerce, and in the Tri-City Herald. A public bid opening occurred on Thursday, November 20, 2024. There were seven bidders on the project: Bolen Construction LLC, Nelson Construction Corp, Dax Moreno Construction Company LLC, Beam Excavating Inc., Western Construction of Lewiston Inc., Capture Energy LLC, and Granite Construction Company. The bid abstract is attached. The total prices are summarized as follows:

	Base Bid Total
<i>Engineers Estimate</i>	\$296,870.00
Bolen Construction LLC	\$350,336.50
Nelson Construction Corp	\$476,476.00
Dax Moreno Construction Company LLC	\$500,909.49
Beam Excavating Inc.	\$521,196.00
Western Construction of Lewiston Inc.	\$562,154.00
Capture Energy LLC	\$594,855.00
Granite Construction Company	\$632,083.50

Bolen Construction LLC was the low bidder, and we recommended awarding the project to them for the amount of \$350,336.50.

Attached to this letter is a summary of the bid evaluation that was conducted for Bolen Construction LLC.

Attached to this letter is an Intent to Award the project to Bolen Construction LLC. Once you have reviewed (and accepted), we will post this intent on the QuestCDN website. The intent to award is



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required to be posted a minimum of seven days (per ORS 279C.375) prior to issuing the Notice of Award and execution of the Contract.

Sincerely,

Cliff Woods, PMP
J-U-B ENGINEERS, Inc.

Enc: Bid Evaluation Summary
Bid Abstract
Draft Notice of Intent to Award



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GATEWAY MAPPING INC.

J-U-B FAMILY OF COMPANIES

Bid Evaluation Summary

Bid Opening: 11/20/2024

Criteria No.	Evaluation Criteria	Beam Excavating
1	Sealed Bid Received on time?	Yes
2	Proposal contains all contents listed in the bidder's checklist	Yes
3	Addenda properly acknowledged?	N/A
4	Bid schedule completed in conformance with Instructions?	Yes
5	Oregon Construction Contractor's License Registration included and verified?	Yes
6	Proposal Signed?	Yes
7	First-Tier Sub-contractor disclosure form submitted?	Yes
8	Bid bond and warranty included and signed?	Yes
9	Reference check satisfactory?	N/A ¹
10	Is Bid Responsive?	Yes

¹ J-U-B does not have direct experience and knowledge of this Contractor.

NOTICE OF INTENT TO AWARD
Food Truck Pod Project

The City of Irrigon announces its intent to award the contract for the Food Truck Pod Project to Bolen Construction LLC for the amount of Three hundred fifty thousand, three hundred thirty-six dollars and fifty cents (\$350,336.50).

This Notice of Intent to Award is subject to execution of a written contract and, as a result, this Notice does NOT constitute the formation of a contract between the City of Irrigon and the apparent successful bidder. The bidder shall not acquire any legal or equitable rights relative to the contract services until a contract containing terms and conditions acceptable to the City of Irrigon is executed. If the apparent successful bidder fails to negotiate and execute a contract with the City of Irrigon, the City of Irrigon may revoke the award and award the contract to the next lowest bidder or withdraw the Bid. The City of Irrigon further reserves the right to cancel this Notice of Intent to Award at any time prior to the execution of a written contract.

This Notice of Intent to Award starts the seven (7) day period in which an unsuccessful bidder may file a bidder appeal pursuant to ORS 279C.375.

Thank you for participating in the competitive selection process.

Dated this 2nd day of December, 2024.

By: Aaron Palmquist

Title: City Manager

for The Owner: City of Irrigon



MEMORANDUM

To: City Council
From: Aaron Palmquist, City Manager
Date: December 17, 2024
RE: 2024 Annual Audit Report Item # 5

The 2023/24 Annual Audit Report has been successfully completed. Our audit is present Rebecca Price, CPA. This year's process went well and in a timely manner. Staff provided due diligence of handling and entering information correctly.

During the interview with our auditor no violations were noted. Staff continues to work diligently toward the on-going goal of strengthening the city's fiscal position. This is noted in the audit report.

Staff recommends that the City Council affirm and accept the auditor's report and then submit to the Oregon Secretary of State.

A. Municipal corporation information

Municipality name
CITY OF IRRIGON

Municipal customer number
000372MUNI

Report period start date
7/1/2023

Report period end date
6/30/2024

Municipality address
500 NE MAIN AVENUE, IRRIGON, Oregon 97844

Is this a new address?
No

Report type
Audit

Opinion issued
Unmodified

Basis of accounting
GAAP

B. Financial statement audit -Reported deficiencies

1. Regarding internal controls over financial reporting, how many significant deficiencies and material weaknesses were reported?

0

2. Of those control deficiencies reported, how many resulted in the following:

Accounting errors/Misstatements:
0

Noncompliance:
0

Most deficiencies relate to internal controls over financial reporting. Some control deficiencies might also directly result in accounting errors and misstatements or non-compliance. If any of the findings communicated resulted in accounting errors and misstatements or noncompliance, indicate the number of deficiencies included in the total for B.1 that also pertain to those categories.

3. Select the deficiency communication to be filed in compliance with ORS 297.466. (select one)

No deficiencies

If you checked "other" in number 3 above, please specify here:

C. Summary of revenues and expenditures

Revenues and/or receipts

Expenditures and/or disbursements

a. Revenues from government-wide statement of activities:

\$7,398,145.00

a. Expenditures from government-wide statement of activities:

\$3,267,123.00

b. Fiduciary fund additions:

\$0.00

b. Fiduciary fund deductions:

\$0.00

c. Gross revenues subtotal (a + b):

\$7,398,145.00

c. Gross expenditures subtotal (a + b)

\$3,267,123.00

d. Revenues of component units:
\$0.00

e. Taxes, assessments and other collections to be distributed to other governments:
\$0.00

f. Exempt revenue subtotal (d + e):
\$0.00

g. Net revenues (c - f):
\$7,398,145.00

d. Component unit expenditures reported with primary government:
\$0.00

e. Turnovers to other municipal corporations:
\$0.00

f. Exempt expenditures subtotal (d + e):
\$0.00

g. Net expenditures (c - f):
\$3,267,123.00

D. Filing Fee

Filing fee:
\$350.00

[ORS 297.485\(1\)](#): Net expenditures and/or disbursements

The filing fee is determined by the total expenditures made by the municipal corporation for any and all purposes during the calendar or fiscal year audited, except that expenditures for principal of bonded debt, principal of short-term loans, principal of warrants redeemed which were issued during prior audit periods, transfers or loans between funds and turnovers of taxes or other trust moneys to other municipal corporations shall not be included in the total expenditures upon which the amount of the fee is based.

E. Submitted by

Licensed Municipal Auditor name:
REBECCA PRICE

Municipal license number:
1462

Email
rpricecpa@outlook.com

Firm name:
REBECCA PRICE, CPA

Date:
12/6/2024

Municipal contact name, title:
AARON PALMQUIST

Municipal phone
(541) 922-3047

Municipal contact email
aaron.palmquist@ci.irrigon.or.us

Attach file (optional)

Comment or additional information (optional)

This form (Summary of Revenues and Expenditures) is due within 30 days of delivering the audit report to the municipal corporation. If deficiencies are communicated in a separate letter or in a report issued in accordance with Government Auditing Standards, a copy of that communication must also be filed. ([OAR 162-010-0230](#))



CITY OF IRRIGON, OREGON

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2024

CITY OF IRRIGON, OREGON

MAYOR AND CITY COUNCIL

JUNE 30, 2024

<u>NAME AND ADDRESS</u>	<u>POSITION</u>	<u>TERM EXPIRES</u>
Michelle Patton Post Office Box 116 Irrigon, Oregon 97844	Mayor	December 31, 2026
Benjamin Calvert 790 SE California Ave. Irrigon, Oregon 97844	Mayor Pro Tem	December 31, 2026
Daren Strong Post Office Box 556 Irrigon, Oregon 97844	Council Member	December 31, 2024
Melvin Lambert Post Office Box 702 Irrigon, Oregon 97844	Council Member	December 31, 2024
Marlina Avila Serratos 325 NE Sixth Street Irrigon, Oregon 97844	Council Member	December 31, 2024
Hector Cano 500 NE Main Avenue Irrigon, Oregon 97844	Council Member	December 31, 2024
Heather Bishop Post Office Box 937 Irrigon, Oregon 97844	Council Member	December 31, 2026

APPOINTED OFFICIALS

<u>NAME AND ADDRESS</u>	<u>POSITION</u>
Aaron Palmquist	City Manager

MAILING ADDRESS

City of Irrigon
500 NE Main Avenue
Irrigon, Oregon 97844-7286
Phone (541) 922-3047 • Fax (541) 922-9322
Website: ci.irrigon.or.us

CITY OF IRRIGON, OREGON

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CITY OF IRRIGON, OREGON

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INDEPENDENT AUDITOR'S REPORT



Rebecca Price, CPA

2941 Grassland Way
Gilroy, CA 95020
Tel: 408.649.5734
Email: rpricecpa@outlook.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Irrigon
Irrigon, Oregon 97844

Opinions

I have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Irrigon, Oregon, as of and for the year ended June 30, 2024, 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 my 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 and each major fund of the City, as of June 30, 2024 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

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibility under those standards is further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the City of Irrigon, Oregon, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America 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 Irrigon, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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 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, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Irrigon, 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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Irrigon, Oregon's ability to continue as a going concern for a reasonable period of time.

I am 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 I 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, budgetary comparison information, pension liability information, and other post-employment benefit liability information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the management's discussion and analysis, pension liability information, and other post-employment benefit 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 information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the management's discussion and analysis, pension liability information, and other post-employment benefit liability information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Supplementary Information

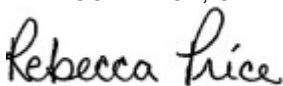
My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Irrigon, Oregon's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate 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 in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Other Reporting Required by Minimum Standards for Audits of Oregon Municipal Corporations

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, I have also issued my report dated November 8, 2024, on my consideration of the City's internal control over financial reporting and on tests of its compliance with the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-000 to 162-10-320. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion.

REBECCA PRICE, CPA



Gilroy, California
November 8, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS



Management's Discussion and Analysis

Our discussion and analysis of City of Irrigon's financial performance provides an overview of the city's financial activities for the fiscal year ending June 30, 2024. Please read it in conjunction with the city's financial statements, which begin on page 10.

Financial Highlights

- Net position from governmental activities increased \$3,130,676 or approximately 41%
- Net position from business-type activities increased \$1,000,346 or approximately 7%

Basis of Accounting

The government-wide and proprietary fund financial statements report using the economic resources measurement focus and the accrual basis of accounting. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

Using This Annual Report

This annual report consists of a series of financial statements. The government-wide financial statements start on page 10 and are designed to provide readers with a broad overview of the city's finances in a manner like a private-sector business. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when related cash flows take place. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied and revenue from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. The statement of net position presents financial information on all the city's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as net position. Over time increases or decreases in net position may serve as a useful indicator of whether the financial position of the city is improving or deteriorating. The statement of activities presents information showing how the city's net position has changed in the fiscal year. All changes are reported as soon as the underlying event giving rise to the event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods such as uncollected taxes and earned but unused vacation leave.

The city, like other states and governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide information about the city's individual funds. A fund is a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances that are separate for the purpose of carrying on specific activities or attaining certain objectives.

The City of Irrigon uses two types of funds - governmental funds and proprietary funds. Governmental funds account for the general operations of a government. Proprietary funds account for the business-type operations of a government such as the water and sewer funds.

The City as a Whole

The city's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows by \$26,157,857 at the end of the 2024 fiscal year. This is an increase of \$4,131,022 or approximately 19% from the previous fiscal year's amount of \$22,026,835 as demonstrated in the following table, comparing net position between fiscal year 2024 and fiscal year 2023.

Statement of Net Position

Assets	Governmental Activities		Business-Type Activities		Total Activities	
	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023
Unrestricted Cash and Cash Equivalents	6,492,630	5,035,565	\$ 2,662,555	\$ 1,824,177	9,155,185	6,859,742
Account Receivables	131,921	182,200	156,299	138,849	288,220	321,049
Grant Receivable	71,194	137,301	-	-	71,194	137,301
Property Tax Receivables	13,065	11,827	-	-	13,065	11,827
Prepaid Expense	-	-	-	-	-	-
Total Current Assets	6,708,810	5,366,893	2,818,854	1,963,026	9,527,664	7,329,919
Non Current Assets						
Restricted Cash and Cash Equivalents			83,449	153,310	83,449	153,310
Lease Receivable	441,745	461,450			441,745	461,450
Capital Assets						
Land	149,230	149,230	34,639	34,639	183,869	183,869
Construction in Progress	3,668,387	739,573	-	933,403	3,668,387	1,672,976
Streets & Public Works Infrastructure	4,405,038	4,279,505			4,405,038	4,279,505
Water System			3,936,700	4,042,555	3,936,700	4,042,555
Sewer System			13,433,700	12,532,930	13,433,700	12,532,930
Lease Asset	90,103	100,703			90,103	100,703
Buildings	626,134	597,553	507,438	516,536	1,133,572	1,114,090
Equipment	179,896	142,726	242,907	241,840	422,803	384,566
Total Capital Assets	9,118,788	6,009,291	18,155,384	18,301,904	27,274,172	24,311,195
Total Assets	16,269,343	11,837,634	21,057,687	20,418,240	37,327,030	32,255,874
Pension Deferred Outflow	109,749	106,925	189,379	235,690	299,128	342,615
OPEB Deferred Outflow	1,252	1,368	2,160	3,017	3,412	4,385
Deferred Outflows of Resources	111,001	108,293	191,539	238,707	302,540	347,000
Liabilities						
Current Liabilities:						
Account Payables	580,802	134,423	59,413	359,157	640,215	493,580
Payroll Payable	8,382	5,407	10,709	10,744	19,091	16,151
Unearned Revenue	1,000,400	-	13,506	8,916	1,013,906	8,916
Customer Deposits	-	-	73,372	69,272	73,372	69,272
Accrued Compensated Absences	120,498	107,713	-	-	120,498	107,713
Accrued Interest Payable	3,694	3,792	104,213	92,202	107,907	95,994
Premium on Bonds, Current	19,410	20,835	11,573	13,954	30,983	34,789
Loans Payable within one year	135,000	130,000	229,835	188,561	364,835	318,561
Lease Liability	25,278	23,436	-	-	25,278	23,436
Total Current Liabilities	1,893,464	425,606	502,621	742,806	2,396,085	1,168,412
Long-term Liabilities:						
Loans Payable after one year	2,835,000	2,970,000	4,607,462	4,670,778	7,442,462	7,640,778
Premium on Bonds, Non-Current	114,228	133,638	27,181	38,754	141,409	172,392
Pension Liability	314,023	254,011	541,865	559,906	855,888	813,917
OPEB Liability	4,388	2,298	7,573	5,067	11,961	7,365
Lease Liability	27,265	52,543	-	-	27,265	52,543
Total Liabilities	5,188,368	3,838,096	5,686,702	6,017,311	10,875,070	9,855,407
Lease Deferred Inflow of Resources	403,224	430,028	-	-	403,224	430,028
Pension Deferred Inflow	64,546	82,425	111,378	181,686	175,924	264,111
OPEB Deferred Inflow	6,419	8,268	11,076	18,224	17,495	26,492
Deferred Inflows of Resources	474,189	520,720	122,454	199,910	596,643	720,631
Net Position						
Net Investment in Capital Assets	5,962,607	2,833,311	13,279,333	13,389,857	19,241,940	16,068,695
Restricted for Debt Service	-	-	83,449	84,038	83,449	84,038
Streets and Public Works	-	-	-	-	-	-
Unrestricted	4,755,180	4,753,799	2,077,288	965,830	6,832,468	5,874,102
Total Net Position	\$ 10,717,787	\$ 7,587,111	\$ 15,440,070	\$ 14,439,725	26,157,857	22,026,836

The city's total assets increased \$5,071,156, deferred outflows of resources decreased \$44,460, liabilities increased \$1,019,663, and deferred inflows of resources decreased \$123,988.

Revenues totaled \$7,398,145 and total expenses were \$3,267,123 resulting in the \$4,131,022 increase in net position. The total employer pension liability increased \$41,971 from \$813,917 in 2023 to \$855,888 in 2024.

Current assets increased \$2,197,745, largely due to the receipt of grant funding. Current assets **are assets that are expected to** either be converted to cash or used to pay **current** liabilities within 12 months. Capital assets are

depreciated over their estimated useful lives using the straight-line method. The total amount of capital asset depreciation for the fiscal year was \$647,591.

Governmental Activities

Net position of the city’s governmental activities increased \$3,126,351, approximately 41%. The following statement of activities for governmental activities will give a better understanding of how this came to be. The report below is for reference and comparison between the current period being reported and the previous period.

Statement of Activities Summary

Governmental Activities for the years ended June 30, 2024 and 2023

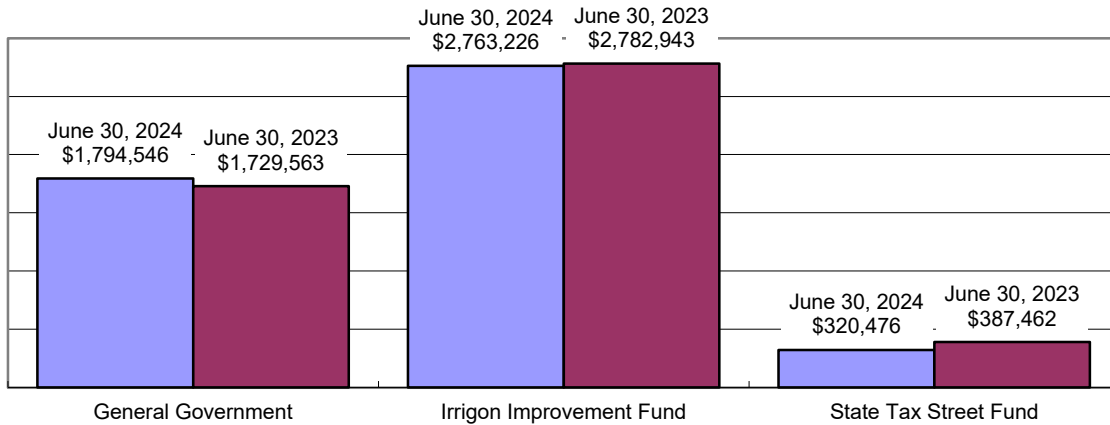
Revenues	2023-2024	2022-2023	Difference
Property Taxes	\$ 417,603	\$ 448,675	\$ (31,072)
General Service Fees	367,497	358,812	8,685
Franchise Fees	94,361	98,930	(4,569)
State Revenue Sharing	229,970	227,326	2,644
Miscellaneous	12,026	10,216	1,810
Grants	3,786,854	1,683,190	2,103,664
Lease Revenue	26,804	36,934	(10,130)
Interest on Investments	224,649	115,004	109,645
Total Revenues	5,159,765	2,979,087	2,180,678
Expenses			
General Government	1,209,737	1,171,606	38,132
Public Safety	136,955	107,717	29,238
Street Services	339,755	304,143	35,611
Interest on Long Term Debt	95,709	91,923	3,786
Total Expenditures	1,782,156	1,675,388	106,767
Increase (Decrease) in net assets before transfers	3,377,609	1,303,699	2,073,910
Transfers	(246,933)	16,703	(263,636)
Net Change in Net Position	\$ 3,130,676	\$ 1,320,402	\$ 1,810,274

The city’s revenue in Governmental Activities was \$5,159,765 with expenditures of \$1,782,156 and transfers out of \$246,933 that resulted in the increase of net position of \$3,130,676, \$1,810,274 more than the prior year. The city received \$2,103,664 more in grant resources than the year before and did not dispose of any assets in the fiscal year.

Overall expenditures for the city’s governmental activities increased approximately 6% from the previous fiscal year.

The following Governmental Funds Balance Comparison Graph is based on the fund financial statements on pages 12 thru 15. This graph compares the fund balances as of June 30, 2024, to the fund balances as of June 30, 2023. The General fund balance increased \$64,982, approximately 4% largely due to the increase in return on deposits with the Oregon State Investment Pool and a significant decrease in spending of reserves. The Irrigon Improvement Fund balance decrease slightly \$19,717, less than 1% of a percent even though the city received \$1,620,452 in operating grants and contributions, which fund community enhancement projects throughout the Irrigon area. The State Tax Street Fund balance decreased \$66,986, approximately 17% due mostly to the final disbursement of \$55,555.43 of the HB2017 grant 32610 through ODOT being delayed until after final approval of the project by Oregon Department of Transportation. This disbursement was not received in time to be considered available revenue for project expenditures in the period being reported.

Governmental Funds Balances Comparisons



Business-Type Activities

Net Position for business-type activities increased \$1,000,346, approximately 7%. The statements of activities for the business-type activities will give a better understanding of how this came to be. The table below is for reference and comparison between the current period and the previous period.

**Statement of Activities Summary
Business Type Activities for the years ended June 30, 2024 and 2023**

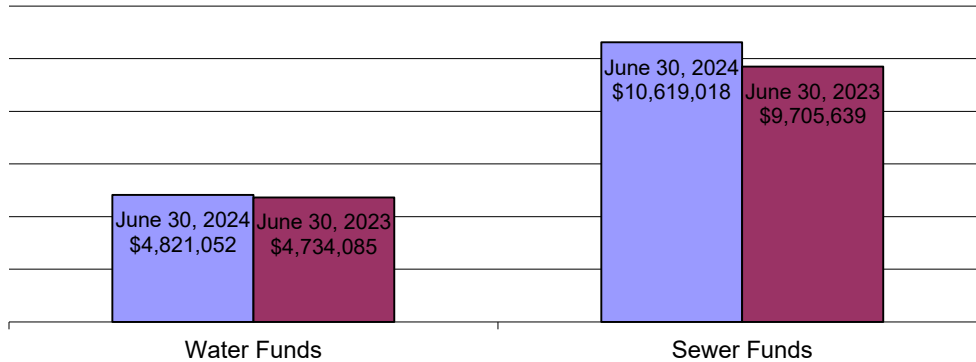
	2023-2024	2022-2023	Difference
Revenues			
Charges for Services	\$ 1,641,219	\$ 1,536,875	\$ 104,344
Miscellaneous	10,111	6,175	3,936
Interest on Investments	87,050	50,600	36,450
Special Item - Principal Forgiveness	500,000	-	500,000
Total Revenue	2,238,380	1,593,650	644,730
Expenses			
Water	606,645	604,590	2,055
Sewer	878,322	919,741	(41,420)
Total Expenses	1,484,967	1,524,331	(39,364)
Increase (decrease) in net assets before transfers and gain on disposal of real property	753,413	69,319	684,094
Gain on Disposal of Assets			-
Transfers in (out)	246,933	(16,703)	263,636
Change in Net Position	1,000,346	52,615	947,731

The business type activity revenue for the fiscal year was \$2,238,380; expenses were \$1,484,967; and net transfers in from governmental activities were \$246,933 resulting in net position increasing \$1,003,346. The business type activities received \$644,730 more in revenues and \$39,364 less in expenses than in the prior year. The expenses of the proprietary activities totaled \$1,481,967, a decrease of approximately 3% from the prior year. Water expenses increased by less than 1%, and sewer expenses decreased 4.8%. The capital asset depreciation expense was \$491,277 or approximately 33% of total expenses.

The Proprietary Funds Balance Comparison Graph presented below compares the fund balances as of June 30, 2024, to the fund balances as of June 30, 2023, for the water funds and the sewer funds. The water fund balance increased \$86,964 from the previous year's total. The sewer fund balance increased \$913,375 from the previous

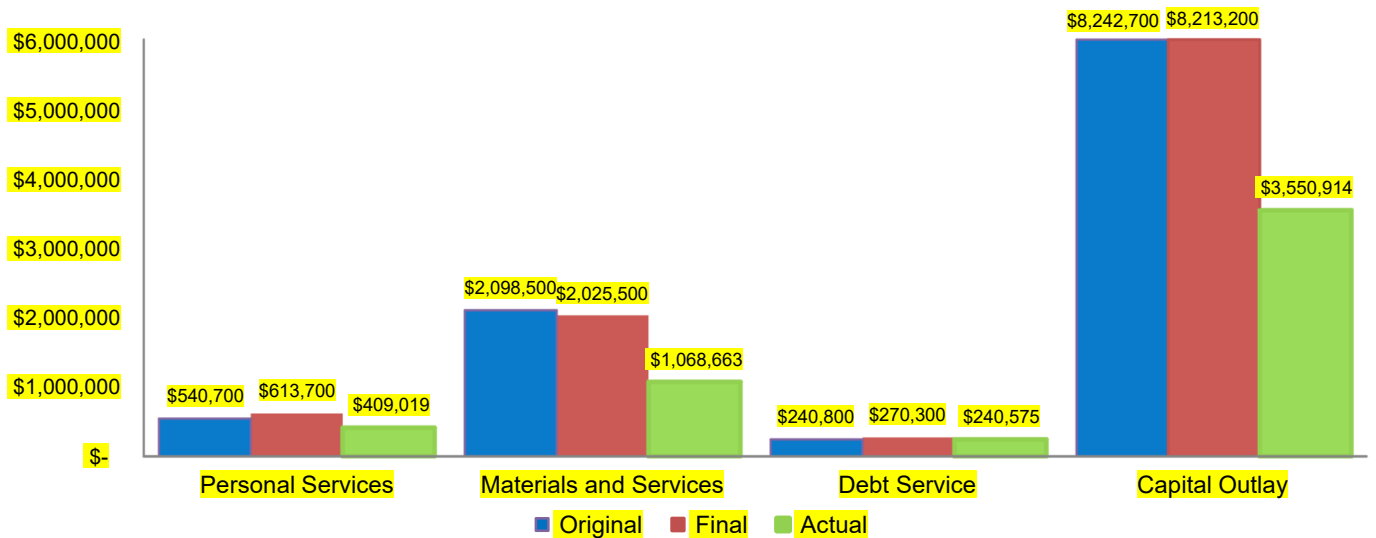
year. This is largely due to principal forgiveness awarded on the loan for the Sewer Conversion Project of \$500,000, as well as an increase in charges for services.

Proprietary Fund Balances Comparison



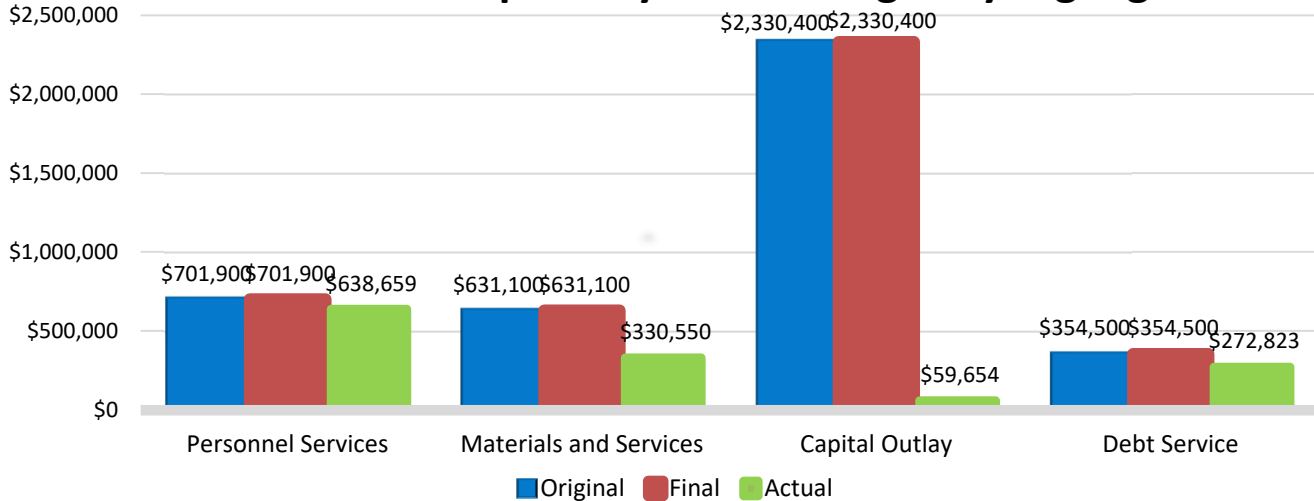
Budgetary Highlights

Governmental Funds Budgetary Highlights



The total governmental funds expenditures for the fiscal year were below the appropriations approved by the city council. Overall governmental funds personnel service expenditures were \$204,681 below budgeted amount allowing for the pay out of all accrued employee leave and any increase in personnel benefits; materials and services were \$956,837 below budgeted amount; Debt Service was \$29,725 below budgeted amount and Capital Outlay was \$4,662,286 below budgeted amount. The city has several projects in planning and design stages, and money is being set aside for these. These projects are in the budget and account for the difference between budgeted and actual.

Proprietary Funds Budgetary Highlights



The proprietary funds total expenditures for the fiscal year were below the total appropriations approved by the city council. Total proprietary funds personnel services expenditures were \$63,241 below the approved budget amount, materials and services were \$300,550 below the budget amount, capital outlay was \$2,270,746 below the budgeted amount and debt service was \$81,677 below the budgeted amount.

Debt Covenants

The Sewer Fund is required by the State of Oregon acting by and through its Department of Environmental Quality to establish a loan reserve equal to one half of the average annual debt service to be used solely for making payments of principal and interest if no other funds are available. The loan reserve requirement was \$83,449 at the end of the year. This was the total restricted net position in the Sewer Fund.

At year end the Water Fund reported restricted cash of \$73,372 for customer utility account deposits.

Significant Capital Asset and Long-term Debt Activity

The Sewer Conversion Project – Area 3 was completed and accepted by city council December 19, 2023. This project was partially funded by a loan through the Department of Environmental Quality, in which the city received \$500,000 principal forgiveness.

In Senate Bill 1530 the City of Irrigon was appropriated \$1,705,000 for installing water and sewer infrastructure to the Tumbleweed and Molly Developments. This is anticipated to have the bid go out this fall to secure a contractor for the designed work.

City of Irrigon has made application for a total up to \$390,000.00 to Umatilla Electric Cooperative (UEC) and Morrow County Development (MCD) for the NE Fourth Street Food Pod development. These loans combined have a payback of up to 10 years at 3.25 and 6 percent through the UEC and MCD respectfully. Resources to pay back these loans will come from the annual Columbia River Enterprise Zone resources.

Economic Factors and Next Year’s Budget and Rates

Total Budget Authority for the 2024-2025 fiscal year is \$19,190,000. This is an increase of \$3,292,600 from the budget authority of \$15,897,400 in the 2023-2024 budget year.

The City’s permanent governmental tax rate is \$3.6782 per \$1,000 assessed value. The permanent tax rate is expected to raise an estimated \$289,100, allowing for uncollectible tax payments and discounts for early payment. The voters have approved general obligation bonds for both water and sewer, which allows the city to levy taxes to make the annual payments on the bond. The annual payment totals \$241,823.75. The city has continued with a tax on property to cover necessary payments on the bonded debt of approximately 2.4945 per \$1,000 of assessed value. This is estimated to generate \$196,800 with the remainder being paid with service fees charged to users outside city.

Requests for Information

This financial report is to provide a general overview of the city's finances and to show the city's accountability for the money it receives to all those with an interest in the government's finances. Questions regarding this report or requests for additional financial information should be directed at the following address: City of Irrigon 500 NE Main Ave. Irrigon, OR 97844.

BASIC FINANCIAL STATEMENTS

CITY OF IRRIGON, OREGON
STATEMENT OF NET POSITION
June 30, 2024

	Governmental	Business-type	
	Activities	Activities	Totals
ASSETS			
Cash and cash equivalents	\$ 6,492,630	\$ 2,589,183	\$ 9,081,813
Accounts receivable	131,921	156,299	288,220
Property taxes receivable	13,065	-	13,065
Grants receivable	71,194	-	71,194
Leases receivable	441,745	-	441,745
Restricted cash	-	156,821	156,821
Capital assets, net of accumulated depreciation	9,118,788	18,155,384	27,274,172
Total assets	<u>16,269,343</u>	<u>21,057,687</u>	<u>37,327,030</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	109,749	189,379	299,128
Deferred outflows of resources related to OPEB	1,252	2,160	3,412
Total deferred outflows of resources	<u>111,001</u>	<u>191,539</u>	<u>302,540</u>
LIABILITIES			
Accounts payable	550,670	18,140	568,810
Payroll related liabilities	38,514	51,982	90,496
Deposits payable	-	73,372	73,372
Interest payable	3,694	104,213	107,907
Unearned revenue	1,000,400	13,506	1,013,906
Pension liability	314,023	541,865	855,888
OPEB liability	4,388	7,573	11,961
Compensated absences	120,498	-	120,498
Bonds, Notes & Lease payable:			
Due within one year	179,687	241,408	421,095
Due in more than one year	2,976,494	4,634,643	7,611,137
Total liabilities	<u>5,188,368</u>	<u>5,686,702</u>	<u>10,875,070</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to leases	403,224	-	403,224
Deferred inflows of resources related to pensions	64,546	111,378	175,924
Deferred inflows of resources related to OPEB	6,419	11,076	17,495
Total deferred inflows of resources	<u>474,189</u>	<u>122,454</u>	<u>596,643</u>
NET POSITION			
Net investment in capital assets	5,962,607	13,279,333	19,241,940
Restricted	-	83,449	83,449
Unrestricted	4,755,180	2,077,288	6,832,468
Total net position	<u>\$ 10,717,787</u>	<u>\$ 15,440,070</u>	<u>\$ 26,157,857</u>

The accompanying notes are an integral part of these financial statements.

CITY OF IRRIGON, OREGON
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

<i>Functions/Programs</i>	<i>Expenses</i>	<i>Program Revenues</i>			<i>Net (Expense) Revenues and Changes in Net Position</i>		
		<i>Charges for Services</i>	<i>Operating Grants and Contributions</i>	<i>Capital Grants and Contributions</i>	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>
Governmental Activities:							
General government	\$ 1,201,317	\$ 315,182	\$ 1,622,452	\$ 56,873	\$ 793,190	\$ -	\$ 793,190
Public safety	130,986	-	-	-	(130,986)	-	(130,986)
Highways and streets	354,144	52,315	164,929	2,107,530	1,970,630	-	1,970,630
Interest on long-term debt	95,709	-	-	-	(95,709)	-	(95,709)
Total governmental activities	<u>1,782,156</u>	<u>367,497</u>	<u>1,787,381</u>	<u>2,164,403</u>	<u>2,537,125</u>	<u>-</u>	<u>2,537,125</u>
Business-type Activities:							
Water	606,645	659,863	-	-	-	53,218	53,218
Sewer	878,322	991,467	-	-	-	113,145	113,145
Total business-type activities	<u>1,484,967</u>	<u>1,651,330</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>166,363</u>	<u>166,363</u>
Total	\$ 3,267,123	\$ 2,018,827	\$ 1,787,381	\$ 2,164,403	2,537,125	166,363	2,703,488
General revenues:							
Taxes:							
Property taxes, levied for general purposes					284,823	-	284,823
Property taxes, levied for debt service					132,780	-	132,780
Franchise taxes					94,361	-	94,361
Public service taxes					65,041	-	65,041
Lease revenues					26,804	-	26,804
Investment income					224,649	87,050	311,699
Miscellaneous revenue					12,026	-	12,026
<i>Special item</i> - Debt principal forgiveness					-	500,000	500,000
Transfers					(246,933)	246,933	-
Total general revenues and transfers					<u>593,551</u>	<u>833,983</u>	<u>1,427,534</u>
Change in net position					3,130,676	1,000,346	4,131,022
Net position - beginning, as previously stated					10,616,932	11,409,903	22,026,835
Prior period adjustment					(3,029,821)	3,029,821	-
Net position - beginning, as restated					<u>7,587,111</u>	<u>14,439,724</u>	<u>22,026,835</u>
Net position - ending					<u>\$ 10,717,787</u>	<u>\$ 15,440,070</u>	<u>\$ 26,157,857</u>

The accompanying notes are an integral part of these financial statements.

CITY OF IRRIGON, OREGON
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024

	General	Irrigon	State	Nonmajor	
	Fund	Improvements	Street Fund	Governmental	Totals
		Fund		Funds	
ASSETS					
Cash and cash equivalents	\$ 1,851,372	\$ 4,167,267	\$ 331,939	\$ 142,052	\$ 6,492,630
Accounts receivable	77,000	-	4,354	-	81,354
Property taxes receivable	7,698	-	-	5,367	13,065
Municipal court receivable	50,567	-	-	-	50,567
Grants receivable	-	15,639	98,486	-	114,125
Leases receivable	441,745	-	-	-	441,745
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 2,428,382</u>	<u>\$ 4,182,906</u>	<u>\$ 434,779</u>	<u>\$ 147,419</u>	<u>\$ 7,193,486</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 142,945	\$ 404,041	\$ 3,650	\$ -	\$ 550,636
Payroll related liabilities	26,557	-	11,957	-	38,514
Interest payable	-	-	-	3,694	3,694
Unavailable revenue	400	1,000,000	-	-	1,000,400
Total liabilities	<u>169,902</u>	<u>1,404,041</u>	<u>15,607</u>	<u>3,694</u>	<u>1,593,244</u>
Deferred inflows of resources:					
Unavailable lease revenue	403,224	-	-	-	403,224
Unavailable property tax revenue	6,890	-	-	4,855	11,745
Unavailable revenues	53,786	15,639	98,696	-	168,121
Total deferred inflows of resources	<u>463,900</u>	<u>15,639</u>	<u>98,696</u>	<u>4,855</u>	<u>583,090</u>
Fund balances:					
Restricted	-	-	-	138,870	138,870
Committed	-	2,763,226	-	-	2,763,226
Assigned	-	-	320,476	-	320,476
Unassigned:	1,794,580	-	-	-	1,794,580
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>1,794,580</u>	<u>2,763,226</u>	<u>320,476</u>	<u>138,870</u>	<u>5,017,152</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,428,382</u>	<u>\$ 4,182,906</u>	<u>\$ 434,779</u>	<u>\$ 147,419</u>	<u>\$ 7,193,486</u>

The accompanying notes are an integral part of these financial statements.

CITY OF IRRIGON, OREGON
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2024

Total fund balances - governmental funds	\$ 5,017,152
Amounts reported for governmental activities in the statement of net position are difference because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	9,118,788
Property taxes receivable will be collected after year-end, but are not available soon enough to	11,745
Some of the City's revenue will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as unearned revenue in the funds.	168,121
Net pension liability is not a financial requirement and therefore is not reported in the governmental funds.	(314,023)
Other Post Employment Benefits (OPEB) liability used in governmental activities are not financial resources and therefore are not reported in the funds.	(4,388)
The City's proportionate share of net differences between employer contributions and proportionate share of contributions related to pensions and OPEB that will be amortized over the next 5 years.	111,001
The City's proportionate share of net differences between projected and actual earning on investments related to pensions and OPEB that will be amortized over the next 5 years.	(70,965)
Long-term liabilities, including compensated absences payable, are not due and payable in the current period and, therefore, are not reported in the funds	<u>(3,276,679)</u>
Net position of governmental activities	<u>\$ 10,760,752</u>

The accompanying notes are an integral part of these financial statements.

CITY OF IRRIGON, OREGON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024

	General	Irrigon	State	Nonmajor	
	Fund	Improvements	Street Fund	Governmental	Totals
		Fund		Funds	
REVENUES					
Property taxes	\$ 283,926	\$ -	\$ -	\$ 127,925	\$ 411,851
Licenses and fees	89,185	1,250	52,300	-	142,735
Intergovernmental	65,041	1,620,452	164,929	-	1,850,422
Charges for services	213,441	-	-	-	213,441
Miscellaneous:					
Franchise fees	136,109	-	-	-	136,109
Lease revenues	36,696	-	-	-	36,696
Interest on investments	64,096	134,255	9,707	6,700	214,758
Other income	9,757	1,000	3,787	-	14,544
Total revenues	<u>898,251</u>	<u>1,756,957</u>	<u>230,723</u>	<u>134,625</u>	<u>3,020,556</u>
EXPENDITURES					
Current:					
General government	578,234	534,713	-	-	1,112,947
Public safety	130,986	-	-	-	130,986
Streets and public works	-	-	233,716	-	233,716
Debt service:					
Principal	29,406	-	-	130,000	159,406
Interest	-	-	-	110,575	110,575
Capital Outlay	114,257	1,286,196	2,150,461	-	3,550,914
Total expenditures	<u>852,883</u>	<u>1,820,909</u>	<u>2,384,177</u>	<u>240,575</u>	<u>5,298,544</u>
Excess (deficiency) of revenues over (under) expenditures	<u>45,368</u>	<u>(63,952)</u>	<u>(2,153,454)</u>	<u>(105,950)</u>	<u>(2,277,988)</u>
OTHER FINANCING SOURCES (USES)					
Capital contributions	-	44,235	2,088,117	-	2,132,352
Transfers in	19,649	-	-	20,168	39,817
Transfers out	-	-	(1,649)	-	(1,649)
Total other financing sources (uses)	<u>19,649</u>	<u>44,235</u>	<u>2,086,468</u>	<u>20,168</u>	<u>2,170,520</u>
Net change in fund balances	65,017	(19,717)	(66,986)	(85,782)	(107,468)
Fund balance - beginning, as previously stated	1,706,862	2,774,644	387,462	-	4,868,968
Prior period adjustment	22,701	8,299	-	224,652	255,652
Fund balance - beginning, as restated	<u>1,729,563</u>	<u>2,782,943</u>	<u>387,462</u>	<u>224,652</u>	<u>5,124,620</u>
Fund balance - ending	<u>\$ 1,794,580</u>	<u>\$ 2,763,226</u>	<u>\$ 320,476</u>	<u>\$ 138,870</u>	<u>\$ 5,017,152</u>

The accompanying notes are an integral part of these financial statements.

CITY OF IRRIGON, OREGON
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
June 30, 2024

Total net change in fund balances - governmental funds	\$ (107,468)
 Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays 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 outlays exceeded depreciation in the current period.	3,394,598
Capital assets were purchased in the governmental funds and transferred to the proprietary funds. The transfer is recorded on the Statement of Activities as a transfer but an expenditure in the governmental funds.	(285,100)
Because some property taxes will not be collected for several months after the City's fiscal year ends, they are not considered "available" revenues and are unavailable in the governmental funds. Unavailable property tax revenues increased (decreased) by this amount.	5,753
Because some revenue will not be collected for several months after the City's fiscal year ends, they are not considered "available" revenues and are unearned in the governmental funds. Unearned revenues increased (decreased) by this amount.	44,037
Governmental funds report pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.	(39,309)
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds	174,271
Governmental funds report Other Post Employment Benefits (OPEB) contributions as expenditures. However, in the statement of activities, the cost of OPEB benefits earned net of employee contributions is reported as OPEB expense.	(356)
In the Statement of Activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for compensated absences are measured by the amount of financial resources used. Accrued compensated absences (increased) decreased by this amount in the current year.	<u>(12,785)</u>
Changes in net position of governmental activities	<u>\$ 3,173,641</u>

The accompanying notes are an integral part of these financial statements.

CITY OF IRRIGON, OREGON

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

June 30, 2024

	<i>Water Fund</i>	<i>Sewer Fund</i>	<i>Totals</i>
ASSETS			
Current assets:			
Cash and investments	\$ 1,084,265	\$ 1,504,918	\$ 2,589,183
Accounts receivable	66,374	89,925	156,299
Total current assets	1,150,639	1,594,843	2,745,482
Noncurrent assets:			
Capital assets, net of accumulated depreciation	4,364,610	13,790,774	18,155,384
Restricted cash	73,372	83,449	156,821
Total noncurrent assets	4,437,982	13,874,223	18,312,205
Total assets	5,588,621	15,469,066	21,057,687
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferred outflows of resources	92,756	96,623	189,379
OPEB deferred outflows of resources	1,058	1,102	2,160
Total deferred outflows of resources	93,814	97,725	191,539
LIABILITIES			
Current liabilities:			
Accounts payable	8,148	9,992	18,140
Accrued payroll	25,595	26,387	51,982
Customer deposits	76,172	-	76,172
Unavailable revenue	10,706	-	10,706
Accrued interest payable	420	103,793	104,213
Bond premium, net	5,152	6,421	11,573
Bonds, notes and leases payable	53,424	176,411	229,835
Total current liabilities	179,617	323,004	502,621
Noncurrent liabilities:			
Bond premium, net	12,101	15,081	27,182
Bonds, notes and leases payable	340,578	4,266,883	4,607,461
Net pension liability	265,401	276,464	541,865
Net OPEB liability	3,709	3,864	7,573
Total noncurrent liabilities	621,789	4,562,292	5,184,081
Total liabilities	801,406	4,885,296	5,686,702
DEFERRED INFLOWS OF RESOURCES			
Pension deferred inflows of resources	54,552	56,826	111,378
OPEB deferred inflows of resources	5,425	5,651	11,076
Total deferred inflows of resources	59,977	62,477	122,454
NET POSITION			
Net investment in capital assets	3,953,355	9,325,978	13,279,333
Restricted for debt service	-	83,449	83,449
Unrestricted	867,697	1,209,591	2,077,288
Total net position	\$ 4,821,052	\$ 10,619,018	\$ 15,440,070

The accompanying notes are an integral part of these financial statements.

CITY OF IRRIGON, OREGON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2024

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
Operating revenues:			
Charges for services	\$ 655,569	\$ 985,650	\$ 1,641,219
Other operating income	4,294	5,817	10,111
Total operating revenues	<u>659,863</u>	<u>991,467</u>	<u>1,651,330</u>
Operating expenses:			
Personal services	297,888	294,947	592,835
Utilities	29,618	21,252	50,870
Engineering & testing	9,136	27,043	36,179
Supplies & repairs	93,551	70,056	163,607
Administrative	36,336	43,553	79,889
Depreciation	129,584	361,693	491,277
Total operating expenses	<u>596,113</u>	<u>818,544</u>	<u>1,414,657</u>
Operating income (loss)	<u>63,750</u>	<u>172,923</u>	<u>236,673</u>
Nonoperating revenues (expenses):			
Investment income	39,807	47,243	87,050
Interest expense	(10,532)	(59,778)	(70,310)
Total nonoperating revenues (expenses)	<u>29,275</u>	<u>(12,535)</u>	<u>16,740</u>
Income (loss) before transfers	93,025	160,388	253,413
Capital contributions	7,886	277,215	285,101
Extraordinary item - Debt principal forgiveness	-	500,000	500,000
Transfers in	-	32,175	32,175
Transfers out	(13,944)	(56,399)	(70,343)
Change in net position	<u>86,967</u>	<u>913,379</u>	<u>1,000,346</u>
Total net position - beginning, as previously stated	3,554,042	7,855,861	11,409,903
Prior period adjustments	1,180,043	1,849,778	3,029,821
Total net position - beginning, as restated	<u>4,734,085</u>	<u>9,705,639</u>	<u>14,439,725</u>
Total net position - ending	<u>\$ 4,821,052</u>	<u>\$ 10,619,018</u>	<u>\$ 15,440,071</u>

The accompanying notes are an integral part of these financial statements.

CITY OF IRRIGON, OREGON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2024

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
Cash flows from operating activities:			
Receipts from customers	\$ 655,433	\$ 977,030	\$ 1,632,463
Other miscellaneous receipts	4,294	5,817	10,111
Payments to suppliers	(183,575)	(487,988)	(671,563)
Payments to employees	(291,800)	(305,621)	(597,421)
Net cash provided (used) by operating activities	<u>184,352</u>	<u>189,238</u>	<u>373,590</u>
Cash flows from noncapital financing activities:			
Transfers from (to) other funds	(13,944)	(24,224)	(38,168)
Net cash provided by noncapital financing activities	<u>(13,944)</u>	<u>(24,224)</u>	<u>(38,168)</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(18,389)	(41,268)	(59,657)
Proceeds from capital debt	-	666,518	666,518
Principal paid on capital debt	(57,410)	(145,105)	(202,515)
Interest paid on capital debt	(10,575)	(47,726)	(58,301)
Net cash provided by capital and related financing activities	<u>(86,374)</u>	<u>432,419</u>	<u>346,045</u>
Cash flows from investing activities:			
Interest income	39,807	47,243	87,050
Net increase (decrease) in cash and cash equivalents	123,841	644,676	768,517
Cash and cash equivalents - beginning	1,033,796	943,691	1,977,487
Cash and cash equivalents - ending	<u>\$ 1,157,637</u>	<u>\$ 1,588,367</u>	<u>\$ 2,746,004</u>
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 63,750	\$ 172,923	\$ 236,673
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	129,584	361,693	491,277
Increase in accounts receivable	(8,826)	(8,620)	(17,446)
Decrease in accounts payable	(14,934)	(326,084)	(341,018)
Increase in accrued payroll	20,454	20,784	41,238
Increase (decrease) in unearned revenue	4,490	-	4,490
Increase (decrease) in customer deposits	4,200	-	4,200
Decrease in pension liability	(240)	(17,801)	(18,041)
Increase in OPEB liability	1,305	1,201	2,506
Decrease in deferred outflows	19,437	27,730	47,167
Decrease in deferred inflows	(34,868)	(42,588)	(77,456)
Net cash provided (used) by operating activities	<u>\$ 184,352</u>	<u>\$ 189,238</u>	<u>\$ 373,590</u>

Noncash capital activities:

The Water Fund received capital assets from the Governmental Activities. The net book value at the time of transfer was \$7,886.
The Sewer Fund received capital assets from the Governmental Activities. The net book value at the time of transfer was \$277,215.

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The accompanying financial statements present the activities of the City of Irrigon, Oregon. The City of Irrigon, Morrow County, Oregon (the City), was incorporated as a municipal corporation in 1957. The government of the City is vested in a Common Council and a Mayor. The Council members are elected at large for terms of four years. The Mayor is elected by the Council to serve a term of two years. The City Manager is appointed by majority of Council. The City Manager oversees the hiring, supervising and removal of all other employees per city charter. The City is legally and financially independent of other state and local government units, has the power to levy taxes, is responsible for its debts, and is entitled to any surpluses.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements: The Statement of Net Position and Statement of Activities display information about the primary government (the City). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-accounting of internal activities. These statements distinguish between governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds. Separate statements for each fund category, governmental and proprietary, are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associates with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The City reports the following major governmental funds:

General Fund - This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The *Governmental Reserve Fund* which accounts for the payment of accrued leave, building maintenance and upkeep, bicycle/footpath improvements, capital equipment expenditures and capital improvements to infrastructure for the park system has been combined with the General Fund in the governmental fund financial statements but is budgeted and presented separately in the budgetary schedules.

Irrigon Improvements Fund - This fund accounts for resources received from outside sources used for community improvements.

State Tax Street Fund - This fund accounts for Oregon highway monies, special grants, and other monies required to be spent on streets.

Additionally, the City reports the following fund type (as nonmajor funds):

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The City reports two major proprietary funds. These funds are used to account for the acquisition, operation, and maintenance of water and sewer systems. These funds are entirely or predominantly self-supported through user charges to customers. The City reports the following major proprietary funds:

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Water Fund

- Water Operation & Development Fund (budgetary basis financial statements only)
- Water Reserve Fund (budgetary basis financial statements only)
- Water Debt Service Fund (budgetary basis financial statements only)

Sewer Fund

- Sewer Operation & Development Fund (budgetary basis financial statements only)
- Sewer Reserve Fund (budgetary basis financial statements only)
- Sewer Debt Service Fund (budgetary basis financial statements only)

Government-wide and Proprietary Fund Financial Statements: The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net resources available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

C. FINANCIAL POSITION

Deposits and investments

The cash balances of substantially all funds are pooled and invested by the City for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value at June 30, 2024, based on market prices. The individual fund's portion of the pool's fair value is presented as cash and cash equivalents. Earnings on the pooled funds are apportioned and paid or credited to the funds monthly based on the ending balance of each participating fund.

Cash and Cash Equivalents

The City's cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

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. The separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

the accrual and modified accrual basis of accounting that qualify for reporting in this category. The governmental funds reports unavailable property tax revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The government-wide statements of the City also report both deferred outflows and inflows related to the pension and other post employment benefits.

Property Tax Calendar

Property taxes attach as an enforceable lien on July 1, when they are levied, and until they are paid. Taxes are due in one-third increments on November 15, February 15, and May 15. Unpaid taxes are considered delinquent after November 15.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year end. Delinquent taxes are considered fully collectible and, therefore, no allowance of uncollectible taxes is provided.

Property tax revenues are accounted for on the accrual basis of accounting in the government-wide statements and are recognized when earned.

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Major capital asset additions are financed primarily from bond proceeds. The normal cost of maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used for assets that have initial useful lives extending beyond a single reporting period.

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	80-100
Machinery and Equipment	20-30
Water and Sewer Systems	40-50
Infrastructure	30-40

Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

D. NET POSITION/FUND BALANCE CLASSIFICATIONS

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net Investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.
- b. Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets, with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

It is the City's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

Fund Financial Statements

In the governmental funds the difference among assets, deferred outflows, liabilities, and deferred inflows of governmental funds is reported as fund balance and classified as nonspendable, restricted, committed, assigned, and unassigned based on the respective level of constraint. The constraints are defined as follows:

Nonspendable, such as fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned),

Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City Council (the City's highest level of decision-making authority),

Assigned fund balance classification are intended to be used for specific purposes but do not meet the criteria to be classified as restricted or committed, and

Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications.

For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and lastly unassigned fund balance.

The City has no formal minimum fund balance policies or any formal stabilization arrangements in place.

E. ACCOUNTING ESTIMATES

The preparation of 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates. Depreciation Expense, Accumulated Depreciation, Property Taxes Receivable, Allowance for Uncollectible Accounts, and Unearned Revenue accounts have been subject to estimation.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

BUDGETARY COMPLIANCE

The City budgets all funds which are subject to budget requirements of state law. The City Council legally adopts the budget by resolution before July 1. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The level of control (total personal services, materials and services, capital outlay, and other expenditures) is established by resolution for all funds. The City budgets sub funds of the water and sewer fund that are combined in the supplemental information and presented as a single fund in the fund financial statements.

The detail budget document is required to contain more specific, detailed information for the aforementioned expenditure categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations ordinance. A supplemental budget that differs by 10 percent or more of any one of the individual funds contained in the original budget for that fiscal year requires hearings before the public, publications in newspapers, and approval by the City Council. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the City Council.

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Cont'd)

Appropriations that have not been expended at year-end lapse and subsequent actual expenditures are then charged against ensuing year's appropriations.

EXCESS OF EXPENDITURES OVER APPROPRIATIONS

There were no expenditures that exceeded the budgeted appropriations for the fiscal year ended June 30, 2024.

DEFICIT FUND BALANCES

No funds had a deficit fund balance as of June 30, 2024.

NOTE 3 – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

Cash and cash equivalents as of June 30, 2024 consisted of the following:

Deposit in Financial Institution	\$ 1,381,466
Petty Cash	200
Deposit in Local Government Investment Pool	<u>7,856,968</u>
Total	<u>\$ 9,238,633</u>

Deposits

Deposits with financial institutions are comprised of bank demand deposits. Total bank balances, as shown on the bank's records at year-end were \$1,390,495. Federal Deposit Insurance Corporation (FDIC) insurance covers up to \$250,000 for all demand deposits owned by a public unit.

Custodial credit risk – deposits. This is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City does not have a formal policy for custodial credit risk, but follows the requirements of ORS 295. Insurance and collateral requirements for deposits are established by banking regulations and Oregon law. Where interest-bearing balances exceed the Federal Deposit Insurance amount of \$250,000, the balances are covered by collateral held in a multiple financial institution collateral pool (ORS 295.015) administered by the Oregon Office of the State Treasurer in the Public Funds Collateralization Program (PFCP).

Investments

The City has delegated investment responsibilities to the City Manager, who is primarily responsible for implementing the investment policy. The City currently does not have any written investment policies implemented.

Credit risk: State statutes authorize the City to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers and the State Treasurer's investment pool, among others. The City has no formal investment policy that further restricts its investment choices.

Custodial Credit Risk: This is the risk that, in the event of the failure of a counterparty, the City will not be able to recover the value of its investments or collateralized securities that are in the possession of an outside party. The City does not have a policy that limits the amount of investments that can be held by counterparties.

The Local Government Investment Pool (LGIP) is administered by the Oregon State Treasury with the advice of other state agencies and is not registered with the U.S. Securities and Exchange Commission. The LGIP is an open-ended no-load diversified portfolio offered to any agency, political subdivision, or public corporation of the state that by law is made the custodian of, or has control of any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short-Term Fund Board, which has established diversification percentages and specifies the types and maturities of the investments. The purpose of the Board is to advise the Oregon State Treasury in the management and investment of the LGIP. These investments within the LGIP must be invested and managed as a prudent investor would, exercising reasonable care, skill and caution. The LGIP's credit quality is unrated.

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Cont'd)

Professional standards indicate that the investments in external investment pools are not subject to custodial risk because they are not evidenced by the securities that exist in physical or book entry form. Nevertheless, management does not believe that there is any substantial custodial risk related to investments in the LGIP. The fair value of the City's position in the LGIP is the same as the value of the pool shares.

Concentration risk: The City does not have a formal policy that places a limit on the amount that they may be invested in any one investment. The City has concentrations in the following investments: Local Government Investment Pool. These investments are 100% of the City's total investments.

Interest rate risk: The City does not have a formal investment policy that limits investment maturities as a means of managing its exposures to fair value losses arising from increasing interest rates.

B. RECEIVABLES

Accounts receivable, grants receivable and other receivables from government agencies are generally expected to be collectible and, therefore an allowance for uncollectible is not considered necessary or recorded. The City uses the direct write-off method and expenses uncollectible accounts when they are deemed uncollectible.

All accounts receivable are expected to be collected within one year.

Lease Receivables

	Original Amount	Lease Receivable			
		Balance	Additions	Payments	Balance
		July 1, 2023			June 30, 2024
Qwest Lease	\$ 238,419	\$ 115,395	\$ -	\$ 15,738	\$ 99,657
US Cellular Lease	358,078	346,055	-	3,967	342,088
	\$ 596,497	\$ 461,450	\$ -	\$ 19,705	\$ 441,745

Deferred Inflow of Resources

	Lease				
	Balance	Additions	Lease	Balance	Interest
	July 1, 2023		revenue	June 30, 2024	Revenue
Qwest Lease	\$ 117,704	\$ -	\$ 14,868	\$ 102,837	\$ 1,062
US Cellular Lease	312,323	-	11,936	300,387	8,830
	\$ 430,028	\$ -	\$ 26,804	\$ 403,224	\$ 9,892

Qwest Lease

The City entered into a ground lease agreement to lease a 50' by 50' tract on NE Eighth Street to Qwest Corporation dba Century Link. The lease is for a term of 10 years with an option to renew for 5 years which is reasonably certain to be exercised. Annual payments of \$16,800 were due starting June 1, 2016. The payments will increase to \$17,220 after the 10th year. The assumed interest rate to be charged is 0.92%.

US Cellular Lease

The City entered into a ground lease agreement to lease a 50' by 50' tract on Columbia Lane to US Cellular dba Oregon RSA #2. The lease is for a term of 5 years with an option to renew for an addition 5 terms of 5 years each which is reasonably certain to be exercised. Monthly payments of \$950 were due starting September 3, 2019. The payments will increase annually by 3%. The assumed interest rate to be charged is 2.565%.

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Cont'd)

C. CAPITAL ASSETS

Capital asset activities for the year ended June 30, 2024 was as follows:

	Beginning			
	Balance	Additions	Adjustments	Ending Balance
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 149,230	\$ -	\$ -	\$ 149,230
Construction in progress	<u>739,573</u>	<u>3,094,720</u>	<u>(165,906)</u>	<u>3,668,387</u>
Total capital assets not being depreciated	<u>888,803</u>	<u>3,094,720</u>	<u>(165,906)</u>	<u>3,817,617</u>
Capital assets, being depreciated/amortized:				
Buildings	713,347	43,821	-	757,168
Equipment	434,889	-	(45,563)	389,326
Leased vehicles	-	-	106,003	106,003
Infrastructure	<u>4,956,537</u>	<u>127,273</u>	<u>105,466</u>	<u>5,189,276</u>
Total capital assets being depreciated	<u>6,104,773</u>	<u>171,094</u>	<u>165,906</u>	<u>6,441,773</u>
Less accumulated depreciation/amortization for:				
Buildings	(115,794)	(15,241)	-	(131,035)
Equipment	(191,459)	(23,270)	5,300	(209,429)
Leased vehicles	-	(10,600)	(5,300)	(15,900)
Infrastructure	<u>(677,032)</u>	<u>(107,206)</u>	<u>-</u>	<u>(784,238)</u>
Total accumulated depreciation	<u>(984,285)</u>	<u>(156,317)</u>	<u>-</u>	<u>(1,140,602)</u>
Total capital assets being depreciated/ amortized, net	<u>5,120,488</u>	<u>14,777</u>	<u>165,906</u>	<u>5,301,171</u>
Governmental activities capital assets, net	<u>\$ 6,009,291</u>	<u>\$ 3,109,497</u>	<u>\$ -</u>	<u>\$ 9,118,788</u>
Depreciation expense was charged to governmental functions as follows:				
General government	\$ 51,903			
Highways and streets	104,414			
Total depreciation expense	<u>\$ 156,317</u>			

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Cont'd)

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Ending</u> <u>Balance</u>
Business-type activities				
Capital assets not being depreciated:				
Land	\$ 34,639	\$ -	\$ -	\$ 34,639
Construction in progress	<u>933,402</u>	<u>318,481</u>	<u>(1,251,883)</u>	<u>-</u>
Total capital assets not being depreciated	<u>968,041</u>	<u>318,481</u>	<u>(1,251,883)</u>	<u>34,639</u>
Capital assets, being depreciated:				
Buildings	664,912	-	-	664,912
Equipment	422,086	18,388	-	440,474
Infrastructure	<u>22,697,803</u>	<u>7,886</u>	<u>1,251,883</u>	<u>23,957,572</u>
Total capital assets being depreciated	<u>23,784,801</u>	<u>26,274</u>	<u>1,251,883</u>	<u>25,062,958</u>
Less accumulated depreciation for:				
Buildings	(148,375)	(9,099)	-	(157,474)
Equipment	(180,245)	(17,322)	-	(197,567)
Infrastructure	<u>(6,122,319)</u>	<u>(464,853)</u>	<u>-</u>	<u>(6,587,172)</u>
Total accumulated depreciation	<u>(6,450,939)</u>	<u>(491,274)</u>	<u>-</u>	<u>(6,942,213)</u>
Total capital assets being depreciated, net	<u>17,333,862</u>	<u>(465,000)</u>	<u>1,251,883</u>	<u>18,120,745</u>
Business-type activities capital assets, net	<u>\$ 18,301,903</u>	<u>\$ (146,519)</u>	<u>\$ -</u>	<u>\$ 18,155,384</u>

Capitalized Interest

Interest costs are capitalized when incurred by proprietary funds on debt where proceeds were used to finance the construction of assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized. \$166,019 of interest was incurred, all of which was charged to expense during the fiscal year ended June 30, 2024.

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Cont'd)

D. LONG-TERM OBLIGATIONS

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended June 30, 2024, are as follows:

	Balance 7/1/23	Additions	Repayments	Balance 6/30/24	Due within one year
Governmental Activities					
Capital Lease	\$ 75,978	\$ -	\$ (23,435)	\$ 52,543	\$ 25,278
Compensated absences	107,713	69,958	(57,172)	120,498	120,498
Total governmental activities	\$ 183,691	\$ 69,958	\$ (80,608)	\$ 173,041	\$ 145,776
Business-type activities:					
Septic Conversion Loan	581,273	-	(39,939)	541,334	40,944
State Sewer Loan	358,262	-	(17,802)	340,460	18,332
Area 1 and 2 STEG Conversion	2,368,988	666,518	(500,000)	2,535,506	34,537
Treatment Plant Compliance Project	550,816	-	(15,820)	534,996	16,022
General Obligation Refunding, 2016A	3,100,000	-	(130,000)	2,970,000	135,000
Unamortized Premium GO Bond 2016A	154,473	-	(20,835)	133,638	19,410
Full Faith & Credit Refunding, 2016B	1,000,000	-	(115,000)	885,000	120,000
Unamortized Premium GO Bond 2016B	52,708	-	(13,954)	38,754	11,573
Total business-type activities	8,166,520	666,518	(853,350)	7,979,688	395,818
Totals all activities	\$ 8,350,211	\$ 736,476	\$ (933,958)	\$ 8,152,729	\$ 541,594

Debt Service Requirements

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

Governmental Activities:

Capital Lease

On August 10, 2022, the City entered into a 4 year lease for capital equipment with no options to extend. The lease commenced on September 10, 2022. Annual payments are due at the beginning of each year for \$29,406 with the first payment due on September 10, 2022. The present value of the lease at inception was \$105,385. The lease has an interest rate of 7.8568%. At the end of the lease, the City has the option to purchase the equipment for \$2. The City is reasonably certain to exercise the purchase option.

Year Ending	Principal	Interest	Total
June 30,			
2025	\$ 25,277	\$ 4,128	\$ 29,405
2026	27,265	2,142	29,408
	\$ 52,542	\$ 6,271	\$ 58,813

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Cont'd)

Business-Type Activities:

Septic Conversion Loan

During the fiscal year ended June 30, 2011, the City entered into a loan agreement with the Department of Environmental Quality in the amount of \$1,810,000 for a new lift station and collector sewers. The loan has a 2.00% interest rate and is secured by the City's net operating revenue. As of June 30, 2013, all \$1,810,000 of loan proceeds had been drawn and \$1,000,000 was forgiven as a grant resulting in a balance of \$810,000. Semi annual payments of \$17,703 principal and interest are payable at June 1 and December 1.

Year Ending June 30,	Principal	Interest	Total
2025	\$ 40,944	\$ 10,610	\$ 51,554
2026	41,973	9,787	51,760
2027	43,029	8,943	51,972
2028	44,111	8,079	52,190
2029	45,220	7,192	52,412
2030-2034	243,745	21,860	265,605
2035-2036	82,312	1,712	84,024
	<u>\$ 541,334</u>	<u>\$ 68,183</u>	<u>\$ 609,517</u>

State Sewer Loan

During the fiscal year ended June 30, 2013, the City entered into a loan agreement with the Oregon Infrastructure Finance Authority for the matching on a new lift station and collector sewers. The loan of \$496,993 has a 2.98% interest rate and is secured by the City's net operating revenue of the sewer system.

Year Ending June 30,	Principal	Interest	Total
2025	\$ 18,332	\$ 10,146	\$ 28,478
2026	18,879	9,599	28,478
2027	19,441	9,037	28,478
2028	20,020	8,457	28,478
2029	20,617	7,861	28,478
2030-2034	112,676	29,714	142,390
2034-2039	130,495	11,895	142,390
	<u>\$ 340,460</u>	<u>\$ 86,709</u>	<u>\$ 427,170</u>

Area 1 and 2 STEG Conversion

During the fiscal year ended June 30, 2020, the City entered into a loan agreement with Oregon Department of Environmental Quality to address conversions from Septic Tank Effluent Gravity systems to the city's regular collections system for homes located in Area 1 and Area 2 of the City. The approved loan amount is \$3,035,506 and has an interest rate of 1.46% and an annual fee of 0.5% for 20 years. The loan will be secured by the City's net operating revenue of the sewer system. As of June 30, 2024, \$3,035,506 has been disbursed from the loan and \$500,000 was forgiven as a grant resulting in a balance of \$2,535,506. An interest only payment will be due August 1, 2024 and semi-annual payments of \$53,046 principal and interest are payable at February 1 and August 1.

