128 S Main St.
PO Box 445
Condon, OR 97823
P: 541-384-2711
F: 541-384-2700
http://cityofcondon.com/

AGENDA
REGULAR CITY COUNCIL MEETING

WEDNESDAY, NOVEMBER 5, 2025, 7:00 PM

https://us02web.zoom.us/j/85332960778?pwd=F5rN5bsgp0UVw93UCO0Nnbaf4z0cxY.1
Meeting ID: 853 3296 0778
Passcode: 929518

1. **CALL REGULAR MEETING TO ORDER**
2. **ROLL CALL**
3. **ADDITIONS TO AGENDA**
4. **PUBLIC COMMENT**
   - 4.1. **The council may hear discussion of unannounced items from the floor and comments on the agenda items. Comments are limited to five (5) minutes.**
5. **CONSENT AGENDA**
   - 5.1. **Review & Approve the October 1, 2025 Condon Regular City Council Meeting Minutes**
   - 5.2. **Review October Accounts Payable and VISA Statements**
6. **OLD BUSINESS**
   - 6.1. **Condon Community Swimming Pool Master Plan Update**
   - 6.2. **Condon Grade School Update**
   - 6.3. **City Administrator Recruitment Update**
7. **NEW BUSINESS**
   - 7.1. **2024-25 Audit Presentation - Accuity CPAs LLC - Kori Sarrett, CPA**
   - 7.2. **Review & Discuss Parking & Traffic at Summit & Main Streets Per New Parking Ordidnance**
8. **STAFF REPORTS**
   - 8.1. **Public Works – Public Works Superintendent Gibb Wilkins**
   - 8.2. **Police & Fire – Gilliam County Sheriff Gary Bettencourt**
   - 8.3. **Administration – City Administrator Kathryn Greiner**
9. **COUNCIL INFORMATION**
10. **NEXT REGULAR MEETING DATE**
    - 10.1. **The next regular Condon City Council meeting will be held Wednesday, December 3, 2025, 7 p.m. at Condon City Hall.**
11. **ADJOURN REGULAR MEETING**

The meeting location 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 prior to the meeting. Please contact Condon City Administrator at (541) 384-2711 to make a request for an interpreter or other accommodations.

Agenda prepared and distributed October 30, 2025

128 S Main St.
PO Box 445
Condon, OR 97823
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http://cityofcondon.com/

MINUTES
REGULAR CITY COUNCIL MEETING

WEDNESDAY, OCTOBER 1, 2025, 7:00 PM

1. CALL REGULAR MEETING TO ORDER

Mayor Dustan Hall called the meeting to order at 7:05 p.m.

2. ROLL CALL

Present: Mayor Dustan Hall; Councilors Michael Durfey, Dawn Parm, Jan Stinchfield, Tom Fatland (zoom), Jeremy Kirby and Hanna Bass; Staff - City Administrator Kathryn Greiner and PW Superintendent Gibb Wilkins

Absent: Gilliam County Sheriff Gary Bettencourt

3. ADDITIONS TO AGENDA

3.1. ** City of Arlington Letter - Business Recruiting Opportunities

3.2. ** Burning Ban Update Flyer

4. PUBLIC COMMENT

4.1. The council may hear discussion of unannounced items from the floor and comments on the agenda items. Comments are limited to five (5) minutes.

Mac Stinchfield, Condon resident, thanked the council for getting things done to improve Condon. He stated that residents can't logically complain about what isn't getting done due to the amount of things that are "going right." He noted the money that has been brought in to complete projects such as housing infrastructure upgrades and Main Street has improved Condon.

5. CONSENT AGENDA

5.1. Review & Approve the September 3, 2025 Regular Condon City Council Meeting Minutes

A motion was made by Councilor Jan Stinchfield to approve the September 3, 2025 regular Condon City Council meeting minutes The motion was seconded by Councilor Michael Durfey. Motion carried.
Yes- Jan Stinchfield, Dawn Parm, Jeremy Kirby, Tom Fatland, Hanna Bass, Michael Durfey, No- None, Abstain- None

5.2. Review the October Accounts Payable & VISA Statements

Councilor Fatland inquired about the VISA charge of approximately $1,700 for seed and asked if that was for the golf course. PW Wilkins stated that it was to Big Frog Supply and was for sprinklers at the golf course.

6. OLD BUSINESS

6.1. Condon Community Pool Master Plan Update

Council received the updated minutes from the pool committee and tentative plans. The committee has decided to move forward with the plans for a pool at the Industrial Site. The bathhouse design can be used for adjoining activities such as the Little League fields. The next meeting is tentatively planned for Thursday, October 16, 4 p.m. at City Hall. This meeting will be conducted virtually with the pool consultants. Councilor Fatland noted that two of the committee members were not at this meeting and did not approve the site location.

6.2. Condon Grade School Update

PW Wilkins, who is also the President of the Port of Arlington Environmental Sentry, reported that they are moving ahead, but prior to the actual abatement, community meetings must be held. He will keep the council apprised of the project as it moves forward. Councilor Fatland asked if the underground tanks at the school still had fuel in them and if the tanks would be removed. CA Greiner stated that there is still fuel in the tanks and there was a study on them done when the city owned it and believed it was embedded in basalt and would not be removed. She will find the study and share with the council.

6.3. Gilliam County Economic Development Grant Discussion

CA Greiner and PW Wilkins brought the costs of a pickleball court and sidewalks as requested by the council at the September meeting. CA Greiner said that she got a rough cost of the pickleball court and fence at approximately $100,000. This did not include parking or preliminary site work, which would depend on location. PW Wilkins stated that the rough cost to put a sidewalk on Main Street from Spring to Court Streets (from bus barn to Drive In) would be approximately $150,000 and Main Street from CBEC to Court Street to the high school would be an additional $150,000 to $200,000 for total sidewalks for both locations $300,000-$350,000.

CA Greiner noted that Gilliam County has opened up their Capital Investment Grant that may be paired with the $200,000 economic development fund and complete the entire sidewalk project. PW Wilkins stated that there are Oregon Park and Recreation grants that may fund the pickleball court. Councilor Bass stated that the sidewalk near the Drive-In would address the access issues and was in favor of using funds for that project. Councilor Stinchfield stated that a fence is needed on the south side of the new clubhouse.

It was the consensus of the council for CA Greiner to apply for grants to move forward with placing sidewalks in both locations. PW Wilkins will start the process of determining the engineering of these sidewalks. CA Greiner will get quotes for a fence at the golf course and look to see when the Oregon Park and Recreation grants are available to move toward funding a pickleball court.

7. NEW BUSINESS

7.1. Second Reading Ordinance 2026-02 - And Ordinance Providing for the Regulations of Parking; All Amending Ordinances: and All Other Ordinances or Parts of Ordinances in Conflict Herewith; An Ordinance to Chapter 70: General Provisions to Include Golf Carts; Correction of Chapter 51.10(D)3-Disconnection for Late Payments; