City Hall
206 N. Main St
Toledo, Oregon 97391
6:00 PM

Toledo City Council

Regular Meeting – also via Zoom Meeting Platform

July 15, 2026

Virtual Meeting: The Toledo City Council will host the meeting in person in the City Hall Council Chambers for the City Council and staff as well as through video conferencing. The public is encouraged to attend the meeting electronically. Visit the meetings page on the city website for meeting information.

Public Comments: The Toledo City Council will take comments on topics not listed on the meeting agenda from members of the community during the "Public Comments" portion of the council meeting. There is a time limit of 3 minutes for each comment. If you wish to address the City Council during this portion of the meeting, please email paul.johnson@cityoftoledo.org **by 3:00 p.m. on the day of the scheduled meeting. Please include your: Name, address, and phone number (optional) and the topic.** Public comment cards will also be available at the door and must be completed and given to the City Recorder prior to the start of the meeting.

1. **Call to Order & Pledge of Allegiance**
2. **Roll Call & Quorum Determination**
3. **Public Comments**
   a. In-Person/Online Comments
   b. Submitted Comments
4. **Consent Agenda**
   a. July 8, 2026 City Council Special Meeting Minutes
5. **Toledo Beat and/or Presentations**
   a. City Recorder Presentation
6. **Discussion and Information Items**
   a. 2025-2026 Audit Results

This notice satisfies the requirements of ORS 192.630 and ORS 192.640 regarding Public Meetings. This meeting is accessible to persons with disabilities. A request for an interpreter, for the hearing impaired, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting by calling the City Offices at (541)336-2247.

b. City Councilor Applicant Interview

c. Appointment and Oath of new City Councilor

7. Requests for Council Action

a. Resolution No. 1616, Receiving 2024-2025 Financial Audit

b. Ordinance No. 1435, Traffic Calming

c. Toledo Fire Department—West/Resident building—roof replacement.

d. Purchase of new Ford F-150 for the Water Treatment Plant.

e. Water Management and Conservation Plan Update

8. Staff Reports

a. City Manager Report

b. Toledo Police Department Staff Report

c. Planning Department- June Report

d. HR Director Report

e. Public Works-June report

f. Fire Department Report

g. Finance Dept Report

h. Library Department Staff Report

9. Issue Tracker & Future Agenda Items

a. Council Issue Tracker

b. Future Agenda Items

10. Council Comments

11. Mayor's Comments

12. Adjournment

This notice satisfies the requirements of ORS 192.630 and ORS 192.640 regarding Public Meetings. This meeting is accessible to persons with disabilities. A request for an interpreter, for the hearing impaired, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting by calling the City Offices at (541)336-2247.

City Hall
206 N. Main St.
Toledo, Oregon 97391
6:00 p.m.

TOLEDO CITY COUNCIL
City Council Special Meeting
April 08, 2026

1. **Call to Order & Flag Salute**
   a. Mayor Mix called the July 8, 2026 Toledo City Council Special Meeting to order at 6:00 PM at City Hall, 206 North Main Street, Toledo, Oregon. Mayor Mix led the Pledge of Allegiance.
2. **Roll Call & Quorum Determination**
   a. City Recorder Johnson took roll call and determined a quorum is present.

Seat #	Council Member	Present	Via Zoom	Absent
n/a	Mayor Mix	X		
2	Council President Chambers	X		
1	Councilor Riley	X		
3	Councilor Kauffman	X		
4	Vacant Seat			
5	Councilor Keating	X		
6	Councilor Burns	X		

   b. Staff Present: City Manager Rich Huebner, City Attorney Souvanny Miller and City Recorder Paul Johnson.
   c. A quorum was present.
3. **Public Comments**
   a. **In-person/Online Comments**
      i. Brenda Brown appeared before the Council representing both the Toledo History Center and the Yaquina Pacific Railroad Historical Society. She thanked the Council for its past financial support and announced that both organizations intend to submit applications for discretionary funding in the amount of $12,000 each, consistent with prior years' requests.
      ii. City Manager Rich Huebner confirmed that a funding application form had been finalized and would be forwarded to the organizations early the following week.
      iii. Councilor Keating raised substantive concerns about the process by which these annual requests have been handled. He noted that the Council's strategic reserve fund is intended for one-time, unanticipated expenses and expressed discomfort with it being used year after year to fund the same organizations. He suggested that recurring requests of this nature more

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properly belong before the City's Charitable Contributions Committee, which exists specifically to oversee such distributions, and that directing funding outside of that process creates an inequitable two-track system for nonprofit applicants. He further observed that the combined total of roughly $24,000 in annual support to these two organizations, coming just days after the start of a new budget year, represents a use of reserves that the Council had discussed as unsustainable during the recent budget cycle.

iv. Mayor Mix acknowledged Councilor Keating's concerns as valid but provided historical context, explaining that the City had stepped in specifically because Lincoln County had reduced its support for these institutions, and that the Council had made a deliberate decision to prevent them from failing. She noted that both organizations are heavily volunteer-run, with very limited capacity to pursue grant funding for operational expenses, and that operational grant funding is particularly scarce. Brenda Brown confirmed that the organizations do actively pursue project-based grants and receive some biannual funding from the county via the transient room tax, though that source has been identified as uncertain going forward.

v. City Manager Huebner affirmed that the development of an open application process was specifically intended to address the concern about favoritism, ensuring that any nonprofit could apply rather than only those with the initiative to approach the Council directly.

vi. Council President Chambers asked when the strategic reserve fund had been formally restricted to one-time uses only, noting that the Council has always retained discretion over its use. Councilor Keating clarified that his concern stemmed from a budget principle in the City's own adopted budget document stating that one-time funds should not be used for ongoing services, and that the reserve fund's revenue sources tied to the GP Mill, had not been fully evaluated as to their predictability.

vii. Mayor Mix suggested that a line item in the City's annual budget for these organizations may ultimately be the most appropriate and transparent solution, a direction that Councilor Keating indicated he would support as preferable to the current ad hoc approach. The discussion concluded with consensus that the matter should be taken to a future work session for a more structured policy conversation. The organizations were directed to submit their applications, with the understanding that Council would consider any process changes before acting on them.

viii. No online comments were received.

b. **Submitted Comments**

i. City Recorder Paul Johnson confirmed that no written comments had been submitted beyond those already addressed.

4. Consent Agenda

a. Prior to a motion, Councilor Keating noted a correction to the June 17, 2026 City Council Meeting Minutes. In item 9.d.3, a remark regarding a prior rate adjustment, specifically, that the Council had deliberately chosen not to increase

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the residential rate, opting instead to place a greater share of the adjustment on commercial and industrial customers, had been attributed to Councilor Chambers. Councilor Keating confirmed that the remark was his own. City Recorder Johnson acknowledged the correction.

b. Motion to approve the Consent Agenda as amended was made by Council President Chambers and seconded by Councilor Keating. The motion carried 6–0.

Seat #	M	S	Council Member	Yay	Nay	Abstained
n/a			Mayor Mix	X		
2	X		Council President Chambers	X		
1			Councilor Riley	X		
3			Councilor Kauffman	X		
4			Vacant Seat			
5		X	Councilor Keating	X		
6			Councilor Burns	X		

5. Toledo Beat and/or Presentations

a. City Recorder Presentation.

i. City Recorder Paul Johnson presented Councilor Riley and Council President Chambers each with a certified oath of office certificate, signed by both Mayor Mix and the City Recorder. The certificates were described as a formal keepsake suitable for display, with the recipients asked to sign the document acknowledging their understanding of their oath.

b. Toledo Police Department Meritorious Award — Matthew Miner

i. City Manager Huebner explained that this item was not presented at the meeting. The prior regular meeting had been canceled due to a lack of quorum, and the cancellation notice did not reach the award recipient's family—who had traveled from Sweet Home—before they arrived in Toledo. Chief Pace accordingly presented the meritorious award to Matthew Miner privately, with family present, rather than have the recognition delayed further. The Council acknowledged Matthew Miner on the record.

6. Discussion and Information Items

a. None

7. Requests for Council Action

a. Timber's Restaurant and Lounge Application for Temporary Use of an Annual License – 1st Annual Toledo Chamber Main Street Car Show.

b. Timber's Restaurant and Lounge Application for Temporary Use of an Annual License - Art Oysters and Brews

i. City Manager Huebner presented both items together, noting their close relationship. He explained that while Timber's Restaurant and Lounge holds an existing OLCC liquor license, use of that license at off-premises events requires a separate Council recommendation to the state. Both applications pertain to Timber's operating a beer garden, the first at the 1st

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Annual Toledo Chamber Main Street Car Show on September 5, and the second at the annual Art Oysters and Brews event. The designated beer garden location for both events is the parking lot adjacent to Brewster's Whimsy.

ii. Councilor Keating noted that the beer garden layout appeared similar to the prior year's arrangement and confirmed it had been well managed. City Manager Huebner also noted that the Art Oysters and Brews volunteer sign-up includes positions for beer garden monitors to ensure age compliance.

iii. Motion to approve both Timber's Restaurant and Lounge applications for temporary use of an annual license, as presented, was made by Councilor Keating and seconded by Councilor Kauffman. The motion carried 6–0.

Seat #	M	S	Council Member	Yay	Nay	Abstained
n/a			Mayor Mix	X		
2			Council President Chambers	X		
1			Councilor Riley	X		
3		X	Councilor Kauffman	X		
4			Vacant Seat			
5	X		Councilor Keating	X		
6			Councilor Burns	X		

c. Resolution No. 1615, a resolution of the Toledo City Council Adopting a Salary Schedule for Non-Represented Employee Positions for fiscal year 2026-2027.

i. City Manager Huebner presented Resolution No. 1615, explaining that while cost-of-living adjustments (COLAs) for represented employees are embedded in existing collective bargaining agreements and require no separate Council action, COLAs for non-represented employees must be formally adopted by resolution on an annual basis. The administration recommended a 4% COLA for non-represented staff for fiscal year 2026–2027, consistent with the 4% COLA already established for the Toledo Public Safety Association and in close alignment with the 3.5% COLA for the Toledo Employee Association. The 4% figure was included in the operating budget approved earlier in the year. City Manager Huebner noted that the recommendation also took into account local public sector market competitiveness and the consumer price index.

ii. Motion to adopt Resolution No. 1615, a resolution of the Toledo City Council Adopting a Salary Schedule for Non-Represented Employee Positions for fiscal year 2026–2027, was made by Council President Chambers and seconded by Councilor Keating. The motion carried 6–0.

Seat #	M	S	Council Member	Yay	Nay	Abstained
n/a			Mayor Mix	X		
2	X		Council President Chambers	X		
1			Councilor Riley	X		
3			Councilor Kauffman	X		
4			Vacant Seat			
5		X	Councilor Keating	X		
6			Councilor Burns	X		

8. Staff Reports

a. City Manager Report

i. Special Meeting Rationale: The special meeting was called to address time-sensitive items, specifically the OLCC license applications and the salary schedule resolution. The Finance Department had requested the salary resolution be adopted as early as possible to allow payroll adjustments to be processed before the end-of-month payroll cycle.

ii. Scrivener's Error, Resolution Numbering: City Manager Huebner drew attention to an item on the consent agenda authorizing the City Recorder to correct an inadvertent duplication in resolution numbering. Both the fireworks vendor regulations resolution and the budget resolution had been assigned the number 1608. He noted that while the error could likely have been corrected administratively, he chose to address it through a formal resolution in the interest of full transparency. A copy of the correcting resolution must be provided to Lincoln County by July 15. He confirmed that no substantive content of the budget resolution was altered, and that the budget resolution remains legally sound.

iii. Art Oysters and Brews Volunteer Sign-Up: City Manager Huebner indicated he had received a volunteer sign-up sheet from Economic Development Alliance (EDA) staff for Art Oysters and Brews and would be distributing it to Council via email as a live Google Doc. He asked Council members to exercise care not to inadvertently delete others' entries when adding their own names.

iv. Oregon City Management Association Conference: City Manager Huebner noted he was attending the conference remotely from Ashland and looked forward to returning the following week.

9. Issue Tracker & Future Agenda Items

a. Issue Tracker

i. Mayor Mix proposed removing the "Merit Mix Report" item from the Council Issue Tracker, noting that the community feedback captured in that document had been incorporated into the Council's goal-setting work session and was being addressed through existing initiatives. Councilor Keating agreed that the document had been intentionally integrated into the Council's adopted goals. There was no objection, and the item was removed from the tracker.

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b. Future Agenda Items
   i. Art Oysters and Brews Update (July 15 Regular Meeting): Councilor Keating requested a more comprehensive presentation on Art Oysters and Brews at the next regular meeting, including event logistics, vendor participation, and the City's evolving role. City Manager Huebner confirmed he would provide a thorough update and would invite EDA staff members Stacy and/or Sarah to attend. He noted that an event planning meeting held that morning had yielded positive news, with more vendors already signed up at this point than were present at the entire event the previous year.
   ii. National Night Out (July 15 Regular Meeting): Council President Chambers raised National Night Out, scheduled for August 4, as a topic requiring discussion at the next meeting. Mayor Mix indicated the City should consider having a table presence and explore appropriate giveaway items for the community. City Manager Huebner agreed to request an update from Ron Bush for the July 15 meeting.
   iii. July 22 Work Session — Proposed Agenda Items:
      1. Community Blight / Code Enforcement Escalation: Councilor Keating expressed interest in exploring a light ordinance or code enforcement escalation policy. Mayor Mix agreed to add this to the July 22 work session, and City Manager Huebner noted that the City Attorney had already been asked to research the City's available options on this topic.
      2. Council Strategic Reserve Fund and Charitable Contributions Process: Mayor Mix proposed adding the discretionary fund and nonprofit contributions policy discussion, which had arisen during public comment, to the July 22 work session as the final agenda item, with the understanding that it could be moved to a later meeting if time did not allow.
      3. Tricia Anderson Memorial: Mayor Mix and City Recorder Johnson discussed pinning down a date for the annual Tricia Anderson memorial event, tentatively targeted for the first one to two weeks of October to take advantage of better weather. This was noted for brief discussion at the work session.
      4. Hanging Basket Irrigation: Council President Chambers raised a concern about the timing and duration of watering for the City's hanging flower baskets on Main Street, noting the watering schedule may not be optimal for plant health. It was noted that Public Works staff member Brian Beal was already looking into adjusting the irrigation schedule and duration.
   iv. City Website Redesign: City Recorder Johnson provided a brief update noting that a full redesign of the City's website is underway, with completion targeted by the end of the month. New features include a "How Do I" section allowing residents to quickly access services such as records requests, event permits, and bill payment. Council President Chambers expressed interest in the possibility of the website including a broader community events calendar. City Manager Huebner commended City Recorder Johnson for his substantial work on the project.

10. Council Comments

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a. Councilor Keating offered kudos on behalf of the dais for the recent restriping of Highway 20, noting that the community response had been enthusiastically positive. No other substantive comments were offered by the remaining councilors.

11. Mayor's Comments

a. Mayor Mix expressed her strong satisfaction with the City's July 4th community event, noting it was significantly better attended than anticipated and had generated an outpouring of positive feedback from residents. The event featured live music by BFD (Bill and Frankie Dalby) and Hard Feelings, lawn games, a canned food and cash fundraiser that yielded $146 and 34 cans of food, and a raffle. Mayor Mix thanked Councilor Keating, Council President Chambers, City Manager Huebner, and all who helped organize and staff the event. She also specifically recognized Paul from the Economic Development Alliance, who provided and operated sound equipment for the duration of the day at no charge to the City.
b. Mayor Mix noted that the event filled a genuine community need for accessible, family-friendly outdoor activities and that she intended to grow the event in future years.
c. Mayor Mix also encouraged Council members and community residents to sign up for volunteer shifts at Summerfest, noting that the event is in particular need of volunteers to assist with waste management on Friday and Sunday.

12. Adjournment

a. There being no further business, Mayor Mix adjourned the meeting at 7:16 PM.

APPROVE:	ATTEST:
_________________________	___________________________
Mayor Tracy Mix	City Recorder Paul Johnson

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City of Toledo
Committee Volunteer Application Form

Please indicate which Board or Committee you are applying for:

- [x] City Council
- [ ] Budget Committee
- [ ] Contributions Committee
- [ ] Library Board
- [ ] Planning Commission

Name: Stu Strom

Home Address: [redacted]

Toledo Oregon 97391
City State Zip

Mailing Address: (if different) — Same —
City State Zip

Home Phone: [redacted] Cell Phone: [redacted]

E-mail address: [redacted]

Residency and Eligibility

Do you reside within the City limits?	[x] Yes [ ] No	Length of Time	70+ yrs
Do you reside within the Urban Growth Boundary?	[x] Yes [ ] No	Length of Time	Same —
Are you a registered voter in Lincoln County?	[x] Yes [ ] No		
Are you a Toledo business owner or Manager?	[ ] Yes [x] No		
If yes, please indicate which business you own/manage:			
Have you worked for or previously been a volunteer for the City of Toledo?	[x] Yes [ ] No		
If yes, what was your position and when?	City Council		

Comments of Interest

Please explain why you are interested in this position:

The Council should be well balanced. My view would Be for the "whole benefit" of Toledo - I would use Both Historic + Future needs for the basis of my Comments and decisions.

Experience & Background

General Background
Please list any qualifications you feel would be of benefit in this position.
At my age, I have Traveled To many places, cities, communities, Talked To many people. Volunteered on Boards and Committies etc. All have given me a broad view -
List previous experience and/or current employment.
Worked retail stores Newport and Toledo. Worked many years at Georgia Pacific. Finished working year at Toledo Ace Hardware. Currently Retired -
Please list any current or previous community involvement.
I served on The Port of Toledo - many years Toledo City Council - number of Times. Head of Toledo fireworks Assoc. Member of Toledo Active Group The Elks, Volunteer Toledo Chamber. member 60+ group

Certification and Signature

Please initial:

SS I understand that I may be subject to a criminal background check pursuant to Toledo Municipal Code Chapter 2.44 and if selected to complete one, I will be required to provide personal information to conduct the criminal background check.

By signing below, I certify that the information on the application is true and accurate and that I meet the necessary eligibility and/or residency requirements in accordance with Oregon State Law and/or the Toledo Municipal Code to serve on a Committee for the City of Toledo.

Stu Strom
Signature

6-17-2026
Date

City of Toledo
Committee Volunteer Application Form

Please indicate which Board or Committee you are applying for:

- [x] City Council
- [ ] Budget Committee
- [ ] Contributions Committee
- [ ] Library Board
- [ ] Planning Commission

RECEIVED
CITY OF TOLEDO
Date 3/30/22
By REV

Name: NATHAN V KEEZ

Home Address: [redacted]

TOLEDO, OR 97391

City State Zip

Mailing Address: (if different) —

City State Zip

Home Phone: [redacted] Cell Phone: [redacted]

E-mail address: [redacted]

Residency and Eligibility

Do you reside within the City limits?	[x] Yes [ ] No	Length of Time 6 YRS
Do you reside within the Urban Growth Boundary?	[ ] Yes [ ] No	Length of Time ______
Are you a registered voter in Lincoln County?	[x] Yes [ ] No	
Are you a Toledo business owner or Manager?	[ ] Yes [x] No	
If yes, please indicate which business you own/manage:		
Have you worked for or previously been a volunteer for the City of Toledo?	[ ] Yes [x] No	
If yes, what was your position and when?		

Comments of Interest

Please explain why you are interested in this position:

I'M INTERESTED IN BEING INVOLVED WITH HOW OUR TOWN GOVERNMENT OPERATES, AS WELL AS HELPING GROW OUR OVERALL QUALITY OF LIFE HERE IN TOLEDO. :)

Experience & Background

General Background
Please list any qualifications you feel would be of benefit in this position.
SHOP STEWARD (2003-2016) UPS KENNEWICK, WA MARRIAGE TO KIMBER KEEL (2001-PRESENT)
List previous experience and/or current employment.
UPS (2001-PRESENT) DRIVER
Please list any current or previous community involvement.
REC SOFTBALL COACH (2011-2013) KENNEWICK, WA CONCERT VOLUNTEER MID-COLUMBIA MASTERSINGERS (2014-2020) RICHLAND, WA REC SOCCER COACH (2026-PRESENT) TOLEDO, OR

Certification and Signature

Please initial:

_____ I understand that I may be subject to a criminal background check pursuant to Toledo Municipal Code Chapter 2.44 and if selected to complete one, I will be required to provide personal information to conduct the criminal background check.

By signing below, I certify that the information on the application is true and accurate and that I meet the necessary eligibility and/or residency requirements in accordance with Oregon State Law and/or the Toledo Municipal Code to serve on a Committee for the City of Toledo.

____________________ Signature

3/30/26 Date

Toledo City Council
Interview Questions

1. The City Council meets on the first (1st), third (3rd) and fourth (4th) Wednesday of each month at 6:00 p.m. Meetings typically last two to three hours. In addition, councilors serve on special council or intergovernmental committees as needed. Is there any reason that this commitment will conflict with your personal schedule?

2. What is your motivation for wanting to serve on the City Council?

3. Please describe your experience in community and/or volunteer service including groups or organizations that you have been involved in within the City of Toledo and how those experiences have prepared you for serving as a City Councilor?

4. What do you believe are the City of Toledo's strengths and weaknesses?

5. What will be your main priorities if appointed to the Toledo City Council?

6. Sometimes City Councilors have to make decisions that are unpopular to some members of the community. How would you respond to criticism from citizens for a decision made or supported that they did not like?

7. After reviewing the City Charter and Council Rules documents, what provisions stand out to you and why?

8. According to the City Charter, the role of a City Councilor is to serve as a link between the community and city government. How will you fill this role?

9. From time to time you will get complaints or ideas from citizens. How do you think these should be handled?

10. Does the applicant have any questions?

City of Toledo
Request for City Council Action

Council Goal:	Meeting Date:	Agenda Topic:
N/A	**July 15, 2026**	Resolution No. 1616, Receiving 2024-2025 Financial Audit

Prepared By:	Approved by:
Rich Huebner, City Manager	Rich Huebner, City Manager

Recommendation:
Motion to approve Resolution No. 1616, a resolution of the Toledo City Council receiving the 2024-2025 Fiscal Year Financial Audit for the City of Toledo as presented by Hanford & Associates.

Background:

The City of Toledo is required by law to have a Financial Audit done every year and filed with the Secretary of State. Recently the legislature passed regulation that requires acknowledgment of receipt and review of the Audit by the governing body when there are “findings.” The only finding identified by the auditor is that staff did not draft their own financial statements. This is common in small cities where there is not adequate staff to take on a project of this complexity.

The resolution provides the documentation to the Secretary of State that the Council is aware of the situation and has accepted the associated risk. A copy of the resolution will be filled with the Secretary of State upon signature by the Mayor.

Fiscal Impact:	Fiscal Year:	GL Number:
N/A	**2026-2027**	**N/A**

Attachments:
1. Resolution 1616 Receiving 2024-2025 Financial Audit
2. Board Letter City of Toledo FYE June 30, 2025
3. City of Toledo FY2024-2025 Audit Report

CITY OF TOLEDO
RESOLUTION NO. 1616

A RESOLUTION OF THE TOLEDO CITY COUNCIL RECEIVING THE 2024-2025 FINANCIAL AUDIT AS PRESENTED BY HANFORD & ASSOCIATES

WHEREAS, the Toledo City Council has received and reviewed the Financial Audit for the fiscal year 2024-2025 from Hanford & Associates, the City's contracted auditors; and

WHEREAS, the Secretary of State of Oregon requires confirmation that the governing body is aware of any audit findings and taken corrective action; and

WHEREAS, one finding of significant deficiency was identified because the City did not draft the financial statements and instead asked Hanford & Associates to draft them; and

WHEREAS, while accepting the above described as a finding of significant deficiency, the City recognizes that this is common practice in small cities that do not have the staff capacity to take on a project of this complexity.

NOW, THEREFORE, THE CITY OF TOLEDO HEREBY RESOLVES AS FOLLOWS:

Section 1. To confirm the receipt and review of the Fiscal Year 2024-2025 Financial Audit.

Section 2. To choose to accept responsibility for the risks and deficiencies noted by the auditor and not take corrective action.

This resolution is hereby adopted by the Toledo City Council on this 15th day of July, 2026.

APPROVED	ATTEST
________________________	________________________________
Mayor Tracy Mix	City Recorder Paul Johnson

COMMUNICATION TO THOSE CHARGED WITH GOVERNANCE

June 25, 2026

To the Honorable Mayor and Members of the City Council
City of Toledo
Toledo, Oregon

RE: COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE — AUDIT OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

Dear Mayor and Council Members:

OUR RESPONSIBILITIES UNDER GENERALLY ACCEPTED AUDITING STANDARDS

We have audited the financial statements of the City of Toledo (the "City") for the year ended June 30, 2025. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to error or fraud.

Our audit included obtaining an understanding of internal control over financial reporting 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's internal control. Accordingly, we do not express such an opinion.

An audit is not designed to detect all instances of fraud or error, particularly those involving collusion, forgery, intentional omissions, or override of internal controls. We are not responsible for preventing noncompliance with laws and regulations. Our responsibilities are further described in our engagement letter dated July 2, 2025.

SIGNIFICANT ACCOUNTING POLICIES

We have reviewed the significant accounting policies used by the City and have discussed them with management. No changes to significant accounting policies were identified during the current audit period that we consider significant to your oversight responsibilities.

We did not identify any significant or unusual transactions, or any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

SIGNIFICANT ACCOUNTING ESTIMATES

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Significant accounting estimates reflected in the City's financial statements include, but are not limited to:

- depreciation and useful lives of capital assets;
- net pension liability and OPEB obligation actuarial assumptions;
- allowance for uncollectible accounts; and
- accrued compensated absences.

We evaluated the reasonableness of management's significant accounting estimates in the context of the financial statements taken as a whole. No significant concerns regarding the reasonableness of estimates were identified.

AUDIT ADJUSTMENTS AND UNCORRECTED MISSTATEMENTS

We are required to communicate all audit adjustments that, in our judgment, may not have been detected except through the audit procedures we performed.

No audit adjusting journal entries were proposed during the current year audit.

No uncorrected misstatements were identified during the audit that management has determined are immaterial, either individually or in the aggregate, to the financial statements taken as a whole.

Internal Control Over Financial Reporting — Findings

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

Our consideration of internal control was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses, and therefore, significant deficiencies or material weaknesses may exist that were not identified.

FINDING: PREPARATION OF FINANCIAL STATEMENTS BY THE AUDITOR

Condition: During the fiscal year ended June 30, 2025, the City requested that the audit firm prepare the financial statements, including calculating certain account balances, on behalf of management. This represents a significant component of the financial reporting process being performed by the auditor rather than by management or those charged with governance.

Criteria: Internal controls over financial reporting should be designed and operated by the entity's management. Management is responsible for the preparation and fair presentation of financial statements in accordance with generally accepted accounting principles. The preparation of financial statements is a management responsibility and not an auditor function. When auditors are engaged to prepare financial statements, this creates a self-review threat to independence and represents a significant deficiency or material weakness in the City's internal control environment.

Cause: The City does not currently have sufficient in-house accounting staff or resources with the expertise necessary to independently prepare the financial statements and calculate all required balances.

Effect: The City is reliant on the external auditor for a significant portion of the financial reporting process. This condition impairs the effectiveness of the City's internal controls over financial reporting and creates a self-review threat that must be managed through the application of safeguards.

Recommendation: The City should evaluate staffing resources and consider employing or contracting qualified accounting personnel with sufficient expertise to independently prepare financial statements, or engage a separate accounting firm for financial statement preparation services distinct from the audit engagement. Management should develop and implement a formal financial reporting process that does not depend on the auditor as a preparer.

However, this circumstance is not unusual. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Management Response: The City doesn't have the staff or resources to prepare its own financial statements, therefore we will rely on the auditors to prepare them.

OTHER INTERNAL CONTROL MATTERS

No other material weaknesses or significant deficiencies in internal control were identified during the audit.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts.

No instances of noncompliance or other matters were identified that are required to be reported under Generally Accepted Auditing Standards.

SUBSEQUENT EVENTS

We performed procedures to identify subsequent events occurring between June 30, 2025, and the date of our audit report. Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued.

No subsequent events were identified that require adjustment to or disclosure in the financial statements.

GOING CONCERN

During the course of our audit, we did not identify conditions or events that, when considered in the aggregate, raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time, not to exceed twelve months beyond the financial statement date.

FRAUD AND ILLEGAL ACTS

We are required to communicate to you information about fraud and illegal acts involving senior management and fraud and illegal acts that cause a material misstatement of the financial statements. We have no information to report to you regarding fraud or illegal acts.

DISAGREEMENTS WITH MANAGEMENT

We encountered no disagreements with management over the application of accounting principles, the basis for management's judgments about accounting estimates, the scope of the audit, disclosures to be included in the financial statements, or the wording of the auditor's report.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

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

INDEPENDENCE

We are required by professional standards to communicate, at least annually, all relationships between our firm and the City that, in our professional judgment, may reasonably be thought to bear on independence.

As discussed above, our firm assisted in the preparation of the City's financial statements and calculated certain account balances. In accordance with Generally Accepted Accounting Standards and AICPA independence guidance, we applied the required safeguards to this nonattest service, including obtaining management's acknowledgment of its responsibility for the financial statements and ensuring that a qualified member of management reviewed and approved the financial statements and calculations prepared by the firm.

OTHER MATTERS

We would like to take this opportunity to thank city staff - especially Judy Richter, Interim Finance Director and Cindy Oleman, Accounting Supervisor for their work in ensuring we had reliable and complete information to complete the City’s audit.

CLOSING

This communication is intended solely for the information and use of those charged with governance, management, and others within the City of Toledo, and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the opportunity to serve the City of Toledo and look forward to discussing any of the matters described in this letter with you at your convenience. Please do not hesitate to contact us with any questions.

Respectfully submitted,

Teresa Hanford

Teresa Hanford
Hanford & Associates, LLC
West Richland, WA
(509) 290-2200
hanford.teresa@hanfordllc.com
June 25, 2026

Financial Statements

June 30, 2025

City of Toledo

City of Toledo

City Officials

June 30, 2025

Mayor

Rod Cross
206 N. Main St.
Toledo, OR 97391

City Council

Kim Bush
Council President
206 N. Main St.
Toledo, OR 97391

Tracy Mix
206 N. Main St.
Toledo, OR 97391

Jackie Kauffman
206 N. Main St.
Toledo, OR 97391

Frank Silvia
206 N. Main St.
Toledo, OR 97391

Jackie Burns
206 N. Main St.
Toledo, OR 97391

Andrew Keating
206 N. Main St.
Toledo, OR 97391

City Manager Pro-Tem

David Clyne

City Attorney

Souvanny Miller

City of Toledo

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City of Toledo

Independent Auditor's Report

June 30, 2025

INDEPENDENT AUDITOR'S REPORT

City Officials
City of Toledo
Toledo, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining information of the City of Toledo, Oregon (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the City, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budgetary comparison information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The general fund and major special revenue fund budgetary comparison information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the

United States of America. In our opinion, the City's budgetary comparison information as listed in the Table of Contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information as listed in the Table of Contents 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 relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Oregon State Regulations

In accordance with *Oregon State Regulations*, we have also issued our report dated June 25, 2026 on our consideration of the City's compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations. The purpose of that report is to describe the scope of our testing necessary to address the required provisions of ORS, and not to provide an opinion on compliance with such provisions.

Teresa Hanford

Hanford & Associates, LLC
West Richland, Washington
June 25, 2026

City of Toledo

Management's Discussion and Analysis
June 30, 2025

Introduction

As management of the City of Toledo, Lincoln County, Oregon, we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2025. It should be read in conjunction with the City's financial statements, which follow this section.

Financial Highlights

- At June 30, 2025, total net position of the City of Toledo amounted to $27,742,316. Of this amount, $13,576,483 was invested in capital assets, net of related debt. The remaining balance included $8,036,746 restricted for various purposes and $6,129,087 of unrestricted net position.
- At June 30, 2025, the City's governmental funds reported combined ending net position of $10,517,031.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the City's assets and liabilities with the difference between the two 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 changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, and culture and recreation. The business-type activities of the City include water and sewer services.

The government-wide financial statements can be found on pages 18 through 21 of this report.

Fund Financial Statements

The fund financial statements are designed to demonstrate compliance with finance-related legal requirements overseeing the use of fund accounting. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities and objectives. All of the funds of the City of Toledo can be divided into two categories: governmental funds and proprietary funds.

- **Governmental Funds**

  Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near- term inflows and outflows of available resources, as well as on the balances of available resources at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

  Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

  The City maintains 19 individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Street, Revolving Loan Funds, City Council Strategic Reserve, Street Reserve, Water Construction, and Public Safety Remodel funds, all of which are considered to be major governmental funds. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The City of Toledo adopts an annual appropriated budget for all of its funds. A budgetary comparison statement has been provided for each fund individually to demonstrate compliance with their respective budgets.

  The basic governmental fund financial statements can be found on pages 22 through 28 of this report.

  Included in the financial report is information for the Urban Renewal Agency. The Agency operates within a written agreement with the City that clearly defines Agency activities and establishes Agency support of the City. The Agency's audit report is available at the City of Toledo City Hall.

- **Proprietary Funds**

  Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City maintains five enterprise funds.

  Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses the enterprise funds to account for its water and sewer utility operations.

  The basic proprietary fund financial statements can be found on pages 29 through 34 of this report.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the financial data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 35 through 69 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which includes the City's proportionate share of the net pension liability and City contributions, the Changes in Other Post-Employment Benefits (OPEB) Liability and Related Ratios, as well as budgetary comparison information for the General, Street, Revolving Loan, City Council Strategic Reserve, Street Reserve, and Urban Renewal Agency Funds. This required supplementary information can be found on pages 70 through 80 of this report.

The combining statements referred to earlier, in connection with nonmajor governmental and proprietary funds, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 89 through 108 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. At June 30, 2025, the City's assets exceeded liabilities by $27,742,316.

A large portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, and equipment) less any related debt used to acquire those assets that is still outstanding. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City's Net Position

The City's net position increased by $354,159 during the current fiscal year. The City was able to increase net position while completing several capital projects. There were no significant changes in operations. A condensed statement of net position information is shown below.

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Assets						
Current and other assets	$ 13,642,936	$ 9,998,956	$ 4,036,172	$ 3,018,611	$ 17,679,108	$ 13,017,567
Restricted assets	19,870	15,145	1,044,058	2,267,160	1,063,928	2,282,305
Net capital assets	7,798,340	7,529,189	13,169,556	13,371,280	20,967,896	20,900,469
Total assets	21,461,146	17,543,290	18,249,786	18,657,051	39,710,932	36,200,341
Deferred Outflows of Resources	679,908	668,020	172,660	79,587	852,568	747,607
Liabilities						
Current liabilities	1,077,707	524,635	161,888	151,803	1,239,595	676,438
Noncurrent liabilities	9,894,910	8,137,248	867,903	406,591	10,762,813	8,543,839
Total liabilities	10,972,617	8,661,883	1,029,791	558,394	12,002,408	9,220,277
Deferred Inflows of Resources	651,406	303,372	167,370	36,143	818,776	339,515
Net position						
Net investment in capital assets	406,927	2,499,732	13,169,556	13,371,280	13,576,483	15,871,012
Restricted for various purposes	5,724,922	4,137,312	2,311,824	2,267,160	8,036,746	6,404,472
Unrestricted	4,385,182	2,609,012	1,743,905	2,503,661	6,129,087	5,112,673
Total net position	**$ 10,517,031**	**$ 9,246,056**	**$ 17,225,285**	**$ 18,142,101**	**$ 27,742,316**	**$ 27,388,157**

City's Changes in Net Position

The condensed statement of activities information shown as follows explains changes in net position.

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Program revenues						
Charges for services	$ 361,219	$ 702,522	$ 3,026,675	$ 2,819,039	$ 3,387,894	$ 3,521,561
Operating grants and contributions	178,370	245,595	-	780	178,370	246,375
Capital grants and contributions	640,000	-	-	-	640,000	-
Total program revenues	1,179,589	948,117	3,026,675	2,819,819	4,206,264	3,767,936
General revenues						
Property taxes	2,745,179	2,140,523	-	-	2,745,179	2,140,523
Franchise fees	1,793,945	1,667,343	-	-	1,793,945	1,667,343
Motor fuel taxes	294,043	285,592	-	-	294,043	285,592
Alcohol/cigarette taxes	67,192	44,403	-	-	67,192	44,403
Privilege taxes	30,237	284,021	-	-	30,237	284,021
Intergovernmental	209,024	-	-	-	209,024	-
Investment earnings	463,663	403,966	63,316	242,945	526,979	646,911
Miscellaneous	1,010,277	388,332	38,578	96,632	1,048,855	484,964
Total general revenues	6,613,560	5,214,180	101,894	339,577	6,715,454	5,553,757
Total revenues	7,793,149	6,162,297	3,128,569	3,159,396	10,921,718	9,321,693
Program expenses						
General government	2,251,690	2,275,194	-	-	2,251,690	2,275,194
Public safety	2,866,526	2,542,697	-	-	2,866,526	2,542,697
Highways and streets	1,375,894	744,921	-	-	1,375,894	744,921
Culture and recreation	468,762	384,244	-	-	468,762	384,244
Solid waste	6,842	8,272			6,842	8,272
Water	-	-	1,786,216	1,674,232	1,786,216	1,674,232
Sewer	-	-	1,524,041	1,318,737	1,524,041	1,318,737
Total program expenses	6,969,713	5,955,328	3,310,258	2,992,969	10,279,971	8,948,297
Transfers	453,511	499,834	(453,511)	(549,834)	-	(50,000)
Change in net position	**1,276,947**	**706,803**	**(635,200)**	**(383,407)**	**641,747**	**323,396**
Net position - beginning	9,246,053	8,539,250	18,142,102	18,525,510	27,388,155	27,064,760
Prior period adjustment	(5,970)	-	(281,617)	-	(287,587)	-
Net position - end of year	**$ 10,517,030**	**$ 9,246,053**	**$ 17,225,285**	**$ 18,142,103**	**$ 27,742,315**	**$ 27,388,156**

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measurement of the City's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined fund balances of $12,385,259 which includes the Urban Renewal Agency Component Unit. Of this amount, $671,883 constitutes unassigned fund balance, which is available for spending at the City's discretion.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, total fund balance of the General Fund was $671,883.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Total net position of the proprietary funds amounted to $17,225,285 at year-end. Of this amount, $13,169,556 was invested in capital assets, net of related debt. The remaining balance included $2,311,824 restricted for various purposes and $1,743,905 of unrestricted net position.

Budgetary Highlights

Budget amounts shown in the financial statements reflect the original budget amounts and final budget amounts.

Capital Assets and Debt Administration

Capital Assets

The City's capital assets for its governmental activities and business-type activities as of June 30, 2025 amounted to $7,798,340 and $13,169,556, net of accumulated depreciation, respectively. This investment in capital assets includes land, buildings and structures, equipment and vehicles, land improvements, and infrastructure. The total depreciation expense related to the City's investment in capital assets for its governmental activities and business-type activities during the current fiscal year was $593,570 and $734,052, respectively.

Additional information on the City's capital assets can be found in Note 2D on pages 49 through 51 of this report.

Long-Term Liabilities

At the end of the current fiscal year, the City had total debt outstanding for its governmental activities and business-type activities of $7,310,291 and $0, respectively. These amounts are comprised of general obligation bonds, bond premiums and a loan. The City's total debt increased by $2,167,248 during the current fiscal year, due to a bond issuance and payments made in accordance with debt agreements. Additional information on the City's long-term liabilities can be found in Note 2G on pages 53 through 55 of this report.

In the current fiscal year, the City issued Series 2025, General Obligation Bonds at 4.94% interest in the amount of $2,650,000.

Key Economic Factors and Budget Information for the Future

At the time these financial statements were prepared and audited, the City was aware of the following circumstances that could affect its future financial health:

Revenues

- Proprietary fund revenues remained stable in relation to the prior fiscal year.
- Governmental fund revenues increased approximately $1.6 million, mainly due to property tax revenues, Oregon Strategic Investment Program (SIP) revenues in the amount of $723,418, and a $640,000 grant from the State of Oregon for the Olalla Meadows Project.
- Property taxes increased $604,656 from the prior fiscal year.

Expenditures

- This budget reflects anticipated increases in wages and compensation as the result of Collective Bargaining Agreements and other projected cost of living wage increases.
- The budget contains funding for professional engineering and architectural services and construction for various capital projects within the City.
- During the current fiscal year, expenditures increased $1,331,674 due to increases in Public Safety expenses of $323,829, $630,973 in Highways and Streets, and approximately $300,000 in proprietary fund expenditures.

All of these factors were considered in preparing the City's budget for fiscal year 2025-2026.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in the report or requests for additional information should be addressed to the City Manager at the following address: P.O. Box 220, Toledo, Oregon 97391.

City of Toledo

Basic Financial Statements

June 30, 2025

City of Toledo

Government-Wide Financial Statements

June 30, 2025

City of Toledo

Statement of Net Position

June 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSESTS			
Current assets			
Cash and cash equivalents	$ 12,701,085	$ 3,548,903	$ 16,249,988
Receivables, current portion	232,093	257,898	489,991
Property taxes receivable	459,463	-	459,463
Inventory	41,844	229,371	271,215
Total current assets	13,434,485	4,036,172	17,470,657
Restricted assets			
Cash and cash equivalents	19,870	1,044,058	1,063,928
Total restricted assets	19,870	1,044,058	1,063,928
Housing rehabilitation loans receivable	208,451	-	208,451
Assets held for sale	81,122	-	81,122
Capital assets not being depreciated	1,815,791	1,272,239	3,088,030
Capital assets being depreciated, net	5,901,427	11,897,317	17,798,744
Total assets	21,461,146	18,249,786	39,710,932
DEFERRED OUTFLOWS OF RESOURCES	679,908	172,660	852,568
LIABILITIES			
Current liabilities			
Accounts payable	410,328	17,557	427,885
Compensated absences	133,348	51,160	184,508
Accrued interest	55,133	-	55,133
Deposits payable	-	93,171	93,171
Long-term debt, current portion	478,898	-	478,898
Total current liabilities	1,077,707	161,888	1,239,595

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

City of Toledo

Statement of Net Position

June 30, 2025

	Governmental Activities	Business-Type Activities	Total
Noncurrent liabilities			
Net pension liability	2,957,713	837,928	3,795,641
OPEB liability	105,804	29,975	135,779
Long-term debt, less current portion	6,831,393	-	6,831,393
Total noncurrent liabilities	9,894,910	867,903	10,762,813
Total liabilities	10,972,617	1,029,791	12,002,408
DEFERRED INFLOWS OF RESOURCES	651,406	167,370	818,776
NET POSITION			
Net investment in capital assets	406,927	13,169,556	13,576,483
Restricted for various purposes	5,724,922	2,311,824	8,036,746
Unrestricted	4,385,182	1,743,905	6,129,087
Total net position	$ 10,517,031	$ 17,225,285	$ 27,742,316

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

City of Toledo

Statement of Activities

June 30, 2025

		Program Revenues			Net(expense) Revenue and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals
Governmental activities							
General government	$ 2,251,690	$ 140,956	$ 178,370	$ 640,000	$ (1,292,364)	$ -	$ (1,292,364)
Public safety	$ 2,866,526	105,531	-	-	(2,760,995)	-	(2,760,995)
Highways and streets	$ 1,375,894	110,698	-	-	(1,265,196)	-	(1,265,196)
Culture and recreation	$ 468,762	-	-	-	(468,762)	-	(468,762)
Solid waste	6,842	4,034	-	-	(2,808)	-	(2,808)
Total governmental activities	$ 6,969,713	$ 361,219	$ 178,370	$ 640,000	(5,790,124)	-	(5,790,124)
Business-type activities							
Water	1,786,216	1,566,571	-	-	-	(219,645)	(219,645)
Sewer	1,524,041	1,460,104	-	-	-	(63,937)	(63,937)
Total business-type activities	$ 3,310,258	$ 3,026,675	$ -	$ -	-	(283,583)	(283,583)
General Revenues							
Property taxes - general					2,742,609	-	2,742,609
Property taxes - debt service					2,570	-	2,570
Franchise fees					1,793,945	-	1,793,945
Motor fuel taxes					294,043	-	294,043
Alcohol and cigarette taxes					67,192	-	67,192
Privilege taxes					30,237	-	30,237
Intergovernmental					209,024	-	209,024
Investment earnings					463,663	237,039	700,702
Interest expenses					-	(173,723)	(173,723)
Miscellaneous					1,010,277	38,578	1,048,855
Total general revenues					6,613,560	101,894	6,715,454
Transfers					453,511	(453,511)	-
Change in net position					1,276,947	(635,200)	641,747
Net position - beginning					9,246,054	18,142,102	27,388,156
Prior period adjustment					(5,970)	(281,617)	(287,587)
Net position - ending					$ 10,517,031	$ 17,225,285	$ 27,742,316

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

City of Toledo

Fund Financial Statements

June 30, 2025

City of Toledo

Balance Sheet – Governmental Funds

June 30, 2025

	General Fund	Special Revenue: Street Fund	Special Revenue: Revolving Loan Fund	Special Revenue: City Council Strategic Reserve	Special Revenue: Street Reserve Fund
ASSETS					
Cash and cash equivalents	$ 949,137	$ 2,609,618	$ 71,456	$ 1,069,558	$ 2,194,078
Accounts receivable, net of uncollectible accounts	222,507	9,586	-	-	-
Prepaids	-	-	-	-	-
Property taxes receivable	373,902	-	-	-	-
Notes receivable	-	-	208,451	-	-
Total assets	1,545,546	2,619,204	279,907	1,069,558	2,194,078
LIABILITIES					
Accounts payable	331,980	7,210	-	5,227	-
Deposits payable	-	-	-	-	-
Total liabilities	331,980	7,210	-	5,227	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue					
Property taxes	368,128	-	-	-	-
Notes receivable	-	-	208,451	-	-
Court fines	173,555	-	-	-	-
Total deferred inflows of resources	541,683	-	208,451	-	-
FUND BALANCES					
Restricted	-	2,611,994	71,456	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	1,064,331	2,194,078
Unassigned	671,883	-	-	-	-
Total fund balances	671,883	2,611,994	71,456	1,064,331	2,194,078
Total liabilities, deferred inflows of resources and fund balances	$ 1,545,546	$ 2,619,204	$ 279,907	$ 1,069,558	$ 2,194,078

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

City of Toledo

Balance Sheet – Governmental Funds

June 30, 2025

		Capital Projects			
	Urban Renewal Agency	Water Construction Fund	Public Safety Remodel Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 392,364	$ 2,612,189	$ 52,412	$ 2,770,143	$ 12,720,955
Accounts receivable, net of uncollectible accounts	-	-	-	-	232,093
Prepaids	-	-	-	-	-
Property taxes receivable	65,160	-	-	20,401	459,463
Notes receivable		-	-	-	208,451
					-
Total assets	457,524	2,612,189	52,412	2,790,544	13,620,962
LIABILITIES					
Accounts payable	-	18,224	-	47,687	410,328
Deposits payable	-	-	-	-	-
Total liabilities	-	18,224	-	47,687	410,328
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue					
Property taxes	55,151	-	-	47,687	470,966
Notes receivable	-	-	-	-	208,451
Court fines	-	-	-	-	173,555
Total deferred inflows of resources	55,151	-	-	20,090	825,375
FUND BALANCES					
Restricted	402,373	2,593,965	-	45,134	5,724,922
Committed	-	-	-	1,997,333	1,997,333
Assigned	-	-	52,412	680,300	3,991,121
Unassigned	-	-	-	-	671,883
Total fund balances	402,373	2,593,965	52,412	2,722,767	12,385,259
Total liabilities, deferred inflows of resources and fund balances	$ 457,524	$ 2,612,189	$ 52,412	$ 2,790,544	$ 13,620,962

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

City of Toledo

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

June 30, 2025

Total fund balances		$ 12,385,259
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds:		
Non-depreciable capital assets	1,896,913	
Capital assets net of accumulated depreciation	5,901,427	7,798,340
Inventory is not reported at the fund level		41,844
Amounts relating to the City's proportionate share of net pension liability or assets for the Oregon Public Retirement System (PERS) are not reported in governmental fund statements. In the governmental fund statements, pension expense is recognized when due. The amounts consist of:		
Deferred outflows of resources relating to pension and OPEB expense	679,908	
Deferred inflows of resources relating to the return on pension and OPEB assets	173,969	
Net OPEB (liability)	(105,804)	
Net pension asset (liability)	(3,012,846)	(2,264,773)
Long term liabilities are not due or payable in the in the current period and are therefore not reported in the governmental funds. Interest on long-term, debt is not accrued in the governmental funds, but rather, is recognized as an expenditure when due. These liabilities consist of:		
Compensated absences payable	(133,348)	
Bonds payable including premiums/discounts and accrued interest	(7,310,291)	(7,443,639)
Net position of governmental activities		$ 10,517,031

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

City of Toledo

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

June 30, 2025

	General Fund	Special Revenue: Street Fund	Special Revenue: Revolving Loan Fund	Special Revenue: City Council Strategic Reserve	Special Revenue: Street Reserve Fund
REVENUES					
Taxes					
Property	$2,250,968	$ -	$ -	$ -	$ -
Franchise	1,039,564	754,381	-	-	-
Motor fuel	-	291,103	-	-	-
Alcohol	58,704	-	-	-	-
Cigarette and marijuana	8,488	-	-	-	-
Privilege	-	-	-	-	-
Licenses, permits, and fees	27,105	110,698	-	-	-
Grants and contributions	134,776	-	-	640,000	-
Charges for services	95,531	-	-	-	-
Intergovernmental charges	160,961	-	-	-	-
State revenue sharing	48,063	-	-	-	-
Fines	105,531	-	-	-	-
Investment earnings	66,144	123,732	3,246	23,445	71,909
Rents and leases	18,320	-	-	-	-
Miscellaneous	131,361	30,989	-	793,772	-
Total revenues	4,145,516	1,310,903	3,246	1,457,217	71,909
EXPENDITURES					
Current					
General government	1,972,520	-	-	49,874	-
Public safety	2,569,915	-	-	-	-
Highways and streets	-	725,700	-	-	344,090
Culture and recreation	415,496	-	-	-	-
Solid waste	-				
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	119,521	-
Total expenditures	4,957,931	725,700	-	169,395	344,090
Excess (deficiency) of revenues over (under) expenditures	(812,415)	585,203	3,246	1,287,822	(272,181)
OTHER FINANCING SOURCES (USES)					
Bond proceeds	-	-	-	-	-
Transfers in	911,949	-	-	-	575,209
Transfers out	(216,500)	(610,209)	-	(675,000)	-
Total other financing sources (uses)	695,449	(610,209)	-	(675,000)	575,209
Net change in fund balances	(116,966)	(25,006)	3,246	612,822	303,028
Fund balances - beginning	788,849	2,637,000	68,210	451,509	1,891,050
Prior period adjustment	-	-	-	-	-
Fund balances - ending	$ 671,883	$2,611,994	$ 71,456	$1,064,331	$2,194,078

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

City of Toledo

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

June 30, 2025

	Urban Renewal Agency Component	Capital Projects: Water Construction Fund	Capital Projects: Public Safety Remodel Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes					
Property	$ 491,641	$ -	$ -	$ 2,570	$ 2,745,179
Franchise	-	-	-	-	1,793,945
Motor fuel	-	-	-	2,940	294,043
Alcohol	-	-	-	-	58,704
Cigarette and marijuana	-	-	-	-	8,488
Privilege	-	-	-	30,237	30,237
Licenses, permits, and fees	-	-	-	4,034	141,837
Grants and contributions	-	-	-	43,594	818,370
Charges for services	-	-	-	-	95,531
Intergovernmental charges	-	-	-	-	160,961
State revenue sharing	-	-	-	-	48,063
Fines	-	-	-	-	105,531
Investment earnings	12,800	1,064	-	161,323	463,663
Rents and leases	-	-	-	-	18,320
Miscellaneous	2,956	-	-	51,199	1,010,277
Total revenues	507,397	1,064	-	295,897	7,793,149
EXPENDITURES					
Current					
General government	17,342	-	-	20,395	2,060,131
Public safety	-	-	-	25,625	2,595,540
Highways and streets	-	-	-	-	1,069,790
Culture and recreation	-	-	-	-	415,496
Solid waste	-	-	-	6,842	6,842
Debt service		-	-		-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	18,224	745,631	287,295	1,170,671
Total expenditures	17,342	18,224	745,631	340,157	7,318,470
Excess (deficiency) of revenues over (under) expenditures	490,055	(17,160)	(745,631)	(44,260)	474,679
OTHER FINANCING SOURCES (USES)					
Bond proceeds	-	2,611,125	-	-	2,611,125
Transfers in	-	-	610,000	324,731	2,421,889
Transfers out	(335,000)	-	-	(550,487)	(2,387,196)
Total other financing sources (uses)	(335,000)	2,611,125	610,000	(225,756)	2,645,818
Net change in fund balances	155,055	2,593,965	(135,631)	(270,016)	3,120,497
Fund balances - beginning	253,288	-	188,043	2,992,783	9,270,732
Prior period adjustment	(5,970)	-	-	-	(5,970)
Fund balances - ending	$ 402,373	$ 2,593,965	$ 52,412	$ 2,722,767	$ 12,385,259

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

City of Toledo

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

June 30, 2025

Net change in fund balances		$ 3,120,497
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures; however, in the statement of activities, the costs of these assets are allocated over their estimated useful lives and are reported as depreciation expense.		
Capital outlay expenditures - governmental funds	1,089,721	
Capital asset disposals, net of related depreciation	148,297	
Depreciation expense recorded in the current year	(593,570)	644,448
The issuance of long-term debt (e.g. bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(2,650,000)
Some expenses reported in the statement of activities do not require the use of current financial resources and are therefore not reported as expenditures in the governmental funds:		
Change in compensated absences	(8,432)	
Change in inventory	152	(8,280)
Pension expense or credits that do not meet the measurable and available criteria are not recognized as revenue or expense in the current year in governmental funds. In the statement of activities, pension expense or credit is recognized when determined to have been accrued.		
Pension adjustment	106,563	
OPEB adjustment	63,719	170,282
Change in net position		$ 1,276,947

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

City of Toledo

Statement of Net Position – Proprietary Funds

June 30, 2025

	Business -Type Activities				
	Enterprise Funds				
	Water	Sewer	Water Reserve	Nonmajor Enterprise Funds	Total Enterprise Funds
ASSETS					
Current assets					
Cash and cash equivalents	$ 256,267	$ 139,483	$ 1,885,387	$ 1,267,766	$ 3,548,903
Accounts receivable	141,776	116,122	-	-	257,898
Inventory	172,888	56,483	-	-	229,371
Total current assets	570,931	312,088	1,885,387	1,267,766	4,036,172
Restricted assets					
Cash and cash equivalents	-	-	-	1,044,058	1,044,058
Capital assets not being depreciated	705,347	566,892	-	-	1,272,239
Capital assets being depreciated, net	7,543,004	4,354,313	-	-	11,897,317
Total assets	8,819,282	5,233,293	1,885,387	2,311,824	18,249,786
DEFERRED OUTFLOWS OF RESOURCES	80,266	92,394	-	-	172,660
LIABILITIES					
Current liabilities					
Accounts payable	10,526	7,031		-	17,557
Compensated absences	24,616	26,544	-	-	51,160
Deposits payable	93,171	-	-	-	93,171
Total current liabilities	128,313	33,575	-	-	161,888
Noncurrent liabilities					
Net pension liability	389,536	448,392	-	-	837,928
OPEB liability	13,935	16,040	-	-	29,975
Total liabilities	531,784	498,007	-	-	1,029,791

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

City of Toledo

Statement of Net Position – Proprietary Funds

June 30, 2025

	Business -Type Activities				
	Enterprise Funds				
	Water	Sewer	Water Reserve	Nonmajor Enterprise Funds	Total Enterprise Funds
DEFERRED INFLOWS OF RESOURCES	77,807	89,563	-	-	167,370
NET POSITION					
Net investment in capital assets	8,248,351	4,921,205	-	-	13,169,556
Restricted for:			-		
Debt Service	-	-	-	-	-
System Improvement	-	-	-	1,267,766	1,267,766
System Development	-	-	-	1,044,058	1,044,058
Unrestricted	41,606	(183,088)	1,885,387	-	1,743,905
Total net position	$ 8,289,957	$ 4,738,117	$ 1,885,387	$ 2,311,824	$ 17,225,285

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

City of Toledo

Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds

June 30, 2025

	Business -Type Activities				
	Enterprise Funds				
	Water	Sewer	Water Reserve	Nonmajor Enterprise Funds	Total Enterprise Funds
Operating revenues					
Water sales	$ 1,530,777	$ -	$ -	$ -	$ 1,530,777
Sewer charges	-	1,460,104	-	-	1,460,104
Fees and charges	35,794	-	-	-	35,794
Grants and contributions	-	-	-	-	-
Total operating revenues	1,566,571	1,460,104	-	-	3,026,675
Operating expenses					
Cost of sales and services	400,122	382,162	38,482	-	820,766
Administration	615,582	598,045	-	-	1,213,627
Pension adjustment	292,636	208,673	-	-	501,309
Materials and supplies	-	-	16,901	14,866	31,767
OPEB adjustment	2,547	6,189	-	-	8,737
Depreciation	419,946	314,106	-	-	734,052
Total operating expenses	1,730,833	1,509,175	55,383	14,866	3,310,258
Operating income (loss)	(164,262)	(49,071)	(55,383)	(14,866)	(283,583)

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

City of Toledo

Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds

June 30, 2025

	Business -Type Activities				
	Enterprise Funds				
	Water	Sewer	Water Reserve	Nonmajor Enterprise Funds	Total Enterprise Funds
Nonoperating revenues (expenses)					
Investment earnings	32,901	24,798	101,408	77,932	237,039
Miscellaneous	8,496	1,620	-	28,462	38,578
Interest expense	(118,548)	(55,175)	-	-	(173,723)
Total nonoperating revenues (expenses	(77,151)	(28,757)	101,408	106,394	101,894
Income (loss) before contributions and transfers	(241,413)	(77,828)	46,025	91,528	(181,689)
Transfers in	427,683	96,864	100,000	50,000	674,547
Transfers out	(416,700)	(186,811)	(427,683)	(96,864)	(1,128,058)
Total other financing sources (uses)	10,983	(89,947)	(327,683)	(46,864)	(453,511)
Change in net position	(230,430)	(167,775)	(281,658)	44,664	(635,200)
Total net position - beginning	8,539,360	5,168,536	2,167,046	2,267,160	18,142,102
Prior period adjustment	(18,973)	(262,644)		-	(281,617)
Total net position - ending	$ 8,289,957	$ 4,738,117	$ 1,885,388	$ 2,311,824	$17,225,285

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

City of Toledo

Statement of Cash Flows – Proprietary Funds

June 30, 2025

	Business -Type Activities				
	Enterprise Funds				
	Water	Sewer	Water Reserve	Nonmajor Enterprise Funds	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	$ 1,389,001	$ 1,311,136	$ -	$ -	$ 2,700,137
Other receipts	35,794	-	-	-	35,794
Payments to employees	(525,114)	(598,045)	-	-	(1,123,159)
Payments to suppliers	(410,648)	(375,131)	(38,482)	(14,866)	(839,127)
Net cash provided (used) by operating activities	489,033	337,960	(38,482)	(14,866)	773,645
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Miscellaneous Income	(8,496)	1,620	-	-	(6,876)
Net cash provided (used) by noncapital financing activities	(8,496)	1,620	-	-	(6,876)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
System development charges	-	-	-	28,462	28,462
Transfers from other funds - capital purposes	-	-	100,000	50,000	150,000
Transfers to other funds - capital purposes	(117,000)	(66,000)	-	-	(183,000)
Sale of surplus property	-	-	-	-	-
Principal paid on capital debt	(299,700)	(120,811)	-	-	(420,511)
Interest paid on capital debt	(118,548)	(55,175)	-	-	(173,723)
Purchase of capital assets	(58,230)	539	(444,584)	(96,864)	(599,139)
Net Cash provided (used) by capital and related financing activities	(593,478)	(241,447)	(344,584)	(18,402)	(1,197,911)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest income	32,901	24,798	101,408	77,932	237,039
Net cash provided (used) by investing activities	32,901	24,798	101,408	77,932	237,039
Net increase (decrease) in cash and cash equivalents	(80,040)	122,931	(281,658)	44,664	(194,103)

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

City of Toledo

Statement of Cash Flows – Proprietary Funds

June 30, 2025

	Business -Type Activities				
	Enterprise Funds				
	Water	Sewer	Water Reserve	Nonmajor Enterprise Funds	Total Enterprise Funds
Cash and cash equivalents - beginning	336,307	16,552	2,167,045	2,267,160	4,787,064
Cash and cash equivalents - ending	256,267	139,483	1,885,387	2,311,824	4,592,961
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating Income (loss)	(164,262)	(49,071)	(55,383)	(14,866)	(283,583)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation	419,946	314,106	-	-	734,052
Capital contributions	-	-	16,901	-	16,901
(Increase) decrease in:					
Receivables	5,243	13,163	-	-	18,406
Inventories	(6,372)	(596)	-	-	(6,968)
Deferred outflows of resources	(37,594)	(55,479)	-	-	(93,073)
Increase (decrease) in:					
Accounts payable	5,371	(3,907)	-	-	1,464
Compensated absences	(626)	(4,216)	-	-	(4,842)
Customer deposits	13,463	-	-	-	13,463
Net pension/OPEB liability	195,436	51,161	-	-	246,597
Deferred inflows of resources	58,428	72,799	-	-	131,227
Net cash provided (used) by operating activities	$ 489,033	$ 337,960	$ (38,482)	$ (14,866)	$ 773,644

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

City of Toledo

Notes to the Financial Statements

June 30, 2025

Note 1 - Summary of Significant Accounting Policies

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statements of activities) report information on all of the activities of the City. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

B. Reporting Entity

The City of Toledo was incorporated in 1905 and is situated on a bend of the Yaquina River, surrounded by wooded hills. Toledo is just seven miles inland from the Central Oregon Coast and is the only inland coastal community with a deep-water channel. The historic town cascades over the hillsides to the river. The mission of Toledo's city government is to provide efficient, and necessary public services that protect and enhance the quality of life in Toledo, now and in the future, as determined by citizens, law, and available economic resources. The City provides basic services to citizens within the city limits. Control of the City is vested in its mayor and city council, elected to office by voters within the City.

The City Council serves as the governing board of the Toledo Urban Renewal Agency. Therefore, the accounts of the agency are included in the financial statements of the City. Complete financial statements for the Toledo Urban Renewal Agency may be obtained from the City's finance department.

C. Basis of Presentation - Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities incorporate data from governmental funds, while the business-type activities incorporate data from enterprise funds. Separate financial statements are provided for all governmental and proprietary funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds. Separate financial 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 and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund of the City. It accounts for all financial resources except those required to be accounted for in another fund. The primary source of revenue is property taxes.

Special Revenue Fund
Street Fund – The Street Fund accounts for the maintenance, operation, and construction of the City's streets. The primary sources of revenue are state shared highway funds.

Revolving Loan Fund – The Revolving Loan Fund accounts for the repayment and relending of funds originally obtained through federal programs. The primary source of revenue is loan repayments.

City Council Strategic Reserve Fund – The City Council Strategic Reserve Fund accounts for income from the Strategic Investment Program (SIP) agreement to be used for future expenses at the Council's discretion.

Street Reserve Fund – The Street Reserve Fund is used to accumulate funds for future maintenance, operation, and construction of the City's streets. The primary source of revenue is transfers.

Urban Renewal Agency Fund- This fund is a blended component unit of the City that receives property taxes to pay for projects and programs to improve the Urban Renewal Agency.

Capital Projects Funds

Public Safety Building Remodel Fund- The Public Safety Building Remodel Fund is used to account for the costs associated with the Public Safety Building Remodel. The primary source of revenue is transfers by the City Council.

Water Construction Fund – This fund is used to account for costs associated with the Ammons Road Water Tank, which has been financed with the 2025 G.O. Bonds Revenues.

The City reports the following major proprietary funds:

Enterprise Funds

Water Fund – The Water Fund accounts for the resources and expenses related to the supply, treatment, and distribution of water. The primary source of revenue is user fees.

Sewer Fund – The Sewer Fund accounts for the resources and expenses related to the collection and treatment of wastewater. The primary source of revenue is user fees.

Water Reserve Fund – The Water Reserve Fund is used to accumulate funds for future system development costs. The primary source of revenue is transfers.

Additionally, the City reports the following nonmajor funds:

Special Revenue Funds

Forfeiture Revenue Fund – The Forfeiture Revenue Fund accounts for amounts received from government agencies.

Grant Fund – The Grant Fund accounts for financial resources from various grants. The primary use of revenue is expenditures for meeting purposes of the grants.

911 System Fund – The 911 System Fund accounts for the operation of the 911 call center. The primary source of revenue is payments for services rendered.

Stabilization Fund – The Stabilization Fund is used to accumulate funds for future expenditures, including expected increases in PERS contribution rates, insurance costs, and fluctuations in General Fund revenues. The primary source of revenue is transfers.

General Reserve Fund – The General Reserve Fund is used to accumulate funds for future equipment expenditures. The primary source of revenue is transfers.

Solid Waste Fund – The Solid Waste Fund is used to accumulate funds dedicated to landfill closure expenses. The primary source of revenue is user fees.

Library Reserve Fund – The Library Reserve Fund is used to accumulate funds for future library programs, maintenance, and equipment costs. The primary source of revenue are grants, gifts & donations. This fund was closed during the current fiscal year.

Footpaths and Bicycle Trail Fund – The Footpaths and Bicycle Trail Fund accounts for required expenditures of state highway funds dedicated to the development and maintenance of footpaths and bicycle trails. The primary source of revenue is state highway taxes.

Public Works Equipment Reserve Fund – The Public Works Equipment Reserve Fund is used to accumulate funds for future equipment acquisitions. The primary source of revenue is transfers.

Debt Service Fund – The Debt Service Fund accounts for the repayment of the City's long-term debt. The primary source of revenue is property taxes. The primary use of revenue is for the payment of principal and interest due on long-term debt.

Capital Projects Fund

Building and Property Reserve Fund – The Building and Property Reserve Fund is used to accumulate funds for future building and property purchases. The primary source of revenue is transfers committed by the City Council.

Enterprise Funds

System Development Fund – The System Development Fund is used to accumulate funds for future system development costs. The primary sources of revenue are user fees and transfers.

Sewer Reserve Fund – The Sewer Reserve Fund is used to accumulate funds for system development. The primary source of revenue is transfers.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in the fund financial statements, certain eliminations are made in preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activity column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide 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 when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due.

General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

F. Budgetary Information

The City budgets all funds in accordance with the requirements of state law. Annual appropriated budgets are adopted for the general, special revenue, debt service, enterprise, and internal service funds. All funds are budgeted on the modified accrual basis of accounting.

The City begins its budgeting process by appointing budget committee members. The budget officer prepares a budget, which is reviewed by the budget committee. The budget is then published in proposed form and is presented at public hearings to obtain taxpayer comments and approval from the budget committee. The budget is legally adopted by the city council by resolution prior to the beginning of the City's fiscal year. The council resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total personnel services, materials and services, debt service, capital outlay, and contingency are the levels of control for the funds established by the resolution. The detailed budget document, however, is required to contain more specific detailed information for the aforementioned expenditure categories and management may revise the detailed line item budgets within appropriation categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. Supplemental budgets less than 10% of a fund's original budget may be adopted by the city council at a regular council meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication 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. During the year, there were no supplemental budgets. The City does not use encumbrances and appropriations lapse at year-end.

Budget amounts shown in the financial statements reflect the original budget amounts and final budget amounts.

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

1. Cash and Cash Equivalents

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

2. Restricted Assets

Assets whose use is restricted for debt service, facilities improvement and construction, grant projects, or by other agreement are segregated on the Statement of Net Position.

3. Investments

State statutes authorize the City to invest in legally issued general obligations of the United States, the agencies and instrumentalities of the United States and the states of Oregon, Washington, Idaho, or California, certain interest-bearing bonds, time deposit open accounts, certificates of deposit, and savings accounts in banks, mutual savings banks, and savings and loan associations that maintain a head office or a branch in this state in the capacity of a bank, mutual savings bank, or savings and loan association, and share accounts and savings accounts in credit unions in the name of, or for the benefit of, a member of the credit union pursuant to a plan of deferred compensation.

4. Accounts Receivable

Receivables are recorded as revenue when earned. No allowance for uncollectible accounts has been established, as management deems all receivables collectible.

5. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Short-term interfund loans are reported as “interfund receivables and payables.” Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds are eliminated in the statement of net position.

6. Inventory

Inventory of supplies is valued at cost using the first-in, first-out method. Inventory consists of materials for use in the public works, water, and sewer departments.

7. Capital assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost where no historical records exist. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance or repairs that do not add to the value of an asset or materially extend its life are charged to expenditures as incurred and are not capitalized. Major capital outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Equipment and vehicles	5-25
Buildings, structures, and infrastructure	5-40

8. Deferred Outflows/Inflows of Resources (Non-Pension Related)

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, 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 that time.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement elements, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet.

The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

9. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

10. Fund Balance Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned, fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

11. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision- making authority. The City Council is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The City Council (council) has by resolution authorized the City Manager to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The City reports fund equity in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints:

- Non-spendable fund balance – amounts that are in non-spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e. city council). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove or change the constraint.
- Assigned fund balance – amounts that City intends to use for a specific purpose. Intent can be expressed by city council or by an official or body to which the city council delegates authority.
- Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

The City has not formally adopted a minimum fund balance policy.

H. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes and other intentionally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic remittances of collection to entities levying taxes. Property taxes are levied and become a lien as of July 1 on property values assessed as of June 30. Property taxes are payable in three installments, which are due on November 15, February 15, and May 15.

3. Compensated Absences

Vacation

The City's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

The liability for compensated absences includes salary-related benefits, where applicable.

Sick leave

Accumulated sick leave lapses when employees leave the employ of the City and, upon separation from service, no monetary obligation exists.

4. **Pensions**

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

5. Proprietary Fund Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenue of the proprietary funds are charges for services provided. Operating expenses for the proprietary funds include the cost of services and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

I. Use of 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 certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

Note 2 - Detailed Notes on all Funds and Account Groups

A. Deposits and Investments

The City of Toledo maintains a cash and cash equivalents pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the fund financial statements as cash and cash equivalents. Additionally, several funds held separate cash accounts. Interest earned on pooled cash and investments is allocated to participating funds.

Investments, including amounts held in pooled cash and investments, are stated at fair value. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application, investments with a remaining maturity of more than one year at the time of purchase are stated at fair value.

The City participates in an external investment pool (State of Oregon Local Government Investment Pool). The Pool is not registered with the U.S. Securities and Exchange Commission as an investment company. The State's investment policies are governed by the Oregon Revised Statutes (ORS) and the Oregon Investment Council (OIC).

The State Treasurer is the investment officer for the OIC and is responsible for all funds in the State Treasury.

These funds are invested exercising reasonable care, skill, and caution. Investments in the Pool are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board, which established diversification percentages and specifies the types and maturities of investments. The portion of the external investment pool which belongs to local government investment participants is reported in an Investment Trust Fund in the State's Annual Comprehensive Financial Report (ACFR). A copy of the State's ACFR may be obtained at the Oregon State Treasury, 350 Winter St. N.E., Salem, Oregon 97310-0840.

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or price paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

- Level 1 – Unadjusted quoted prices for identical investments in active markets.
- Level 2 – Observable inputs other than quotes market prices; and,
- Level 3 – Unobservable inputs.

There were no transfers of assets or liabilities among the three levels of the fair value hierarchy for the year ended June 30, 2025.

Fair values of assets measured on a recurring basis at June 30, 2025 are as follows:

	Level 2
Investments	
Oregon Local Government Investment Pool	$ 16,868,906

Credit Risk

Oregon statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the Local Government Investment Pool. The City has not adopted a formal policy regarding credit risk; however, investments comply with state statutes.

Investments

As of June 30, 2025, the City had the following investments:

	Quality Rating	Maturities	Fair Value
Oregon Local Government Investment Pool	Unrated	-	$ 16,868,906

Interest Rate Risk

The City does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increases in interest rates.

Concentration of Credit Risk

The City does not have a formal policy that places a limit on the amount that may be invested in any one insurer.

Custodial Credit Risk – Investments

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 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.

Custodial Credit Risk – Deposits

This is the risk that, in the event of a bank failure, the City's deposits may not be returned. All City deposits not covered by Federal Depository Insurance Corporation (FDIC) insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon, organized in accordance with ORS 295. The PFCP is a shared liability structure for participating bank depositories. Barring any exceptions, a bank depository is required to pledge collateral valued at a minimum of 10% of their quarter-end public fund deposits if they are considered well capitalized, 25% of their quarter- end public fund deposits if they are considered adequately capitalized, or 110% of their quarter-end public fund deposits if they are considered undercapitalized or assigned to pledge 110% by the Office of the State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

The City holds accounts at Bank of the West, for which deposits are insured by the FDIC up to $250,000. At June 30, 2025, the City had deposits of $250,000 insured by the FDIC, and $0 collateralized under the PFCP.

Deposits

The City's deposits and investments at June 30, 2025 are as follows:

Cash on hand	$	300
Checking account		444,710
Total investments		16,868,906
Total deposits and investments	$	17,313,916

Cash and investments by fund:		
Governmental activities - unrestricted		
General Fund	$	949,137
Street Fund		2,609,618
Revolving Loan Fund		71,456
City Council Strategic Reserve Fund		1,069,558
Street Reserve Fund		2,194,078
Urban Renewal Agency		392,364
Water Construction Fund		2,612,189
Public Safety Remodel Fund		52,412
Nonmajor governmental funds		2,770,143
Total governmental activities - unrestricte		12,720,955
Business-type activities - unrestricted		
Water Fund		256,267
Sewer Fund		139,483
Water Reserve Fund		1,885,387
Nonmajor enterprise funds		1,267,766
Total business-type activities - unrestricte		3,548,903
Total unrestricted cash and investments		16,269,858
Business-type activities - restricted		
Nonmajor enterprise funds		1,044,058
Total restricted cash and investments		1,044,058
Total cash and investments	$	17,313,916

B. Restricted Assets

Restricted assets are for bond projects, public works, debt service, the revolving loan program, and system development.

Accounts Receivable

Receivables as of June 30, 2025 are as follows:

	Governmental Activities	Business-Type Activities	Total
Receivables			
Property taxes	$ 2,745,179	$ -	$ 2,745,179
Court fines, net of uncollectible accounts	222,507	-	222,507
Noncurrent housing rehabilitation loans	208,451	-	208,451
Utilities	-	257,898	257,898
Other	9,586	-	9,586
Total receivables	$ 3,185,723	$ 257,898	$ 3,443,621

C. Deferred Inflows/Deferred Outflows

Deferred inflows and outflows of resources summarized on the statement of net position are comprised of the following:

Deferred inflows and outflows of resources summarized on the statement of net position are comprised of the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net pension liability - PERS	$ 758,151	$ 782,113
OPEB liability	94,417	36,663
	$ 852,568	$ 818,776

D. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	$ 726,070	$ -	$ -	$ 726,070
Assets held for sale	81,122	-	-	81,122
Work in process	-	1,089,721	-	1,089,721
Total capital assets not being depreciated	807,192	1,089,721	-	1,896,913
Capital assets being depreciated				
Buildings and structures	4,282,855	-	(75,469)	4,207,386
Equipment and vehicles	4,344,851	138,842	(619,728)	3,863,965
Land improvements	2,055,763	-	(88,929)	1,966,834
Infrastructure	6,323,369	-	(65,952)	6,257,417
Total capital assets being depreciated	17,006,838	138,842	(850,078)	16,295,602
Less accumulated depreciation for				
Buildings and structures	(2,289,508)	(109,325)	49,521	(2,349,312)
Equipment and vehicles	(3,014,843)	(176,660)	602,598	(2,588,905)
Land improvements	(1,515,982)	(48,305)	65,475	(1,498,812)
Infrastructure	(3,754,082)	(259,279)	56,215	(3,957,146)
Total accumulated depreciation	(10,574,415)	(593,569)	773,809	(10,394,175)
Total capital assets being depreciated, net	6,432,423	(454,727)	(76,269)	5,901,427
Governmental activities capital assets, net	$ 7,239,615	$ 634,994	$ (76,269)	$ 7,798,340

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	$ 823,714	$ -	$ -	$ 823,714
Work in process	9,392	448,525	(9,392)	448,525
Total capital assets not being depreciated	833,106	448,525	(9,392)	1,272,239
Capital assets being depreciated				
Buildings and structures	3,073,278	-	(71,646)	3,001,632
Equipment and vehicles	1,142,989	-	(279,773)	863,216
Land improvements	1,061,928	-	(14,304)	1,047,624
Infrastructure	23,242,280	183,006	(155,276)	23,270,010
Total capital assets being depreciated	28,520,475	183,006	(520,999)	28,182,482
Less accumulated depreciation for				
Buildings and structures	(2,846,156)	(12,585)	52,731	(2,806,010)
Equipment and vehicles	(777,206)	(41,765)	253,851	(565,120)
Land improvements	(117,993)	(25,916)	10,960	(132,949)
Infrastructure	(12,240,945)	(653,783)	113,647	(12,781,081)
Total accumulated depreciation	(15,982,300)	(734,049)	431,189	(16,285,160)
Total capital assets being depreciated, net	12,538,175	(551,043)	(89,810)	11,897,322
Business-type activities capital assets, net	$ 13,371,281	$ (102,518)	$ (99,202)	$ 13,169,561

Capital assets are reported on the statement of net position as follows:

	Capital Assets	Accumulated Depreciation	Net Capital Assets
Governmental activities			
Land	$ 726,071	$ -	$ 726,071
Assets held for sale	81,122	-	81,122
Work in process	1,089,721	-	1,089,721
Buildings and structures	4,207,386	(2,349,312)	1,858,074
Equipment and vehicles	3,863,965	(2,588,905)	1,275,060
Land improvements	1,966,834	(1,498,812)	468,022
Infrastructure	6,257,417	(3,957,146)	2,300,271
Total governmental activities capital assets	18,192,516	(10,394,175)	7,798,341
Business-type activities			
Land	823,714	-	823,714
Work in process	448,525	-	448,525
Buildings and structures	3,001,632	(2,806,010)	195,622
Equipment and vehicles	863,216	(565,120)	298,096
Land improvements	1,047,624	(132,949)	914,675
Infrastructure	23,270,010	(12,781,084)	10,488,926
Total business-type activities capital assets	29,454,721	(16,285,163)	13,169,558
Total capital assets	$ 47,647,237	$ (26,679,338)	$ 20,967,899

Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities	
General government	$ 129,078
Public safety	188,014
Highways and streets	233,579
Culture and recreation	42,899
Total governmental activities	593,570
Business-type activities	
Water	419,946
Sewer	314,106
Total business-type activities	$ 734,052

E. Interfund Transactions

Operating transfers are reflected as other financing sources (uses) in the governmental and proprietary funds. Interfund transfers during the year consisted of:

	Transfers in:							
	General Fund	Street Reserve Fund	Public Safety Building Fund	Nonmajor Governmental Funds	Water Reserve Fund	Sewer Reserve Fund	Nonmajor Enterprise Funds	Total
Transfers out:								
Governmental activities								
General Fund	$ -	$ -	$ -	$ 216,500	$ -	$ -	$ -	$ 216,500
Street Fund	-	575,209	-	35,000	-	-	-	610,209
City Council Strategic Reserve Fund	365,000	-	310,000	-	-	-	-	675,000
Urban Renewal Agency	35,000	-	300,000	-	-	-	-	335,000
Nonmajor Governmental Funds	511,949	-	-	38,537	-	-	-	550,486
Total governmental activities	911,949	575,209	610,000	290,037	-	-	-	2,387,195
Business-type activities								
Water Fund	-	-	-	17,000	100,000	-	-	117,000
Sewer Fund	-	-	-	16,000	-	50,000	-	66,000
Total business-type activities	-	-	-	33,000	100,000	50,000	-	183,000
Total	$ 911,949	$ 575,209	$ 610,000	$ 323,037	$ 100,000	$ 50,000	$ -	$ 2,570,195

The primary purposes of the interfund transfers were to move funds into reserve funds for future expenses and to account for the utility funds' contributions towards debt payments made by the Debt Service Fund.

F. Compensated Absences

The following is a summary of compensated absences transactions for the year:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities				
Compensated absences	$ 141,780	$ -	$ 8,432	$ 133,348
Business-type activities				
Compensated absences	$ 56,002	$ -	$ 4,842	$ 51,160

G. Long-Term Liabilities

1. Changes in Long-Term Liabilities

The following is a summary of long-term liabilities transactions for the year:

	Interest Rate	Original Amount	Beginning Balance	Additions	Reduction	Ending Balance	Due Within One Year
Governmental activities							
General Obligation Bonds, Series 2025	4.94%	$ 2,650,000	$ -	$ 2,650,000	$ -	$2,650,000	$ 45,000
General Obligation Refunding Bonds, Series 2016	3.00-4.00%	$ 6,620,000	4,005,000	-	(405,000)	3,600,000	420,000
Premium - Refunding Bonds, Series 2016		984,286	578,063	-	(64,229)	513,834	-
Business Oregon Loan Repayment	2.77%	586,386	559,980	-	(13,523)	546,457	13,898
Total governmental activities		$10,840,672	$5,143,043	$ 2,650,000	$ (482,752)	$7,310,291	$ 478,898

2. Interest Expense

Interest expense was charged to function/programs of the City as follows:

Governmental activities	
Interest on long-term debt	$ 175,711

3. Governmental Activity – Full Faith and Credit Refunding Bonds and General Obligation Refunding Bonds Series 2016

Full faith and credit bonds and general obligation bonds are direct obligations that pledge the full faith and credit of the City and are payable from ad valorem debt service levy proceeds. As noted above, the City's outstanding full faith and credit bonds and general obligation bonds represent funding primarily for the defeasance of various serial bonds. Interest is fixed and ranges between 2% and 4%. Interest rates increase in accordance with original bond documents. Interest is due semiannually on April 1 and October 1 for the full faith and credit bonds and June 1 and December 1 for the general obligation bonds. Principal is due annually on April 1 and June 1 for the full faith and credit and general obligation bonds, respectively. The Debt Service Fund has traditionally been used to liquidate long-term debt related to the full faith and credit and general obligation bonds.

On October 20, 2016, the city issued full faith and credit bonds and general obligation bonds of $6,620,000 (par value) and $1,170,000, respectively, with interest rates of 2% to 4% to advance refund the City's general obligation bonds series 2005 and its sewer revenue installment bonds #1 and #2 and LOCAP series 2012A bonds. The Debt Service Fund has traditionally been used to liquidate long-term debt related to the full faith and credit and general obligation bonds.

As a result of the refunding, the City reduced its total debt service requirements by $178,582, which resulted in an economic gain (difference between present value of the debt services payments on the old and new debt) of $155,507.

As of June 30, 2025 the remaining balance outstanding was $4,113,834, which includes the premium.

4. Governmental Activity – Full Faith and Credit General Obligation Bonds Series 2025

On June 11, 2025, the City issued General Obligation Bonds in the amount of $2,650,000 at 4.94% interest. Payments are due semi-annually for 12 years ending 6/1/2045. The bonds pledge the full faith and credit of the City.

As of June 30, 2025, the remaining balance of the bonds was $2,650,000.

5. Wastewater System Improvements

In April 2019, the City Council approved a financing contract with Business Oregon for the Sewer Force Mainline Replacement and Collection System Improvements in the amount of $650,000. Of this amount, $325,000 is a grant and $325,000 is a loan at 2.77% interest for 30 years. As of June 30, 2025, the remaining balance outstanding was $546,457.

6. Future Maturities of Long-Term Debt

Year	2016 Bonds		
Ending	Principal	Interest	Total
2026	$ 420,000	$ 144,000	$ 564,000
2027	440,000	127,200	567,200
2028	455,000	109,600	564,600
2029	470,000	91,400	561,400
2030	495,000	72,600	567,600
2031-2033	1,320,000	96,200	1,416,200
	$ 3,600,000	$ 641,000	$ 4,241,000

Year	Business Oregon Loan		
Ending	Principal	Interest	Total
2026	$ 13,898	$ 15,137	$ 29,035
2027	14,283	14,752	29,035
2028	14,678	14,356	29,034
2029	15,085	13,950	29,035
2030	15,503	13,532	29,035
2031-2035	84,197	60,975	145,172
2035-2040	96,523	48,649	145,172
2041-2045	110,652	34,520	145,172
2046-2050	126,851	18,321	145,172
2051-2052	54,788	2,273	57,061
	$ 546,458	$ 236,465	$ 782,923

Year	2025 Bonds		
Ending	Principal	Interest	Total
2026	$ 45,000	$ 127,274	$ 172,274
2027	48,000	128,687	176,687
2028	54,000	126,316	180,316
2029	62,000	123,648	185,648
2030	69,000	120,585	189,585
2031-2035	480,000	543,153	1,023,153
2035-2040	759,000	398,609	1,157,609
2041-2045	1,133,000	176,407	1,309,407
	$ 2,650,000	$ 1,744,679	$ 4,394,679

Year	Total		
Ending	Principal	Interest	Total
2026	$ 478,898	$ 286,411	$ 765,309
2027	502,283	270,639	772,922
2028	523,678	250,272	773,950
2029	547,085	228,998	776,083
2030	579,503	206,717	786,220
2031-2035	1,884,197	700,328	2,584,525
2035-2040	855,523	1,088,258	1,943,781
2041-2045	1,243,652	210,927	1,454,579
2046-2050	126,851	1,763,000	1,889,851
2051-2052	54,788	2,273	57,061
	$ 6,796,458	$ 5,007,823	$ 11,804,281

7. Constraints on Fund Balances

Constraints on fund balances reported on the balance sheet as follows:

	General Fund	Street Fund	Revolving Loan Fund	City Council Strategic Reserve Fund	Street Reserve Fund	Urban Renewal Agency Component Unit	Water Construction Fund	Public Safety Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
Fund balances:										
Restricted for:										
Bond projects	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,593,965	$ -	$ -	$ 2,593,965
Debt service	-	-	-	-	-	-	-	-	-	-
Street maintenance & improvements	-	2,611,994	-	-	-	-	-	-	-	2,611,994
Disaster preparedness	-	-	-	-	-	-	-	-	-	-
Grant projects	-	-	-	-	-	-	-	-	-	-
Housing rehabilitation loans	-	-	71,456	-	-	-	-	-	-	71,456
Footpaths & bicycle trails	-	-	-	-	-	-	-	-	45,134	45,134
Urban renewal plan	-	-	-	-	-	402,373	-	-	-	402,373
Committed for:										
General reserve	-	-	-	-	-	-	-	-	733,655	733,655
Building & property reserve	-	-	-	-	-	-	-	-	442,333	442,333
Revenue stabilization	-	-	-	-	-	-	-	-	540,388	540,388
Grant projects	-	-	-	-	-	-	-	-	280,957	280,957
Assigned to:										
Operating projects	-	-	-	-	-	-	-	-	24,550	24,550
City Council directed projects	-	-	-	1,064,331	-	-	-	52,412	-	1,116,743
Landfill closure costs	-	-	-	-	-	-	-	-	208,225	208,225
911 system costs	-	-	-	-	-	-	-	-	4,515	4,515
Library costs	-	-	-	-	-	-	-	-	-	-
Street improvements	-	-	-	-	2,194,078	-	-	-	-	2,194,078
Public works	-	-	-	-	-	-	-	-	443,010	443,010
Unassigned	671,883	-	-	-	-	-	-	-	-	671,883
Total fund balances	$ 671,883	$ 2,611,994	$ 71,456	$ 1,064,331	$ 2,194,078	$ 402,373	$ 2,593,965	$ 52,412	$ 2,722,767	$ 12,385,259

Note 3 – Other Information

A. 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 carries commercial insurance. There was no significant reduction in insurance coverage from the previous year. There were no insurance settlements exceeding insurance coverage in any of the past three years.