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Cont'd)

Year Ending June 30,	Principal	Interest	Total
2025	\$ 34,537	\$ 116,025	\$ 150,562
2026	69,832	36,260	106,092
2027	70,855	35,237	106,092
2028	71,893	34,199	106,092
2029	72,947	33,145	106,092
2030-2034	381,085	149,375	530,460
2035-2039	409,835	120,625	530,460
2040-2044	440,755	89,705	530,460
2045-2049	474,007	56,453	530,460
2050-2054	509,760	20,688	530,448
	<u>\$ 2,535,506</u>	<u>\$ 691,712</u>	<u>\$ 3,227,218</u>

Treatment Plan Compliance Project

During the fiscal year ended June 30, 2020, the City entered into a loan agreement with Oregon Department of Environmental Quality to implement the methanol system at the wastewater treatment plan. The loan was finalized in the amount of \$1,058,697 and \$500,000 of that amount was forgiven as a grant resulting in a balance of \$558,697. The loan has an interest rate of 1.27% and an annual fee of 0.5% for 30 years. The loan will be secured by the City's net operating revenue of the sewer system. An initial interest only payment of \$11,192 is required on November 1, 2022 and semi-annual payments of \$11,383 principal and interest are payable at May 1 and November 1 thereafter.

Year Ending June 30,	Principal	Interest	Total
2025	\$ 16,022	\$ 6,744	\$ 22,766
2026	16,227	6,539	22,766
2027	16,434	6,332	22,766
2028	16,643	6,123	22,766
2029	16,855	5,911	22,766
2030-2034	87,550	26,280	113,830
2035-2039	93,269	20,561	113,830
2040-2044	99,364	14,466	113,830
2045-2049	105,859	7,971	113,830
2050-2052	66,773	1,491	68,264
	<u>\$ 534,996</u>	<u>\$ 102,418</u>	<u>\$ 637,414</u>

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

Full Faith & Credit Refunding, 2016B

During the fiscal year ended June 30, 2017, the City issued \$1,620,000 in Full Faith & Credit Refunding at a \$186,380 premium for the refunding of Sewer Revenue Bond 2005, Sewer Revenue Bond 2010, and State OR Drinking Water 2009. Those bonds are due in semi-annual installments for interest payments and annual installments for principal payments. Final bond maturity is scheduled for 2032. The annual requirements to amortize bond debt outstanding as of June 30, 2024 is as follows:

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Cont'd)

Year Ending June 30,	Principal	Interest	Total	Premium
2025	\$ 120,000	\$ 21,427	\$ 141,427	\$ 11,573
2026	125,000	18,777	143,777	9,323
2027	130,000	15,835	145,835	7,165
2028	135,000	12,547	147,547	5,153
2029	140,000	8,885	148,885	3,315
2030-2032	235,000	6,675	241,675	2,226
	<u>\$ 885,000</u>	<u>\$ 84,146</u>	<u>\$ 969,146</u>	<u>\$ 38,754</u>

General Obligation Refunding, 2016A

During the fiscal year ended June 30, 2017, the City issued \$3,995,000 in General Obligation bonds at a \$340,737 premium for the refunding of General Obligation Sewer No. 1-2005, General Obligation Sewer No. 2-2005, and General Obligation Water Bond – 2009. Those bonds are due in semi-annual installments for interest payments and annual installments for principal payments. Final bond maturity is scheduled for 2041. The annual requirements to amortize bond debt outstanding as of June 30, 2024 is as follows:

Year Ending June 30,	Principal	Interest	Total	Premium
2025	\$ 135,000	\$ 87,414	\$ 222,414	\$ 19,410
2026	135,000	84,795	219,795	18,755
2027	140,000	81,937	221,937	17,488
2028	145,000	78,619	223,619	15,806
2029	150,000	74,805	224,805	13,720
2030-2034	860,000	302,170	1,162,170	42,055
2035-2039	1,050,000	148,040	1,198,040	6,769
2040-2041	355,000	9,663	364,663	(366)
	<u>\$ 2,970,000</u>	<u>\$ 867,442</u>	<u>\$ 3,837,442</u>	<u>\$ 133,638</u>

Interest expense on long-term debt has been charged as a direct activity expense on the Statement of Activities as follows:

Business-Type Activities:	
Water	\$ 10,532
Sewer	59,778

Debt Covenants

The Sewer Fund is required by the State of Oregon acting by and through its Department of Environmental Quality to establish a loan reserve equal to one half of the average annual debt service to be used solely for making payments of principal and interest if no other funds are available. The loan reserve requirement was \$83,449 at the end of the year. This was the total restricted Net Position in the Sewer Fund. At year end the Water Fund reported restricted as of \$76,172 as detailed below, which meets the current requirement.

	Customer Deposits
Beginning Restriction	\$ 69,272
Current Year Restriction	6,900
Line Replacements	-
Ending Restriction	<u>\$ 76,172</u>

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Cont'd)

E. GRANTS

In the normal course of operations, the City receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority to ensure compliance with conditions of the grant. Any liability for reimbursement which may arise as the result of a grantor audit is not believed to be material.

F. INTERFUND TRANSFERS

Transfers for the year ended June 30, 2024, consisted of the following:

Transfer in	Transfer out			Totals
	State Street Fund	Water Fund	Sewer Fund	
General Fund	\$ 1,649	\$ 9,000	\$ 9,000	\$ 19,649
Nonmajor governmental funds	-	4,944	15,224	20,168
Totals	\$ 1,649	\$ 13,944	\$ 24,224	\$ 39,817

Transfers are used to (1) move from proprietary enterprise funds to reserve funds for future expenditures, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) move from proprietary reserve funds to general fund to reimburse for administrative fees.

G. FUND BALANCE CLASSIFICATION

Fund balances by classification for the year ended June 30, 2024 were as follows:

	General Fund	Irrigon Improvements Fund	State Street Tax Fund	Total Governmental Funds
<u>Fund balances:</u>				
Restricted for:				
Bike/Foot Paths	\$ 25,198	\$ -	\$ -	\$ 25,198
SDC Capital Improvements	36,981	-	-	36,981
Committed for:				
Accrued Leave	95,138	-	-	95,138
Building Maintenance	30,568	-	-	30,568
Equipment Replacement	29,714	-	-	29,714
Improvements	-	2,763,227	-	2,763,227
Construction	930,270	-	-	930,270
Assigned for:				
Street	-	-	320,477	320,477
Unassigned	646,676	-	-	646,676
Total fund balances	\$ 1,794,545	\$ 2,763,227	\$ 320,477	\$ 4,816,070

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Cont'd)

H. PRIOR PERIOD ADJUSTMENTS

Adjustments were made to the beginning fund balances/net positions as follows:

1. *Reclassification of GO Bond Funds* – The Water GO Bond Fund and the Sewer GO Bond Fund were determined to be governmental activities and have been reported in the funds as governmental debt service funds and governmental activities on the government-wide financial statements. Beginning net position for Business-type Activities on the Statement of Activities and Water Fund and Sewer Fund on the fund financial statements has been adjusted accordingly.
2. *Grant revenue recognition* – It was determined that some grant revenue met the conditions to be recognized as revenue in the fiscal year ended June 30, 2023. The beginning balance of the Irrigon Improvement Fund has been adjusted to reflect the increase in revenue for that fiscal year.
3. *Land sale proceeds* – It was determined that proceeds from an installment land sale met the conditions to be recognized as revenue in the General Fund (or Governmental Reserve Fund for budgetary reporting) for the fiscal year ended June 30, 2023. The beginning balance of the General Fund has been adjusted to reflect the increase in revenue for that fiscal year.

NOTE 4 – OTHER INFORMATION

A. PENSION PLAN

GENERAL INFORMATION ABOUT THE PENSION PLAN

Plan Description.

Employees of the City are provided with pensions through Oregon Public Employees Retirement System (OPERS) a cost-sharing multiple-employee defined benefit 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 Oregon Revised Statute (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 an independently audited Comprehensive Annual Financial Report which can be obtained at: http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx.

If the link is expired, please contact Oregon PERS by writing to the Fiscal Services Division, Public Employees Retirement System, 11410 SW 68th Parkway, PO BOX 23700, Tigard, Oregon, 97281.

Benefits Provided

Tier One/Tier Two Retirement Benefit (ORS Chapter 238)

1. *Pension Benefits* – The OPERS 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 (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. Monthly payments must be a minimum of \$200 per month or the member will receive a lump-sum payment of the actuarial equivalent of benefits to which he or she is entitled.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary will be limited for all members beginning in 2021. The limit will be equal to \$197,730 in 2021 and will be indexed with inflation in later years.

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. General service employees may retire after reaching age 55. Tier One general service employee benefits

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 4 – OTHER INFORMATION (Cont'd)

are reduced if retirement occurs prior to age 58 with fewer than 30 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.

2. *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:
 - Member was employed by a PERS employer at the time of death,
 - Member died within 120 days after termination of PERS-covered employment,
 - Member died as a result of injury sustained while employed in a PERS-covered job, or
 - Member was on an official leave of absence from a PERS-covered job at the time of death.
3. *Disability Benefits* – A member with 10 or more years of creditable service who become 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 when determining the monthly benefit.
4. *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 (COLA) changes. The COLA is capped at 2.0 percent.

OPSRP Pension Program (OPSRP DB)

1. *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:
 - 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.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final salary will be limited for all members beginning in 2021. The limit will be equal to \$197,730 in 2021 and will be indexed with inflation in later years.

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.

2. *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.
3. *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.
4. *Benefit Changes after Retirement* – Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and \$750 plus 0.15 percent on annual benefits above \$60,000.

OPSRP Individual Account Program (OPSRP IAP)

1. *Pension Benefits* – The Individual Account Program (IAP) is a defined contribution pension plan. 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

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 4 – OTHER INFORMATION (Cont'd)

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.

2. *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.
3. *Recordkeeping* – OPERS contracts with VOYA Financial to maintain IAP participant records.

Contributions

1. *Employer Contributions* – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2021. Effective January 1, 2020, Senate Bill 1049 required employers to pay contributions on re-employed PERS retirees' salary as if they were an active member, excluding IAP (6 percent) contributions. Employer contributions for the year ended June 30, 2024 were \$123,690, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2024 were 22.69 percent for Tier One/Tier Two members, 20.67 percent for OPSRP Pension Program members, and 6 percent for OPSRP Individual Account Program.
2. *Employee Contributions* – Beginning January 1, 2004, all employee contributions were placed in the OPSRP Individual Account Program (IAP), a defined contribution pension plan established by the Oregon Legislature. Prior to that date, all member contributions were credited to the Defined Benefit Pension Plan. Member contributions are set by statute at 6.0 or 7.0 percent of salary and are remitted by participating employers. The contributions are either deducted from member salaries or paid by the employers on the members behalf. The IAP member accounts represent member contributions made on or after January 1, 2004, plus earnings allocations less disbursements for refunds, death benefits, and retirements.

Starting July 1, 2020, Senate Bill 1049 required a portion of member contributions to their IAP accounts to be redirected to the Defined Benefit fund. If the member earns more than \$2,500 per month (increased to \$2,535 per month on January 1, 2021) 0.75 percent (if OPSRP member) or 2.5 percent (if Tier One/Tier Two member) of the member's contributions that were previously contributed to the member's IAP now fund the new Employee Pension Stability Accounts (EPSA). The EPSA accounts will be used to fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account. Members may elect to make voluntary IAP contributions equal to the amount redirected.

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

At June 30, 2024, the City reported a liability of \$855,888 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2024, the City's proportion was 0.00457 percent, which was decreased from its proportion of 0.00532 percent measured as of June 30, 2023.

For the year ended June 30, 2024, the City's recognized pension expense of \$2,729. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 4 – OTHER INFORMATION (Cont'd)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 41,856	\$ 3,394
Changes in assumptions	76,032	567
Net difference between projected and actual earnings on investments	15,384	-
Changes in proportionate share	38,016	105,559
Differences between employer contributions and employers proportionate share of system contributions	4,825	66,405
Total (prior to post-MD contributions)	176,113	175,925
City contributions subsequent to the measurement date	123,015	-
Net Deferred Outflow/(Inflow) of Resources	\$ 299,128	\$ 175,925

The City's contributions subsequent to the measurement date of \$123,015 are reported as deferred outflows of resources related to pensions and will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. 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:	
2024	\$ 112,184
2025	(45,459)
2026	59,024
2027	3,167
2028	(5,713)
Thereafter	-
Total	\$ 123,203

Actuarial Assumptions

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

Valuation Date	December 31, 2021
Measurement Date	June 30, 2023
Experience Study Report	2020, published July 20, 2021
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 graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 4 – OTHER INFORMATION (Cont'd)

	<p>Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disable Retiree, 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 July 2017 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 Class/Strategy	Assumed Asset Allocation		
	Low Range	High Range	Target
Debt Securities	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	9.0%	16.5%	12.5%
Private Equity	17.5%	27.5%	20.0%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

Asset Class	Target Allocation	Component Annual Return (Geometric)
Global Equity	27.50 %	7.07 %
Private Equity	25.50	8.83
Core Fixed Income	25.00	4.50
Real Estate	12.25	5.83
Master Limited Partnerships	0.75	6.02
Infrastructure	1.50	6.51
Hedge Fund of Funds – Multistrategy	1.25	6.27
Hedge Fund Equity – Hedge	0.63	6.48
Hedge Fund – Macro	5.62	4.83
Total	100.00 %	

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 4 – OTHER INFORMATION (Cont'd)

Asset Class	Target Allocation	Component Annual Return (Geometric)
Assumed Inflation - Mean		2.35 %

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 our 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 6.90 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability	\$ 1,413,768	\$ 855,889	\$ 389,004

Pension plan fiduciary net position

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

Payables to the pension plan

The City reports payables in the amount of \$13,805 payable to the pension plan.

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 4 – OTHER INFORMATION (Cont'd)

Changes in Plan Provisions Subsequent to Measurement Date

There were no changes subsequent to the June 30, 2023 measurement period that require disclosure.

B. POST EMPLOYMENT BENEFIT PLAN OTHER THAN PERS

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.

Financial Statement Presentation

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

	Implicit Rate Subsidy Plan	PERS RHIA Plan	Total OPEB on Financial
Deferred Outflows of Resources			
Contributions after the Measurement Date	\$ 1,841	\$ 5	\$ 1,846
Difference between expected and actual results	-	63	63
Changes in assumptions	470	-	470
Change in Proportionate Share	-	1,034	1,034
Total deferred outflows of resources	2,311	1,102	3,413
 Total OPEB Asset (Liability)	 (34,120)	 22,159	 (11,961)
Deferred Inflows of Resources			
Difference between expected and actual results	(6,834)	(556)	(7,390)
Change in proportionate share	-	-	-
Change in assumptions	(9,866)	(239)	(10,105)
Difference in Earnings	-	-	-
Total deferred inflows of resources	(16,700)	(795)	(17,495)
 OPEB Expense (Income)	 692	 (2,565)	 (1,873)
(Included in program expenses on Statement of Activities)			

Implicit Rate Subsidy

Plan Description

The City's defined benefit postemployment healthcare plan is administered by CityCounty Insurance Services (CIS).

The City's postemployment healthcare plan administrator issues a publicly available financial report that includes financial statements and required supplementary information for CIS. This report may be obtained by writing to the CIS Main Office, 1212 Court Street NE, Salem, OR 97301.

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 4 – OTHER INFORMATION (Cont'd)

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, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	0
Active employees	<u>9</u>
	<u>9</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 \$34,120 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2022. The City's portion of the net OPEB liability was based on the City's contributions to the CIS healthcare program during the measurement period relative to contributions from all participating employers.

For the fiscal year ended June 30, 2024, the City recognized OPEB expense from this plan of \$692. At June 30, 2024, 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 results	\$ -	\$ (6,834)
Changes of assumptions	470	(9,866)
Contributions after the measurement date	<u>1,841</u>	<u>-</u>
	<u>\$ 2,311</u>	<u>\$ (16,700)</u>

Deferred outflows of resources related to OPEB of \$1,841 resulting from 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,		
2025	\$	(2,581)
2026		(4,422)
2027		(4,100)
2028		(1,640)
2029		(1,242)
Thereafter		<u>(404)</u>
	\$	<u>(14,389)</u>

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2022 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, 2022
Measurement date	June 30, 2023
Actuarial cost method	Entry age normal
Inflation	2.40 percent
Salary increases	3.40 percent

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 4 – OTHER INFORMATION (Cont'd)

Discount rate	3.65 percent (change from 3.54 percent in previous measurement period)
Withdrawal, retirement, and mortality rates	December 31, 2021 Oregon PERS valuation
Election and Lapse Rate	35% of eligible employees 60% of male members and 35% of female members will elect spouse coverage

The discount rate was based on Bond Buyer 20-Year General Obligation Bond Index.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of June 30, 2023	\$ 29,768
Changes for the year:	
Service cost	3,931
Interest on total OPEB liability	1,183
Effect of changes to benefit terms	-
Effect of economic/demographic gains or losses	-
Effect of assumptions changes or inputs	(211)
Benefit payments	(551)
Balance as of June 30, 2024	<u>\$ 34,120</u>

Changes in assumptions is the result of the change in the discount rate from 3.54 percent to 3.65 percent.

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 (2.65 percent) or 1-percent-higher (4.65 percent) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

Discount Rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
City's proportionate share of the net OPEB liability	\$ 36,220	\$ 34,120	\$ 32,083

Healthcare Cost Trend:

	1% Decrease (5.50% decreasing to 2.75%)	Current Healthcare Trend Rate (6.50% decreasing to 3.75%)	1% Increase (7.50% decreasing to 4.75%)
City's proportionate share of the net OPEB liability	\$ 30,555	\$ 34,120	\$ 38,262

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 4 – OTHER INFORMATION (Cont'd)

PERS Retirement Health Insurance Account

Plan Description

The City contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. ORS 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. PERS 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.

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 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.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the City currently 0.05 percent of annual covered payroll OPERS payroll and 0.00 percent for OPSRP payroll under a contractual requirement in effect until June 30, 2024. Consistent with GASB Statement 75, the Oregon PERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The City's contributions to RHIA for the year ended June 30, 2024 are included in the PERS annual pension amount.

Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The City's total OPEB asset of \$22,159 was measured as of June 30, 2023 and was determined by an actuarial valuation as of December 31, 2021, rolled forward to June 30, 2023. The City's portion 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, 2023, the City's proportionate share was 0.00605166 percent.

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 4 – OTHER INFORMATION (Cont'd)

For the year ended June 30, 2024, the City recognized OPEB expense of \$2,565. At June 30, 2024, 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 results	\$ -	\$ (556)
Changes of assumptions	-	(239)
Net difference between projected and actual earnings on Plan investments	63	-
Changes in proportionate share and differences between City contributions and proportionate share of contributions	1,034	-
Contributions subsequent to the measurement date	5	-
	\$ 1,102	\$ (795)

Deferred outflows of resources related to OPEB of \$5 resulting from the City's contributions subsequent to the measurement date will be recognized as either a reduction of the net OPEB liability or an increase in the net OPEB asset in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,		
2025	\$	(76)
2026		(730)
2027		819
2028		294
2029		-
Thereafter		-
	\$	307

Actuarial Methods and Assumptions Used in Developing Total OPEB Liability/Asset

All actuarial methods and assumptions are consistent with those disclosed for the OPERS Pension Plan, see note for additional information on Actuarial Assumptions and Methods, Healthcare cost trend rate, the Long-Term Expected Rate of Return, and the Discount Rate.

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 (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current discount rate.

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net OPEB asset	\$ 20,143	\$ 22,159	\$ 23,889

OPEB Plan Fiduciary Net Position

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

CITY OF IRRIGON, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 4 – OTHER INFORMATION (Cont'd)

C. CONTINGENCIES

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

Management believes that there are no liabilities that could result from pending suits, judgments or claims where the amount in excess of insurance coverage would be material to the financial statements.

D. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City participates in the City/County Insurance Services (CCIS) formed in 1981 by the League of Oregon Cities and the Association of Oregon Cities. CCIS is a public entity risk pool currently operating as a common risk management and insurance program for approximately 265 Cities in the state of Oregon. CCIS is self-sustaining through member contributions and reinsures through commercial companies for excess of certain claims amounts. The City has a claim upon cash balances held on its behalf by CCIS but the amount cannot be determined. Claims liabilities of the City within CCIS also cannot be determined. The City has not significantly reduced insurance coverage or had any losses in excess of coverage in the past three years.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF IRRIGON, OREGON
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - 010
For the Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Budgeted Amounts</u>
REVENUES				
Property taxes	\$ 256,600	\$ 256,600	\$ 283,926	\$ 27,326
Franchise fees	92,900	92,900	136,109	43,209
Licenses and fees	135,600	135,600	78,685	(56,915)
Intergovernmental	74,100	74,100	65,041	(9,059)
Donations and contributions	-	-	-	-
Charges for services	256,000	256,000	213,441	(42,559)
Lease revenue	38,000	38,000	36,696	(1,304)
Investment income	10,000	10,000	19,576	9,576
Proceeds from capital lease	-	-	-	-
Miscellaneous revenue	27,000	27,000	9,757	(17,243)
Total revenues	<u>890,200</u>	<u>890,200</u>	<u>843,231</u>	<u>(46,969)</u>
EXPENDITURES				
Administration:				
Personal services	156,200	156,200	145,492	10,708
Materials and services	339,600	339,600	282,644	56,956
Municipal Court:				
Personal services	30,100	30,100	18,777	11,323
Materials and services	39,000	39,000	11,457	27,543
Parks:				
Personal services	70,100	70,100	60,267	9,833
Materials and services	21,000	21,000	11,299	9,701
Public Safety:				
Personal services	-	73,000	14,133	58,867
Materials and services	312,500	239,500	116,853	122,647
Capital outlay	29,500	-	-	-
Debt service	-	29,500	29,406	94
Capital outlay	-	-	-	-
Contingency	95,500	95,500	-	95,500
Total expenditures	<u>1,093,500</u>	<u>1,093,500</u>	<u>690,328</u>	<u>403,172</u>
Excess of revenues over (under) expenditures	(203,300)	(203,300)	152,903	356,203
OTHER FINANCING SOURCES				
Transfers out	(193,300)	(193,300)	(140,900)	52,400
Net change in fund balances	(396,600)	(396,600)	12,003	408,603
Fund balance - beginning	496,600	496,600	634,241	137,641
Fund balance - ending	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 646,244</u>	<u>\$ 546,244</u>

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CITY OF IRRIGON, OREGON
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GOVERNMENTAL RESERVE FUND - 011
For the Year Ended June 30, 2024

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Budgetary Basis</i>	<i>Budgeted Amounts</i>
REVENUES				
Intergovernmental	\$ 64,500	\$ 64,500	\$ -	\$ (64,500)
Licenses and fees	25,500	25,500	10,500	(15,000)
Investment income	22,000	22,000	44,520	22,520
Proceeds from sale of land	50,000	50,000	-	(50,000)
Total revenues	<u>162,000</u>	<u>162,000</u>	<u>55,020</u>	<u>(106,980)</u>
EXPENDITURES				
Personal services	106,000	106,000	14,725	91,275
Materials & services	220,200	220,200	33,607	186,593
Capital outlay	1,133,200	1,133,200	114,257	1,018,943
Total expenditures	<u>1,459,400</u>	<u>1,459,400</u>	<u>162,589</u>	<u>1,296,811</u>
Excess of revenues over (under) expenditures	(1,297,400)	(1,297,400)	(107,569)	1,189,831
OTHER FINANCING SOURCES				
Transfers	160,600	160,600	160,549	(51)
Net change in fund balances	<u>(1,136,800)</u>	<u>(1,136,800)</u>	<u>52,980</u>	<u>1,189,780</u>
Fund balance - beginning, as previously stated	1,136,800	1,136,800	1,072,621	(64,179)
Prior period adjustment	-	-	22,701	22,701
Fund balance - beginning, as restated	<u>1,136,800</u>	<u>1,136,800</u>	<u>1,095,322</u>	<u>(41,478)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,148,302</u>	<u>\$ 1,148,302</u>

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CITY OF IRRIGON, OREGON
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
IRRIGON IMPROVEMENTS FUND - 012
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Budgeted
				Amounts
REVENUES				
Intergovernmental	\$ 2,796,000	\$ 2,796,000	\$ 1,664,687	\$ (1,131,313)
Licenses and fees	2,200	2,200	1,250	(950)
Investment income	50,000	50,000	134,255	84,255
Miscellaneous revenue	-	-	1,000	1,000
Total revenues	<u>2,848,200</u>	<u>2,848,200</u>	<u>1,801,192</u>	<u>(1,047,008)</u>
EXPENDITURES				
Materials and services	1,043,000	1,043,000	534,713	508,287
Capital outlay	<u>4,605,000</u>	<u>4,605,000</u>	<u>1,286,196</u>	<u>3,318,804</u>
Total expenditures	<u>5,648,000</u>	<u>5,648,000</u>	<u>1,820,909</u>	<u>3,827,091</u>
Net change in fund balances	<u>(2,799,800)</u>	<u>(2,799,800)</u>	<u>(19,717)</u>	<u>2,780,083</u>
Fund balance - beginning, as previously stated	2,799,800	2,799,800	2,774,644	(25,156)
Prior period adjustment	-	-	8,299	8,299
Fund balance - beginning, as restated	<u>2,799,800</u>	<u>2,799,800</u>	<u>2,782,943</u>	<u>(16,857)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,763,226</u>	<u>\$ 2,763,226</u>

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CITY OF IRRIGON, OREGON
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
STATE STREET FUND - 020
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Budgeted
				Amounts
REVENUES				
Intergovernmental	\$ 2,613,000	\$ 2,613,000	\$ 2,253,046	\$ (359,954)
Licenses and fees	54,500	54,500	52,300	(2,200)
Investment income	8,500	8,500	9,707	1,207
Miscellaneous revenue	3,000	3,000	3,787	787
Total revenues	<u>2,679,000</u>	<u>2,679,000</u>	<u>2,318,840</u>	<u>(360,160)</u>
EXPENDITURES				
Personal services	178,300	178,300	155,626	22,674
Materials and services	123,200	123,200	78,090	45,110
Capital outlay	2,475,000	2,475,000	2,150,461	324,539
Contingency	113,200	113,200	-	113,200
Total expenditures	<u>2,889,700</u>	<u>2,889,700</u>	<u>2,384,177</u>	<u>505,523</u>
Excess of revenues over (under) expenditures	<u>(210,700)</u>	<u>(210,700)</u>	<u>(65,337)</u>	<u>145,363</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	52,400	52,400	-	(52,400)
Transfers out	(1,700)	(1,700)	(1,649)	51
Total other financing sources (uses)	<u>50,700</u>	<u>50,700</u>	<u>(1,649)</u>	<u>(52,349)</u>
Net change in fund balances	(160,000)	(160,000)	(66,986)	93,014
Fund balance - beginning	<u>260,000</u>	<u>260,000</u>	<u>387,462</u>	<u>127,462</u>
Fund balance - ending	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 320,476</u>	<u>\$ 220,476</u>

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CITY OF IRRIGON, OREGON
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Last Ten Fiscal Years

<i>Measurement Date</i>	<i>(a) City's proportion of the net pension liability (asset)</i>	<i>(b) City's proportionate share of the net pension liability (asset)</i>	<i>(c) City's covered payroll</i>	<i>(b/c)</i>	<i>Plan fiduciary net position as a percentage of the total pension liability</i>
				<i>City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll</i>	
2023	0.00456945%	\$ 855,889	\$ 612,071	140%	81.7%
2022	0.00531555%	813,917	568,785	143%	84.5%
2021	0.00533710%	638,663	566,440	113%	87.6%
2020	0.00485950%	1,060,509	543,568	195%	75.8%
2019	0.00519560%	898,715	494,933	182%	80.2%
2018	0.00484757%	734,343	467,911	157%	82.1%
2017	0.00502766%	677,730	462,165	147%	83.1%
2016	0.00540893%	812,006	437,860	185%	80.5%
2015	0.00538263%	309,042	416,470	74%	91.9%
2014	0.00533428%	(120,913)	432,576	-28%	103.6%

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

NOTES TO SCHEDULE

Changes in Benefit Terms:

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

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 2021, annual salary in excess of \$197,730 (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 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. The increase in the Total Pension Liability resulting from Senate Bill 111, measured as of June 30, 2021, is shown in Exhibit A as the "Effect of plan changes" during the measurement period. While Senate Bill 111 also made changes to certain aspects of the System's 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.

Changes of Assumptions:

The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability and June 30, 2018 total pension liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50 percent and lowering of the assumed inflation to 2.50 percent. For June 30, 2018, the long-term expected rate of return was lowered to 7.20 percent. For June 30, 2021, the long-term expected rate of return was lowered to 6.90 percent, and the inflation rate was lowered from 2.5 to 2.4 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay were updated.

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CITY OF IRRIGON, OREGON
SCHEDULE OF CONTRIBUTIONS
For the Last Ten Fiscal Years

<i>Year Ended June 30,</i>	<i>(a) Statutorily required contribution</i>	<i>(b) Contributions in relation to the statutorily required contribution</i>	<i>(a-b) Contribution deficiency (excess)</i>	<i>(c) City's covered payroll</i>	<i>(b/c) Contributions as a percent of covered payroll</i>
2024	\$ 123,015	\$ 123,015	\$ -	\$ 584,460	21%
2023	114,132	114,132	-	612,071	20%
2022	115,032	115,032	-	568,785	20%
2021	115,076	115,076	-	566,440	20%
2020	110,434	110,434	-	543,568	16%
2019	80,503	80,503	-	494,933	15%
2018	72,307	72,307	-	467,911	12%
2017	55,761	55,761	-	462,165	12%
2016	52,072	52,072	-	437,860	10%
2015	41,852	41,852	-	416,470	11%

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

NOTES TO SCHEDULE

Actuarial Assumptions and Methods Used to Set the Actuarially Determined Contributions

	December 31, 2019	December 31, 2017	December 31, 2015	December 31, 2013	December 31, 2011
Actuarial valuation	July 2021 - June 2023	July 2019 - June 2021	July 2017 - June 2019	July 2015 - June 2017	July 2013 - June 2015
Effective	Entry Age Normal				Projected Unit Credit
Actuarial cost method	Level percentage of payroll				
Amortization method	Market Value				
Asset valuation method	20 years				N/A
Remaining amortization periods					
Actuarial assumptions:					
Inflation rate	2.40 percent	2.50 percent		2.75 percent	
Projected salary increases	3.40 percent	3.50 percent			
Investment rate of return	6.90 percent	7.20 percent	7.50 percent	7.75 percent	8.00 percent

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OTHER SUPPLEMENTARY INFORMATION

CITY OF IRRIGON, OREGON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024

	<u>Debt Service Funds</u>		<u>Totals</u>
	<u>Water GO Debt Service Fund</u>	<u>Sewer GO Debt Service Fund</u>	
ASSETS			
Cash and cash equivalents	\$ 21,875	\$ 120,177	\$ 142,052
Property taxes receivable	<u>2,272</u>	<u>3,095</u>	<u>5,367</u>
Total Assets	<u>\$ 24,147</u>	<u>\$ 123,272</u>	<u>147,419</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Interest payable	<u>1,395</u>	<u>2,299</u>	<u>3,694</u>
Deferred inflows of resources:			
Unavailable revenue	<u>2,052</u>	<u>2,803</u>	<u>4,855</u>
Fund balances:			
Restricted for debt service	<u>20,700</u>	<u>118,170</u>	<u>138,870</u>
Total fund balances	<u>20,700</u>	<u>118,170</u>	<u>138,870</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 24,147</u>	<u>\$ 123,272</u>	<u>\$ 147,419</u>

CITY OF IRRIGON, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024

	<u>Debt Service Funds</u>		
	<u>Water GO Debt</u>	<u>Sewer GO Debt</u>	<u>Totals</u>
	<u>Service Fund</u>	<u>Service Fund</u>	
REVENUES			
Property taxes	\$ 56,087	\$ 71,838	\$ 127,925
Investment income	1,352	5,348	6,700
Total revenues	<u>57,439</u>	<u>77,186</u>	<u>134,625</u>
EXPENDITURES			
Debt service:			
Principal	49,101	80,899	130,000
Interest	41,764	68,811	110,575
Total expenditures	<u>90,865</u>	<u>149,710</u>	<u>240,575</u>
Excess (deficiency) of revenues over (under) expenditures	(33,426)	(72,524)	(105,950)
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>4,944</u>	<u>15,224</u>	<u>20,168</u>
Net change in fund balances	(28,482)	(57,300)	(85,782)
Fund balance - beginning	<u>49,182</u>	<u>175,470</u>	<u>224,652</u>
Fund balance - ending	<u>\$ 20,700</u>	<u>\$ 118,170</u>	<u>\$ 138,870</u>

CITY OF IRRIGON, OREGON
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
WATER DEBT SERVICE FOR GENERAL OBLIGATION BONDS FUND - 069
For the Year Ended June 30, 2024

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Budgetary Basis</i>	<i>Final Budget</i>
REVENUES				
Property taxes	\$ 57,200	\$ 57,200	\$ 56,087	\$ (1,113)
Investment income	1,500	1,500	1,352	(148)
Miscellaneous revenue	25,814	25,814	-	(25,814)
Total revenues	<u>84,514</u>	<u>84,514</u>	<u>57,439</u>	<u>(27,075)</u>
EXPENSES				
Debt service	<u>91,000</u>	<u>91,000</u>	<u>90,865</u>	<u>135</u>
Excess of revenues over (under) expenditures	(6,486)	(6,486)	(33,426)	(26,940)
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>5,100</u>	<u>5,100</u>	<u>4,944</u>	<u>(156)</u>
Net change in fund balance	(1,386)	(1,386)	(28,482)	(27,096)
Total fund balance - beginning	<u>60,000</u>	<u>60,000</u>	<u>49,182</u>	<u>(10,818)</u>
Total fund balance - ending	<u>\$ 58,614</u>	<u>\$ 58,614</u>	<u>\$ 20,700</u>	<u>\$ (37,914)</u>

CITY OF IRRIGON, OREGON
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SEWER DEBT SERVICE FOR GENERAL OBLIGATION BONDS FUND - 079
For the Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget</u>
REVENUES				
Property taxes	\$ 73,500	\$ 73,500	\$ 71,838	\$ (1,662)
Investment income	2,500	2,500	5,348	2,848
Total revenues	<u>76,000</u>	<u>76,000</u>	<u>77,186</u>	<u>1,186</u>
EXPENDITURES				
Debt service	<u>149,800</u>	<u>149,800</u>	<u>149,710</u>	<u>90</u>
Excess of revenues over (under) exper	(73,800)	(73,800)	(72,524)	1,276
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>15,300</u>	<u>15,300</u>	<u>15,224</u>	<u>(76)</u>
Net change in fund balance	(58,500)	(58,500)	(57,300)	1,200
Total fund balance - beginning	<u>168,700</u>	<u>168,700</u>	<u>175,470</u>	<u>6,770</u>
Total fund balance - ending	<u>\$ 110,200</u>	<u>\$ 110,200</u>	<u>\$ 118,170</u>	<u>\$ 7,970</u>

CITY OF IRRIGON, OREGON
COMBINING STATEMENT OF NET POSITION
WATER FUNDS
June 30, 2024

	60	62	68	
	<i>Water Operation & Development Fund</i>	<i>Water Reserve Fund</i>	<i>Water Debt Service Fund</i>	<i>Totals</i>
ASSETS				
Current assets:				
Cash and investments	\$ 152,939	\$ 816,571	\$ 114,755	\$ 1,084,265
Accounts receivable	59,830	-	6,544	66,374
Total current assets	<u>212,769</u>	<u>816,571</u>	<u>121,299</u>	<u>1,150,639</u>
Noncurrent assets:				
Capital assets, net of accumulated depreciation	4,364,610	-	-	4,364,610
Restricted cash	73,372	-	-	73,372
Total noncurrent assets	<u>4,437,982</u>	<u>-</u>	<u>-</u>	<u>4,437,982</u>
Total assets	<u>4,650,751</u>	<u>816,571</u>	<u>121,299</u>	<u>5,588,621</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferred outflows of resources	92,756	-	-	92,756
OPEB deferred outflows of resources	1,058	-	-	1,058
Total deferred outflows of resources	<u>93,814</u>	<u>-</u>	<u>-</u>	<u>93,814</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable	8,148	-	-	8,148
Accrued payroll	25,595	-	-	25,595
Unavailable revenue	10,706	-	-	10,706
Deposits payable	76,172	-	-	76,172
Accrued interest payable	-	-	420	420
Bond premium, net	-	-	5,152	5,152
Bonds, notes and leases payable	-	-	53,424	53,424
Total current liabilities	<u>120,621</u>	<u>-</u>	<u>58,996</u>	<u>179,617</u>
Noncurrent liabilities:				
Bond premium, net	-	-	12,101	12,101
Bonds, notes and leases payable	-	-	340,578	340,578
Pension liability	265,401	-	-	265,401
OPEB liability	3,709	-	-	3,709
Total noncurrent liabilities	<u>269,110</u>	<u>-</u>	<u>352,679</u>	<u>621,789</u>
Total liabilities	<u>389,731</u>	<u>-</u>	<u>411,675</u>	<u>801,406</u>
DEFERRED INFLOWS OF RESOURCES				
Pension deferred inflows of resources	54,552	-	-	54,552
OPEB deferred inflows of resources	5,425	-	-	5,425
Total deferred inflows of resources	<u>59,977</u>	<u>-</u>	<u>-</u>	<u>59,977</u>
NET POSITION				
Invested in capital assets, net of related debt	4,364,610	-	(411,255)	3,953,355
Unrestricted	(69,753)	816,571	120,879	867,697
Total net position	<u>\$ 4,294,857</u>	<u>\$ 816,571</u>	<u>\$ (290,376)</u>	<u>\$ 4,821,052</u>

CITY OF IRRIGON, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
WATER FUNDS
For the Year Ended June 30, 2024

	60	62	68	
	<i>Water</i>	<i>Water</i>	<i>Water</i>	
	<i>Operation &</i>	<i>Reserve</i>	<i>Debt Service</i>	
	<i>Development Fund</i>	<i>Fund</i>	<i>Fund</i>	<i>Totals</i>
Operating revenues:				
Charges for services	\$ 537,982	\$ 38,920	\$ 78,667	\$ 655,569
Other operating income	4,294	-	-	4,294
Total operating revenues	<u>542,276</u>	<u>38,920</u>	<u>78,667</u>	<u>659,863</u>
Operating expenses:				
Personal services	297,888	-	-	297,888
Utilities	19,513	10,105	-	29,618
Engineering & Testing	9,136	-	-	9,136
Supplies & Repairs	93,551	-	-	93,551
Administrative	36,336	-	-	36,336
Depreciation	129,584	-	-	129,584
Total operating expenses	<u>586,008</u>	<u>10,105</u>	<u>-</u>	<u>596,113</u>
Operating income (loss)	<u>(43,732)</u>	<u>28,815</u>	<u>78,667</u>	<u>63,750</u>
Nonoperating revenues (expenses):				
Investment income	7,776	28,182	3,849	39,807
Interest expense	-	-	(10,532)	(10,532)
Total nonoperating revenues (expenses)	<u>7,776</u>	<u>28,182</u>	<u>(6,683)</u>	<u>29,275</u>
Income (loss) before transfers	(35,956)	56,997	71,984	93,025
Capital contributions	7,886	-	-	7,886
Transfers in	-	65,000	-	65,000
Transfers out	(74,000)	-	(4,944)	(78,944)
Equity transfers in (out)	<u>18,389</u>	<u>(18,389)</u>	<u>-</u>	<u>-</u>
Change in net position	(83,681)	103,608	67,040	86,967
Total net position - beginning	<u>4,378,538</u>	<u>712,963</u>	<u>(357,416)</u>	<u>4,734,085</u>
Total net position - ending	<u>\$ 4,294,857</u>	<u>\$ 816,571</u>	<u>\$ (290,376)</u>	<u>\$ 4,821,052</u>

CITY OF IRRIGON, OREGON
COMBINING STATEMENT OF CASH FLOWS
WATER FUNDS
For the Year Ended June 30, 2024

	60	62	68	
	<i>Water</i>	<i>Water</i>	<i>Water</i>	
	<i>Operation &</i>	<i>Reserve</i>	<i>Debt Service</i>	
	<i>Development Fund</i>	<i>Fund</i>	<i>Fund</i>	<i>Totals</i>
Cash Flows from Operating Activities:				
Receipts from customers	\$ 536,970	\$ 38,920	\$ 79,540	\$ 655,430
Other miscellaneous receipts	4,294	-	-	4,294
Payments to suppliers	(173,468)	(10,105)	-	(183,573)
Payments to employees	(291,800)	-	-	(291,800)
Net cash provided (used) by operating activities	<u>75,996</u>	<u>28,815</u>	<u>79,540</u>	<u>184,351</u>
Cash Flows from Noncapital Financing Activities:				
Transfers in (out)	(74,000)	65,000	(4,944)	(13,944)
Cash Flows from Capital and Related Financing Activities:				
Acquisition of capital assets	-	(18,389)	-	(18,389)
Payments on capital debt	-	-	(67,983)	(67,983)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(18,389)</u>	<u>(67,983)</u>	<u>(86,372)</u>
Cash Flows from Investing Activities:				
Interest and dividends	<u>7,776</u>	<u>28,182</u>	<u>3,849</u>	<u>39,807</u>
Net increase (decrease) in cash and investments	9,772	103,608	10,462	123,842
Beginning cash and investments	<u>216,539</u>	<u>712,963</u>	<u>104,293</u>	<u>1,033,795</u>
Ending cash and investments	<u>\$ 226,311</u>	<u>\$ 816,571</u>	<u>\$ 114,755</u>	<u>\$ 1,157,637</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (43,732)	\$ 28,815	\$ 78,667	\$ 63,750
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	129,584	-	-	129,584
(Increase) decrease in accounts receivable	(9,702)	-	873	(8,829)
Increase (decrease) in accounts payable	(14,932)	-	-	(14,932)
Increase (decrease) in accrued payroll	20,454	-	-	20,454
Increase (decrease) in unearned revenue	4,490	-	-	4,490
Increase (decrease) in customer deposits	4,200	-	-	4,200
Increase (decrease) in pension liability	(240)	-	-	(240)
Increase (decrease) in OPEB liability	1,305	-	-	1,305
(Increase) decrease in deferred outflows	19,437	-	-	19,437
Increase (decrease) in deferred inflows	(34,868)	-	-	(34,868)
Net cash provided (used) by operating activities	<u>\$ 75,996</u>	<u>\$ 28,815</u>	<u>\$ 79,540</u>	<u>\$ 184,351</u>

Noncash capital activities:

The Water Reserve Fund transferred capital assets with a net book value of \$18,389 to the Water Operation & Development Fund.
The Water Fund received capital assets from the Governmental Activities. The net book value at the time of transfer was \$7,886.

CITY OF IRRIGON, OREGON
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
WATER OPERATIONS AND DEVELOPMENT FUND - 060
For the Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget</u>
REVENUES				
Charges for services	\$ 588,300	\$ 588,300	\$ 537,982	\$ (50,318)
Investment income	6,500	6,500	7,776	1,276
Miscellaneous revenue	<u>2,500</u>	<u>2,500</u>	<u>4,294</u>	<u>1,794</u>
Total revenues	<u>597,300</u>	<u>597,300</u>	<u>550,052</u>	<u>(47,248)</u>
EXPENDITURES				
Personal services	339,900	339,900	312,253	27,647
Materials and services	<u>198,100</u>	<u>198,100</u>	<u>158,538</u>	<u>39,562</u>
Total expenditures	<u>538,000</u>	<u>538,000</u>	<u>470,791</u>	<u>67,209</u>
Excess of revenues over (under) expenditures	59,300	59,300	79,261	19,961
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(74,000)</u>	<u>(74,000)</u>	<u>(74,000)</u>	<u>-</u>
Change in fund balance	(14,700)	(14,700)	5,261	19,961
Total fund balance - beginning	<u>170,000</u>	<u>170,000</u>	<u>160,259</u>	<u>(9,741)</u>
Total fund balance - ending	<u>\$ 155,300</u>	<u>\$ 155,300</u>	<u>\$ 165,520</u>	<u>\$ 10,220</u>
Reconciliation to GAAP:				
Capital assets, net			4,364,610	
Pension deferred outflow			92,756	
Pension liability			(265,401)	
Pension deferred inflow			(54,552)	
OPEB deferred outflow			1,058	
OPEB liability			(3,709)	
OPEB deferred inflow			<u>(5,425)</u>	
			<u>\$ 4,294,857</u>	
Detail of Fund Balance:				
Cash and investments			\$ 152,939	
Restricted cash			73,372	
Accounts receivable			59,830	
Customer deposits			(76,172)	
Unearned revenue			(10,706)	
Accounts payable			(8,148)	
Accrued payroll			<u>(25,595)</u>	
			<u>\$ 165,520</u>	

CITY OF IRRIGON, OREGON
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
WATER RESERVE FUND - 062
For the Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget</u>
REVENUES				
Charges for services	\$ 99,300	\$ 99,300	\$ 38,920	\$ (60,380)
Investment income	15,000	15,000	28,182	13,182
Proceeds from sale of assets	-	-	-	-
Total revenues	<u>114,300</u>	<u>114,300</u>	<u>67,102</u>	<u>(47,198)</u>
EXPENSES				
Materials and services	101,500	101,500	10,105	91,395
Capital Outlay	822,100	822,100	18,389	803,711
Total expenses	<u>923,600</u>	<u>923,600</u>	<u>28,494</u>	<u>895,106</u>
Excess of revenues over (under) expenditures	<u>(809,300)</u>	<u>(809,300)</u>	<u>38,608</u>	<u>847,908</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	65,000	65,000	65,000	-
Total other financing sources (uses)	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>
Change in fund balance	(744,300)	(744,300)	103,608	847,908
Total fund balance - beginning	<u>744,300</u>	<u>744,300</u>	<u>712,963</u>	<u>(31,337)</u>
Total fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 816,571</u>	<u>\$ 816,571</u>

CITY OF IRRIGON, OREGON
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
WATER DEBT SERVICE FUND - 068
For the Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 87,800	\$ 87,800	\$ 78,667	\$ (9,133)
Investment income	<u>3,000</u>	<u>3,000</u>	<u>3,849</u>	<u>849</u>
Total revenues	<u>90,800</u>	<u>90,800</u>	<u>82,516</u>	<u>(8,284)</u>
EXPENSES				
Debt service	<u>68,100</u>	<u>68,100</u>	<u>67,942</u>	<u>158</u>
Excess of revenues over (under) expenditures	22,700	22,700	14,574	(8,126)
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(5,100)</u>	<u>(5,100)</u>	<u>(4,944)</u>	<u>156</u>
Net change in fund balance	17,600	17,600	9,630	(7,970)
Total fund balance - beginning	<u>110,000</u>	<u>110,000</u>	<u>111,249</u>	<u>1,249</u>
Total fund balance - ending	<u>\$ 127,600</u>	<u>\$ 127,600</u>	\$ 120,879	<u>\$ (6,721)</u>
Adjustments to GAAP:				
Bonds payable			(394,002)	
Bond premium, net			<u>(17,253)</u>	
			<u>\$ (290,376)</u>	
Detail of Fund Balance:				
Cash and investments			\$ 114,755	
Accounts receivable			6,544	
Accrued interest payable			<u>(420)</u>	
			<u>\$ 120,879</u>	

CITY OF IRRIGON, OREGON
COMBINING STATEMENT OF NET POSITION
SEWER FUNDS
June 30, 2024

	70	72	78	
	Sewer	Sewer	Sewer	
	Operation &	Reserve	Debt	
	Development Fund	Fund	Service	Totals
	Fund	Fund	Fund	
ASSETS				
Current assets:				
Cash and investments	\$ 346,729	\$ 753,440	\$ 404,749	\$ 1,504,918
Accounts receivable	58,249	-	31,675	89,924
Total current assets	<u>404,978</u>	<u>753,440</u>	<u>436,424</u>	<u>1,594,842</u>
Noncurrent assets:				
Capital assets, net of accumulated depreciation	13,790,774	-	-	13,790,774
Restricted cash	-	-	83,449	83,449
Total noncurrent assets	<u>13,790,774</u>	<u>-</u>	<u>83,449</u>	<u>13,874,223</u>
Total assets	<u>14,195,752</u>	<u>753,440</u>	<u>519,873</u>	<u>15,469,065</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferred outflows of resources	96,623	-	-	96,623
OPEB deferred outflows of resources	1,102	-	-	1,102
Total deferred outflows of resources	<u>97,725</u>	<u>-</u>	<u>-</u>	<u>97,725</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable	9,992	-	-	9,992
Accrued payroll	26,387	-	-	26,387
Accrued interest payable	-	-	103,793	103,793
Bond premium, net	-	-	6,421	6,421
Bonds, notes and leases payable	-	-	176,411	176,411
Total current liabilities	<u>36,379</u>	<u>-</u>	<u>286,625</u>	<u>323,004</u>
Noncurrent liabilities:				
Bond premium, net	-	-	15,080	15,080
Bonds, notes and leases payable	-	-	4,266,883	4,266,883
Pension liability	276,464	-	-	276,464
OPEB liability	3,864	-	-	3,864
Total noncurrent liabilities	<u>280,328</u>	<u>-</u>	<u>4,281,963</u>	<u>4,562,291</u>
Total liabilities	<u>316,707</u>	<u>-</u>	<u>4,568,588</u>	<u>4,885,295</u>
DEFERRED INFLOWS OF RESOURCES				
Pension deferred inflows of resources	56,826	-	-	56,826
OPEB deferred inflows of resources	5,651	-	-	5,651
Total deferred inflows of resources	<u>62,477</u>	<u>-</u>	<u>-</u>	<u>62,477</u>
NET POSITION				
Invested in capital assets, net of related debt	13,790,774	-	(4,464,795)	9,325,979
Restricted for debt service	-	-	83,449	83,449
Unrestricted	<u>123,519</u>	<u>753,440</u>	<u>332,631</u>	<u>1,209,590</u>
Total net position	<u>\$ 13,914,293</u>	<u>\$ 753,440</u>	<u>\$ (4,048,715)</u>	<u>\$ 10,619,018</u>

CITY OF IRRIGON, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
SEWER FUNDS
For the Year Ended June 30, 2024

	70	72	78	
	<i>Sewer Operation & Development Fund</i>	<i>Sewer Reserve Fund</i>	<i>Sewer Debt Service Fund</i>	<i>Totals</i>
Operating revenues:				
Charges for services	\$ 607,791	\$ 52,520	\$ 325,339	\$ 985,650
Other operating income	5,817	-	-	5,817
Total operating revenues	<u>613,608</u>	<u>52,520</u>	<u>325,339</u>	<u>991,467</u>
Operating expenses:				
Personal services	294,947	-	-	294,947
Utilities	21,252	-	-	21,252
Engineering & Testing	27,043	-	-	27,043
Supplies & Repairs	70,056	-	-	70,056
Administrative	43,553	-	-	43,553
Depreciation	361,693	-	-	361,693
Total operating expenses	<u>818,544</u>	<u>-</u>	<u>-</u>	<u>818,544</u>
Operating income (loss)	<u>(204,936)</u>	<u>52,520</u>	<u>325,339</u>	<u>172,923</u>
Nonoperating revenues (expenses):				
Investment income	9,878	22,137	15,228	47,243
Interest expense	-	-	(59,778)	(59,778)
Total nonoperating revenues (expenses)	<u>9,878</u>	<u>22,137</u>	<u>(44,550)</u>	<u>(12,535)</u>
Income (loss) before transfers	(195,058)	74,657	280,789	160,388
Capital contributions	277,215	-	-	277,215
Special item - Debt principal forgiveness	500,000	-	-	500,000
Transfers in	-	94,400	-	94,400
Transfers out	(103,400)	-	(15,224)	(118,624)
Equity transfers in (out)	<u>166,518</u>	<u>-</u>	<u>(166,518)</u>	<u>-</u>
Change in net position	645,275	169,057	99,047	913,379
Total net position - beginning	<u>13,269,018</u>	<u>584,383</u>	<u>(4,147,762)</u>	<u>9,705,639</u>
Total net position - ending	<u>\$ 13,914,293</u>	<u>\$ 753,440</u>	<u>\$ (4,048,715)</u>	<u>\$ 10,619,018</u>

CITY OF IRRIGON, OREGON
COMBINING STATEMENT OF CASH FLOWS
SEWER FUNDS
For the Year Ended June 30, 2024

	70	72	78	
	<i>Sewer Operation & Development Fund</i>	<i>Sewer Reserve Fund</i>	<i>Sewer Debt Service Fund</i>	<i>Totals</i>
Cash Flows from Operating Activities:				
Receipts from customers	\$ 601,888	\$ 52,520	\$ 322,622	\$ 977,030
Other miscellaneous receipts	5,817	-	-	5,817
Payments to suppliers	(487,988)	-	-	(487,988)
Payments to employees	(305,621)	-	-	(305,621)
Net cash provided (used) by operating activities	<u>(185,904)</u>	<u>52,520</u>	<u>322,622</u>	<u>189,238</u>
Cash Flows from Noncapital Financing Activities:				
Transfers in (out)	<u>(103,400)</u>	<u>94,400</u>	<u>(15,224)</u>	<u>(24,224)</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition of capital assets	(41,268)	-	-	(41,268)
Proceeds from capital debt	666,518	-	-	666,518
Payments on capital debt	-	-	(192,831)	(192,831)
Net cash provided (used) by capital and related financing activities	<u>625,250</u>	<u>-</u>	<u>(192,831)</u>	<u>432,419</u>
Cash Flows from Investing Activities:				
Interest and dividends	<u>9,878</u>	<u>22,137</u>	<u>15,228</u>	<u>47,243</u>
Net increase (decrease) in cash and investments	345,824	169,057	129,795	644,676
Beginning cash and investments	<u>905</u>	<u>584,383</u>	<u>358,403</u>	<u>943,691</u>
Ending cash and investments	<u>\$ 346,729</u>	<u>\$ 753,440</u>	<u>\$ 488,198</u>	<u>\$ 1,588,367</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (204,936)	\$ 52,520	\$ 325,339	\$ 172,923
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	361,693	-	-	361,693
(Increase) decrease in accounts receivable	(5,903)	-	(2,717)	(8,620)
Increase (decrease) in accounts payable	(326,084)	-	-	(326,084)
Increase (decrease) in accrued payroll	20,784	-	-	20,784
Increase (decrease) in pension liability	(17,801)	-	-	(17,801)
Increase (decrease) in OPEB liability	1,201	-	-	1,201
(Increase) decrease in deferred outflows	27,730	-	-	27,730
Increase (decrease) in deferred inflows	(42,588)	-	-	(42,588)
Net cash provided (used) by operating activities	<u>\$ (185,904)</u>	<u>\$ 52,520</u>	<u>\$ 322,622</u>	<u>\$ 189,238</u>

Noncash capital and financing activities:

The Sewer Operation & Development Fund received loan funds which will be repaid from the Sewer Debt Service Fund. A noncash transfer has been made to transfer the liability between the funds in the amount of \$166,518.

The Sewer Operation & Development Fund received capital assets from the Governmental Activities. The net book value at the time of transfer was \$277,215.

CITY OF IRRIGON, OREGON
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SEWER OPERATIONS AND DEVELOPMENT FUND - 070
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
REVENUES				
Charges for services	\$ 671,400	\$ 671,400	\$ 607,791	\$ (63,609)
Investment income	5,700	5,700	9,878	4,178
Miscellaneous revenue	2,300	2,300	5,817	3,517
Total revenues	679,400	679,400	623,486	(55,914)
EXPENDITURES				
Personal services	362,000	362,000	326,403	35,597
Materials and services	224,000	224,000	161,908	62,092
Capital Outlay	790,000	790,000	41,266	748,734
Contingency	100,000	100,000	-	100,000
Total expenditures	1,476,000	1,476,000	529,577	946,423
Income (loss) before transfers	(796,600)	(796,600)	93,909	890,509
OTHER FINANCING SOURCES (USES)				
Loan proceeds	720,000	720,000	666,518	(53,482)
Transfers out	(103,400)	(103,400)	(103,400)	-
Total other financing sources (uses)	616,600	616,600	563,118	(53,482)
Change in fund balance	(180,000)	(180,000)	657,027	837,027
Total fund balance - beginning	280,000	280,000	(288,428)	(568,428)
Total fund balance - ending	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 368,599</u>	<u>\$ 268,599</u>

Reconciliation to GAAP:

Capital assets, net	13,790,774
Pension liability	(276,464)
Pension deferred outflow	96,623
Pension deferred inflow	(56,826)
OPEB liability	(3,864)
OPEB deferred outflow	1,102
OPEB deferred inflow	(5,651)
	<u>\$ 13,914,293</u>

Detail of Fund Balance:

Cash and investments	\$ 346,729
Accounts receivable	58,249
Grants receivable	-
Prepaid expenses	-
Accounts payable	(9,992)
Accrued payroll	(26,387)
	<u>\$ 368,599</u>

CITY OF IRRIGON, OREGON
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SEWER RESERVE FUND - 072
For the Year Ended June 30, 2024

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Budgetary Basis</i>	<i>Final Budget</i>
REVENUES				
Charges for services	\$ 133,900	\$ 133,900	\$ 52,520	\$ (81,380)
Investment income	11,000	11,000	22,137	11,137
Total revenues	<u>144,900</u>	<u>144,900</u>	<u>74,657</u>	<u>(70,243)</u>
EXPENDITURES				
Materials and services	107,500	107,500	-	107,500
Capital Outlay	718,300	718,300	-	718,300
Total expenditures	<u>825,800</u>	<u>825,800</u>	<u>-</u>	<u>825,800</u>
Excess of revenues over (under) expenditures	(680,900)	(680,900)	74,657	755,557
OTHER FINANCING SOURCES (USES)				
Transfers in	94,400	94,400	94,400	-
Change in fund balance	(586,500)	(586,500)	169,057	755,557
Total fund balance - beginning	<u>586,500</u>	<u>586,500</u>	<u>584,383</u>	<u>(2,117)</u>
Total fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 753,440</u>	<u>\$ 753,440</u>

CITY OF IRRIGON, OREGON
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SEWER DEBT SERVICE FUND - 078
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
REVENUES				
Charges for services	\$ 336,000	\$ 336,000	\$ 325,339	\$ (10,661)
Investment income	8,500	8,500	15,228	6,728
Total revenues	<u>344,500</u>	<u>344,500</u>	<u>340,567</u>	<u>(3,933)</u>
EXPENSES				
Debt service	<u>286,400</u>	<u>286,400</u>	<u>204,882</u>	<u>81,518</u>
Excess of revenues over (under) expe	58,100	58,100	135,685	77,585
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(15,300)</u>	<u>(15,300)</u>	<u>(15,224)</u>	<u>76</u>
Net change in fund balance	42,800	42,800	120,461	77,661
Total fund balance - beginning	<u>283,000</u>	<u>283,200</u>	<u>295,619</u>	<u>12,419</u>
Total fund balance - ending	<u>\$ 325,800</u>	<u>\$ 326,000</u>	\$ 416,080	<u>\$ 90,080</u>
Reconciliation to GAAP:				
			(4,443,294)	
Bonds and notes payable			(21,501)	
Bond premium, net			<u>\$ (4,048,715)</u>	
Detail of Fund Balance:				
Cash and investments			\$ 404,160	
Restricted cash			84,038	
Accounts receivable			31,675	
Accrued interest payable			<u>(103,793)</u>	
			<u>\$ 416,080</u>	

CITY OF IRRIGON, OREGON
COMPARATIVE STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024

	<i>Water System</i>		<i>Sewer System</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
ASSETS				
Current assets:				
Cash and investments	\$ 1,084,265	\$ 964,523	\$ 1,504,918	\$ 859,654
Accounts receivable	66,374	57,545	89,924	81,304
Total current assets	<u>1,150,639</u>	<u>1,022,068</u>	<u>1,594,842</u>	<u>940,958</u>
Noncurrent assets:				
Capital assets, net of accumulated depreciation	4,364,610	4,467,919	13,790,774	13,833,984
Restricted cash	73,372	69,272	83,449	84,038
Total noncurrent assets	<u>4,437,982</u>	<u>4,537,191</u>	<u>13,874,223</u>	<u>13,918,022</u>
Total assets	<u>5,588,621</u>	<u>5,559,259</u>	<u>15,469,065</u>	<u>14,858,980</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferred outflows of resources	92,756	111,820	96,623	123,870
OPEB deferred outflows of resources	1,058	1,431	1,102	1,585
Total deferred outflows of resources	<u>93,814</u>	<u>113,251</u>	<u>97,725</u>	<u>125,455</u>
LIABILITIES				
Current liabilities:				
Accounts payable	8,148	23,080	9,992	336,077
Accrued payroll	25,595	5,141	26,387	5,603
Customer deposits	76,172	71,972	-	-
Unavailable revenue	10,706	6,216	-	-
Accrued interest payable	420	461	103,793	91,741
Bond premium, net	5,152	6,212	6,421	7,742
Bonds, notes and leases payable	53,424	51,198	176,411	121,323
Total current liabilities	<u>179,617</u>	<u>164,280</u>	<u>323,004</u>	<u>562,486</u>
Noncurrent liabilities:				
Bond premium, net	12,101	17,253	15,080	21,501
Bonds, notes and leases payable	340,578	394,002	4,266,883	4,292,816
Net pension liability	265,401	265,641	276,464	294,265
Net OPEB liability	3,709	2,404	3,864	2,663
Total noncurrent liabilities	<u>621,789</u>	<u>679,300</u>	<u>4,562,291</u>	<u>4,611,245</u>
Total liabilities	<u>801,406</u>	<u>843,580</u>	<u>4,885,295</u>	<u>5,173,731</u>
DEFERRED INFLOWS OF RESOURCES				
Pension deferred inflows of resources	54,552	86,199	56,826	95,487
OPEB deferred inflows of resources	5,425	8,646	5,651	9,578
Total deferred inflows of resources	<u>59,977</u>	<u>94,845</u>	<u>62,477</u>	<u>105,065</u>
NET POSITION				
Net investment in capital assets	3,953,355	3,999,254	9,325,979	9,390,602
Restricted for debt service	-	-	83,449	84,038
Unrestricted	867,697	734,831	1,209,590	230,999
Total net position	<u>\$ 4,821,052</u>	<u>\$ 4,734,085</u>	<u>\$ 10,619,018</u>	<u>\$ 9,705,639</u>

CITY OF IRRIGON, OREGON
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2024

	<u>Water System</u>		<u>Sewer System</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Operating revenues:				
Charges for services	\$ 655,569	\$ 618,364	\$ 985,650	\$ 918,511
Other operating income	4,294	3,235	5,817	2,940
Total operating revenues	<u>659,863</u>	<u>621,599</u>	<u>991,467</u>	<u>921,451</u>
Operating expenses:				
Personal services	297,888	322,965	294,947	338,886
Utilities	29,618	20,886	21,252	19,755
Engineering & testing	9,136	13,546	27,043	26,155
Supplies & repairs	93,551	78,889	70,056	67,634
Administrative	36,336	29,667	43,553	37,020
Depreciation	129,584	127,209	361,693	348,711
Total operating expenses	<u>596,113</u>	<u>593,162</u>	<u>818,544</u>	<u>838,161</u>
Operating income (loss)	<u>63,750</u>	<u>28,437</u>	<u>172,923</u>	<u>83,290</u>
Nonoperating revenues (expenses):				
Investment income	39,807	24,712	47,243	25,888
Interest expense	(10,532)	(11,429)	(59,778)	(81,582)
Total nonoperating revenues (expenses)	<u>29,275</u>	<u>13,283</u>	<u>(12,535)</u>	<u>(55,694)</u>
Income (loss) before transfers	93,025	41,720	160,388	27,596
Capital contributions	7,886	-	277,215	10,614
Extraordinary item - Debt principal forgiveness	-	-	500,000	-
Transfers out	(13,944)	(7,092)	(24,224)	(20,225)
Change in net position	86,967	34,628	913,379	17,985
Total net position - beginning, as previously stated	4,734,085	5,936,270	9,705,639	11,617,455
Prior period adjustments	-	(1,236,813)	-	(1,929,801)
Total net position - beginning, as restated	<u>4,734,085</u>	<u>4,699,457</u>	<u>9,705,639</u>	<u>9,687,654</u>
Total net position - ending	<u>\$ 4,821,052</u>	<u>\$ 4,734,085</u>	<u>\$ 10,619,018</u>	<u>\$ 9,705,639</u>

COMPLIANCE SECTION



Rebecca Price, CPA

2941 Grassland Way
Gilroy, CA 95020
Tel: 408.649.5734
Email: rpricecpa@outlook.com

REPORT OF INDEPENDENT AUDITOR REQUIRED BY MINIMUM STANDARDS FOR AUDITS OF OREGON MUNICIPAL CORPORATIONS

Mayor and City Council
City of Irrigon
Irrigon, Oregon

I have audited the basic financial statements of City of Irrigon, Oregon, as of and for the year ended June 30, 2024, and have issued my report thereon dated November 8, 2024. I conducted my audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

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

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

- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Highway revenues used for public highways, roads, and streets.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

Nothing came to my attention that caused me to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

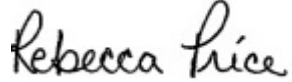
OAR 162-10-0230 Internal Control

In planning and performing my audit, I considered the City's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the City's internal control over reporting.

To the Mayor and City Council of the
City of Irrigon
Page 2 of 2

The purpose of this report is solely to describe the scope of my testing of internal control and compliance with certain provisions of laws, regulations, contracts, grants, and the results of that testing based on provision of the Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 to 162-10-320, and not to provide an opinion on the effectiveness of the City's internal control or compliance. Accordingly, this communication is not suitable for any other purpose.

REBECCA PRICE, CPA

A handwritten signature in black ink that reads "Rebecca Price". The signature is written in a cursive, flowing style.

Gilroy, California
November 8, 2024

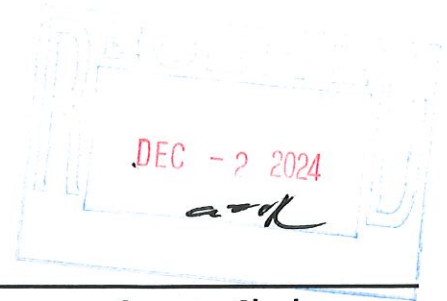


MEMORANDUM

To: City Council
From: Aaron Palmquist, City Manager
Date: December 17, 2024
RE: Irrigon Council Election Certification Item #6

The 2024 Election for the City of Irrigon Council positions have been certified and presented by Morrow County Clerk – Bobbie Childers.

The results are presented before council to receive and locally certify as presented. Individuals will be sworn in at the January 21, 2025 council meeting.



PO Box 338 Heppner, Oregon 97836
(541) 676-5604 FAX (541) 676-9876

County Clerk
Bobbi A. Childers Ext. 5601

City of Irrigon
PO Box 428
Irrigon OR 97844

RE: November 5, 2024 General Election Results

Dear Election Authority,

Enclosed are the abstracts of the votes from the General Election held in Morrow County on November 5, 2024. Please keep for your records.
Do not hesitate to reach out if you need anything else.