B. Retirement Plans

Oregon Public Employees Retirement System Plan

Plan Description

Employees are provided pensions as participants under one or more plans currently available through Oregon Public Employees Retirement System (OPERS), a cost-sharing multiple-employer defined benefit plan administered in accordance with Oregon Revised Statutes (ORS) Chapter 238, Chapter 238A, and Internal Revenue Code Section 401(a). Oregon Legislature has delegated authority to the Public Employees Retirement Board (Board) to administer and manage the System.

There are currently two programs within OPERS, with eligibility determined by the date of employment. Those employed prior to August 29, 2003 are OPERS Program members, and benefits are provided based on whether a member qualifies for Tier One or Tier Two described below. Those employed on or after August 29, 2003 are Oregon Public Service Retirement Plan (OPSRP) Program members. OPSRP is a hybrid retirement plan with two components: 1) the Pension Program (defined benefit; established and maintained as a tax-qualified governmental defined benefit plan), and 2) the Individual Account Program (IAP) (defined contribution; established and maintained as a tax-qualified governmental defined contribution plan).

The 1995 Legislature enacted Chapter 654, Section 3, Oregon Laws 1995, which was codified into ORS 238.435. This legislature created a second tier of benefits for those who established membership on or after January 1, 1996. The second tier does not have the Tier One assumed earnings rate guarantee and has a higher normal retirement age of 60, compared to age 58 for Tier One.

The 2003 Legislature enacted House Bill 2021, codified as ORS 238A, which created the Oregon Public Service Retirement Plan (OPSRP). OPSRP consists of the Pension Program and the Individual Account Program. Membership includes public employees hired on or after August 29, 2003. OPSRP is part of PERS and is administered by the Board. The PERS Board is directed to adopt any rules necessary to administer OPSRP, and such rules are to be considered part of the plan for IRS purposes.

Beginning January 1, 2004, OPERS active Tier One and Tier Two members became members of the Individual Account Program (IAP) or OPSRP. OPERS members retain their existing Regular or Variable (if applicable) accounts, but member contributions are now deposited into the member's IAP account. Accounts are credited with earnings and losses net of administrative expenses.

Tier One/Tier Two (Chapter 238)

Pension Benefits - The OPERS retirement allowance is payable monthly for life. Members may select from 13 retirement benefit options that are actuarially equivalent to the base benefit. These options include survivorship benefits and lump-sum refunds. The basic benefit is most commonly based on years of service and final average salary. A percentage (2.0 percent for Police and Fire employees, 1.67 percent for General Service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under 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 they are 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 was equal to $232,976 as of January 1, 2024, and it is indexed with inflation every year.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if they have contributions in each of five calendar years or have reached at least 50 years of age before ceasing employment with a participating employer (age 45 for Police and Fire members). General Service employees may retire after reaching age 55. Police and Fire members are eligible after reaching age 50. Tier One General Service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and Fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The plans are closed to new members hired on or after August 29, 2003.

Death Benefits - Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary receives 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 an OPERS employer at the time of death,
- Member died within 120 days after termination of OPERS-covered employment,
- Member died as a result of injury sustained while employed in an OPERS-covered job, or
- Member was on an official leave of absence from an OPERS-covered job at the time of death.

In 2019, the Legislature introduced an Optional Spouse Death Benefit (OSDB) which may provide higher survivor benefit than the standard per-retirement death benefit described above. To be eligible for the OSDB, the member must have died before retiring, named their spouse or other person who is constitutionally required to be treated in the same manner as the spouse as their pre-retirement beneficiary, and met the following conditions:

- Member’s date of death must be on or after January 1, 2020.
- Member’s account must be eligible for the employer-matching death benefit (as described above).
- Member must have a surviving spouse.
- Surviving spouse must be member’s sole beneficiary as determined by a valid Tier One/Tier Two Pre-retirement Beneficiary Designation form on file with PERS.

As of January 1, 2024, the Legislature modified the rules such that, in order to be eligible for the Optional Spouse Death Benefit, a surviving spouse must make a written election no later than 60 days after the date of the estimate that OPERS provides to a member's spouse. For members who die before their earliest retirement date, the OSDB is the actuarial equivalent of 50% of the service retirement that would have been paid to the member, calculated as if the member became inactive on their date of death and retired at their earliest retirement date. For members who die after their earliest retirement date but before normal retirement age, the OSDB is the actuarial equivalent of the service retirement that would have been paid to the member calculated as if they retired on the first day of the month following their death. For members who die after their normal retirement age, the OSDB is the actuarial equivalent of the benefit that would have been paid to the member, calculated as if the member retired on the first day of the month following their date of death.

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

Benefit Changes After Retirement – Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA), starting with the monthly benefits received or entitled to be received on August 1. The COLA is capped at 2.0 percent.

OPSRP Pension Program (Chapter 238A)

Pension Benefits – This portion of OPSRP provides a life pension funded by employer contributions and earnings. Benefits are calculated with the following formula for members who attain normal retirement age.

> *Police and Fire* – 1.8 percent multiplied by the number of years of service and the final average salary. Normal retirement age for a Police and Fire members is age 60 or age 53 with 25 years of retirement credit. To retire under the Police and Fire classification, the individual's last 60 months of retirement credit preceding retirement eligibility must be classified as retirement credit for service as a police officer or a firefighter. Under House Bill (HB) 2283, passed during the 2023 legislative session and effective January 1, 2024, if a member has established retirement eligibility under the Police and Fire classification as indicated above, they retain that eligibility even if they perform service thereafter as other than Policy and Fire. Under HB 4045, passed during the 2024 legislative session and effective January 1, 2025, normal retirement age for Police and Fire members will be lowered to age 55 or age 53 with 25 years of retirement credit.

> *General Service* – 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for General Service members is age 65, or age 58 with 30 years of retirement credit.

Under Senate Bill 1049, passed during 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2020. The limit was equal to $232,976 as of January 1, 2024, and is indexed with inflation every year.

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

Death Benefits - Upon the death of a nonretired 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. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached the age of their federally required minimum distribution.

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. Disability benefits continue until the member is no longer disabled or otherwise no longer qualifies for benefits, reaches normal retirement age, or dies.

Benefit Changes After Retirement – Under ORS 238A.210, monthly benefits are adjusted annually through cost-of-living adjustments (COLA), starting with the monthly benefits received or entitles to be received on August 1. The COLA is capped at 2.0 percent.

Contributions

OPERS' funding policy provides for periodic member and employer contributions at rates established by the OPERS Board, subject to limits set in statute. The rates established for member and employer contributions were approved based on the recommendation of the OPERS third-party actuary.

Member Contributions - Beginning January 1, 2004, all member contributions, except for contributions by judge members, were placed in the IAP. 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 for City employees and are remitted by participating employers. The contributions are either deducted from member salaries or paid by the employers on the members' behalf.

Employer Contributions - OPERS 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 OPERS Defined Benefit Plan and OPEB plans.

Employer contributions during the period July 1, 2024 through June 30, 2025, were $794,571 and are based on the December 31, 2022 actuarial valuation, which became effective July 1, 2023. For the period July 1, 2024 through June 30, 2025, net employer contribution rates were 25.85 percent for Tier 1/Tier 2 employees and 21.87 percent for OPSRP General Employees and 26.66 percent for OPSRP Police and Fire Employees.

Pension Plan Annual Comprehensive Financial Report (ACFR)

OPERS prepares their financial statements in accordance with generally accepted accounting principles in the United States of America as set forth in Governmental Accounting Standards Board (GASB) pronouncements that apply to governmental accounting for fiduciary funds and enterprise funds. The accrual basis of accounting is used for all funds. Contributions are recognized when due, pursuant to legal (or statutory) requirements. Benefits and withdrawals are recognized when they are currently due and payable in accordance with the terms of the plan. Investments are recognized at fair value, the amount that could be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

OPERS produces an independently audited ACFR which includes the OPEB plans and can be found at:

https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf

Actuarial Valuation

The employer contribution rates effective July 1, 2024, through June 30, 2025, were set using the entry age normal actuarial cost method. Under this cost method, each active member's entry age present value of projected benefits is allocated over the member's service from their date of entry until their assumed date of exit, taking into consideration expected future compensation increases.

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

Valuation Date	December 31, 2023
Measurement Date	June 30, 2025
Experience Study Report	2022, published July 24, 2023
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Long-Term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and grade COLA
Mortality	**Health 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 **Active Members:** Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in **Disabled retirees:** Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with

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.

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 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.

Assumed Asset Allocation

	Assumed Asset Allocation		
Asset Class/Strategy	Low Range	High Range	Target
Debt Securities	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	7.5%	17.5%	12.5%
Private Equity	27.5%	27.5%	20.0%
Real Assets	10.0%	10.0%	7.5%
Diversifying Strategies	10.0%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

Long-term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the OPERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. 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.

The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at the time based on the OIC long-term target asset allocation. The OIC's description of each asset was used to map the target allocation to the asset classes shown below:

Asset Class	Target Allocation	Compounded Annual Return (Geometric)
Global Equity	27.50%	6.63%
Private Equity	25.50%	8.38%
Core Fixed Income	25.00%	4.61%
Real Estate	12.25%	6.69%
Master Limited Partnerships	0.75%	5.62%
Infrastructure	1.50%	6.75%
Hedge Fund of Funds - Multistrategy	1.25%	5.90%
Hedge Fund Equity - Hedge	0.63%	6.01%
Hedge Fund - Macro	5.62%	5.52%
Total	100.00%	
Assumed Inflation - Mean		2.31%

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

At June 30, 2025, the City reported a liability of $3,795,641 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. 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 employers, actuarially determined. At June 30, 2025, (measurement date), the City's proportion was approximately 0.01699663 percent.

For the year ended June 30, 2025, the City recognized an increase in pension expense of $607,872. The $607,872 was treated as an increase of payroll related expense in the statement of activities and allocated to Governmental Activities, Sewer Fund and Water Fund using allocation percentages of approximately 78 percent, 10 percent and 12 percent, respectively.

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 242,115	$ 5,410
Changes of assumptions	220,584	-
Net difference between projected and actual earnings on investments	319,774	-
Changes in proportion	326,842	539,213
Differences between employer contributions and proportionate share of contributions	51,432	237,490
Total (prior to post-MD contributions)	1,160,747	782,113
Contributions subsequent to the MD	(402,595)	-
Total	$ 758,152	$ 782,113

$758,152 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources (prior to post-measurement date contributions) related to pensions will be recognized in pension expense or (expense reduction) as follows:

Year ended June 30:		
2026	$	343,779
2027		139,478
2028		16,114
2029		(87,829)
2030		(32,908)
Total	$	378,634

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

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.90 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 one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
City of Toledo's proportionate share of the net pension liability (asset)	$ 6,053,488	$ 3,795,641	$ 1,905,077

Changes in Assumptions and Methods

A summary of key changes implemented since the December 31, 2022 valuation are noted below. Additional detail and list of changes can be found in the December 31, 2023 Actuarial Valuation, which can be found at:

https://www.oregon.gov/pers/Documents/Financials/Actuarial/2024/12312023-Actuarial-Valuation.pdf

Assumption Changes

The retirement assumptions for OPSRP Police & Fire members were revised to estimate possible changes in retirement patterns that could arise from the plan changes included in House Bills 4045.

Actuarial Method Changes

There were no changes to actuarial methods since the December 31, 2022 actuarial valuation.

Plan Changes
Bill 4045 from the 2024 legislative session lowered the normal retirement age for OPSRP Police & Fire from age 60 to 55, effective January 1, 2025. Members still qualify for earlier unreduced retirement if age 53 with 25 or more years of service. This plan change is reflected in the December 31, 2023 actuarial valuation.
House Bill 4045 also made the following changes which are not reflected in the December 31, 2023 actuarial valuation:

- Effective January 1, 2025, forensic scientists and elected District Attorneys are now included in the "Police & Fire" definition of membership.
- Effective January 1, 2030, a new hazardous position member classification was created for OPSRP members with benefit levels and retirement eligibilities that fall in between existing classifications for General Service and Police & Fire members. The hazardous position membership classification is statutorily limited to emergency telecommunicators employees at Oregon State Hospital with direct patient contract.

Defined Contribution Plan – Individual Account Program (IAP)

Benefit Terms – The IAP is an individual account-based program under the PERS tax-qualified governmental plan as defined under ORS 238A.400. An IAP member becomes vested on the date the employee account is established. Employers have the option to make employer contributions for a member under ORS 238A.340. Contributions for these accounts are deposited into a separate employer-funded account. The member becomes vested in this optional employer-funded account on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. The accounts fall under Internal Revenue Code Section 414(k).

Upon retirement, a member of the 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, or 20-year period or an anticipated life span option. Each distribution option has a $200 minimum distribution limit.

Death Benefits – Upon the death of a nonretired 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.

Contributions – 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. In 2024, if a member earns more than $3,688 per month, 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 help 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.

EPSA redirect is only triggered when the member's gross pay in a month exceeds the monthly salary threshold, tied to the annual Consumer Price Index (All Urban Consumer, West Region).

C. Other Post-Employment Benefits (OPEB)

Plan Description

The government does not have a formal post-employment benefits plan for any employee groups; however, the government is required by Oregon Revised Statutes 243.303 to provide retirees with group health and dental insurance from the date of retirement to age 65 at the same rate provided to current employees. GASB 75 is applicable to the government due only to the implicit rate subsidy. The implicit employer subsidy is measured as the expected health care cost per retiree and dependent, less the gross premiums charged by the insurance carrier for that coverage. The subsidy is only measured for retirees and spouses younger than age 65, at which point such retirees and spouses typically become eligible for Medicare.

This “plan” is a single employer defined benefit plan. This plan is a not considered a trust or equivalent arrangement as there are no plan assets. It is not a stand-alone plan and therefore does not issue its own financial statements.

Benefits Provided

All employees of the government retiring from active service with a pension benefit payable immediately under Oregon PERS is eligible. Retirees and their dependents under age 65 are allowed to continue the health care coverage received prior to retirement. Premiums for retirees are tiered and based upon the premium rate available to active employees. The retiree is responsible for any portion of the premiums not paid by the City.

Employees Covered by Benefit Terms

The valuation results are based on 39 active employees and 2 eligible retirees.

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

As of June 30, 2025, the City reported a total OPEB liability of $95,704. Total OPEB liability is determined using the entry age normal actuarial cost allocation method. In addition, GASB 75 requires that the allocation of costs for accounting purposes be made as a level percentage of employees’ projected pay, including future anticipated pay increases. This measurement is based on the July 1, 2024 valuation date and a June 30, 2024 measurement date.

Changes in Medical Benefit OPEB Liability	
Total OPEB Liability at June 30, 2024	$ 199,497
Changes for the year:	
Service cost	25,367
Interest on total OPEB liability	7,771
Effect of assumptions changes or inputs	(11,209)
Effect of economic/demographic gains or losses	(61,517)
Benefit payments	(24,131)
Net changes	(63,719)
Total OPEB Liability at June 30, 2025	$ 135,778

For the year ended June 30, 2024, the City recognized an increase of OPEB expense of $13,074. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ (62,330)	$ 11,998
Changes of assumptions or other inputs	(32,087)	1,501
Benefit payments	-	23,164
Total	$ (94,417)	$ 36,663

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

Year ended June 30:	Deferred Outflow/(Inflow) of Resources
2026	$ (9,629)
2027	(12,539)
2028	(13,049)
2029	(9,777)
2030	(9,862)
Thereafter	(26,062)

Actuarial methods and assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2024 actuarial valuation, the entry age normal cost method was used. Demographic assumptions regarding retirement, mortality, and turnover are based on Oregon PERS valuation assumptions as of December 31, 2023.

Valuation Date	July 1, 2024
Measurement Dates/Fiscal Year Ends	June 30, 2024
Actuarial Assumptions:	
Actuarial Cost Method	Entry Age Normal
Interest Rate for Discounting Future Liabilities	3.93%
General Inflation	2.40%
Salary Scale	3.40%

Discount rate. Under GASB 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The assumptions reflect the Bond Buyer 20-Year General Obligation Bond Index. The discount rate in effect for the June 30, 2025 reporting date is 3.93 percent. The previous year discount rate was 3.65 percent.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

June 30 Disclosure	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	$ 145,446	$ 135,778	$ 126,796

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

June 30 Disclosure	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	$ 121,527	$ 135,778	$ 152,685

D. Commitment and Contingencies

The City of Toledo entered into an agreement with the Port of Toledo to transfer the Public Safety Building that was originally erected in 1978 to the Port. The transfer of the building took place on October 7, 2009. The City of Toledo will retain right of first refusal on the building before the Port can enter into a sale of the building.

E. Subsequent Events

Management has evaluated subsequent events through October 25, 2025 which was the date that the financial statements were available to be issued. No items were identified.

F. Prior Period Adjustment

The City has been in the process of updating its capital asset listing, resulting in changes to depreciation and capital asset balances. The City made changes in the current fiscal year and plans to continue updating the listing to ensure its accuracy. This may result in additional prior period adjustments in following years.

City of Toledo

Required Supplementary Information
June 30, 2025

City of Toledo

Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)

June 30, 2025

City of Toledo Proportionate Share of Net Pension Liability/(Asset) at the measurement date

	2025	2024	2023	2022	2021
City's proportion of the net pension liability/(asset)	0.01699663%	0.02081752%	0.01932563%	0.01641354%	0.01527953%
City's proportion of the net pension liability/(asset)	$ 3,795,641	$ 4,627,161	$ 3,619,823	$ 1,964,123	$ 3,334,519
Covered payroll	$ 3,170,671	$ 3,202,311	$ 3,097,613	$ 3,090,462	$ 2,358,487
Proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll	119.71%	144.49%	116.86%	63.55%	141.38%
Plan fiduciary net position as a percentage of the total pension liability	79.9%	79.3%	81.7%	84.5%	87.6%

	2020	2019	2018	2017	2016
City's proportion of the net pension liability (asset)	0.01439017%	0.01739231%	0.01847977%	0.01748515%	0.01780836%
City's proportionate share of the net pension liability (asset)	$ 2,489,155	$ 2,634,706	$ 2,491,080	$ 2,624,927	$ 1,022,288
City's covered-employee payroll	$ 2,497,478	$ 2,360,010	$ 2,368,129	$ 2,329,378	$ 2,277,517
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	99.67%	111.64%	105.19%	112.69%	44.89%
Plan fiduciary net position as a percentage of the total pension liability (asset) from audited schedules	75.8%	80.2%	82.1%	83.1%	80.5%

Note 1 - Changes of Benefit Terms and Assumptions

Significant Methods and Assumptions:

A summary of assumption changes implemented since the December 31, 2024 valuation are outlined briefly in Note 3B in the notes to the basic financial statements.

City of Toledo

Schedules of the City's Contributions for Pension Plans (PERS)

June 30, 2025

	2025	2024	2023	2022	2021
Contractually required contribution	$ 402,595	$ 443,860	$ 572,484	$ 325,193	$ 227,078
Contributions in relation to the contractually required contribution	$ (402,595)	$ (443,860)	$ (572,484)	$ (325,193)	$ (227,078)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered-employee payroll	$ 3,170,671	$ 3,202,311	$ 3,090,462	$ 3,379,700	$ 2,358,487
Contributions as a percentage of covered-employee payroll	12.70%	13.86%	18.52%	9.62%	9.63%

	2020	2019	2018	2017	2016
Contractually required contribution	$ 339,052	$ 9,295	$ 291,757	$ 236,071	$ 115,370
Contributions in relation to the contractually required contribution	$ (339,052)	$ (9,295)	$ (291,757)	$ (236,071)	$ (115,370)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered-employee payroll	$ 2,497,478	$ 2,360,010	$ 2,368,129	$ 2,329,378	$ 2,277,517
Contributions as a percentage of covered-employee payroll	13.58%	0.39%	12.32%	10.13%	5.07%

Note 1 - Changes of Benefit Terms and Assumptions

Significant Methods and Assumptions:

A summary of assumption changes implemented since the December 31, 2024 valuation are outlined briefly in Note 3B in the notes to the basic financial statements.

City of Toledo

Schedules of Changes in Other Post Employment Benefits (OPEB) Liability and Related Ratios

June 30, 2025

	2025	2024	2023	2022
Total OPEB Liability				
Total OPEB liability - beginning	$ 199,497	$ 199,932	$ 206,866	$ 197,210
Changes for the year:				
Service cost	25,367	24,790	20,994	20,406
Interest	7,771	7,409	4,724	4,633
Change in assumptions	(11,209)	-	(25,421)	696
Experience (gain)/loss	(61,517)	(1,521)	11,216	-
Benefit payments	(24,131)	(31,113)	(18,447)	(16,079)
Net change in total OPEB liability	(63,719)	(435)	(6,934)	9,656
Total OPEB liability - ending	135,778	199,497	199,932	206,866
Covered-employee payroll	$ 3,170,671	$ 3,097,613	$ 3,097,613	$ 3,090,462
Total OPEB liability as a percentage of covered-employee payroll	4.28%	6.44%	6.45%	6.69%

Total OPEB Liability	2021	2020	2019	2018
Total OPEB liability - beginning				
	$ 215,957	$ 202,200	$ 154,860	$ 144,201
Changes for the year:				
Service cost				
Interest	15,632	14,060	16,422	17,253
Change in assumptions	7,828	8,112	6,071	4,586
Experience (gain)/loss	(5,610)	4,993	(14,600)	(10,057)
Benefit payments	(20,605)	-	42,907	-
	(15,992)	(13,408)	(3,460)	(1,123)
Net change in total OPEB liability				
	(18,747)	13,757	47,340	10,659
Total OPEB liability - ending				
	197,210	215,957	202,200	154,860
Covered-employee payroll				
	$ 2,497,478	$ 2,497,478	$ 3,202,311	$ 2,368,129
Total OPEB liability as a percentage of covered-employee payroll				
	7.90%	8.65%	6.31%	6.54%

Note 1 - Benefit Terms and Assumptions

Significant Methods and Assumptions:

The amounts presented for each fiscal year were actuarially determined at July 1 and rolled forward to the measurement date. A summary of assumptions used in the July 1, 2024 valuation are outlined briefly in Note 3C in the notes to the basic financial statements.

Other Information:

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

City of Toledo

Schedule of Revenues, Expenses and Changes in Fund Balance – Budget and Actual

June 30, 2025

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual

General Fund

June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Taxes				
Property	$ 2,305,000	$ 2,305,000	$ 2,245,194	$ (59,806)
Franchise	1,213,500	1,213,500	1,039,564	(173,936)
Alcohol	70,000	70,000	58,704	(11,296)
Cigarette and marijuana	7,000	7,000	8,488	1,488
Licenses, permits, and fees	20,250	20,250	27,105	6,855
Grants	106,282	106,282	134,776	28,494
Charges for services	215,000	215,000	95,531	(119,469)
Intergovernmental charges	145,400	145,400	160,961	15,561
State revenue sharing	58,000	58,000	48,063	(9,937)
Fines	70,000	70,000	56,579	(13,421)
Investment earnings	60,000	60,000	66,144	6,144
Rents and leases	16,200	16,200	18,320	2,120
Miscellaneous	53,400	53,400	131,361	77,961
Total revenues	4,340,032	4,340,032	4,090,790	(249,242)
EXPENSES				
Current				
General government	1,446,450	1,446,450	1,422,003	24,447
General government - general services	256,350	256,350	237,340	19,010
General government - property maintenance	353,400	353,400	313,177	40,223
Public safety - fire	934,350	934,350	810,096	124,254
Public safety - municipal court	37,200	37,200	29,106	8,094
Public safety - police	2,249,843	2,249,843	1,760,128	489,715
Library	514,438	514,438	415,496	98,942
Contingency	100,000	100,000	-	100,000
Total expenses	5,892,031	5,892,031	4,987,346	904,685
Excess (deficiency) of revenues over (under) expenses	(1,551,999)	(1,551,999)	(896,556)	655,443
OTHER FINANCING SOURCES (USES)				
Transfers in	911,949	911,949	911,949	-
Transfers out	(216,500)	(216,500)	(216,500)	-
Total other financing sources (uses)	695,449	695,449	695,449	-
Net change in fund balance	(856,550)	(856,550)	(201,107)	655,443
FUND BALANCE - beginning of year	1,099,531	1,099,531	872,106	(227,425)
FUND BALANCE - end of year	**$ 242,981**	**$ 242,981**	**$ 670,999**	**$ 428,018**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual
Street Fund
June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Taxes				
Franchise	$ 578,700	$ 578,700	$ 754,381	$ 175,681
Motor fuel	280,000	280,000	291,103	11,103
Licenses, permits, and fees	103,000	103,000	110,698	7,698
Grants	-	-	-	-
Investment earnings	80,000	80,000	123,732	43,732
Miscellaneous	8,000	8,000	30,989	22,989
Total revenues	1,049,700	1,049,700	1,310,903	261,203
EXPENSES				
Current				
Materials and services	2,814,400	2,814,400	725,700	2,088,700
Capital outlay	-	-	-	-
Contingency	250,000	250,000	-	250,000
Total expenses	3,064,400	3,064,400	725,700	2,338,700
Excess (deficiency) of revenues over (under) expenses	(2,014,700)	(2,014,700)	585,203	2,599,903
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(610,209)	(610,209)	(610,209)	-
Total other financing sources (uses)	(610,209)	(610,209)	(610,209)	-
Net change in fund balance	(2,624,909)	(2,624,909)	(25,006)	2,599,903
FUND BALANCE - beginning of year	2,624,909	2,624,909	2,637,000	12,091
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 2,611,994**	**$ 2,611,994**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual
Revolving Loan Fund
June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Investment earnings	$ 2,500	$ 2,500	$ 3,246	$ 746
Miscellaneous	-	-	-	-
Total revenues	2,500	2,500	3,246	746
EXPENSES				
Current				
Materials and services	68,325	68,325	-	68,325
Total expenses	68,325	68,325	-	68,325
Excess (deficiency) of revenues over (under) expenses	(65,825)	(65,825)	3,246	69,071
FUND BALANCE - beginning of year	65,825	65,825	68,210	2,385
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 71,456**	**$ 71,456**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual
Street Reserve Fund
June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Investment earnings	$ 15,000	$ 15,000	$ 71,909	$ 56,909
Total revenues	15,000	15,000	71,909	56,909
EXPENSES				
Current				
Highways and streets	1,480,896	1,480,896	344,090	1,136,806
Capital outlay - Hwy 20 imp.	1,000,000	1,000,000	-	1,000,000
Total expenses	2,480,896	2,480,896	344,090	2,136,806
Excess (deficiency) of revenues over (under) expenses	(2,465,896)	(2,465,896)	(272,181)	2,193,715
OTHER FINANCING SOURCES (USES)				
Transfers in	575,209	575,209	575,209	-
Transfers out	-	-	-	-
Total other financing sources (use	575,209	575,209	575,209	-
Net change in fund balance	(1,890,687)	(1,890,687)	303,028	2,193,715
FUND BALANCE - beginning of year	1,890,687	1,890,687	1,891,050	363
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 2,194,078**	**$ 2,194,078**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual

City Council Strategic Reserve Fund

June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Investment earnings	$ 5,000	$ 5,000	$ 23,445	$ 18,445
Grants	640,000	640,000	640,000	-
Miscellaneous	487,244	487,244	793,772	306,528
Total revenues	1,132,244	1,132,244	1,457,217	324,973
EXPENSES				
Current				
Materials and services	228,838	228,838	49,874	178,964
Capital outlay	690,000	690,000	119,521	570,479
Total expenses	918,838	918,838	169,395	749,443
Excess (deficiency) of revenues over (under) expenses	213,406	213,406	1,287,822	1,074,416
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(675,000)	(675,000)	(675,000)	-
Total other financing sources (uses)	(675,000)	(675,000)	(675,000)	-
Net change in fund balance	(461,594)	(461,594)	612,822	1,074,416
FUND BALANCE - beginning of year	461,594	461,594	451,509	(10,085)
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 1,064,331**	**$ 1,064,331**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual

Urban Renewal Fund

June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Property taxes	$ 424,940	$ 424,940	$ 481,632	$ 56,692
Investment earnings	5,000	5,000	12,800	7,800
Miscellaneous	85,060	85,060	2,956	(82,104)
Total revenues	515,000	515,000	497,388	(17,612)
EXPENSES				
I&I improvements	416,091	416,091	-	416,091
Public improvements	-	-	17,342	(17,342)
Total expenses	416,091	416,091	17,342	398,749
Excess (deficiency) of revenues over (under) expenses	98,909	98,909	480,046	381,137
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(335,000)	(335,000)	(335,000)	-
Business loan program	(50,000)	(50,000)	-	50,000
Total other financing sources (uses)	(385,000)	(385,000)	(335,000)	50,000
Net change in fund balance	(286,091)	(286,091)	145,046	431,137
FUND BALANCE - beginning of year	286,091	286,091	247,318	(38,773)
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 392,364**	**$ 392,364**

City of Toledo

Other Supplementary Information

Combining and Individual Fund Statements and Schedules

June 30, 2025

City of Toledo

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2025

	Special Revenue Funds					
	Forfeiture Revenue	Grant	911 System	Stabilization	General Reserve	Solid Waste
ASSETS						
Cash and cash equivalents	$ 4,369	$ 280,957	$ 4,515	$ 540,388	$ 764,786	$ 208,225
Accounts receivable	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-
Total assets	4,369	280,957	4,515	540,388	764,786	208,225
LIABILITIES						
Accounts payable	-	-	-	-	31,131	-
Total liabilities	-	-	-	-	31,131	-
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue						
Property taxes	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
FUND BALANCES						
Restricted	-	-	-	-	-	-
Committed	-	280,957	-	540,388	733,655	-
Assigned	4,369	-	4,515	-	-	208,225
Unassigned	-	-	-	-	-	-
Total fund balances	4,369	280,957	4,515	540,388	733,655	208,225
Total liabilities, deferred inflows of resources, and fund balances	$ 4,369	$ 280,957	$ 4,515	$ 540,388	$ 764,786	$ 208,225

City of Toledo

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2025

	Special Revenue Funds					
	Library Reserve	Footpaths and Bicycle Trail	Public Works Reserve	Debt Service	Building & Property Reserve	Total Nonmajor Governmental Funds
ASSETS						
Cash and cash equivalents	$ -	$ 45,134	$ 455,241	$ 19,870	$ 446,658	$ 2,770,143
Accounts receivable	-	-	-	-	-	-
Property taxes receivable	-	-	-	20,401	-	20,401
Total assets	-	45,134	455,241	40,271	446,658	2,790,544
LIABILITIES						
Accounts payable	-	-	12,231	-	4,325	47,687
						-
Total liabilities	-	-	12,231	-	4,325	47,687
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue						
Property taxes	-	-	-	20,090	-	20,090
Total deferred inflows of resources	-	-	-	20,090	-	20,090
FUND BALANCES						
Restricted	-	45,134	-	-	-	45,134
Committed	-	-	-	-	442,333	1,997,333
Assigned	-	-	443,010	20,181	-	680,300
Unassigned	-	-	-	-	-	-
Total fund balances	-	45,134	443,010	20,181	442,333	2,722,767
Total liabilities, deferred inflows of resources, and fund balances	$ -	$ 45,134	$ 455,241	$ 40,271	$ 446,658	$ 2,790,544

City of Toledo

Combining Statement of Revenues, Expenses, and Changes in Fund Balances
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds					
	Forfeiture Revenue	Grant	911 System	Stabilization	General Reserve	Solid Waste
REVENUES						
Taxes						
Property	$ -	$ -	$ -	$ -	$ -	$ -
Motor fuel	-	-	-	-	-	-
Privilege	-	-	30,237	-	-	-
Licenses, permits, and fees	-	-	-	-	-	4,034
Grants and contributions	-	4,590	-		-	-
Investment earnings	-	24,636	3,025	24,971	35,291	9,825
Miscellaneous	-	-	-	5,000	45	-
Total revenues	-	29,226	33,262	29,971	35,336	13,859
EXPENSES						
Current						
General government	-	9,824	-	10,571	-	-
Public safety	-	-	25,625	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Solid waste	-	-	-	-	-	6,842
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	103,913		128,552	-
Total expenses	-	9,824	129,538	10,571	128,552	6,842
Excess (deficiency) of revenues over (under) expenses	-	19,402	(96,276)	19,400	(93,216)	7,017
OTHER FINANCING SOURCES (USES)						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	196,731	-
Transfers out	-	(300,000)	-		(200,000)	-
Total other financing sources (uses)	-	(300,000)	-	-	(3,269)	-
Net change in fund balance	-	(280,598)	(96,276)	19,400	(96,485)	7,017
FUND BALANCE - beginning of year	4,369	561,555	100,791	520,988	830,140	201,208
FUND BALANCE - end of year	**$ 4,369**	**$ 280,957**	**$ 4,515**	**$ 540,388**	**$ 733,655**	**$ 208,225**

City of Toledo

Combining Statement of Revenues, Expenses, and Changes in Fund Balances
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds					
	Library Reserve	Footpaths and Bicycle Trail	Public Works Reserve	Debt Service	Building & Property Reserve	Total Nonmajor Governmenta l Funds
REVENUES						
Taxes						
Property	$ -	$ -	$ -	$ 2,570	$ -	$ 2,570
Motor fuel	-	2,940	-	-	-	2,940
Privilege	-	-	-	-	-	30,237
Licenses, permits, and fees	-	-	-	-	-	4,034
Grants and contributions	-	-	-	-	39,004	43,594
Investment earnings	2,101	1,787	18,541	1,166	39,980	161,323
Miscellaneous	-	-	-	-	46,154	51,199
Total revenues	2,101	4,727	18,541	3,736	125,138	295,897
						-
EXPENSES						-
Current						-
General government	-	-	-	-	-	20,395
Public safety	-	-	-	-	-	25,625
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Solid waste	-	-	-	-	-	6,842
Debt service						-
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	26,473	-	28,357	287,295
Total expenses	-	-	26,473	-	28,357	340,157
Excess (deficiency) of revenues over (under) expenses	2,101	4,727	(7,932)	3,736	96,781	(44,260)
OTHER FINANCING SOURCES (USES)						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	68,000	-	60,000	324,731
Transfers out	(50,487)	-	-	-	-	(550,487)
Total other financing sources (uses)	(50,487)	-	68,000	-	60,000	(225,756)
Net change in fund balance	(48,386)	4,727	60,068	3,736	156,781	(270,016)
FUND BALANCE - beginning of year	48,386	40,407	382,942	16,445	285,552	2,992,783
FUND BALANCE - end of year	**$ -**	**$ 45,134**	**$ 443,010**	**$ 20,181**	**$ 442,333**	**$ 2,722,767**

City of Toledo

Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2025

	System Development Fund	Sewer Reserve Fund	Total Nonmajor Enterprise Funds
ASSETS			
Current assets			
Cash and cash equivalents	$ -	$ 1,267,766	$ 1,267,766
Restricted assets			
Cash and cash equivalents	1,044,058	-	1,044,058
Total assets	1,044,058	1,267,766	2,311,824
LIABILITIES			
Accounts payable	-	-	-
Total liabilities	-	-	-
NET POSITION			
Restricted for:			
System improvement	-	1,267,766	1,267,766
System development	1,044,058	-	1,044,058
Total net position	**$ 1,044,058**	**$ 1,267,766**	**$ 2,311,824**

City of Toledo

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Nonmajor Enterprise Funds
June 30, 2025

	System Development Fund	Sewer Reserve Fund	Total Nonmajor Enterprise Funds
OPERATING REVENUES	$ -	$ -	$ -
OPERATING EXPENSES			
Materials and supplies	$ -	$ 14,866	14,866
Operating income (loss)	-	(14,866)	(14,866)
NONOPERATING REVENUES (EXPENSES)			
System development charges	28,462	-	28,462
Investment earnings	40,773	37,159	77,932
Capital outlay	-	(96,864)	(96,864)
Miscellaneous	-	-	-
Total nonoperating revenues (expenses)	69,235	(59,705)	9,530
Income (loss) before transfers	69,235	(74,571)	(5,336)
Transfers in	-	50,000	50,000
Transfers out	-	-	-
Total other financing sources (uses)	-	50,000	50,000
Change in net position	69,235	(24,571)	44,664
Total net position - beginning	974,823	1,292,337	2,267,160
Total net position - ending	**$ 1,044,058**	**$ 1,267,766**	**$ 2,311,824**

City of Toledo

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
June 30, 2025

	System Development Fund	Sewer Reserve Fund	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash payments to suppliers	$ -	$ (14,866)	$ (14,866)
Net cash provided (used) by operating activities	-	(14,866)	(14,866)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
System development charges	28,462	-	28,462
Transfers from other funds for capital purposes	-	50,000	50,000
Purchases of capital assets	-	(96,864)	(96,864)
Loan proceeds	-	-	-
Net cash provided (used) by capital and related financing activities	28,462	(46,864)	(18,402)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	40,773	37,159	77,932
Net cash provided (used) by investing activities	40,773	37,159	77,932
Net increase (decrease) in cash and cash equivalents	69,235	(24,571)	44,664
Cash and cash equivalents - beginning	974,823	1,292,337	2,267,160
Cash and cash equivalents - ending	$ 1,044,058	$ 1,267,766	$ 2,311,824
			-
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ -	$ (14,866)	$ (14,866)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Increase (decrease) in accounts payable	-	-	-
Net cash provided (used) by operating activities	$ -	$ (14,866)	$ (14,866)
Noncash investing, capital, and financing activities:			
Transfer of capital assets	$ -	$ (96,864)	$ (96,864)

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual – Governmental Funds

June 30, 2025

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual
Stabilization Fund
June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Investment earnings	$ 15,000	$ 15,000	$ 24,971	$ (9,971)
Miscellaneous	-	-	5,000	(5,000)
Total revenues	15,000	15,000	29,971	(14,971)
EXPENSES				
Current				
General government	472,715	472,715	10,571	462,144
Total expenses	472,715	472,715	10,571	462,144
Excess (deficiency) of revenues over (under) expenses	(457,715)	(457,715)	19,400	(477,115)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(457,715)	(457,715)	19,400	(477,115)
FUND BALANCE - beginning of year	457,715	457,715	520,988	(63,273)
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 540,388**	**$ (540,388)**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual

Forfeiture Revenue Fund

June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Investment earnings	$ -	$ -	$ -	$ -
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
EXPENSES				
Current				
Materials and services	-	-	-	-
Total expenses	-	-	-	-
Excess (deficiency) of revenues over (under) expenses	-	-	-	-
FUND BALANCE - beginning of year	-	-	4,369	4,369
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 4,369**	**$ 4,369**

* This fund is not budgeted, this is information only as the fund balance is part of the City's fund balance/net position.

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual

Grant Fund

June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Grants	$ -	$ -	$ 4,590	$ 4,590
Investment earnings	-	-	24,636	24,636
Miscellaneous	-	-	-	-
Total revenues	-	-	29,226	29,226
EXPENSES				
Current				
General government	261,048	261,048	9,824	251,224
Capital outlay	-	-	-	-
Highways and streets	-	-	-	-
Total expenses	261,048	261,048	9,824	251,224
Excess (deficiency) of revenues over (under) expenses	(261,048)	(261,048)	19,402	280,450
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(300,000)	(300,000)	(300,000)	-
Total other financing sources (uses)	(300,000)	(300,000)	(300,000)	-
Net change in fund balance	(561,048)	(561,048)	(280,598)	280,450
FUND BALANCE - beginning of year	561,048	561,048	561,555	507
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 280,957**	**$ 280,957**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual

Footpaths and Bicycle Trail Fund

June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Motor fuel taxes	$ 3,000	$ 3,000	$ 2,940	$ (60)
Investment earnings	1,000	1,000	1,787	787
Total revenues	4,000	4,000	4,727	727
EXPENSES				
Capital outlay	44,398	44,398	-	44,398
Total expenses	44,398	44,398	-	44,398
Excess (deficiency) of revenues over (under) expenses	(40,398)	(40,398)	4,727	45,125
FUND BALANCE - beginning of year	40,398	40,398	40,407	9
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 45,134**	**$ 45,134**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual

Solid Waste Fund

June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Licenses, permits, and fees	$ 2,000	$ 2,000	$ 4,034	$ 2,034
Investment earnings	7,500	7,500	9,825	2,325
Total revenues	9,500	9,500	13,859	4,359
EXPENSES				
Current				
Solid waste	212,064	212,064	6,842	205,222
Total expenses	212,064	212,064	6,842	205,222
Excess (deficiency) of revenues over (under) expenses	(202,564)	(202,564)	7,017	209,581
FUND BALANCE - beginning of year	202,564	202,564	201,208	(1,356)
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 208,225**	**$ 208,225**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual
911 System Fund
June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Privilege taxes	$ 35,000	$ 35,000	$ 30,237	$ (4,763)
Investment earnings	2,500	2,500	3,025	525
Total revenues	37,500	37,500	33,262	(4,238)
EXPENSES				
Current				
Public safety	25,000	25,000	25,625	(625)
Capital outlay	116,390	116,390	103,913	12,477
Total expenses	141,390	141,390	129,538	11,852
Excess (deficiency) of revenues over (under) expenses	(103,890)	(103,890)	(96,276)	7,614
FUND BALANCE - beginning of year	103,890	103,890	100,791	(3,099)
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 4,515**	**$ 4,515**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual

General Reserve Fund

June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Investment earnings	$ 10,000	$ 10,000	$ 35,291	$ 25,291
Miscellaneous	-	-	45	45
Total revenues	10,000	10,000	35,336	25,336
EXPENSES				
Capital outlay	882,106	882,106	128,552	753,554
Total expenses	882,106	882,106	128,552	753,554
Excess (deficiency) of revenues over (under) expenses	(872,106)	(872,106)	(93,216)	778,890
OTHER FINANCING SOURCES (USES)				
Transfers in	196,731	196,731	196,731	-
Transfers out	(200,000)	(200,000)	(200,000)	-
Total other financing sources (uses)	(3,269)	(3,269)	(3,269)	-
Net change in fund balance	(875,375)	(875,375)	(96,485)	778,890
FUND BALANCE - beginning of year	875,375	875,375	830,140	(45,235)
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 733,655**	**$ 733,655**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual

Library Reserve Fund

June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Grants	$ -	$ -	$ -	$ -
Investment earnings	-	-	2,101	2,101
Total revenues	-	-	2,101	2,101
EXPENSES				
Current				
Materials and services	-	-	-	-
Capital outlay	-	-	-	-
Total expenses	-	-	-	-
Excess (deficiency) of revenues over (under) expenses	-	-	2,101	2,101
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(52,180)	(52,180)	(50,487)	1,693
Total other financing sources (uses)	(52,180)	(52,180)	(50,487)	1,693
Net change in fund balance	(52,180)	(52,180)	(48,386)	3,794
FUND BALANCE - beginning of year	52,180	52,180	48,386	(3,794)
FUND BALANCE - end of year	**$ -**	**$ -**	**$ -**	**$ -**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual
Public Works Equipment Reserve Fund
June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Investment earnings & misc.	$ 5,000	$ 5,000	$ 18,541	$ 13,541
Total revenues	5,000	5,000	18,541	13,541
EXPENSES				
Capital outlay	455,414	455,414	26,473	428,941
Total expenses	455,414	455,414	26,473	428,941
Excess (deficiency) of revenues over (under) expenses	(450,414)	(450,414)	(7,932)	442,482
OTHER FINANCING SOURCES (USES)				
Transfers in	68,000	68,000	68,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	68,000	68,000	68,000	-
Net change in fund balance	(382,414)	(382,414)	60,068	442,482
FUND BALANCE - beginning of year	382,414	382,414	382,942	528
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 443,010**	**$ 443,010**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual

Debt Service Fund

June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Property taxes	$ -	$ -	$ 3,103	$ 3,103
Investment earnings	-	-	1,166	1,166
Total revenues	-	-	4,269	4,269
EXPENSES				
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Surplus	14,939	14,939	-	14,939
Total expenses	14,939	14,939	-	14,939
Excess (deficiency) of revenues over (under) expenses	(14,939)	(14,939)	4,269	19,208
OTHER FINANCING SOURCES (USES)				
Bond proceeds	-	-	-	-
Payment to bond escrow agent	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(14,939)	(14,939)	4,269	19,208
FUND BALANCE - beginning of year	14,939	14,939	16,445	1,506
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 20,714**	**$ 20,714**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual
Water Construction Fund
June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Investment earnings	$ -	$ -	$ 1,064	$ 1,064
Total revenues	-	-	1,064	1,064
EXPENSES				
Capital outlay	-	-	18,224	(18,224)
Total expenses	-	-	18,224	(18,224)
Excess (deficiency) of revenues over (under) expenses	-	-	(17,160)	(17,160)
OTHER FINANCING SOURCES (USES)				
Bond proceeds	-	-	2,611,125	2,611,125
Total other financing sources (uses)	-	-	2,611,125	2,611,125
Net change in fund balance	-	-	2,593,965	2,593,965
FUND BALANCE - beginning of year	-	-	-	-
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 2,593,965**	**$ 2,593,965**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual
Public Safety Building Remodel Fund
June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Investment earnings	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
EXPENSES				
Capital outlay	979,335	979,335	745,631	233,704
Total expenses	979,335	979,335	745,631	233,704
Excess (deficiency) of revenues over (under) expenses	(979,335)	(979,335)	(745,631)	233,704
OTHER FINANCING SOURCES (USES)				
Transfers in	610,000	610,000	610,000	-
Total other financing sources (uses)	610,000	610,000	610,000	-
Net change in fund balance	(369,335)	(369,335)	(135,631)	233,704
FUND BALANCE - beginning of year	369,335	369,335	188,043	(181,292)
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 52,412**	**$ 52,412**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual
Building and Property Reserve Fund
June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Investment earnings	$ 20,000	$ 20,000	$ 39,980	$ 19,980
Grants	-	-	39,004	39,004
Miscellaneous	-	-	46,154	46,154
Total revenues	20,000	20,000	125,138	105,138
EXPENSES				
Capital outlay	421,313	421,313	28,357	392,956
Total expenses	421,313	421,313	28,357	392,956
Excess (deficiency) of revenues over (under) expenses	(401,313)	(401,313)	96,781	498,094
OTHER FINANCING SOURCES (USES)				
Transfers in	60,000	60,000	60,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	60,000	60,000	60,000	-
Net change in fund balance	(341,313)	(341,313)	156,781	498,094
FUND BALANCE - beginning of year	341,313	341,313	285,552	(55,761)
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 442,333**	**$ 442,333**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual – Proprietary Funds

June 30, 2025

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual

Water Fund

June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Water sales	$ 1,505,898	$ 1,505,898	$ 1,389,001	$ (116,897)
Fees and charges	21,850	21,850	35,794	13,944
Investment earnings	10,000	10,000	32,901	22,901
Miscellaneous	2,000	2,000	8,496	6,496
Total revenues	1,539,748	1,539,748	1,466,192	(73,556)
EXPENSES				
Water plant				
Cost of operations	265,800	265,800	208,541	57,259
Administration	397,450	397,450	323,007	74,443
Water distribution				
Cost of operations	235,748	235,748	202,107	33,641
Administration	342,750	342,750	292,575	50,175
Debt service				
Principal	299,700	299,700	299,700	-
Interest	118,548	118,548	118,548	-
Capital outlay	10,000	10,000	-	10,000
Contingency	150,000	150,000	-	150,000
Total expenses	1,819,996	1,819,996	1,444,478	375,518
Excess (deficiency) of revenues over (under) expenses	(280,248)	(280,248)	21,714	301,962
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(167,000)	(167,000)	(117,000)	50,000
Total other financing sources (uses)	(167,000)	(167,000)	(117,000)	(50,000)
Net change in fund balance	(447,248)	(447,248)	(95,286)	351,962
FUND BALANCE - beginning of year	447,248	447,248	462,486	15,238
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 367,200**	**$ 367,200**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual

Sewer Fund

June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Sewer sales	$ 1,343,982	$ 1,343,982	$ 1,311,136	$ (32,846)
Fees and charges	-	-	-	-
Investment earnings	12,000	12,000	24,798	12,798
Miscellaneous	2,200	2,200	1,620	(580)
Total revenues	1,358,182	1,358,182	1,337,554	(20,628)
EXPENSES				
Sewer plant				
Cost of operations	271,100	271,100	206,899	64,201
Administration	419,275	419,275	329,625	89,650
Sewer collection				
Cost of operations	187,325	187,325	168,232	19,093
Administration	325,000	325,000	268,420	56,580
Debt service				
Principal	118,823	118,823	120,811	(1,988)
Interest	57,163	57,163	55,175	1,988
Capital outlay	-	-	-	-
Contingency	50,000	50,000	-	50,000
Total expenses	1,428,686	1,428,686	1,149,162	279,524
Excess (deficiency) of revenues over (under) expenses	(70,504)	(70,504)	188,392	258,896
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(66,000)	(66,000)	(66,000)	-
Total other financing sources (uses)	(66,000)	(66,000)	(66,000)	-
Net change in fund balance	(136,504)	(136,504)	122,392	258,896
FUND BALANCE - beginning of year	136,504	136,504	137,691	1,187
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 260,083**	**$ 260,083**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual
Water Reserve Fund
June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Investment earnings	$ 50,000	$ 50,000	$ 101,408	$ 51,408
Miscellaneous	-	-	-	-
Total revenues	50,000	50,000	101,408	51,408
EXPENSES				
Current				
Cost of operations	240,000	240,000	38,482	201,518
Capital outlay	2,141,574	2,141,574	444,584	1,696,990
Total expenses	2,381,574	2,381,574	483,066	1,898,508
Excess (deficiency) of revenues over (under) expenses	(2,331,574)	(2,331,574)	(381,658)	1,949,916
OTHER FINANCING SOURCES (USES)				
Transfers in	150,000	150,000	100,000	(50,000)
Transfers out	-	-	-	-
Total other financing sources (uses)	150,000	150,000	100,000	(50,000)
Net change in fund balance	(2,181,574)	(2,181,574)	(281,658)	1,899,916
FUND BALANCE - beginning of year	2,181,574	2,181,574	2,167,045	(14,529)
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 1,885,387**	**$ 1,885,387**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual

Sewer Reserve Fund

June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Investment earnings	$ 5,000	$ 5,000	$ 37,159	$ 32,159
Miscellaneous	-	-	-	-
Total revenues	5,000	5,000	37,159	32,159
EXPENSES				
Current				
Cost of operations	240,000	240,000	-	240,000
Capital outlay	1,231,081	1,231,081	111,730	1,119,351
Total expenses	1,471,081	1,471,081	111,730	1,359,351
Excess (deficiency) of revenues over (under) expenses	(1,466,081)	(1,466,081)	(74,571)	1,391,510
OTHER FINANCING SOURCES (USES)				
Transfers in	50,000	50,000	50,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	50,000	50,000	50,000	-
Net change in fund balance	(1,416,081)	(1,416,081)	(24,571)	1,391,510
FUND BALANCE - beginning of year	1,416,081	1,416,081	1,292,337	123,744
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 1,267,766**	**$ 1,267,766**

City of Toledo

Schedule of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual
System Development Fund
June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
System development charges	$ 55,100	$ 55,100	$ 28,462	$ (26,638)
Investment earnings	20,000	20,000	40,773	20,773
Total revenues	75,100	75,100	69,235	(5,865)
EXPENSES				
Capital outlay	1,015,750	1,015,750	-	1,015,750
Total expenses	1,015,750	1,015,750	-	1,015,750
Net change in fund balance	(940,650)	(940,650)	69,235	1,009,885
FUND BALANCE - beginning of year	940,650	940,650	974,823	34,173
FUND BALANCE - end of year	**$ -**	**$ -**	**$ 1,044,058**	**$ 1,044,058**

City of Toledo

Audit Comments and Disclosures Required by State Regulations

June 30, 2025

Independent Auditor's Report Required by Oregon State Regulation

The Honorable Mayor and
Members of the City Council
City of Toledo
Toledo, Oregon

We have audited the basic financial statements of the City of Toledo as of and for the year ended June 30, 2025, and have issued our report thereon dated June 17, 2026. We conducted our 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 Toledo financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 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 our audit, and accordingly, we do not express such an opinion.

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

- Deposit of public funds with financial institutions under ORS 295.
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required under 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 under ORS Chapter 294.
- Public contracts and purchasing under ORS Chapters 279A, 279B, 279C.

In connection with our testing nothing came to our attention that caused us to believe the City of Toledo 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 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

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

We noted certain matters that we reported as finding 2025-1 in the Schedule of Findings and Responses.

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

Teresa Hanford

Hanford & Associates, LLC
West Richland, WA
June 17, 2026

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements

The Honorable Mayor and
Members of the City Council
City of Toledo
Toledo, Oregon

We have audited, in accordance with auditing standards generally accepted by the United States of America, the financial statements of the of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Toledo as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 17, 2026.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of findings and responses, we identified a certain deficiency that we consider to be a significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies 2025-1 described in the accompanying Schedule of Findings and Responses to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Toledo's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under auditing standards generally accepted by the United States of America.

The City's Response to Findings

The City's response was not subjected to auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of this Report

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

Teresa Hanford

Hanford & Associates, LLC
West Richland, WA
June 17, 2026

Findings – Financial Statement Audit

Significant Deficiencies in Internal Control Over Financial Reporting

2025-1 Preparation of Financial Statements

Criteria:
A complete system of internal control contemplates an adequate system for reporting and processing financial statements.

Condition:
The City of Toledo has elected not to have an internal control system designated to provide for the preparation of the financial statements and related footnotes being audited. As auditors, we were requested to draft the financial statements and accompanying notes.

Cause:
Due to cost and other considerations, the City of Toledo requested we draft the financial statements and related footnotes.

Effect:
The control deficiency could result in a misstatement to the financial statements that would not be prevented or detected.

Recommendation:
This circumstance is not unusual. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Management's Response:
The City doesn't have the staff or resources to prepare its own financial statements, therefore we will rely on the auditors to prepare them.

City of Toledo
Request for City Council Action

Council Goal:	Meeting Date:	Agenda Topic:
To enhance and sustain public infrastructure and facilities by implementing plans.	**July 15, 2026**	Ordinance No. 1435, an ordinance creating Toledo Municipal Code Chapter 10.30, implementing the traffic calming procedures

Prepared By:	Approved by:
Justin Peterson, Contract Planner	Rich Huebner, City Manager

Recommendation:
Based on the testimony and evidence received, I make a motion to adopt Ordinance 1435 by title only, "An Ordinance of the Toledo City Council creating Toledo Municipal Code Chapter 10.30, implementing the traffic calming procedures"

Background:

The City Council previously had discussions about the concerns of speeding and other dangerous behavior on roads within Toledo. The discussions stem from residents asking for speed bumps to improve safety in their neighborhood. Previous Interim City Manager David Clyne asked Toledo Staff to bring the issue to the Planning Commission for discussion and action. Currently, the City of Toledo does not have a formal process for approving traffic calming measures.

Traffic Calming techniques and devices comes in many forms of physical measures to slow traffic. Other forms of slowing traffic include enforcement and speed displays. Physical measures include vertical changes (e.g. speed humps), constrictions (e.g. street narrowing, pinch points), narrow pavement widths (e.g. medians), traffic circles, and landscaping.

The goal of traffic calming techniques are used to address a variety of quality of life and transportation safety concerns. Cities use a number of different techniques.

The Planning Commission reviewed and modified the attached ordinance in several worksessions and recommended adoption of the policies.

The City Council may adopt this ordinance at a single meeting when read by title. The proposed ordinance was made available to the public one week before the scheduled meeting. The ordinance was posted at three locations on July 8, 2026, and copies were available for public review at Toledo City Hall and on the City's website (in accordance with City of Toledo Charter, Chapter VII, 7.2(b).