Sincerely,

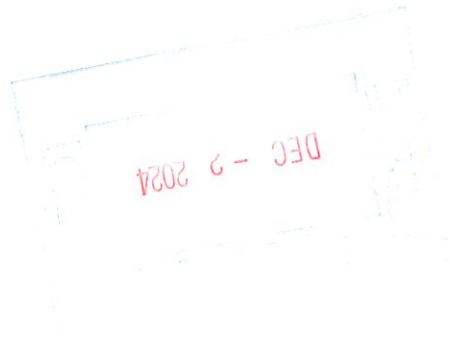
A handwritten signature in cursive script that reads "Bobbi A. Childers".

Bobbi A. Childers
Morrow County Clerk

City of Irrigon Councillor, at Large	Vote for 4
Melvin L Lambert	357
Hector Cano	373
Marlina Serratos	358
Thomas Roberts	395
Write-In	35
Over Votes	4
Under Votes	1086
Total	2608

I certify that the votes recorded on this abstract correctly summarize the tally of votes cast at the November 5, 2024 General Election.

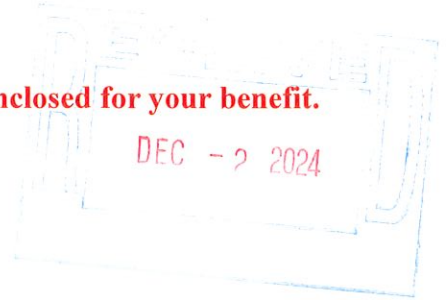
Bobbi A Childers 11/27/24
Bobbi A Childers, Morrow County Clerk Dated



INFORMATION FOR ALL DISTRICTS

ORS 254.568 at bottom of page, applies to all districts.

I have included the Write-In Acceptance forms. Follow ORS 254.548, enclosed for your benefit. (if applicable)



(Amended by SB 1527, effective since March 23, 2022)

254.548 Individual nominated or elected by write-in votes; form; rules.

(1) An individual nominated or elected to a public office by write-in votes shall sign and file a form indicating that the individual accepts the nomination or office before the filing officer may issue a certificate of nomination or election. The Secretary of State by rule shall prescribe the form to be used under this section.

(2) In the case of an individual nominated or elected by write-in votes to a public office:

(a) Not later than the 39th day after the election, the filing officer shall

(A) Prepare and deliver by regular mail the form described in subsection (1) of this section to the individual; **and**

(B) If the filing officer has the electronic mail address of the individual, prepare and deliver by electronic mail the form described in subsection (1) of this section to the individual;

(b) Not later than the 41st day after the election, if the individual accepts the nomination or office, the individual shall sign and file the form with the filing officer; **and**

(c) Not later than the 45th day after the election, if the individual files the form by the deadline specified in paragraph (b) of this subsection, the filing officer shall prepare and deliver a certificate of nomination or election to the individual and, if applicable, issue a proclamation declaring the election of the candidate to the office. [1991 c.719 §56; 2005 c.157 §1; 2014 c.67 §4; 2014 c.112 §4; 2015 c.43 §1; 2018 c.70 §9; 2021 c.551 §9]

a) 39th day Dec 14, 2024

b) 41st day Dec 16, 2024

c) 45th day Dec 20, 2024

254.565 Duties of city elections officer after election. Subject to ORS 254.548 (Individual nominated or elected by write-in votes), the chief city elections officer:

(1) After the primary election, shall enter in a register of nominations:

(a) The name of each candidate for city office nominated at the primary election.

(b) The office for which the candidate is nominated.

(c) If applicable, the name of the major political party nominating the candidate.

(d) The date of the entry.

(2) After the general election, shall prepare and deliver a certificate of election to each qualified candidate having the most votes for election to a city office.

(3) Not later than the 40th day after any election, shall canvass the vote on each city measure, and if two or more of the approved measures contain conflicting provisions, proclaim which is paramount. [Formerly 249.491; 1987 c.267 §54; 1995 c.712 §68; 1999 c.318 §39; 2005 c.157 §4; 2017 c.749 §31]

254.568 Certificate of election required before taking oath of office.

When a candidate elected to public office is required by law to take, file, subscribe or indorse an oath of office before entering upon the duties of the office, the candidate shall not take, file, subscribe or indorse the oath until the candidate has been granted a certificate of election. [1993 c.493 §101]



MEMORANDUM

To: City Council
From: Aaron Palmquist, City Manager
Date: December 17, 2024
RE: 2025 Small City Allotment (SCA) ODOT - NE Main Avenue Sidewalk Project Item #7

This City of Irrigon was selected and granted the Small City Allotment (SCA) in the amount of \$250,000 to begin building a sidewalk on the south side of NE Main Avenue, from the city parking lot heading west toward AC Houghton.

Securing grant funds and building may take a few awards to complete the full length of the sidewalk. This sidewalk will add a safety location for school children who currently walk down the street as well as any other pedestrian. It will also provide enhancements to our core area of Irrigon.

The typical process has been to have a project designed and then go out to bid. This route has a major potential of reducing the award project, by up to 30% in engineer costs. The State of Oregon has recently began using the Design/Build process that saves on the overall project award. An example is the Morrow County Government Building that went out for a design/build process, saving the county money. While we do not know how much reduction could be saved. When a design/build bid is awarded, we could see the full cost in one location. With a design and then bid there is overhead added to a project for engineering design on top of a project cost. As an example, the most recent Food Project (on tonight's agenda) is for \$350,336.50 is only for the project, engineering design and bidding is beyond the figure. Design/build puts everything in one package and could have savings with no separate inflations.

Staff requests council approval to explore the best fiscal option, allowing for more sidewalk to be installed with the \$250,000 SCA grant. Staff will perform a cursory review for the best savings and project development. Staff notes that whatever process is chosen there still would be a public bid process to follow. This request is to provide clear communication and understanding to achieve direction and the best fiscal outcome for the city.



Oregon

Tina Kotek, Governor

Department of Transportation

Statewide Investments Section

355 Capitol St. NE, MS 21

Salem, OR 97301-4178

Phone: (503) 602-0494

November 20, 2024

Aaron Palmquist, City Manager
City of Irrigon
500 NE Main Avenue
Irrigon, Oregon 97844

Subject: 2025 Small City Allotment Program Awards Announcement

Dear Aaron,

In accordance with ORS 366.805 and the recommendation of the Small City Allotment Advisory Committee, I am pleased to announce that the project submitted by the City of Irrigon was one of 24 selected to be funded. ODOT received 74 applications requesting a total of \$17,226,108; with funding limited to \$5,735,959 it made for a very competitive selection process.

The SCA award amount for your project is \$250,000.

The next steps will be for ODOT to develop the grant agreement, submit it to the Department of Justice for review and upon approval it will be presented to the City for review and signature. This can be a time-consuming process, taking up to 90 days.

It is our recommendation that you familiarize yourself with the program rules by reading the [Guidelines for Grantees](#) document.

Please be advised that only work that begins after Notice to Proceed is issued will be eligible for reimbursement.

Your participation in the program is appreciated and we look forward to seeing your completed project. If you have questions regarding the SCA program, please contact me at (503) 602-0494 or deanna.edgar@odot.oregon.gov.

Sincerely,

Deanna Edgar

Deanna Edgar
Statewide Investments Section Program Analyst
Encl: 2025 Small City Allotment Awards by City

Cc: Michelle Owen, Region 5 Construction Project Mgr

2025 Small City Allotment Award Recipients

City	Award
Region 1	
Rivergrove	\$149,479
Region 1 Total	\$149,479
Region 2	
Amity	\$205,990
Falls City	\$250,000
Gaston	\$195,000
Gervais	\$250,000
Mt. Angel	\$250,000
Oakridge	\$249,520
Rainier	\$221,305
Siletz	\$250,000
Wheeler	\$249,810
Willamina	\$250,000
Region 2 Total	\$2,371,625
Region 3	
Canyonville	\$250,000
Oakland	\$250,000
Powers	\$234,675
Rogue River	\$250,000
Region 3 Total	\$984,675
Region 4	
Condon	\$250,000
Merrill	\$230,180
Paisley	\$250,000
Region 4 Total	\$730,180
Region 5	
Burns	\$250,000
Cove	\$250,000
Enterprise	\$250,000
Irrigon	\$250,000
Prairie City	\$250,000
Seneca	\$250,000
Region 5 Total	\$1,500,000
2025 Program Total	\$5,735,959



MEMORANDUM

To: City Council and Interested Parties
From: Aaron Palmquist, City Manager
Date: December 17, 2024
RE: Master Fee and Rate Schedule – Resolution 24-12 Item #8

This rate and fee schedule is presented annually to ensure the public is aware of the changes being implemented. Additionally, rate increases are held and recommended to be implemented annually at the beginning of the calendar year to work within the state requirement of times and amounts rental rates can be increased. Upon adoption the new resolution will be posted to the City web page and in the lobby for public visibility.

On Exhibit A, rates are being adjusted because of cost to do business have dramatically increased over the last four years (inflation). However, city utility rates are only seeing the annual inflation cost projection which does not dramatically pass the “real” increase (inflation) onto customers, while still moving forward in very small increments. The garbage rate increase reflects the increase percentage that took place two years ago. However, neighboring jurisdictions saw an average between 19 and 36 percent increases from the garbage company. We are diligently working to keep any of these franchise rates down, while we understand that they too must meet the economic challenges of the economy.

With this Rate and Fee Schedule staff recommends City Council adoption of Resolution 24-12 with an effective date of January 1, 2025.

RESOLUTION NO. 24-12

A RESOLUTION ADOPTING AND AMENDING THE MASTER FEE SCHEDULE FOR SERVICES PROVIDED BY THE CITY OF IRRIGON, OR

WHEREAS, the City of Irrigon provides a variety of services to the public; and

WHEREAS, it is common for cities to charge fees for some services to help recover the costs of providing those services; and

WHEREAS, it is the intent of the Irrigon City Council to consolidate city fees into one master schedule to assist the city staff and public in quickly locating the appropriate fee for service; and

NOW, THEREFORE BE IT RESOLVED:

SECTION 1. The Master Fee Schedule attached as Exhibit A is hereby adopted.

SECTION 2. The fees established by Exhibit A of this resolution take precedence over any charges or fees which were previously adopted by any ordinance, resolution or administrative policy. Attached rates reflect the current economic use and expenses.

SECTION 3. Previously increases were very nominal each year for the past five years at less than 2.5 percent. However, inflation for over the past four (4) years is greatly beyond 20 percent. The proposed nominal increase to water and sewer operating charges recommends to remain with a 2.1 percent increase. This increase “only” reflects the (CPI-consumer price increase) for the year 2024 and not the true economics and inflation to all industries.

SECTION 4. The City Manager and staff shall review the fees periodically and shall modify the fees based on the cost of providing the services with the approval of the City Council.

SECTION 5. This resolution shall be effective January 1, 2025.

This Resolution adopted and passed by the Common Council of the City of Irrigon and signed by the Mayor on this 17th day of December 2024.

SIGNED:

ATTEST:

Michell Patton, Mayor

Aaron Palmquist, City Manager

Resolution 24-12
 EXHIBIT A
 Effective 1-1-2025

Description	Fee
Administration	
<i>Photocopies</i>	
8.5 x 11 per page/side B&W	\$0.30
8.5 x 11 per page/side Color	\$1.00
Publications/Plans	\$50.00
Returned Checks (NSF, etc.)	\$35.00
Council Candidate Filing Fee	\$15.00
Lien Search	\$35.00
Budget Document	\$20.00
Notary Services	\$5.00
Election Fee	\$15.00
Jury Failure Notice	\$50.00
Jury Compensation - per day	\$10.00
Maps (color charges 2.00 extra)	
Property- single site	\$2.50
8.5 x 11	\$4.00
Special Project/Record Requests T&M	Time & Materials

Code Violations	
Title 3 - Business & License	
Title 3 - Graffiti	Class A
Title 3 - Transient Tax	Class A
Title 3 - General	Class B
Title 3 - Social Gambling	Class B
Title 3 - Solicitors	Class B
Title 4 (Health and Sanitation)	
Title 4 (Health and Sanitation)	Class A
Title 5 - Public Safety	
Title 5 - Violations	Class A
Title 5 - Dangerous & Exotic Animals	Class A
Title 5 - Vicious Animals	Class A
Title 5 - Curfew	Class B
Title 5 - Community Service	Class B
Title 5 - Nuisance animals	Class B
Title 6 Vehicle & Traffic	
Title 6 - Traffic	Class C
Title 6 - Parking	Class D
Title 6 - Bicycles	Class D
Title 6 - General	Class D
Title 7 Public Property	
Title 7 - Penalty	Class A
Title 7 - General	Class D
Title 8 Utilities and Franchises	
Title 8 - Penalty	Class A
Title 8 - General	Class B
Title 9 & 10 Bldg. and Development	
Traffic Violation	ORS Code

Planning/Zoning Fees	
Address/Street Change/Dedication	\$150.00
Annexation	\$2,500.00
Appeal-City Council	\$350.00
Appeal- Planning Commission	\$225.00

Description	Fee	
Planning/Zoning Fees (Cont.)		
Comp Plan Amendment	\$1,400.00	
Conditional Use	\$600.00	
Demolition Permit	\$50.00	\$75.00
Driveway Permit (w/ conditions)	\$150.00	
Fence Permit (w/conditions)	\$50.00	
Home Business (Title X)	\$30.00	\$50.00
Land Partition	\$600.00	
Land Use Ammendments	\$2,000.00	
Land Use Mods, Ext, Interpret	\$300.00	
LID Petition/Formation	\$500.00	
LID Petition/Formation	\$500.00	
Lot Line Adjustment	\$450.00	
Manufactured Home Placement	\$65.00	
Major Partition (4+ Parcels)	\$525.00	
Minor Partition (3 - Parcels)	\$450.00	
Misc. Permit (deck, patio cover, etc.)	\$30.00	
Plan/Admin Review	\$500.00	
Pre-Application Review	\$200.00	
Removal/Fill Permit (LUCS)	\$100.00	
Replat	\$600.00	
Road Dedication (non-subdivision)	\$450.00	
Sign Permit	\$50.00	\$100.00
Sidewalk-Fee	\$30.00	
Site Review - Type I	\$175.00	
Site Review - Type II (\$250 + 50.00 per unit)		
Site Review - Type III (\$500 + 50.00 per unit)		
Subdivision/Planned Unit Development	\$700.00	
(\$5,000.00 max) plus per lot	\$35.00	
Temporary Use/Hardship	\$500.00	
Vacation of Street/Alley	\$900.00	
Variance	\$500.00	
Zone Change	\$2,000.00	
Zone Change w/Comp Amendment	\$2,500.00	
Zoning Permit per Unit	\$50.00	
Zoning & Development Interp.	\$325.00	
City Permits / Licenses & Fees		
Business License (annual)	\$20.00	
Dog License (spayed/neutered)	\$10.00	
Dog License (intact)	\$20.00	
Gaming Permit per year	\$25.00	
Impound Fee - Dog	\$130.00	
Impound Fee - Cat	\$30.00	\$50.00
Liquor License - Annual	\$25.00	
Liquor License - New	\$50.00	
Liquor License - Temporary	\$35.00	
Park Liquor Permit	\$40.00	
Solicitors Permit > 30 days	\$25.00	\$50.00
Annual	\$50.00	\$100.00

Resolution 24-12
 EXHIBIT A
 Effective 1-1-2025

Description	Fee
City Facilities (exclusive use) (Ins.)	
Resident (City Limits)	\$50.00/day
Non-Resident	\$100.00/day
Government Organizations	\$0.00
Damage/Cleaning Deposit	\$200.00
Public Works Fees	
Backflow Testing (by contractor)	
City Winterization Package	\$45.00
Hydrant Meter (\$750 refundable)	\$1,000.00
Water Charge per cubic foot	\$0.035
Lagoon Disposal Fee	0.16 gallon
Meter Change-Owner Request	\$750.00
Non Emergency/After Hours	\$140.00
Personal Request-meter off (1st - free)	\$35.00
Plumbing (only) Permit	\$30.00
Re-locate Fee (personal ROW)	\$75.00
Request Tank Pumped Effluent-non mai	\$650.00
Road Crossing-conditions Boring Only	\$200.00
ROW Work-conditions Min \$250 T&M	\$0.00
Sewer Calls (fats, oils, grease,etc.-FOG)	Title 8 Fine
Sewer Pump Damage	\$500.00
Sm Swr Tank lid Damage/Replacement	\$125.00
Lg Swr Tank lid Damage/Replacement	\$263.00
System Development Charges (SDC)	
Water	\$1,946.00
Sewer	\$2,626.00
Parks	\$500.00
Transportation	\$0.00
	\$5,072.00
Street Closure (per day)	\$100.00
Sidewalk Cafe' Permit	\$30.00
Street Light Request - T&M and	\$5,000.00
TAPS/CONNECTIONS	
Water Connection/Tap Fee + TM if high	\$2,750.00
Sewer Connection Fee (septic effluent)	\$3,500.00
Sewer Connection Fee (septic effluent pump system)	\$4,950.00
Sewer Connection Fee (conventional)+TM	\$7,500.00

\$75.00
 \$150.00

Description	Fee
Conference Room (Ins. Proof Required)	
Small Meeting Room (Mon-Fri)	
First 4 hours	\$50.00
All day	\$75.00
Civic Groups/half day	\$10.00
Government Organizations	\$0.00
Damage Cleaning Deposit	\$200.00

Utility Fees	
Account Deposit (water&sewer)	\$150.00
Sewer Only Deposit	\$300.00
Water Delinquency Fee	\$35.00
Sewer Reconnect -plus actual costs	\$300.00
Late Payment Fee	\$5.00
Water Turn-on After Hours/Wkend	\$140.00

\$95.00

Garbage/Collection Fees		
Commercial		13.00%
35 Gallon Weekly Cart	\$12.91	\$14.59
90 Gallon Weekly Cart	\$23.43	\$26.48
1.5 Yard Container	\$81.29	\$20.27
2 Yard Container	\$104.95	\$118.60
Residential		8.50%
35 Gallon Weekly Cart	\$11.56	\$12.54
90 Gallon Weekly Cart	\$15.44	\$16.76
Extra - per 32 gallon equivalent	\$3.14	\$3.40
Recycling		8.50%
1 Container per week	\$13.70	\$14.87
2 Containers per week	\$27.39	\$29.72
3 Containers per week	\$81.29	\$88.20
Drop Box and other Rate Schedule		Contact City

Resolution 24-12
EXHIBIT A
Effective 1-1-2025

Description	Fee
Sewer Rates	Monthly
Class I and II	
Single Family Detached (1 ERU *)	0.021%
Basic Utility Charge (Swr)	\$49.77
User Loan Fee (Sbnd)	\$26.88
Manufacture Home Park (1 ERU)	
Basic Utility Charge (Swr)	\$49.77
User Loan Fee (Sbnd)	\$26.88
Duplexes/Multi Plexes (per apartment) (1 ERU)	
Basic Utility Charge (Swr)	\$49.77
RV Parks (per space) (.5 ERU)	
Basic Utility Charge (Swr)	\$24.89
User Loan Fee (Sbnd)	\$13.44
Motel/Hotel (per unit) (.5 ERU)	
Basic Utility Charge (Swr)	\$24.89
User Loan Fee (Sbnd)	\$13.44
RV Subdivision	
Permanent Dwelling (1 ERU)	
Basic Utility Charge (Swr)	\$49.77
User Loan Fee (Sbnd)	\$26.88
Perm Dwelling with RV (1.5 ERU)	
Basic Utility Charge (Swr)	\$74.66
User Loan Fee (Sbnd)	\$40.32
Class III	
Churches, Public Buildings (senior center, library, etc.) (2.2 ERU)	
Basic Utility Charge (Swr)	\$109.47
User Loan Fee (Sbnd)	\$59.14
Businesses with Food Preparation (5.1 ERU)	
Basic Utility Charge (Swr)	\$253.83
User Loan Fee (Sbnd)	\$137.09
Businesses without Food Preparation (2.2 ERU)	
Basic Utility Charge (Swr)	\$109.49
User Loan Fee (Sbnd)	\$59.14
Schools (9.2 ERU)	
Basic Utility Charge (Swr)	\$457.88
User Loan Fee (Sbnd)	\$247.30
Restaurant and Lounge Combinations (8.5 ERU)	
Basic Utility Charge (Swr)	\$423.05
User Loan Fee (Sbnd)	\$228.48
Outside City Sewer Service (per ERU)	Monthly
Basic Utility Charge (Swr)	\$49.77
User Loan Fee (Sbnd)	\$40.67

Description	Fee	
Water Rates	Monthly	0.021%
Basic Utility Charge (wtr) 1,336 cu ft	\$36.23	\$36.99
User Loan Fee (Wbnd)	\$7.10	-
Rented, Occupied, or Vacant (Site Built, Manufactured Home/Trailer Park, Duplex/Multi-Plex, and RV Sub-division)		
Outside City Limits (Wtr) 1,336 cu ft	\$36.23	\$36.99
User Loan Fee (Wbnd)	\$16.60	-
Rented, Occupied, or Vacant (Site Built, Manufactured Home/Trailer Park, Duplex/Multi-Plex, and RV Sub-division)		
Charge (beyond minimum) cu ft	\$0.02289	\$0.02337
User Fees	Monthly (per EDU)	
Street Light	\$2.00	-
Street Maintenance	\$3.00	-
Police Services	\$5.00	-

Notes:

1. Except as covered under ORS
2. User Loan Fee to be a monthly minimum, non-metered charge, whether occupied, rented and/or vacant that is or has been constructed for a permanent full-time use (site build, manufactured home, trailer park, duplex/multi-plex, and RV Sub-Division.)

3. ERU = Equivalent Residential Unit

Service Amount Residential

1. Services prior to 2019 may have a 35 gal container
2. Full Service w/ 35 gal. cart = \$144.33 (\$12.54 for Garbage) = \$4.81 per day
3. Full Service w/ 90 gal. cart = \$148.55 (\$16.76 for Garbage) = \$4.95 per day
4. B/O = \$33.98 = \$1.13 per day - No Change
5. S/O inside city limits = \$104.46 = \$3.48 per day (with garbage \$16.76)
6. S/O Outside city limits = \$91.49 = \$3.05 per day



MEMORANDUM

To: City Council
From: Aaron Palmquist, City Manager
Date: December 17, 2024
RE: Oregon State Parks – “Splash Park Grant Agreement” - Item #9

In February 2024 the City Council passed Resolution 24-01 for making application to the Oregon Parks and Recreation for a grant to construct a ‘splash park’. On September 24, 2024 the City of Irrigon was notified that we were approved by the Oregon Parks and Recreation Commission. Tonight, we have the agreement from Oregon Parks and Recreation Department for the project.