Fiscal Impact:	Fiscal Year:	GL Number:
N/A	**2026-2027**	**N/A**

Attachments:

1. Draft Traffic Calming Ordinance 1435
2. April 8, 2026 Presentation to Planning Commission

CITY OF TOLEDO
ORDINANCE NO. 1435

AN ORDINANCE OF THE TOLEDO CITY COUNCIL CREATING TOLEDO MUNICIPAL CODE CHAPTER 10.30, IMPLEMENTING THE TRAFFIC CALMING PROCEDURES

WHEREAS, the Toledo City Council has a duty to ensure and protect public health, safety, and welfare of all residents of Toledo, and

WHEREAS, residents and property owners may benefit by traffic calming devices that could increase safety and reduce speeding, and

WHEREAS, traffic calming measures include the use of devices and techniques that reduce traffic volume and speed in neighborhoods while maintaining maximum mobility and access, and

WHEREAS, the Planning Commission reviewed policies and procedures allowing residents and owners the ability to request traffic calming devices, and

WHEREAS, after several public meetings and worksessions, the Planning Commission recommended establishing a neighborhood traffic calming procedure; and

NOW THEREFORE, THE CITY OF TOLEDO ORDAINS AS FOLLOWS:

SECTION 1.

The Toledo Municipal Code shall be amended to create Chapter 10.30, provisions for "Traffic Calming Procedure", as indicated below:

CHAPTER 10.30 TRAFFIC CALMING

10.30.010 Title.

This chapter shall be known as the "neighborhood traffic calming procedure" for the City of Toledo.

10.30.020 Purpose.

The purpose of traffic calming is to outline the policy and procedures for guiding the process of evaluating the feasibility of installing traffic calming measures on city streets through the use of devices and techniques that reduce traffic volume and speed in neighborhoods while maintaining maximum mobility and access. Traffic calming attempts to make drivers aware of the fact that they are sharing the space of a street with other users. The traffic calming ordinance provides a procedure to consider, evaluate, implement, and remove traffic calming measures on streets in the City of Toledo.

10.30.030 Policy.

(1) To enhance the quality of life and the safety of the city's residents, the City of Toledo is establishing this traffic calming policy. It is the policy of the City of Toledo that motor vehicles traveling in excess of posted speed limits present a threat to public safety and should be first addressed using the least intrusive methods available that will be effective for a given situation. Enforcement is the preferred method of abatement. Where the necessary level of enforcement is unattainable, engineered measures may be considered. The goals of this program are to:
- (a) Reduce traffic speed to a safe and appropriate limit.
- (b) Encourage community participation.
- (c) Encourage and enhance vehicle, pedestrian, and bicycle systems.
- (d) Limit traffic calming to local residential streets (Traffic calming on Collectors may be considered through a Transportation System Plan (TSP) or Capital Improvement Plan (CIP) process outside this Ordinance).
- (e) Ensure emergency vehicle access.
- (f) Use effective, efficient, economical, and environmentally sound traffic calming solutions.
- (g) Obtain multidiscipline input from engineers, planners, police, and fire.

10.30.040 Definitions.

(1) The following words, terms, and phrases, as used in this chapter, shall have the meanings respectively ascribed to them in this section, unless the context clearly indicates otherwise:
- (a) "85th percentile speed" means the speed, in miles per hour, at or below which 85 percent of the drivers travel on a road segment. Motorists traveling above the 85th percentile speed are considered to be exceeding the safe and reasonable speed for road and traffic conditions.
- (b) "Average daily traffic" ("ADT") means the volume of traffic passing a point or segment of a road in both directions, during a period of time, divided by the number of days in the period and factored to represent an estimate of traffic volume for an average day of the year.
- (c) "Collector" is the street functional classification for streets which provide access and mobility within neighborhoods, and commercial and industrial areas. Collectors gather traffic from local streets and serve as connectors to arterial streets. Collector streets include Business Loop 20, Arcadia Drive, Skyline Road, Sturdevant Road, East Slope Road, Butler Bridge Road, and Yaquina Bay Road.
- (d) "Local" is the street functional classification for streets which provide access to residential and other properties within neighborhoods and are not considered thoroughfares or serve major traffic generators.
- (e) "Principal arterial" is the street functional classification for streets which carry the highest volumes of through traffic, provide mobility within the community, and provide continuity for intercity traffic through the urban area. US 20 is the only principal arterial in Toledo.
- (f) "Quick-build project" is a traffic calming measure that can be implemented in a short period of time using temporary or removable materials that can be adjusted based on performance, that maintains basic roadway operations while improving safety and

delivers safety improvements quickly while longer-term durable solutions are studied, designed and implemented.

(g) “Residents” are defined as the person or person(s) living at a residence. This includes owners or renters. Each residence may have only one signer on a petition. For example, if 10 dwelling units are in the boundary area, six (6) residents will need to sign the petition.

(h) “Speed hump” means a rounded raised area built across a road as a traffic calming measure intended to slow traffic speeds on low volume, low speed roads.

(i) “Street functional classification” is a street’s operational and design characteristics such as pavement width, right-of-way requirements, driveway access spacing requirements, and appropriate type of pedestrian and bicycle facilities. Functional classification of streets is determined by the City of Toledo Transportation System Plan.

(j) “Traffic calming” is the deliberate slowing of traffic on a street by installing speed humps or other obstructions referred to as “traffic calming devices.”

(k) “Traffic calming device” means an element of a traffic calming plan selected from among those devices authorized herein for use within the city.

(l) “Traffic calming study” means an appraisal of traffic conditions in the development of a plan for installing one or more traffic calming devices on a city street.

10.30.050 Traffic Calming Measures

(1) Traffic calming measures may only be applied on a street that is classified as a local street in the current City of Toledo Transportation System Plan. Traffic calming measures shall not be considered for use on collector, principal arterial, or commercial streets because of their potentially severe safety consequences on traffic, emergency services, and other service delivery activities. Traffic calming on collectors may be considered through a Transportation System Plan (TSP) or Capital Improvement Plan (CIP) process outside this Ordinance

(2) Traffic Investigation. Upon a request for the installation of a traffic calming measure, the Public Works Department shall carry out a traffic investigation upon the street segment for which the request has been received. The investigation shall result in a speed distribution study and calculation of the average daily traffic for the street segment. To be approved, the traffic investigation must show the following factors have been met.

(a) The 85th percentile speed must be at least five miles per hour over the posted speed limit or

(b) More than 50 percent of the vehicles traveling on the street must be traveling at or above the posted speed limit or

(c) The city has evidence of dangerous traffic behavior (e.g. accidents, speeding tickets documentation, or other satisfactory evidence) and

(d) Street must have a posted speed limit of 30 miles per hour or less and

(e) The average daily traffic (ADT) volume must be at least 100 vehicles per day and a maximum of 2,500 vehicles per day and

(f) The street grade must be less than eight percent and

(g) The street must have no more than one travel lane in each direction.

(3) The City of Toledo has approved of the following traffic calming measures as quick build projects.

(a) High visibility painted crosswalks. High visibility crosswalks use bold white lines to clearly define pedestrian crossing areas at intersections and midblock locations. High visibility designs use enhanced marking patterns—including continental, zebra, and ladder designs—that are visible from up to twice the distance of traditional transverse markings, providing greater contrast and improving driver awareness of crossing pedestrians. High visibility crosswalks create a safer environment by increasing driver yielding behavior, and establishing clear right-of-way for vulnerable road users.

(b) Painted curb and/or vertically delineated extensions. Curb extensions, also known as bulb-outs or neckdowns, extend the sidewalk or curb line into the parking lane to reduce pedestrian crossing distances. This treatment encourages slower vehicle speeds and increases driver attentiveness by narrowing the roadway. Curb extensions create a safer environment for pedestrians by providing a larger buffer between the sidewalk and vehicles, improving visibility and reducing exposure time to traffic.

(c) Pedestrian crossing islands. Pedestrian crossing islands, also known as refuge islands, median refuges, or pedestrian safety islands, are dedicated spaces in the center of roadways that allow people to navigate one direction of traffic at a time.

(d) Traffic circles. Paint and post traffic circles replace typical intersections with a central island that vehicles travel around at reduced speeds. Circular intersections have a few variations for different contexts; full roundabouts have multiple lanes and splitter islands, mini-roundabouts feature a slightly raised center island, and neighborhood traffic circles are simpler with just a small central island. Drivers must slow down, yield, and navigate around the center – eliminating dangerous turning collisions by reducing conflict points. The allowed traffic calming option is a mini-roundabout not a full roundabout.

(e) Chicanes. Chicanes are a traffic calming measures that create an “S” shaped path of travel along the street by alternating curb extensions or lane shifts. They typically include offset curb extensions, islands, or parking that require drivers to navigate a curved path of 45-degree bends. This design naturally reduces vehicle speeds without requiring vertical deflection elements, while maintaining emergency vehicle access and creating opportunities for landscaping or stormwater management features.

(f) Diverters. Diverters are physical barriers installed at intersections that prevent certain vehicular movements while maintaining bicycle and pedestrian access. They typically consist of diagonal islands and partial closures, strategically placed to redirect through traffic to designated corridors. Diverters significantly reduce traffic volumes creating calmer neighborhood environments with fewer conflicts, while preserving a connected network for people walking and biking.

(g) Turn-calming at intersections. Turn-calming treatments reduce vehicle turning speeds and improve visibility of people crossing the street. They create turning paths that discourage corner-cutting and encourage safer speeds at crosswalks.

(h) Speed humps. Speed humps reduce vehicle speeds by providing a vertical lift area along the course of travel.

(i) Speed cushions. Similar to speed humps, speed cushions provide wheel cutouts to allow large vehicles to pass unaffected, while reducing passenger car speeds. They can be offset to allow unimpeded passage by emergency vehicles and are typically used on key emergency response routes. Speed cushions extend across one direction of travel from the centerline, with a longitudinal gap provided to allow wide wheelbase vehicles to avoid going over the hump.

10.30.060 Criteria for placement of traffic calming devices.

(1) For the purposes of the traffic calming program, a traffic calming measure may be warranted

if the following conditions are met:

(a) The traffic calming device will not result in the need for widening other roadways, for additional storm drain measures, cause delays in emergency response time, or cause drivers to seek other routes to bypass the traffic calming measure as determined by the public works department.
(b) Street must have adequate sight distances to safely accommodate the speed hump as determined by the public works department.
(c) The street must be at least 500 feet in length, uninterrupted by stop signs, yield signs, or signal controls.
(d) The traffic calming device shall not be installed on sharp curves or curves exceeding a horizonal curve radius of 300 feet.
(e) The traffic calming device will not be installed closer than 200 feet from an unsignalized intersection and 250 feet from a signalized intersection. Note that some traffic calming devices are meant to be installed at intersections and are exempt from this subsection.
(f) The traffic calming device shall not impede access to driveways.
(g) The traffic calming device shall not be installed on cul-de-sacs or no-outlet streets less than 500 feet in length.
(h) The traffic calming device shall not impede access to a fire hydrant.
(i) The traffic calming device shall not cover, adversely impact access to, or the function of manholes, catch basins, water valves, or street monumentation.
(j) Traffic calming devices must conform to Americans with Disabilities Act (ADA) standards where required.

10.30.070 Traffic calming request procedures.

(1) A person(s) interested in pursuing the installation of a traffic calming device on a street shall submit a traffic calming request to the public works department with the appropriate fees. Fees associated with all traffic calming requests shall be set by resolution of the city council. The Public Works Director may initiate the installation of a traffic calming device.
(2) Public works staff will make a preliminary assessment to determine if the requested location is on an eligible road. If the location is on an eligible road, public works staff will determine an appropriate boundary area to circulate a neighborhood traffic calming support petition. The boundary area will be determined based upon the density of the lots and the roadway use.
(3) Applicant shall circulate a neighborhood traffic calming support petition in the area determined by the public works department and shall provide documented evidence of community support for the installation of traffic calming devices. Petition must document a minimum of 51 percent of the residents or 10 residents within the boundary area in support of the installation of traffic calming measures.
(4) After the applicant provides required community support for traffic calming measures as required, public works staff shall conduct a traffic study to determine if the street meets the requirements for traffic calming based on the criteria set forth in TMC 10.30.060. Speed study shall be conducted for a minimum of 14 days.
(5) If the street meets all criteria for traffic calming, additional approval of the following agencies in support of the traffic calming measure is required, including the public works department, planning department, police department, and fire department.

(6) After the community engagement process has been completed, residential approval thresholds are met, and traffic calming funds have been received by the city, the public works shall complete a full engineering study of the site and develop a preliminary design proposal for the requested traffic calming device.
(7) A public hearing shall be held by the Planning Commission prior to installation of the traffic calming device to present the preliminary design to interested residents. Notice of the public hearing shall be mailed to residents of the same petition area described in 10.30.070(2), posted on the City's website, and posted at City Hall. Following the public hearing, the Planning Commission shall make findings of fact and determine whether the criteria of Section 10.30.060 have or will be met.

10.30.080 Funding for traffic calming measures.

(1) A street which qualifies for traffic calming may be funded by the city, when such funds become available, by an individual, or by a group of individuals.
(2) The individual or group of individuals funding a traffic calming device must enter into a memorandum of understanding (MOU) with the City of Toledo, wherein they agree to pay for all costs associated with the installation of the traffic calming device on the street, including design, permits, construction, inspection, and administrative fees.
(3) After an MOU is executed, payment shall be made to the City of Toledo.
(4) Payment for speed humps does not relieve applicant from the requirement of obtaining community support in favor of the installation of traffic calming measures as required by Section 10.30.070(3), or from any other criterion set forth in this chapter.

10.30.090 Installation of traffic calming devices.

(1) The installation of traffic calming devices shall be scheduled by the public works department upon approval by the Planning Commission and receipt of funds for the work.
(2) Completion of the installation of traffic calming devices shall be subject to work crew schedules, purchasing constraints, and appropriate weather conditions.
(3) Installation shall be done in compliance with the Toledo Public Works Manual and/or the Institute of Transportation Engineers (ITE) Manual.

10.30.100 Evaluation, modification, and removal.

(1) Public Works staff shall evaluate traffic calming measures six months after installation to evaluate for effectiveness. Traffic data shall be collected and compared to the previously collected "before" data. The comparison will evaluate the measures to determine if corrective measures or other actions are needed.
(2) With the approval of Planning Commission, traffic calming devices may be removed or altered at any time for the following reasons:
    (a) Emergency response is significantly impacted.
    (b) Traffic count for the street exceeds 2,500 vehicles per day.
    (c) The city's Public Works Director determines that it is in the best interest of public safety.
(3) Residents within the traffic calming area may request removal of the traffic calming device only after the measures have been in place for two years by submitting a petition to the city. The petition shall request removal of the traffic calming device, acknowledge that the

residents shall pay for the removal, and include the signatures of at least 51 percent of the residents within the calming area. Upon receipt of the petition, the city will assess the property owners within the traffic calming area for the costs and then remove the traffic calming device.

10.30.110 Appeal of Planning Commission Decision.

(1) Any person who participated in the public hearing before the Planning Commission may appeal the Planning Commission's decision regarding installation or removal of a traffic calming device to the City Council by filing a written request within 14 days of the Planning Commission's decision.
(2) A written request for an appeal shall be submitted to the City Manager by paper or electronic mail. Upon receipt of appeal, the City Manager shall schedule a public hearing no later than 30 days following receipt of the request.
(3) Notice of the City Council public hearing shall be provided in the same manner as in Section 10.30.070(7).
(4) Following the public hearing, the City Council shall make findings of fact and determine whether the criteria of Section 10.30.060 or 10.30.100(2), as appropriate, have or will be met.

SECTION 2.

This Ordinance is effective 30 days upon passage by the Toledo City Council.

This Ordinance adopted by the Toledo City Council this _____ day of _____________, 2026.

APPROVED:	ATTEST:
__________________________	__________________________
Mayor Tracy Mix	City Recorder Paul Johnson

Toledo Traffic Calming– Code Update

Justin Peterson
Contract Planner
jpeterson@ocwcog.org

OREGON
Cascades West
Council of Governments

Agenda

1 Background

2 What is traffic calming?

3 Proposed Code

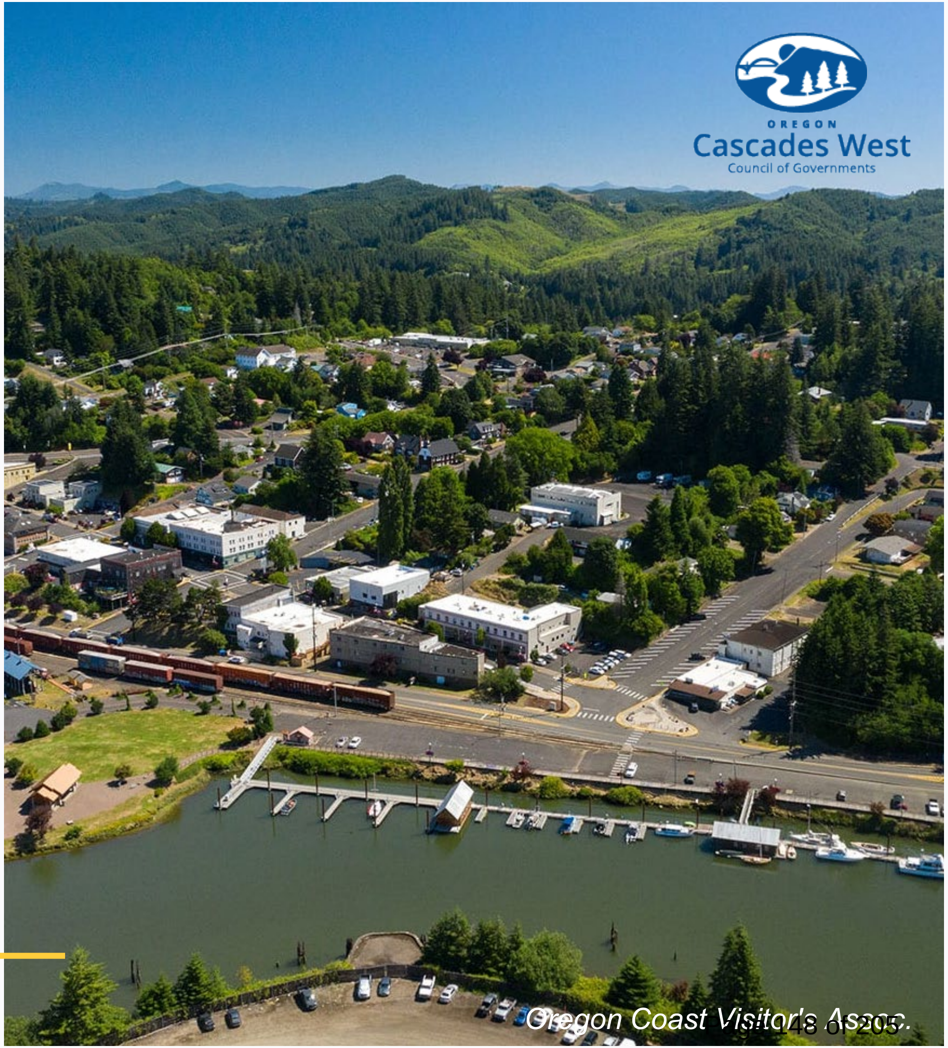
4 Next Steps

5 Questions

Promoting a thriving region.

Background

Interim City Manager David Clyne after direction from City Council asked staff to work on a Traffic Calming Ordinance with the Planning Commission. Planning Commission worked on the Ordinance at several meetings in 2025.



Oregon Coast Visitor's Assoc.

Promoting a thriving region.

What is Traffic Calming?

Traffic calming measures include the use of devices and techniques that reduce traffic volume and speed in neighborhoods while maintaining maximum mobility and access.

The proposed Code addresses "Quick Build" measures that can be deployed at relatively low cost.

Other measures might be installed through a more detailed, evaluative process.

Examples

- Hi-visibility crosswalks
- Curb extensions
- Crossing Islands
- Traffic circles
- Chicanes
- Diverters
- Turn-calming at intersections
- Speed humps
- Speed cushions

Proposed Code

Oregon Cascades West Council of Governments

The proposed ordinance establishes a new Chapter in Title 10 of the Toledo Municipal Code. The Code:

- **establishes new policies for the City regarding traffic calming.**
- **specifies the types of approved traffic calming measures (TCMs)**
- **spells out the criteria for approving traffic calming measures**
- **establishes the procedures for requesting TCMs be installed**
- **provides for evaluation and modification of TCMs**
- **has an appeal process for decisions to install or remove TCMs**

High Visibility Painted Crosswalks

pedbikeimages.com

use bold white lines to clearly define pedestrian crossing areas at intersections

are visible from up to twice the distance of traditional transverse marking

improving driver awareness of crossing pedestrians

Promoting a thriving region.

Curb extensions

Oregon Cascades West Council of Governments

pedbikeimages.com

extend the sidewalk or curb line into the parking lane

reduce pedestrian crossing distances

encourages slower vehicle speeds and increases driver attentiveness

improve pedestrian visibility and reduce exposure time to traffic

Promoting a thriving region.

Pedestrian Crossing Islands

pedbikeimages.com

dedicated spaces in the center of roadways that allow people to navigate one direction of traffic at a time

Promoting a thriving region.

Mini-roundabouts

pedbikeimages.com

a slightly raised central island that vehicles travel around at reduced speeds

drivers must slow down, yield, and navigate around the center

eliminates dangerous turning collisions by reducing conflict points

Promoting a thriving region.

Chicanes

create an "S" shaped path of travel

naturally reduce vehicle speeds

maintain emergency vehicle access

create opportunities for landscaping or stormwater management features

Diverters

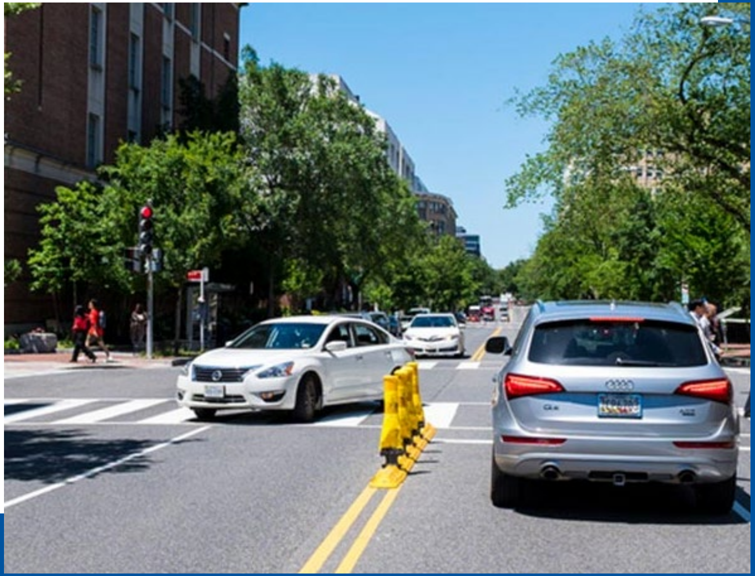
pedbikeimages.com

physical barriers installed at intersections that prevent certain vehicular movements

reduce traffic volumes creating calmer neighborhood environments with fewer conflicts

preserve a connected network for people walking and biking

Turn-Calming



reduce vehicle turning speeds

improve visibility of people crossing the street

create turning paths that discourage corner-cutting and encourage safer speeds at crosswalks

Promoting a thriving region.

Speed Humps

pedbikeimages.com

reduce vehicle speeds by providing a vertical lift area along the course of travel

Promoting a thriving region.

Speed Cushions

pedbikeimages.com

provide wheel cutouts to allow large vehicles to pass unaffected, while reducing passenger car speeds

typically used on key emergency response routes

allow unimpeded passage by emergency vehicles

Promoting a thriving region.

OREGON Cascades West Council of Governments

Proposed Code

Further Provisions

- TCMs may be funded by those proposing their installation
- Six months after installation, Public Works shall evaluate effectiveness
- Planning Commission decision may be appealed to City Council

Proposed Code

Procedure for approval

- request made to Public Works Dept
- PW staff conducts preliminary assessment of eligibility; determines boundary of area to be impacted
- applicant circulates petition, gathering signatures of 51% residents in area or 10 residents within the boundary area
- PW staff conducts traffic study, solicits comments from other agencies
- PW staff completes preliminary design
- Planning Commission holds public hearing; determines whether criteria are met

Next Steps

Oregon Cascades West Council of Governments

Public Outreach

Public Hearing

Adoption by City Council

Questions?

Connect

We're here to serve you!

Our team is always here to answer questions about who we are, how to get help, how to get involved, and what's going on in the community. Connect with us in any of the ways below!

jpeterson@ocwcog.org

www.ocwcog.org

www.facebook.com/OCWCOG

OREGON
Cascades West
Council of Governments

Thank You

Questions?

Promoting a thriving region.

City of Toledo
Request for City Council Action

Council Goal:	Meeting Date:	Agenda Topic:
To enhance and sustain public infrastructure and facilities in order to create a safe, efficient, and sustainable environment for residents and visitors	**July 15, 2026**	Toledo Fire Department—West/Resident building—roof replacement.

Prepared By:	Approved by:
Brian Lorimor	Rich Huebner, City Manager

Recommendation:
Recommendation to approve having West/Resident Building roof replaced at Toledo Fire Department.

Background:

The current Toledo Fire Department building was erected in 2005. Numerous repairs have been made to the West/Resident building roof since then.

Fiscal Impact:	Fiscal Year:	GL Number:
$32,625	**2026/2027**	**035-350-621500**

Attachments:
1. Toledo Fire-West Roof Quotes

CITY OF TOLEDO

TELEPHONE QUOTE FORM

Department	Description of Product to be given to each Vendor:
PW - For FIRE DEPT.	Replacement of roof @ Toledo Fire Department - West / Resident building @ 285 NE Burgess Rd.
Approvals	
Date Item Ordered	
(Highlight Company Ordered From)	

Company: Name/Address	Contact Person	Phone/Fax #'s	Quantity	Per Unit Price	Total Price
1) Tru North 1/9/26 - setup meeting for 1/13/26 @ 1pm	Lorin	(541) 231-0686			$32,625
2) Tad Oliphant Construction called on 1/9/26 - Too busy	Tad	(541) 270-0274			—
3) Cato Roofing 1/12/26 - Called. 1/13/26 - site visit 1/20/26 received quote	Phil	(541) 270-7445			$39,400
4) Ironhead Roofing 1/13/26 site visit w/ Larry	Joe	(503) 388-5811			$33,993.97

Date 1/20/2026

BRIAN LORIMOR

Signature and Printed Name of Individual Obtaining Quotes

Note: Please attach a copy of form to payment request sent to Accounts Payable

T&G Decking, Ventilation Enhancements **Additional 5/8" Plywood Will Be Billed As $55.00 Per Sheet for Roof Deck/Field Replacement **Not Included: Touch Up Trim Paint on Gables, Fascia, Chimneys, Fascia Plywood, Gutters, Back Pans, Satellite Dish Alignment, New Skylights Unless Specified In Contract, Etc.... ** **All repairs not specifically noted are charged as time and materials (plus 45% on material handling.) If possible, we will notify you before we do those repairs.** Photos/Videos provided

COMPASITION ROOF BID

OPT 1) OWENS CORNING SHINGLE – West Roof

WEST ROOF (SS = Stainless Steel) = $28,125.00 ✓
• Tear off 45sq Comp
• Felt 30# 45sq Synthetic Felt
• SS Drip flashing (Eve and Rake)
• SS Roof to wall (If needed)
• SS Step Flashing (If needed)
• SS 1 ¼" Ring Shank Nails (6 nails per shingle + high winds)
• Plastic Vents
• Pipe Vents Per Specs (Neoprene)
• OC Duration Shingle 45sq
• Hip and ridge OC
• Dump Fees

OPT 1) OWENS CORNING SHINGLE – Middle Roof

NW ROOF (SS = Stainless Steel) = $35,625.00
• Tear off 57sq Comp
• Felt 30# 57sq Synthetic Felt

TRU-NORTH CONSTRUCTION LLC

P:541-2310686
CCB # 236084
1130 N Coast hwy newport, OR 97365

<u>Toledo Fire Department</u>
285 NE Burgess Rd
Toledo OR

P: 541-270-5895
E: pwdirector@cityoftoledo.org

Scope of Work

• Inspect roof deck/sheeting

• Tear off

• Set up Fall Protection

• Install ASTM Rated Synthetic 30# Roofing Felt Underlayment

• Install New Ridge Material

• Install New Stainless Steel Rake Flashings on Gables and Drip metal

• Install New Roof with Stainless Steel Fasteners • Install New Plastic Roof Vents

• Install New Plumbing Vent Pipe Flashings

• Paint Penetrations Whenever Possible to Match Color of Shingles

• Re-flash All Existing Base Flashing(s) for Chimney, Skylights, Step Shingles, and Wall(s) As Needed –

• Shingle OPTIONS Presidential, F-WAVE, OC Duration

• Final Cleanup

• 5 year Workmanship Warranty

All Dry-Rot Repair or Structural Improvements Will Be Billed As Time ($75 Per Man Hour) plus material (plus 45 % on material handling) Includes: Rafters, Soffit Panels, Fascia Boards,

• SS Drip flashing (Eve and Rake)
• SS Roof to wall (If needed)
• SS Step Flashing (If needed)
• SS 1 ¼" Ring Shank Nails (6 nails per shingle + high winds)
• Plastic Vents
• Pipe Vents Per Specs (Neoprene)
• OC Duration Shingle 57 sq
• Hip and ridge OC
• Dump Fees

OPT 1) OWENS CORNING SHINGLE – East Roof

NW ROOF (SS = Stainless Steel) = $28,125.00
• Tear off 45sq Comp
• Felt 30# 45sq Synthetic Felt
• SS Drip flashing (Eve and Rake)
• SS Roof to wall (If needed)
• SS Step Flashing (If needed)
• SS 1 ¼" Ring Shank Nails (6 nails per shingle + high winds)
• Plastic Vents
• Pipe Vents Per Specs (Neoprene)
• OC Duration Shingle 45sq
• Hip and ridge OC
• Dump Fees

ASPHALT SINGLE PLY MEMBRANE

WEST ROOF (SS = Stainless Steel) = $4,500.00
• Tear off 10 sq Torch Down
• Install 10sq self-adhered
• Base Sheet adhered
• Dump Fee

TOTAL COMP = $96,375.00

Estimate

Phil Cato
CCB#255320
822 SE Vista Dr.
Newport, Or 97365
Phone: 541-270-7445

JANUARY 18, 2026

BILL TO **Toledo Fire Department**

This estimate covers complete 1- layer tear off of roof. Install 40 year architectural roof shingle, storm nailed with stainless steel roof nails. All drip metal , pipe flashing & roof vents will be replaced.

JOB ADDRESS	WORK TO BE PERFORMED	DATE PERFORMED
285 NE Burgess RD. Toledo, Or. 97391	**Building #1 Resident Building** Tear off 1-Layer Install New 40 year Malarkey Architectural Roof GRANULATED TORCH DOWN LOW PITCH ROOF SECTION	weather permitting

	DESCRIPTION		
Remove	1-LAYER ASPHALT ROOFING & GRANULATED TORCH DOWN PERFORM DRY ROT INSPECTION		
	PREP/ CLEAN-UP / DUMP		
Install	30LB. ASTM REQUIREMNETS Hybrid ROOF FELT		
	STAINLESS DRIP EDGE METAL INTO GUTTERS		
	MALARKEY SMART START		
	40 YEAR MALARKEY VISTA-AR™ ASPHALT ROOF SHINGLE 130 MPH		
	1¼" STAINLESS STEEL ROOF NAIL STORM NAILED 6 PER SHINGLE		
	AF-50 ROOF VENTS		
	PIPE FLASHING		
	12" RIDGE FLEX MALARKEY RIDGE CAP		
	FINAL CLEAN-UP ROOF , GUTTERS & GROUNDS / DUMP		$34,650.00
	GRANULATED TORCH DOWN WITH FIBERGLASS UNDERLAYMENT		+$4,750.00
		TOTAL	$39,400.00

To accept this quotation, sign here and return: ______________________________

½ down to start. Remainder upon completion

Please contact Phil at 541-270-7445 with any questions or comments.

Thank You For Your Business!

01/20/2026

IronHead Roofing LLC
4515 NE Elliott Circle
Corvallis OR 97330
Phone: (541) 714-0575

Company Representative
Joe Mortensen
Phone: (702) 460-2176
joe@ironheadroofing.com

Section 1 is the building furtherest from the road. Timeline is July-September 2026

Larry Roberson
Toledo Fire Station/ Fire Chief
285 Northeast Burgess Road
Toledo, OR 97391
(541) 336-3311 Ext. 5201

Job: Larry Roberson

Toledo Fire House Shingle Bid

Ironhead Roofing proposes to furnish and install an Owens Corning Duration architectural shingle roofing system, engineered for long-term weather protection, enhanced wind resistance, and a clean, dimensional appearance–installed to manufacturer specifications to ensure durability, performance, and full warranty eligibility.

TEAR OFF & DISPOSAL
- Remove and dispose of existing roofing down to the wood deck. This includes removing starter, hip/ridge, valley materials, underlayment/felt, and exposed fasteners; pull or drive nails flush to leave a smooth substrate.
- Base bid includes one (1) shingle layer; any additional layer(s) are extra per Unit Prices.
- Provide dumpsters/haul-off and dispose at an approved facility, daily housekeeping and a final magnetic sweep at completion.

DECK PREP & REPAIRS
- Re-nail any loose wood to secure the deck.
- If bad/rotten wood is discovered: notify Owner/Manager and replace time & material at $90/hr plus materials.
- Plywood sheathing replacement: $90 per sheet (labor & material), using 1/2" × 4'×8' CDX; installed to code with proper nailing.
- Photo documentation of concealed damage and repairs available upon request.

WATERPROOFING
- Install ice & water shield (ASTM D1970) in all valleys and other critical areas (dead valleys, around chimneys/skylights, penetrations, and eaves where required by local code ONLY).
- Install RhinoRoof® synthetic underlayment over remaining deck; maintain daily dry-in with proper laps and fastening.

PERIMETER & STARTERS
- Install Starter Strip Shingles along all eaves (gutter lines) and rake edges, aligned to manufacturer exposure and sealant guidelines.

FIELD SHINGLES
- Install Owens Corning TruDefinition® Duration® limited lifetime dimensional shingles per manufacturer specifications.
- Use 1-1/4" roofing nails. All fasteners must penetrate at least 3/4" into the wood deck or completely through the deck by a minimum of 1/4".
- Duration Shingles are Rated Class 3 for Impact Resistance1 and Class A for fire. They come with the advanced performance of patented SureNail Technology–with Triple Layer Protection® in the nailing zone for superior holding power.
- Nail count and placement per manufacturer and local code (typically 4-6 nails per shingle depending on wind zone).

HIP & RIDGES
- Install Owens Corning ProEdge® Hip & Ridge shingles; align with ridge ventilation where applicable. Deco Ridge can be installed for an additional charge.

FLASHING, VENTS & PENETRATIONS
- Install new galvanized enamel-coated roof vents (like-for-like count).
- Install new plumbing pipe flashings; integrate with shingle/underlayment system.
- Install new chimney metal flashing if needed for brick chimneys.
- Existing step and headwall to be reused if serviceable; replace only if required or specified.

SAFETY, PROTECTION & CLEANLINESS
- Crews are licensed and insured; will maintain OSHA-compliant fall protection at all times during construction.
- Protect landscaping, siding, walkways, and AC units with tarps/plywood; establish controlled drop zones and use ground catchment where feasible.
- Clean up all job-related debris and perform a magnet sweep at completion. Includes cleaning gutters.

INCLUSIONS
- All labor, materials, and equipment are included in this price.
- Color selections to be confirmed prior to ordering. Scheduling coordinated with Owner/Manager.

WARRANTY
- Provide 10-year workmanship warranty from Ironhead Roofing (manufacturer product warranties apply per Owens Corning terms). Upgraded Platinum warranty is available for an additional cost.

CLARIFICATIONS & EXCLUSIONS
- Pricing assumes standard access and like-for-like ventilation counts; code-required ventilation additions will be priced via Unit Prices.
- Not included unless noted: gutters/downspouts, interior finishes, painting, solar detach/reset, electrical/low-voltage work, asbestos/lead abatement, mold remediation, structural framing/truss correction, permits/fees unless explicitly included, or plywood thicker than 1/2" if required by others/code.
- All discounts have been applied. 50% deposit is required to secure your space. Color selection is required to order your material.

	Qty	Unit
Materials		
Labor		
Golden Rule ZipSeal Retrofit Pipe Flashing - 0-5 3/8"	2.00	EA
Install Single Ply Membrane	3.00	SQ
GAF EverGuard TPO - .060 - 5'x100'	3.00	SQ

$33,993.97

Section I Gutter Bid

	Qty	Unit
Gutters - Install Gutters	105.00	LF

$8,275.00

TOTAL	$42,268.97

Congratulations on selecting the premier roofing contractor in Oregon, Iron Head Roofing LLC. We are excited to work with you and install your new roof or complete a roofing repair. Iron Head Roofing LLC follows the best building practice, building codes, and adheres to manufacturer recommendations.

Please review a few of our disclaimers and terms below. If you have any questions please contact our office or your Roofing Consultant:
- Before work: Please ensure driveways are clear of personal vehicles prior to IronHead Roofing crews arrival. We will need access to a power outlet for our compressor.
- During work: Our employees will ensure the job site is free of hazards while roofing activities take place. Please be aware of workers and ask questions prior to crossing under areas of the roof where active work is taking place.

Iron Head Roofing LLC payment terms for Consumer Customers are as follows:
- Payments are due immediately after substantial completion of work.
- Check or ACH Payment Terms are preferred method.
- Payment not received within 5 days of completion of work will be considered late
- Late fee of 12% per annum will be applied to outstanding invoices.
- Iron Head Roofing Accepts Debit or Credit cards with a 3.5% fee, Cash and Check with No Fee.
- All Contracts require 50% down prior to start of job.
- IronHead Roofing will assess late fees to the responsible party.

Other Items
- Iron Head Roofing LLC is not a ventilation, condensation, or mold remediation contractor. As such, the customer will need to consult if they desire an expert in this field.
- If scope of work changes during the process of the job to increase 20% of scope of work and no agreement is reached between parties or if Iron Head is asked to do anything that will void the warranty of the job then we reserve the right to terminate the contract at any time.
- The customer has received the following Residential Construction Notices. Consumer Protection Notice, Notice of Procedure, Information Notice to Owner about Construction Liens.
- All discounts have been applied.
- Skylights that are not replaced by Ironhead Roofing will be nullified from the 10 Year Workmanship Warranty.
- Bid is Valid for 30 days from
- By signing the customer agrees and acknowledges all terms and conditions on this page 1 and page 2.
- Iron Head Roofing LLC CCB # 213708
- Final invoice amount may differ from the original bid for dry rot and other items.

City of Toledo
Request for City Council Action

Council Goal:	Meeting Date:	Agenda Topic:
To enhance and sustain public infrastructure and facilities in order to create a safe, efficient, and sustainable environment for residents and visitors	**July 15, 2026**	Seeking approval to purchase a new Ford F-150 pickup for the Water Treatment Plant.

Prepared By:	Approved by:
Brian Lorimor	Rich Huebner, City Manager

Recommendation:
Recommendation of approving the purchasing of a new Ford F-150 for the Water Treatment Plant

Background:

The 2014 Ford F-150 that is currently used by the Water Treatment Plant, is approaching 100,000 miles. This vehicle is out of warranty and is one of the oldest daily-driven vehicles in our fleet. Water Treatment Plant staff travels regularly between the plant and the Siletz pump station, which is 9 miles away, to Newport for picking up and dropping off water samples and to the Mill-Creek Dam, which is over 5 miles out of town, accessed by logging roads. This purchase was an approved CIP for the 2026/2027 budget year.

Fiscal Impact:	Fiscal Year:	GL Number:
$46,000	**2026/2027**	**041-410-620500**

Attachments:
1. FY26-27 CIP PW WTP Pickup Truck
2. Super Cab F150 Bid City of Toledo

Capital Improvement Project
(Expenditure) Detail Sheet

Department:	Public Works Department-Water Treatment Plant
Purchase item:	2026 Ford F-150 4wd-Crew Cab Pickup Truck
Cost of item:	$46,000
Budget line item:	041-410-620500
Replacement?:	Yes
What Council goal does this relate to?:	1.To enhance and sustain public infrastructure and facilities by implementing plans...

Explanation of need for purchase:

The 2014 Ford F-150 that is currently used by the Water Treatment Plant, is approaching 100,000 miles. This vehicle is out of warranty and is one of the oldest daily-driven vehicles in our fleet. Water Treatment Plant staff travels regularly between the plant and the Siletz pump station that is 9 miles away, to Newport for picking up and dropping off water samples and to the Mill-Creek Dam which is over 5 miles out of town, accessed by logging roads.

Preview Order R999 - X1L - 4x4 XL SuperCab: Order Summary Time of Preview: 02/04/2026 16:05:30 Receipt: 2/4/2026

Dealership Name: Newport Ford

Sales Code : F74420

Dealer Rep.	Chris McClure	**Type**	Fleet	**Vehicle Line**	F-150	**Order Code**	R999
Customer Name	City of Toled	**Priority Code**	F2	**Model Year**	2026	**Price Level**	630

DESCRIPTION	MSRP	DESCRIPTION	MSRP
F150 4X4 SUPERCAB XL - 145	$45400	BLACK PLATFORM RUNNING BOARDS	$250
145 INCH WHEELBASE	$0	50 STATE EMISSIONS	$0
TOTAL BASE VEHICLE	$45400	TOW/HAUL PACKAGE	$1010
OXFORD WHITE	$0	.INTEGRATED TRAILER BRAKE CONT	$0
CLOTH 40/20/40 FRONT SEAT	$0	EXTENDED RANGE 36GAL FUEL TANK	$0
MEDIUM DARK SLATE	$0	CONN PKG: 1 YR INCL W/FORD APP	$0
EQUIPMENT GROUP 101A	$0	PRICE CONCESSION INDICATOR	$0
.XL SERIES	$0	REMARKS TRAILER	$0
.17" SILVER STEEL WHEELS	$0	SPECIAL DEALER ACCOUNT ADJUSTM	$0
3.5L V6 ECOBOOST	$2220	SPECIAL FLEET ACCOUNT CREDIT	$0
ELEC TEN-SPEED AUTO TRANS	$0	FUEL CHARGE	$0
265/70R 17 BSW ALL-TERRAIN	$0	NET INVOICE FLEET OPTION (B4A)	$0
3.55 ELECTRONIC LOCK RR AXLE	$0	PRICED DORA	$0
7100# GVWR PACKAGE	$0	ADVERTISING ASSESSMENT	$0
FORD FLEET SPECIAL ADJUSTMENT	$0	DESTINATION & DELIVERY	$2795
FRONT LICENSE PLATE BRACKET	$0		

Your Price: $48,495
Ford Bid assist: -$ 3,000

$45,495
Plus license title tax
at time of delivery

	MSRP
TOTAL BASE AND OPTIONS	$51675
DISCOUNTS	NA
TOTAL	$51675

ORDERING FIN: QW408 **END USER FIN:** QW408

INCENTIVES

Acc. Code ID :10 Contract/Ref # :22-522T Bid Date :09/25/25State : OR

DISCOUNTS:
$-3000.00

Customer Name:
Customer Address:

Customer Email:
Customer Phone:

Customer Signature Date

This is not an invoice.

City of Toledo
Request for City Council Action

Council Goal:	Meeting Date:	Agenda Topic:
To enhance and sustain public infrastructure and facilities in order to create a safe, efficient, and sustainable environment for residents and visitors.	**July 15, 2026**	Water Management and Conservation Plan update for the City of Toledo.

Prepared By:	Approved by:
Brian Lorimor	Rich Huebner, City Manager

Recommendation:
Recommendation to approve and authorize the City Manager to execute an agreement with GSI Water Solutions to update the Water Management and Conservation Plan for the City of Toledo.

Background:

The Oregon Water Resources Department issued a Final Order approving the City of Toledo's (City) current Water Management and Conservation Plan (WMCP) on October 9, 2017. This Final Order requires that the City submit a WMCP update by April 4, 2027. As requested, GSI Water Solutions, Inc. (GSI) has developed this proposed scope of work to update the City's WMCP. GSI has a strong understanding of the City's water rights and water management and conservation efforts through its work developing the City's 2017 WMCP, 2022 WMCP Progress Report, and 2023 Drinking Water Protection Plan, as well as through GSI's work supporting efforts of the Mid-Coast Water Conservation Consortium (the City is a member).

Fiscal Impact:	Fiscal Year:	GL Number:
$38,600	**2026/2027**	**041-410-626400**

Attachments:
1. CIP-Water Management and Conservation Plan
2. Toledo WMCP scope and fees

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Capital Improvement Project (Expenditure) Detail Sheet

Department:	Public Works Dept – Water
Purchase item:	Water Management and Conservation Plan
Cost of item:	$38,600
Budget line item:	041-410-626400
Replacement:	Yes
What Council goal does this relate to?:	To enhance and sustain public infrastructure and facilities by implementing plans for parks, storm water, and street improvements, upgrading water lines, improving fire infrastructure, and evaluating the City fleet in order to create a safe, efficient, and sustainable environment for residents and visitors.

Explanation of need for purchase:

The Oregon Water Resources Department issued a Final Order approving the City of Toledo's (City) current Water Management and Conservation Plan (WMCP) on October 9, 2017. This Final Order requires that the City submit a WMCP update by April 4, 2027.

Water Management and Conservation Plan Update – Scope of Work and Fee Estimate

To:	Brian Lorimor, City of Toledo
From:	Ronan Igloria, GSI Water Solutions, Inc. Suzanne de Szoeke, GSI Water Solutions, Inc.
Date:	September 9, 2025
RE:	Water Management and Conservation Plan Update

The Oregon Water Resources Department issued a Final Order approving the City of Toledo's (City) current Water Management and Conservation Plan (WMCP) on October 9, 2017. This Final Order requires that the City submit a WMCP update by April 4, 2027.

As requested, GSI Water Solutions, Inc. (GSI) has developed this proposed scope of work to update the City's WMCP. GSI has a strong understanding of the City's water rights and water management and conservation efforts through its work developing the City's 2017 WMCP, 2022 WMCP Progress Report, and 2023 Drinking Water Protection Plan, as well as through GSI's work supporting efforts of the Mid-Coast Water Conservation Consortium (the City is a member).

Scope of Work

The overall goal of this project is to develop an updated WMCP for the City that meets the required WMCP content described in Oregon Administrative Rules Chapter 690, Division 86. GSI proposes to complete the following project activities to develop the City's Updated WMCP.

Develop Updated WMCP

Introduction and Water Supplier Element

- Update the introduction to provide a summary of the City and its water system, a description of the need for an updated WMCP, and a list of local affected governments.
- Update and analyze demand, consumption, and water loss data utilizing information from the City's 2022 WMCP Progress Report and incorporating demand and consumption data from 2022 through 2025, and to the extent possible 2026, to be provided by the City.
- Update water rights information and usage, and provide an updated water rights analyses.
- As required by the WMCP administrative rules, describe aquatic species present in water sources and surface water quality descriptions per latest state and federal data.
- Update the City's water system schematic, service area population, and system description.

Water Conservation Element

- Provide an updated progress report on the City's efforts to meet the five-year water conservation benchmarks for water conservation measures identified in the 2017 WMCP.
- Work with the City to update conservation measures and associated benchmarks appropriate to meet the City's conservation goals.

Water Curtailment Plan

- Provide updates on any recent water shortage(s) and the current City water supply limitations.
- Evaluate the curtailment stages, triggers, and action in the City's curtailment plan and update as needed to meet the City's current needs.

Water Supply Element

- Update population and water demand projections for 10 years, 20 years, and longer if needed.
- Delineate the future service area.
- Describe the City's schedule to exercise its permits and provide a comparison of the projected need to available sources.
- Analyze alternative sources of water.

Revise Draft WMCP and Submit to Affected Local Governments and OWRD

- Complete an initial draft WMCP, provide it to the City for review, and incorporate City comments to produce a Local Government Review Draft WMCP.
- At least 30 days before submitting the Draft WMCP to OWRD, provide the Local Government Review Draft WMCP to affected local governments to seek comments regarding consistency with each of the local government's comprehensive land use plans as required under OAR 690-086.
- Work with the City to address any relevant comments from affected local governments, and then produce the Draft WMCP and submit it to OWRD.

Respond to OWRD Comments and Finalize the WMCP

- Respond to any comments from OWRD on its review of the Draft WMCP in a redline Final Draft and provide the redline Final Draft to the City for review.
- Provide a redline Final Draft to OWRD as needed.
- Submit the Final WMCP to OWRD for approval.

Meetings

GSI will hold one project kick off meeting via video conference with the City. GSI also will hold informal conference calls or teleconference meetings with the City as needed for check-ins and project coordination. The topics and timing for these meetings can be adjusted as jointly determined by the City and GSI as needed.

Deliverables

Deliverables will consist of an initial draft WMCP for City review, a Local Government Review Draft WMCP, a Draft WMCP submitted to OWRD, and a Final WMCP submitted to OWRD, as well as up to two hard copies and an electronic version of the Final WMCP provided to the City.

Assumptions

- The City will provide readily-available historical demand and consumption information in spreadsheet format (e.g. M.S. Excel).
- The City will provide a current or near-current map with water system infrastructure and service area boundaries formatted as GIS georeferenced shapefiles or similar mapping format, or will provide GIS shapefiles for GSI to create a map with the required elements.

Schedule

GSI is prepared to begin work after receiving notice to proceed from the City. The estimated schedule is as follows:

- July 2026: Project kickoff meeting; data requests begin
- July 2026-January 2027: Develop WMCP Sections
- Early January 2027: Provide the City with a draft WMCP to review
- Late January 2027: Provide City with the draft Local Government Review Draft WMCP to review
- Mid-February 2027: Send Local Government Review Draft WMCP to affected local governments (30 day comment period)
- By April 1, 2027: Send Draft WMCP to OWRD
    - WMCP due date: April 4, 2027
- Following OWRD review, respond to OWRD comments as appropriate by sending a redline Final Draft WMCP to OWRD, and then submit a Final WMCP to OWRD

Fee Estimate

The estimated budget for the work described in the scope of work is based on time and materials and will not exceed $38,600 without prior approval from the City of Toledo. This budget does not include the statutory fee for OWRD processing of a WMCP submitted by a municipal water supplier serving a population of more than 1,000, which is currently $3,675 and will likely be slightly higher by April 2027; GSI has assumed the City will pay that fee directly. GSI's estimated 2026 labor rates are attached to this project scope.

Thank you for considering this proposal. Please let us know if you have any questions. We look forward to the opportunity to continue to assist the City with its water management and conservation planning.

Sincerely,
GSI Water Solutions, Inc.

Ronan Igloria
Principal Water Resources Consultant

Suzanne de Szoeke
Water Resources Consultant

Attachment: GSI 2026 Labor Rates

Water Solutions, Inc.

2026 GSI Fee Schedule

Labor Category	Hourly Rate
Technical Professionals	
Principal II	\$230 – \$280
Principal I	\$210 – \$260
Senior Managing II	\$200 – \$235
Senior Managing I	\$190 – \$220
Managing II	\$180 – \$200
Managing I	\$170 – \$190
Senior Project II	\$165 – \$185
Senior Project I	\$155 – \$175
Project II	\$150 – \$170
Project I	\$135 – \$165
Staff II	\$125 – \$150
Staff I	\$115 – \$145
Other Services	
GIS/Graphics/Database	\$120 – \$175
Editor/Documents	\$120 – \$145
Administration	\$90 – \$125

The hourly rate for trial preparation and expert witness testimony is 1.5 times the standard billing rate shown above.

Expenses

- **Mileage:** IRS authorized rate/mile plus 10 percent markup
- **Direct expenses and outside services**: Cost plus 10 percent markup
- **Enterprise GIS:** \$100 per month for the duration of use

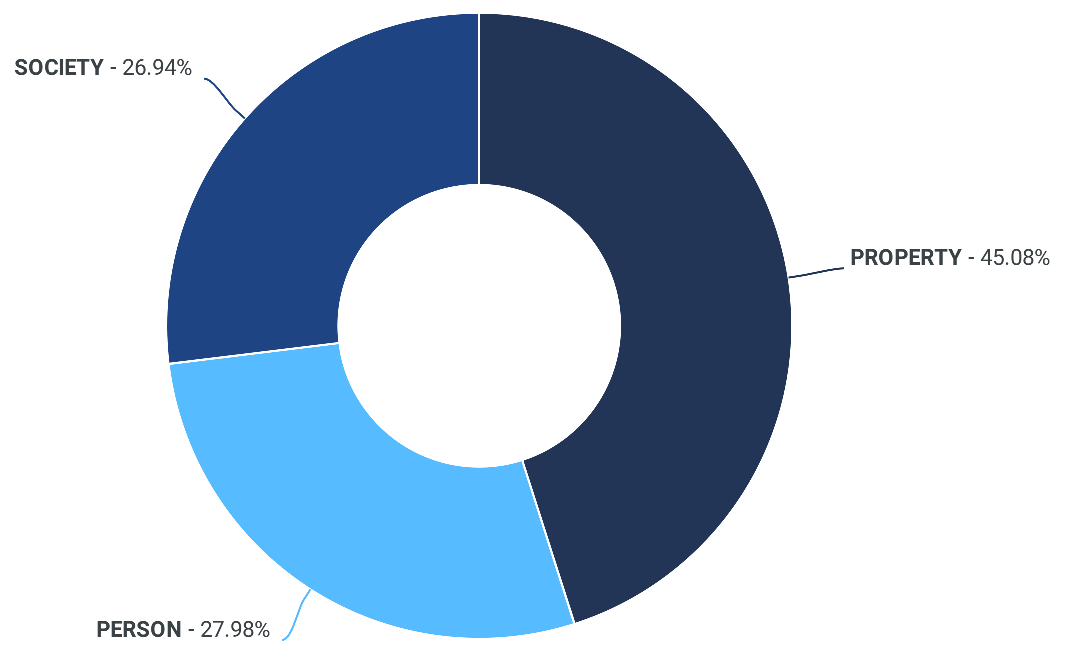
**Hourly rates are subject to annual increases on the contract anniversary date.*

Public Record Monthly

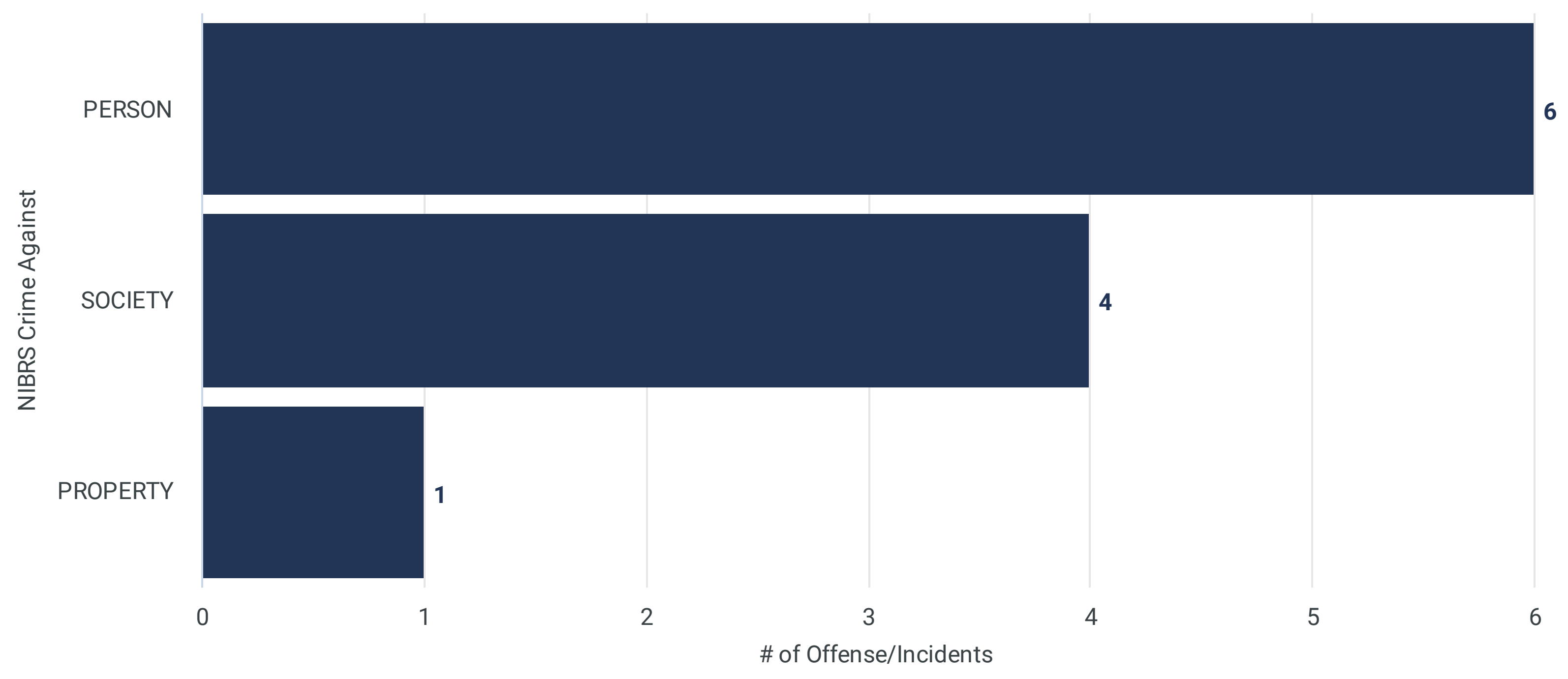
Date Range is previous month

If "No Results" is Displayed - No Crime of Those Types Occurred

YTD Crimes in Toledo 2025



Crimes Against Totals



Crimes Reported

Persons Crimes

Crime	# of Offense/Incidents
HARASSMENT | 166.065	2
ASSAULT III | 163.165	1
MENACING | 163.190	1
TELEPHONIC HARASSMENT | 166.090	1
ASSAULT IV | 163.160	1
Totals	6