This project has been a long-standing desire and benefit for the community. We are excited for this one million grant award and look forward to seeing the project completed. The estimated timeline is for our city engineers (JUB) begin gathering and designing various aspects to be ready for public bidding in the fall of 2025. Project construction would then be ready to begin in 2026, upon a successful contract award.

While a previous motion was made to authorize the mayor and city manager to sign the agreement is here again with the full language and details of the agreement. Staff recommends that mayor and city manager be authorized to execute the Splash Park agreement and required documents.

Oregon Parks and Recreation Department

Local Government Grant Program Agreement

THIS AGREEMENT ("Agreement") is made and entered into by and between the State of Oregon, acting by and through its **Oregon Parks and Recreation Department**, hereinafter referred to as "OPRD" or the "State" and the **City of Irrigon**, hereinafter referred to as the "Grantee".

OPRD Grant Number: LG24-031
Project Title: Irrigon Splash Pad Construction
Project Type (purpose): Development
Project Description: The project will construct a new splash pad featuring accessible water play activities and rest areas for adults at Trevor Fox Memorial Park in Irrigon, Oregon. The Project is further described in Attachment A - Project Description and Budget.

Grant Funds /
Maximum Reimbursement: \$1,000,000 (76.92%)
Grantee Match Participation: \$ 300,000 (23.08%)
Total Project Cost: \$1,300,000

Grant Payments / Reimbursements: Grant funds are awarded by the State and paid on a reimbursement basis, and only for the Project described in this Agreement, and the Project Description and Budget included as Attachment A. To request reimbursement, Grantee shall use OPRD's online grant management system accessible at oprdragrants.org. The request for reimbursement shall include documentation of all project expenses plus documentation confirming project invoices have been paid. Grantee may request reimbursement as often as quarterly for costs accrued to date.

Fiscal Year-End Request for Reimbursement: Grantee must submit a Progress Report and a Reimbursement Request to OPRD for all Project expenses, if any, accrued up to **June 30**, of each fiscal year. The Fiscal Year-End Reimbursement Request must be submitted to OPRD by **July 31**.

Reimbursement Terms: Based on the estimated Project Cost of **\$1,300,000**, and the Grantee's Match participation rate of **23.08%**, the reimbursement rate will be **76.92%**. Upon successful completion of the Project and receipt of the final reimbursement request, the State will pay Grantee the remaining Grant Funds balance, or **76.92%** of the total cost of the Project, whichever is less.

Matching Funds: The Grantee shall contribute matching funds or the equivalent in labor, materials, or services, which are shown as eligible match in the rules, policies and guidelines for the Local Government Grant Program. Volunteer labor used as a match requires a log with the name of volunteer, dates volunteered, hours worked, work location and the rate used for match, to be eligible.

Progress Reports: Grantee shall submit Progress Reports with each Reimbursement Request or, at a minimum, at **three-month intervals**, starting from the effective date of the Agreement. Progress Reports shall be submitted using OPRD's online grant management system accessible at oprdragrants.org.

Agreement Period: The effective date of this Agreement is the date on which it is fully executed by both parties. Unless otherwise terminated or extended, the Project shall be completed by **December 31, 2026**. If the Project is completed before the designated completion date, this Agreement shall expire on the date final reimbursement payment is made by OPRD to Grantee.

Retention: OPRD shall disburse up to 90 percent of the Grant Funds to Grantee on a cost reimbursement basis upon approval of invoices submitted to OPRD. OPRD will disburse the final 10 percent of the Grant Funds upon approval by OPRD of the completed Project, the Final Progress Report and the submission of five to ten digital pictures of the completed project site.

Final Request for Reimbursement: Grantee must submit a Final Progress Report, a Final Reimbursement Request and five to ten digital pictures of the completed project site to OPRD within 45 days of the Project Completion Date.

Project Sign: When project is completed, Grantee shall post an acknowledgement sign of their own design, or one supplied by the State, in a conspicuous location at the project site, consistent with the Grantee's requirements, acknowledging grant funding and the State's participation in the Project.

Agreement Documents: Included as part of this Agreement are:

- Attachment A: Project Description and Budget
- Attachment B: Standard Terms and Conditions
- Attachment C: Inadvertent Discovery Plan

In the event of a conflict between two or more of the documents comprising this Agreement, the language in the document with the highest precedence shall control. The precedence of each of the documents is as follows, listed from highest precedence to lowest precedence: this Agreement without Attachments; Attachment B; Attachment A; Attachment C.

Contact Information: A change in the contact information for either party is effective upon providing notice to the other party:

Grantee Administrator
 Aaron Palmquist
 City of Irrigon
 500 NE Main
 Irrigon, OR 97844
 541-922-3047
 manager@ci.irrigon.or.us

Grantee Billing Contact
 Amanda Ferguson
 City of Irrigon
 500 NE Main
 Irrigon, OR 97844
 541-922-3047
 finance@ci.irrigon.or.us

OPRD Contact
 Mark Cowan, Coordinator
 Oregon Parks & Rec. Dept.
 725 Summer ST NE STE C
 Salem, OR 97301
 503-951-1317
 mark.cowan@oprd.oregon.gov

Signatures: In witness thereof, the parties hereto have caused this Agreement to be properly executed by their authorized representatives as of the last date hereinafter written.

GRANTEE

**STATE OF OREGON
Acting By and Through Its
OREGON PARKS AND RECREATION DEPT.**

By: _____
Signature

By: _____
Matt Rippee, Deputy Dir. of Field & Comm. Services

Printed Name

Date

Title

Approval Recommended:

Date

Oregon Department of Justice (ODOJ) approved for legal sufficiency for grants exceeding \$250,000:

By: _____
Michele Scalise, Grants Section Manager

By: Jeffrey B. Grant, AAG
ODOJ Signature or Authorization

Date

Printed Name/Title

By: _____
Mark Cowan, Grant Program Coordinator

by email on October 11, 2024

Date

Date

Attachment A: Project Description and Project Budget

OPRD Grant Number: LG24-031
Project Title: Irrigon Splash Pad Construction
Grantee Agency: City of Irrigon

Project Description:

The project will construct a new splash pad featuring accessible water play activities and rest areas for adults at Trevor Fox Memorial Park in Irrigon, Oregon.

Project Budget

Engineering and Design	\$ 118,000
Plan Submittals	\$ 10,000
Construction Survey	\$ 20,000
Permits	\$ 5,000
Mobilization	\$ 55,000
Shoring and Trench Safety	\$ 12,000
Earthwork	\$ 8,000
Piping Improvements	\$ 85,000
Landscaping Improvements	\$ 75,000
Electrical	\$ 80,000
Water Treatment Building	\$ 265,000
Splash Pad Equipment	\$ 377,000
O&M manual / As-Builts	\$ 5,000
Construction Management	\$ 185,000
Total Project Cost	\$ 1,300,000

Match from Sponsor

City Funds	\$ 300,000
Total Match from Sponsor	\$ 300,000

Summary

Total Project Cost	\$ 1,300,000
Total Match from Sponsor	\$ 300,000
Grant Funds Requested	\$ 1,000,000

Attachment B – Standard Terms and Conditions

Oregon Parks and Recreation Department Local Government Grant Program Agreement

1. **Compliance with Law:** Grantee shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Agreement or to implementation of the Project, including without limitation, OAR chapter 736, Division 6 (the Local Government Grant Program administrative rules).
2. **Compliance with Workers Compensation Laws:** All employers, including Grantee, that employ subject workers who provide services in the State of Oregon shall comply with ORS.656.017 and provide the required Worker's Compensation coverage, unless such employers are exempt under ORS 656.126. Employer's liability insurance with coverage limits of not less than \$500,000 must be included.
3. **Compliance with Prevailing Wage:** Grantee shall comply with the prevailing wage rate requirements set forth in ORS 279C.800 through 279C.870 and the administrative rules promulgated thereunder ("Prevailing Wage Rate Law" or "PWR"), or, if applicable, 40 U.S.C. 3141 et seq. ("Davis-Bacon Act").
4. **Amendments:** This Agreement may be amended only by a written amendment to the Agreement, executed by the parties.
5. **Expenditure Records:** Grantee shall document, maintain and submit records to OPRD for all Project expenses in accordance with generally accepted accounting principles, and in sufficient detail to permit OPRD to verify how Grant Funds were expended. These records shall be retained by the Grantee for at least six years after the Agreement terminates. The Grantee agrees to allow Oregon Secretary of State auditors and State agency staff access to all records related to this Agreement for audit and inspection and monitoring of services. Such access will be during normal business hours, or by appointment. Grantee shall ensure that each of its subgrantees and subcontractors complies with these requirements.
6. **Equipment:** Equipment purchased with Local Government Grant Program funds must be used as described in the Project Agreement and Application throughout the equipment's useful life. The Grantee will notify the State prior to the disposal of equipment and will coordinate with the State on the disposal to maximize the equipment's ongoing use for the benefit of the Local Government Grant Program.
7. **Use of Project Property:** Grantee warrants that the land within the Project boundary described in the Application shall be dedicated and used for a period of no less than 25 years from the completion of the Project. Grantee agrees to not change the use of, sell, or otherwise dispose of the land within the Project boundary, except upon written approval by OPRD. If the Project is located on land leased from the federal government, the lease shall run for a period of at least 25 years after the date the Project is completed. If the Project is located on land leased from a private or public entity, other than the federal government, the lease shall run for a period of at least 25 years after the date the Project is completed, unless the lessor under the lease agrees that, in the event the lease is terminated for any reason, the land shall continue to be dedicated and used as described in the Project Application for a period of at least 25 years after the date the Project is completed.

Land acquired using Local Government Grant funds shall be dedicated, by an instrument recorded in the county records, for recreational use in perpetuity, unless OPRD or a successor agency consents to removal of the dedication.

8. **Conversion of Property:** Grantee further warrants that if the Grantee converts lands within the Project boundary to a use other than as described in the grant application or disposes of such land by sale or any other means ("Converted Land"), the Grantee must provide replacement land acceptable to OPRD within 24 months of the date of the conversion or disposal or, if the conversion

or disposal is not discovered by OPRD until a later date, within 24 months after the discovery of the conversion or disposal.

If replacement land cannot be obtained within the 24 month period, the Grantee will provide payment of the grant program's prorated share of the current fair market value of the Converted Land to the State. The prorated share is measured by that percentage of the original grant (plus any amendments) as compared to the original Project cost(s). The replacement land must be equal to the current fair market value of the Converted Land, as determined by an appraisal. The recreation utility of the replacement land must also be equal to that of the Converted Land.

If conversion occurs through processes outside of the Grantee's control such as condemnation or road replacement or realignment, the Grantee must pay to the State a prorated share of the consideration paid to the Grantee by the entity that caused the conversion. The State's prorated share is measured by the percentage of the original grant (plus any amendments) as compared to the original Project cost(s).

The warranties set forth in Section 6 and this Section 7 of this Agreement are in addition to, and not in lieu of, any other warranties set forth in this Agreement or implied by law.

9. **Contribution:** If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against a party (the "Notified Party") with respect to which the other party ("Other Party") may have liability, the Notified Party must promptly notify the Other Party in writing of the Third Party Claim and deliver to the Other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Either party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by the Other Party of the notice and copies required in this paragraph and meaningful opportunity for the Other Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to the Other Party's liability with respect to the Third Party Claim.

With respect to a Third Party Claim for which the State is jointly liable with the Grantee (or would be if joined in the Third Party Claim), the State shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by the Grantee in such proportion as is appropriate to reflect the relative fault of the State on the one hand and of the Grantee on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of the State on the one hand and of the Grantee on the other hand shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. The State's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if the State had sole liability in the proceeding.

With respect to a Third Party Claim for which the Grantee is jointly liable with the State (or would be if joined in the Third Party Claim), the Grantee shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by the State in such proportion as is appropriate to reflect the relative fault of the Grantee on the one hand and of the State on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of the Grantee on the one hand and of the State on the other hand shall be determined by reference to, among other things, the parties' relative intent,

knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. The Grantee's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if it had sole liability in the proceeding.

Grantee shall take all reasonable steps to cause its contractor(s) that are not units of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon and its officers, employees and agents ("Indemnatee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including attorneys' fees) arising from a tort (as now or hereafter defined in ORS 30.260) caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Grantee's contractor or any of the officers, agents, employees or subcontractors of the contractor ("Claims"). It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by the contractor from and against any and all Claims.

10. **Inspection of Equipment and Project Property:** Grantee shall permit authorized representatives of the State, the Oregon Secretary of State, or their designees to perform site reviews of the Project, and to inspect all Equipment, real property, facilities, and other property purchased by Grantee as part of the Project.
11. **Public Access:** The Grantee shall allow open and unencumbered public access to the completed Project to all persons without regard to race, color, religious or political beliefs, sex, national origin or place of primary residence.
12. **Condition for Disbursement:** Disbursement of grant funds by OPRD is contingent upon OPRD having received sufficient funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow OPRD, in the exercise of its reasonable administrative discretion, to make the disbursement and upon Grantee's compliance with the terms of this Agreement.
13. **No Third Party Beneficiaries.** OPRD and Grantee are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly or indirectly, to a third person unless such a third person is individually identified by name herein and expressly described as intended beneficiary of the terms of this Agreement.
14. **Repayment:** In the event that the Grantee spends Grant Funds in any way prohibited by state or federal law, or for any purpose other than the completion of the Project, the Grantee shall reimburse the State for all such unlawfully or improperly expended funds. Such payment shall be made within 15 days of demand by the State.
15. **Termination:** This Agreement may be terminated by mutual consent of both parties, or by either party upon a 30-day notice in writing, delivered by certified mail or in person to the other party's contact identified in the Agreement. On termination of this Agreement, all accounts and payments will be processed according to the financial arrangements set forth herein for Project costs incurred prior to date of termination. Full credit shall be allowed for reimbursable expenses and the non-cancelable obligations properly incurred up to the effective date of the termination.
16. **Governing Law:** The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement. Any party bringing a legal action or proceeding against any other party arising out of or relating to this Agreement shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County. Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum. In no event shall this section be

construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

17. **Entire Agreement:** This Agreement constitutes the entire Agreement between the parties. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, Agreements, or representations, oral or written, not specified herein regarding this Agreement. The Grantee, by signature of its authorized representative on the Agreement, acknowledges that the Grantee has read this Agreement, understands it, and agrees to be bound by its terms and conditions.
18. **Notices:** Except as otherwise expressly provided in this Agreement, any communications between the parties hereto or notices to be given hereunder shall be given in writing by personal delivery, facsimile, email, or mailing the same, postage prepaid, to Grantee contact or State contact at the address or number set forth in this Agreement, or to such other addresses or numbers as either party may hereinafter indicate. Any communication or notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine, and to be effective against State, such facsimile transmission must be confirmed by telephone notice to State Contact. Any communication by email shall be deemed to be given when the recipient of the email acknowledges receipt of the email. Any communication or notice mailed shall be deemed to be given when received, or five days after mailing.
19. **Counterparts:** This agreement may be executed in two or more counterparts (by facsimile or otherwise), each of which is an original and all of which together are deemed one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart.
20. **Severability:** If any term or provision of this agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.

ATTACHMENT C

ARCHAEOLOGICAL INADVERTENT DISCOVERY PLAN (IDP)

Archaeological materials are the physical remains of the activities of people in the past. This IDP should be followed should any archaeological sites, objects, or human remains be found. Archaeological materials are protected under Federal and State laws and their disturbance can result in criminal penalties.

This document pertains to the work of the Contractor, including any and all individuals, organizations, or companies associated with the project.

WHAT MAY BE ENCOUNTERED

Archaeological material may be found during any ground-disturbing activity. If encountered, all excavation and work in the area MUST STOP. Archaeological objects vary and can include evidence or remnants of historic-era and pre-contact activities by humans. Archaeological objects can include but are not limited to:

- **Stone flakes, arrowheads, stone tools, bone or wooden tools, baskets, beads.**
- Historic building materials such as **nails, glass, metal** such as cans, barrel rings, farm implements, **ceramics, bottles, marbles, beads.**
- Layers of **discolored earth** resulting from hearth fire
- Structural remains such as **foundations**
- **Shell Middens** (mounds)
- **Human skeletal remains** and/or **bone fragments** which may be whole or fragmented.

If in doubt call it in.

DISCOVERY PROCEDURES: WHAT TO DO IF YOU FIND SOMETHING

1. Stop ALL work in the vicinity of the find
2. Secure and protect area of inadvertent discovery with 30 meter/100 foot buffer—work may continue outside of this buffer
3. Notify Project Manager and Agency Official
4. Project Manager will need to contact a professional archaeologist to assess the find.
5. If archaeologist determines the find is an archaeological site or object, contact SHPO. If it is determined to *not* be archaeological, you may continue work.

HUMAN REMAINS PROCEDURES

1. If it is believed the find may be human remains, stop ALL work.
2. Secure and protect area of inadvertent discovery with 30 meter/100 foot buffer, then work may continue outside of this buffer with caution.
3. Cover remains from view and protect them from damage or exposure, restrict access, and leave in place until directed otherwise. **Do not take photographs. Do not speak to the media.**

4. Notify:

- Project Manager
- Agency Official
- Contracted Archaeologist (if applicable)
- Oregon State Police - **DO NOT CALL 911** 503-378-3720
- SHPO (State Historic Preservation Office) 503-986-0690
- LCIS (Legislative Commission on Indian Services) 503-986-1067
- Appropriate Native American Tribes (as provided by LCIS)

5. If the site is determined not to be a crime scene by the Oregon State Police, do not move anything! The remains should continue to be *secured in place* along with any associated funerary objects, and protected from weather, water runoff, and shielded from view.

6. Do not resume any work in the buffered area until a plan is developed and carried out between the State Police, SHPO, LCIS, and appropriate Native American Tribes, and you are directed that work may proceed.

CONFIDENTIALITY

The Agency and employees shall make their best efforts, in accordance with federal and state law, to ensure that its personnel and contractors keep the discovery confidential. The media, or any third-party member or members of the public are not to be contacted or have information regarding the discovery, and any public or media inquiry is to be reported to the Agency. Prior to any release, the responsible agencies and Tribes shall concur on the amount of information, if any, to be released to the public.

To protect fragile, vulnerable, or threatened sites, the National Historic Preservation Act, as amended (Section 304 [16 U.S.C. 470s-3]), and Oregon State law (ORS 192.501(11)) establishes that the location of archaeological sites, both on land and underwater, shall be confidential.



Oregon

Tina Kotek, Governor

Parks and Recreation Department
Oregon Heritage/
State Historic Preservation Office
725 Summer St. NE, Suite C
Salem, OR 97301-1266
(503) 986-0690
Fax (503) 986-0793
oregonheritage.org



August 26, 2024

Mr. Mark Cowan
Oregon Parks and Recreation Department
725 Summer St NE STE C
Salem, OR 97301

RE: SHPO Case No. 24-0197
OPRD Irrigon Trevor Fox Memorial Park Splash Pad
construct splash pad
750 NE Main Ave, Irrigon, Morrow County

Dear Mark Cowan:

Thank you for submitting information for the project referenced above. According to our records there are no identified archaeological objects or sites (Oregon Revised Statute [ORS] 358.905), and no Native American cairn, burial, human remains, sacred objects and objects of cultural patrimony (ORS 97.740-760) in or adjacent to the project area. Based on the information provided, Oregon SHPO does not have any concerns with the project proceeding as planned.

Under ORS 358.920 and ORS 97.745, archaeological sites, objects and human remains are protected on both state public and private lands in Oregon. Please know that if any archaeological artifacts are found during construction all activity in the area should cease and our office should be contacted. We also advise having an Inadvertent Discovery Plan (IDP) in place during construction. A template is available on our website (<https://www.oregon.gov/oprd/OH/pages/projectreviewresources.aspx>). The IDP explains what to do in the event of a discovery and provides examples of archaeological materials. Using this form can reduce confusion, risk, and liability.

If the project has a federal nexus (lands, funding, permitting, or oversight) coordinate with the lead federal agency to ensure compliance with Section 106 of the National Historic Preservation Act.

If you have not already done so, be sure to consult with all appropriate Native American tribes regarding the proposed project. Additional consultation regarding this case must be sent through Go Digital. In order to help us track the project accurately, reference the SHPO case number above in all correspondence.

Please contact our office if you have any questions, comments or need additional assistance.

Sincerely,

Koren Tippett
Special Project Archaeologist, OPRD/SHPO Liasion
(971) 304-4737
Koren.Tippett@oprd.oregon.gov

cc: Aaron Palmquist, City of Irrigon



Request for Reimbursement Guide

All **Progress Reports** and **Reimbursement Requests** must be submitted using OPRD's online grant application and management system. An account with OPRDgrants.org is required for access.

For detailed instruction on how to submit Progress Reports and Reimbursement Requests, see the ***Grant Reporting and Reimbursement Instructions*** at:

- > oprdragrants.org
- > Grant Programs
- > Local Government
- > Management & Reporting Requirements
- > ***Grant Reporting and Reimbursement Instructions***

All files for projects benefiting from Oregon Parks and Recreation Department administered grant funds must be able to pass a State audit. When preparing to submit a Request for Reimbursement, plan on submitting the following documentation:

- Progress Report** – Once you submit a Progress Report, you will be able to access the Reimbursement Request form.
- Project Bills / Invoices**
- Bill Payment Confirmation** – Please submit documentation confirming that all project bills/invoices have indeed been paid. The best way to document this is with some type of **Accounts Paid Report** or **Check Ledger Report** for the project that lists **Payments, Payee, Payment Date** and **Check Number**. (This is different from an Accounts Payable Report which would only list payments pending.) If an Accounts Paid Report is not available, please submit copies of canceled payment checks (with account numbers blocked out).

Once the project is completed . . .

- Project Pictures** – Please plan to submit 5-10 digital pictures of the completed project site and specific project elements, for the project file. Digital pictures can be attached to any Progress Report or Request for Reimbursement. For **Planning Projects**, rather than pictures, please submit a digital copy of the final **Planning Document**.
- As-Built Map** – If the completed project is different from the original Site Plan submitted with the application, please submit an *As-Built Map* that shows the actual layout of the completed project.
- Acknowledgement Sign** - Is there any type of signage on site acknowledging OPRD grant support for the project? If not, we will send you one. (An acknowledgement sign is not necessary for Planning projects.)

If you have questions, please contact:

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