Property Crimes

Crime	# of Offense/Incidents
CRIMINAL MISCHIEF I | 164.365	1
Totals	1

Society Crimes

Crime	# of Offense/Incidents
UNLAWFUL USE OF WEAPON | 166.220	2
DUII | 813.010	2
Totals	4

All Other Crimes

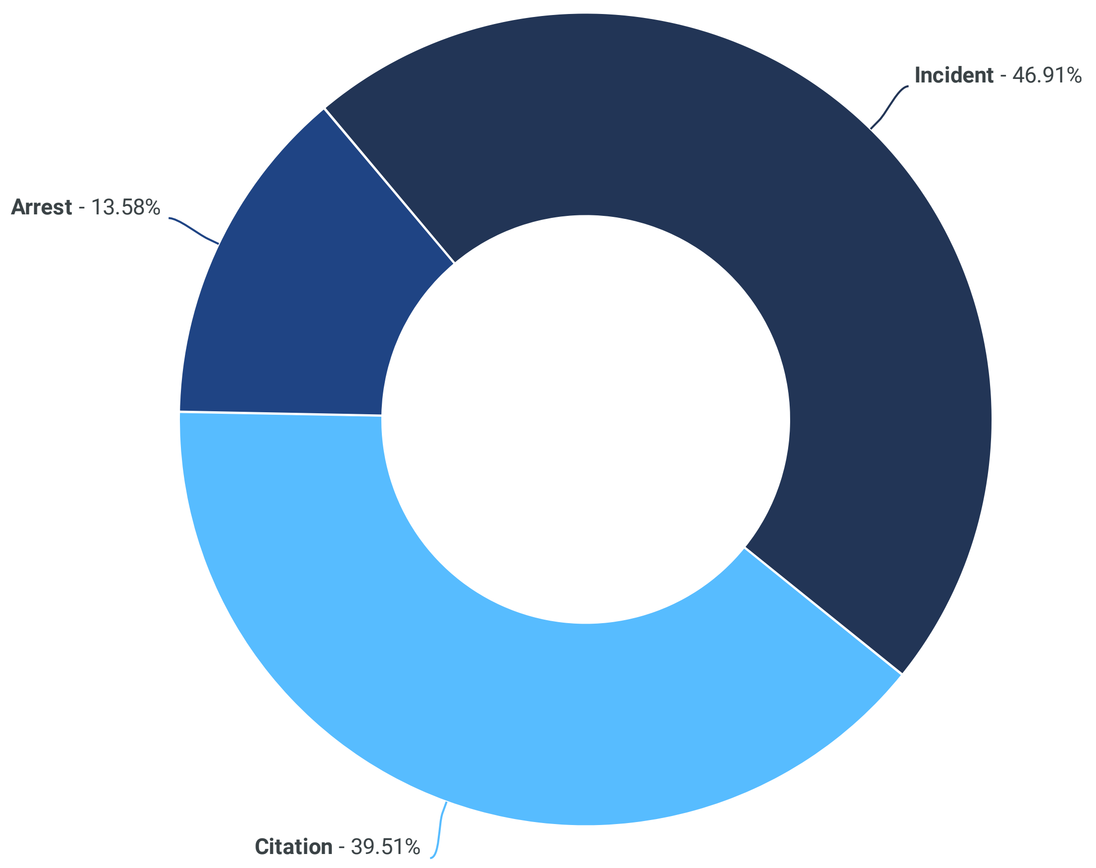
Crime	# of Offense/Incidents
WARRANT ARREST	4
CRIMINAL MISCHIEF III | 164.345	2
CRIMINAL MISCHIEF II | 164.354	2
CONTEMPT OF COURT | 135.290	2
INTERFERENCE WITH MAKING REPORT | 165.572	1
CRIMINAL MISTREATMENT I | 163.205	1
RECKLESS DRIVING | 811.140	1
FAILURE TO APPEAR I | 162.205	1
Totals	15

Reports & Arrests

81

Total Reports

Reports Completed by Type



11

Total Arrests

Arrest Charges

	Name	# of Arrests
1	WARRANT ARREST	4
2	HARASSMENT | 166.065	2
3	UNLAWFUL USE OF WEAPON | 166.220	2
4	DUII | 813.010	2
5	INTERFERENCE WITH MAKING REPORT | 165....	1
6	ASSAULT III | 163.165	1
7	CRIMINAL MISCHIEF II | 164.354	1
8	CRIMINAL MISCHIEF I | 164.365	1
9	RECKLESS DRIVING | 811.140	1
10	MENACING | 163.190	1
Totals		11

DUI Arrests by Type

No results

Citations Issued

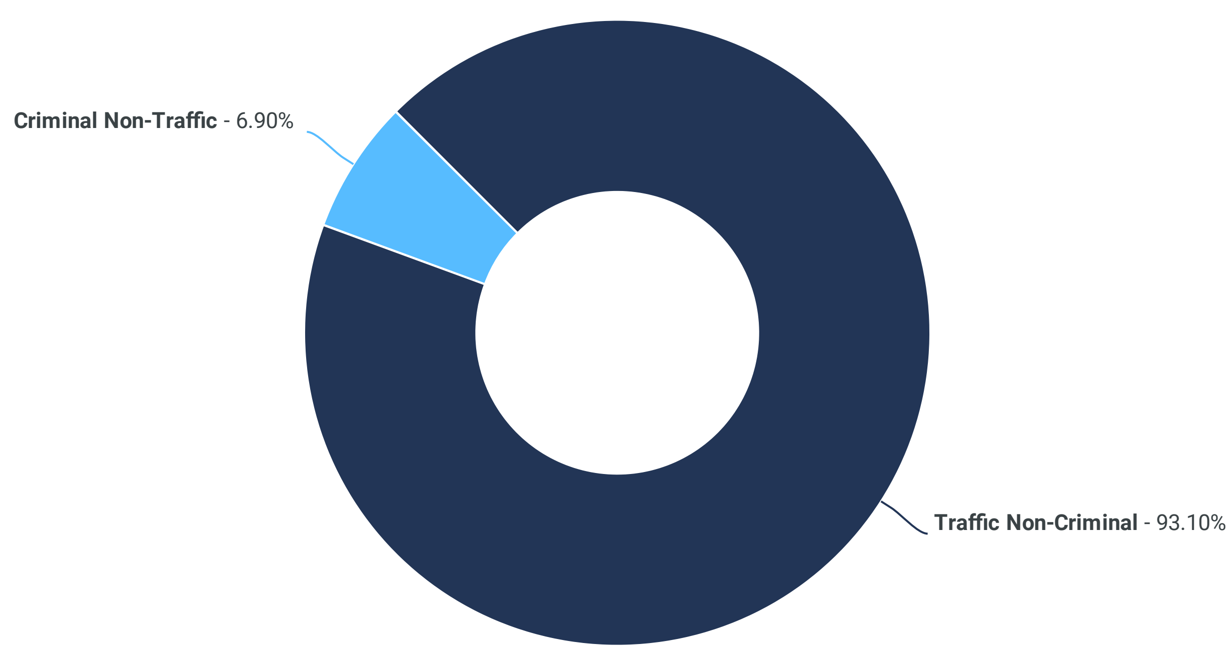
29

Total Citations

Citations Charges

Charge	# of Citations
DRIVING WHILE SUSPENDED/REVOKED - VIOLATIO...	14
DRIVING UNINSURED | 806.010	8
EXCEEDING SPEED LIMIT 11-20 MPH | 811.111	5
FAILURE TO PROPERLY USE SAFETY BELTS / SEAT ...	3
REGISTRATION STICKER-EXPIRED | 803.560	2
EXCEEDING SPEED LIMIT 21-30 MPH | 811.111	2
IMPROPER DISPLAY REGISTRATION STICKER | 803....	2
VBR 11-20 | 811.100	2
VIOLATION OF POSTED TRUCK ROUTE | 10.16.100	1
WARRANT ARREST	1
VBR 21-30 | 811.100	1
DOG AT LARGE | 06.04.080(A)	1
FAIL TO OBEY TCD (STOP SIGN) | 811.265	1
FAILURE TO REGISTER VEHICLE | 803.300	1
Totals	29

Citations by Type



Generated on July 1, 2026 at 6:29 PM UTC

Police Department Monthly Report

June 2026

News:

Nothing to Report

Major Arrests

Nothing to Report

Community Engagement

Community Engagement – E-Bike Safety Education Campaign

The Toledo Police Department developed and distributed a community education campaign regarding Oregon e-bike laws and safe riding practices through the department's social media platforms. The informational graphic provided residents with clear guidance on e-bike classifications, age requirements, helmet recommendations, licensing requirements, rules of the road, and lawful operating areas. This proactive outreach effort was intended to address the growing popularity of e-bikes within the community, promote safe and lawful operation, reduce confusion regarding state regulations, and encourage responsible riding behaviors. The post generated community engagement and helped further the department's commitment to public education and traffic safety awareness.

Community Engagement – Youth Outreach at South Beach Christian School

Officer Orrin Wallace participated in a community outreach and career education presentation for 5th and 6th grade students at South Beach Christian School. During the visit, Officer Wallace discussed his career in law enforcement, the responsibilities and challenges of policing, the importance of public service, and potential career pathways for students interested in serving their communities. Students were provided the opportunity to ask questions, learn about police equipment and patrol operations, and engage directly with a local law enforcement officer. The presentation generated significant student interest and enthusiasm, reinforcing positive relationships between law enforcement and youth while promoting trust, education, and community engagement. The Toledo Police Department appreciates South Beach Christian School for the opportunity to connect with local students and recognizes Officer Wallace for his professionalism, dedication, and positive representation of the department.

Community Engagement – E-Bike Safety Awareness Campaign

The Toledo Police Department shared an educational public safety campaign focused on the increased risks associated with electric bicycle (e-bike) use, particularly among youth riders. The informational post, developed in coordination with messaging from the Washington County Sheriff's Office, highlighted important safety considerations including Oregon age requirements, the increased speeds and injury potential associated with e-bikes, and the importance of proper helmet use. The campaign emphasized that e-bikes differ significantly from traditional bicycles in both speed and weight, resulting in a greater risk of serious injury during collisions. This community outreach effort was intended to educate parents and riders, promote safe and lawful e-bike operation, and support injury prevention through proactive public education.

Community Engagement – Electric Motorcycle and E-Bike Education Initiative

The Toledo Police Department shared educational information to help residents better understand the distinction between electric bicycles and electric motorcycles under Oregon law. The public safety campaign explained that many popular electric motorcycle-style vehicles, including Sur-Ron and Talaria-style models, do not meet Oregon's legal definition of an e-bike due to factors such as motor wattage, speed capability, throttle operation, and vehicle design. The educational post outlined where these vehicles may be legally operated, the requirements for lawful operation on public roads, and the safety and enforcement considerations associated with their use. This outreach effort was intended to increase public awareness, promote lawful and safe operation of electric vehicles, and address community questions regarding the growing popularity of electric motorcycles and e-bike alternatives.

Community Engagement – Lost and Found Pet Assistance

The Toledo Police Department utilized its social media platforms to assist in reuniting a lost dog with its owner after the animal was located near the intersection of NW A Street and NW 11th Street. Department staff shared information and photographs of the found animal with the community, resulting in the successful identification and reunification of the dog with its owner. This outreach effort highlights the department's ongoing commitment to community service, public engagement, and leveraging social media as an effective tool to assist residents with non-emergency community needs.

Enforcement Campaign

Nothing to Report

Training

Nothing to Report

Toledo Police Department Initiated, Updated and Reviewed the following Policies:

Policy 325 – Outside Agency Assistance
Policy 428 – Automated License Plate Readers
Policy 431 – Criminal Organizations
Policy 503 – Vehicle Towing
Policy 504 – Vehicle Impound Hearings
Policy 505 – Impaired Driving Investigations
Policy 506 – Traffic Citations
Policy 507 – Car Care Program
Policy 508 – 72-Hour Parking Violations
Policy 600 – Sexual Assault Investigations
Policy 601 – Investigation and Prosecution
Policy 602 – Asset Forfeiture
Policy 603 – Informants
Policy 604 – Eyewitness Identification
Policy 605 – Brady Material Disclosure
Policy 606 –Unmanned Aerial System
Policy 607 – Operations Planning and Deconfliction
Policy 608 – Warrant Service
Policy 609 – Forensic Genetic Genealogy
Policy 610 – Facial Recognition Technology Use
Policy 700 – Department-Owned and Personal Property
Policy 701 – Personal Communication Devices
Policy 702 – Vehicle Use
Policy 703 – Vehicle Maintenance
Policy 704 – Cash Evidence and Safekeeping
Policy 705 – Personal Protective Equipment
Policy 801 – Digital Evidence Management
Policy 802 – Records Management
Policy 803- Protected Information
Policy 804 – Records Maintenance and Release
Policy 805 – Animal Control
Policy 806 – CJIS Access, Maintenance, and Security
Policy 900 – Temporary Custody of Adults

Policy 901 – Custodial Searches
Policy 902 – Transporting Persons in Custody
Policy 1000 – Recruitment and Selection
Policy 1001 – Special Assignments and Promotions
Policy 1002 – Requests for Change of Assignment
Policy 1003 – Evaluation of Employees
Policy 1004 – Commendations and Awards
Policy 1005 – Personnel Complaints
Policy 1006 – Conduct
Policy 1007 – Grievance Procedure
Policy 1008 – Employee Involved Domestic Violence
Policy 1009 – Reporting of Arrests, Convictions, and Court Orders
Policy 1010 – Personnel Records
Policy 1011 – Body Armor
Policy 1012 – Safety Belts
Policy 1013 – Smoking and Tobacco Use
Policy 1014 – Drug-and Alcohol-Free Workplace
Policy 1015 – Occupational Disease and Work-Related Injury Reporting
Policy 1016 – Communicable Diseases
Policy 1017 – Sick Leave
Policy 1018 – Temporary Modified-Duty Assignments
Policy 1019 – Fitness for Duty
Policy 1020 – Employee Wellness Program
Policy 1021 – Meal Periods and Breaks
Policy 1022 – Lactation Breaks
Policy 1023 – Payroll Records
Policy 1024 – Overtime Compensation Requests
Policy 1025 – Outside Employment
Policy 1026 – Personal Appearance Standards
Policy 1027 – Uniform Regulations
Policy 1028 – Department Badges
Policy 1029 – Nepotism and Conflicting Relationships
Policy 1030 – Resignation
Policy 1031 – Speech, Expression, and Social Networking
Policy 1032 – Anti-Retaliation
Policy 1033 – Early Intervention and Performance Review
Policy 1034 – Illness and Injury Prevention.
Policy 1035 – Line of Duty Deaths
Policy 1036 – Wellness Program
Policy 1037 – Hearing Protection and Audiometric Testing
Policy 1040 – Facial Coverings

Toledo Police Department Initiated, Updated and Reviewed the following Procedures:

Procedure 300 – Duty to Intercede HB 2929

Procedure 403 – Trauma Informed Response
Procedure 404 – Patrol On-Call Procedure
Procedure 600 – Drug Exposure Safety Procedures
Procedure 601 – WSIN/RISS Deconfliction and Case Activation
Procedure 602 – Interviews of Juveniles
Procedure 603 – Child Abuse Reporting and Investigation
Procedure 604 – Electronic Warrant Applications
Procedure 605 – Evidence Packaging, Submission, and Forensic Laboratory Services
Procedure 606 – OSP Forensic Services Requests
Procedure 607 – Law Enforcement Information Sharing Bulletins
Procedure 700 – Warrant Confirmation, Locate, and Verification
Procedure 701 – Subpoena Procedure
Procedure 702 – CJIS/LEDS Security Incident Response Procedure
Procedure 703 – CJIS/LEDS User Account Management and Access Validation Procedure
Procedure 704 – Physical Protection for CJI
Procedure 705 – CJI Media Protection
Procedure 902 – Citation Entry and Processing
Procedure 903 – Submitting Digital Evidence to the DA's Office

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Meetings

WVCC Advisory Board Meeting – Virtual

Mark43 RMS Monthly Coordination Meeting – Virtual

Law Enforcement Committee Meeting - Virtual

Police Department Monthly Report

Supplemental: Code Enforcement Officer Report

JUNE 2026

For the month ending May 2026 there where the following code violation cases in Toledo, 10 Open Cases (1) cases closed, some case have multiple violations pending.

1. Junk, garbage & rubbish (8.04.110) – 4
2. Nuisance building (8.04.050) – 3
3. Improperly maintained fence (8.04.120) – 1
4. Noxious vegetation (8.04.100) – 2
5. Permit required RV (8.08.040) – 1
6. Property or vehicle on street (10.16.060) – 1
7. Use Permitted Outright (17.20.020) – 1
8. Erosion and control standards (15.20.020) – 1
9. (11) Courtesy letters, mow grass (7), dangerous tree (1), Vehicle on street (2), appliances and debris in driveway (1), (1) has complied.

For the month ending June 2026 there where the following code violation cases in Siletz (9) open cases, some case have multiple violations pending. (2) Before the court now, (3) newly cited, (2) with judgments pending.

1. Discarded vehicle (8.08.030) – 2
2. RV permit required (8.08.160) – 1
3. Scattering trash, rubbish (8.08.010) – 2
4. Noxious vegetation (8.08.080) – 4
5. Maintenance of property (8.08.140) – 4
6. (19) courtesy letters, all for mowing grass, (14) have complied, (3) cited to court, (2) are pending

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Note: In Toledo, we still have (1) RV disposal voucher available for Toledo. We utilized (1) RV disposal voucher on a large boat For Siletz.

Notes:

- 192 S. Main update. Work has started on the outside of the building (windows and siding).

UNOCCUPIED STRUCTURES IN TOLEDO, OR. AS OF 5/20/26

- 805 NW Hwy 20 (Doc Holiday's) – Dangerous structure – Goes to district court in May over ownership of structure.
- 684 NW Hwy 20 – Dangerous structure – County has foreclosed on.
- 873 NW Burch Lane – Dangerous structure – County has foreclosed on.
- 931 NW Sunset Dr. - Dangerous structure – Conversation with property owner, he stated demo will be done early this summer.
- 1047 SE Holly Rd. – Dangerous structure – No response from owner, will keep trying to contact for status update.
- 763 SE 2nd St. – Dangerous structure – cleanup has begun.
- 340 SE 3rd St. – Dangerous structure – Email for property management that they have been released. Sent status update letter to Deutche bank
- 408 NE Hilltop Ln. – Unoccupied, outside of structure has new windows, doors and siding, starting on painting the interior.
- 109 SE 1st St. – was a dangerous structure, but deck has been replaced (unknown condition inside) – work has been observed on the interior (painting).
- 910 SE 7th Pl. – Unknown condition, is occupied. No response from property owner on my letter of inquiries into status of property.

Nothing Further to Report.

Planning Department Permit Applications
June, 2026

Construction Applications:

1. New storage building at 412 Industrial Park Way
2. Foundation repairs at 221 NE 5th Street
3. Commercial building repairs at 578 W Hwy 20
4. Sewer connection at 380 E Graham Street
5. Work in the Right-of-Way for new sidewalk and driveway 180 SE 2nd Street

Land Use Applications:

1. Floodplain Development Permit for storage building at 412 Industrial Park Way
2. Lot line adjustment at 380 and 400 NW 1st Street

Annual Department Statistics				
Type of Permit	**June**	**2026**	**2025**	**2024**
Building Permit	3	6	23	37
Other Permits*	2	22	54	38
Land Use Application	2	14	19	17
Truck Permit	0	12	17	15
Banner Placement Permit	1	4	6	3
Value of Construction Improvements	$36,789	$60,289	$8,963,211	$ 7,465,937

*includes permits for excavation, work in the right-of-way, demolition, and water/sewer connections.

<u>HR Director Update: July 15, 2026</u>

1. Talent Acquisition

- The *Equipment Operator* position in Public Works will close July 15. Interviews will be scheduled the following week. (At time of writing, 2 applications have been received.)

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2. Springbrook HRIS Update

- On-site visit by Todd Sweeney, Sr. Director of Product Management at Springbrook on 7/9/26 to get acquainted, see our set-up and address any existing issues or questions with the Payroll system.
- Contact from Jessica Libert, Project Manager at Springbrook assigned to our HR implementation, is currently reviewing project details and coordinating necessary resources. No start date set, but were in the queue!

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3. Benefits

- HR and Finance team attended CIS Benefits Orientation on June 18th in Newport. This meeting unveiled the 2027 Open Enrollment options available for medical coverage. The *Request for Coverage Survey* has started, in which the City selects the benefit options we will offer, to be completed by July 24th.

Public Works Activities June 2026

City of Toledo facility janitorial

Monthly blow offs

Daily work orders

Route maintenance

Weekly street sweeping

Memorial Bathroom reconstruction

Parks Maintenance

Utility locates

Pump Station Maintenance

Main Street maintenance

Backflow testing

Rock Park remediation

Meter Reading/Shutoffs/Turn-ons

Pump Station checks

Weekly City shops cleaning

Bus 20 right of way maintenance

Repair/Replace FD lights exterior & interior

S- Curve mowing

High School alarm call out

PD gutter repairs

Repair PD generator stairs

Bus 20 flagging and Manhole lining

Hung event banners

Angell Job Corps Forestry – Library

Reclaim Playground from the Arc

Wildlife mitigation WWTP

Install flap gate @ WTP reclamation basin

Replace shop lights

Industrial Way grading

WTP tracer study

Hydrant brush maintenance

High School banners put up and take down

Curb Striping

WTP trees & vegetation

Repair lateral 1567 SE Sturdevant

FD fan maintenance

Interviews

Locates

City Hall Maintenance

Extinguisher checks

CITY OF TOLEDO FIRE DEPARTMENT
COUNCIL REPORT
JULY 15, 2026

Beginning today we are staffing up our Seasonal Wildland Firefighters, made possibly by a $35,000 grant from the Office of the State Fire Marshal. This will be the third year we have been awarded this grant. As last year staffing scheduling and payroll will be administered by Siletz thought our 190 Agreement.

FF Kilgore, DC Morford, and two members from Siletz, along with myself, attended the National Volunteer Firefighter Council Training Summit in Arlington, Virgina. It was a busy event, but everyone came back energized and full of great ides, some of which are already being implemented to help with our recruitment of volunteers. One constant theme throughout the conference was that this is truly a national issue. Many departments, especially on the East Coast, who have never had challenges recruiting volunteers are facing significant shortages. Lots of presentations on the challenged of a blended (paid and volunteer) agency and how to make it work.

On a positive note, three more individua's have gone though the background and interview phase to join Toledo. All three have prior experience and life skills that will be an great addition to our agency.

The process of having Siletz respond alongside Toledo at the request of Newport or other agencies seems to be working. On the 4th Newport had a house fire and requested Toledo. Siletz was able to respond with three to rendezvous but both Toledo and Siletz were canceled as Newport put it out quickly. Regarding the 4th, there were very few incidents, none for Siletz or Toledo and really the only one was in Lincoln City which made the news.

DC Morford, Lieutenants Sanning and Firefighter Kilgore are in Bosie, ID this week completing their Advance-EMT testing over the course of four days. Lieutenants Ayarea chose to reschedule his final test to get caught up on class work. When they return, they'll begin their ambulance ride a long time to complete their clinical course work and will be applying for their A-EMT licenses by the end of September, if everything tracks as planned.

The Summerfest update will have to wait until next month.

Dave

Train Hard, Play Safe, and Keep an Eye on your Partner.

Fire Incident Addresses and Location (NERIS) Fire Incidents (NERIS)

Filter statement

Filters Incident onset 6/1/26 to 6/30/26 | Incident status Locked

Fire Incident Addresses and Locations (NERIS)

Count of Total Incidents

Count of Incidents

66

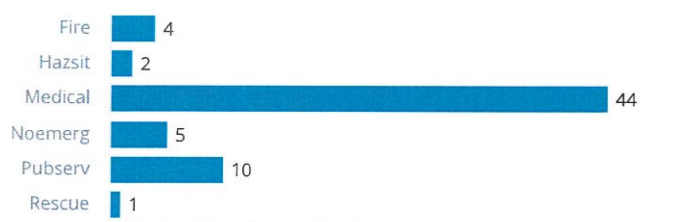
1/5

Fire Incident Addresses and Location (NERIS) Fire Incidents (NERIS)

Filter statement

Filters **Incident onset** 6/1/26 to 6/30/26 **Incident status** Locked

Count of Incidents by Incident Type Category



Count of Incidents by District

Count of Incidents by Station

2/5

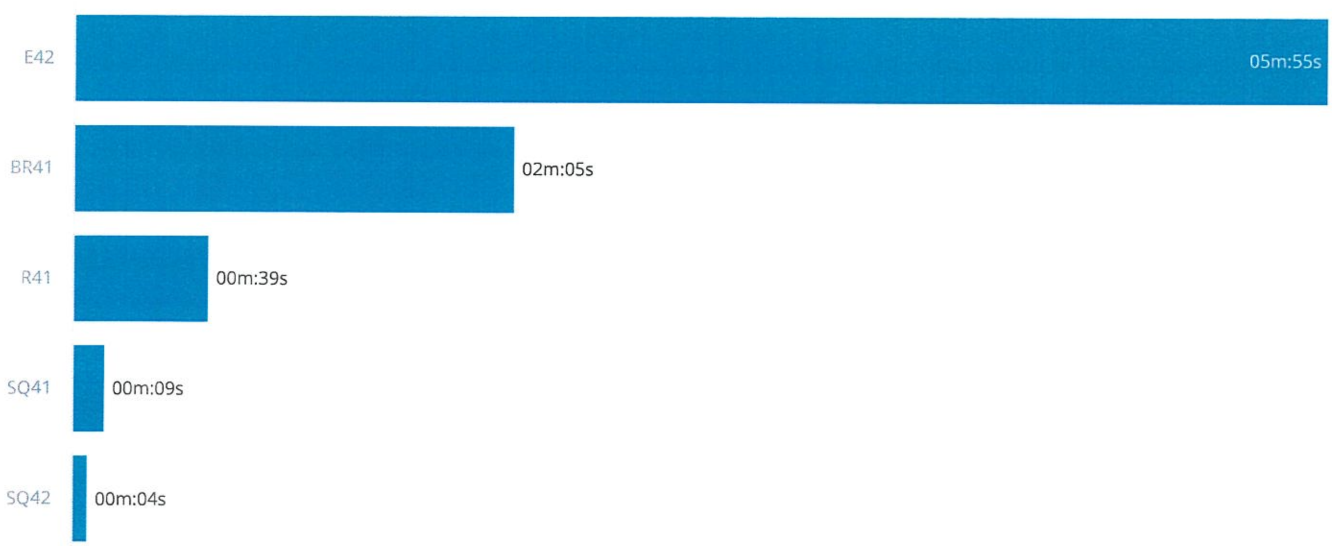
First Apparatus Turnout Time (NERIS)

Fire Incidents (NERIS)

Filter statement

Filters **Incident onset** 6/1/26 to 6/30/26 **Incident status** Locked **Unit on scene order** 1 **Unit turnout time** Exclude: N\A

Average Turnout Time by Unit



2/4

First Apparatus Turnout Time (NERIS)

Fire Incidents (NERIS)

Filter statement

Filters **Incident onset** 6/1/26 to 6/30/26 **Incident status** Locked **Unit on scene order** 1 **Unit turnout time** Exclude: N\A

Count of Incidents by Unit and Turnout Time

Unit name	0:00 - 0:29	0:30 - 0:59	1:00 - 1:29	1:30 - 1:59	2:00 - 2:59	3:00 - 5:00	> 5:00
BR41	5	2	5	7	8	4	2
E42					1	1	3
R41	4		1		1		
SQ41	1						
SQ42	9						
Grand Total	19	2	6	7	10	5	5

June, 2026

Finance Department Report

- Budget
  - 2026-2027 budget adopted by council on 6/17/26 for the City of Toledo and Toledo Urban Renewal Agency
- Audit
  - Interfacing with the Auditor to complete 2024-2025 audit
  - 2024-2025 audit was completed and reviewed by Interim Finance Director Judy Richter and Finance Director Mindy Suitter on 6/24/2026
  - Final Audit was submitted for Toledo Urban Renewal and the City of Toledo on 6/25/2026
  - Prepare for audit report by Teresa Hanford at City Council meeting 7/15/26
- Preparation of court fee collections
- Finance Department preparation for fiscal year end
- All necessary financial transactions to keep the City running day to day

Toledo Public Library
Staff Report
2026-07-15

June Stats

Total Circulation of Library Materials: 3,403
In-Person visits: 950
Patrons added: 13
Community Room Use: 45
AV Room users: 7
Notary Appointments: 1
Volunteer hours: 110.5
Adult Program Attendance: 47
Children's Program Attendance: 93
Summer Reading Program Attendance: 141
Teen Program Attendance: 38
Podcast Downloads: 118
Reference questions: 126
Facebook Page Views: 11,405
Facebook Engagement: 856
Facebook Interactions: 7

- Public Programs
    - Summer Reading update
        - More than 250 registrations before the end of June!
- Services and Collections
    - State Park day passes now available for 14-day loan!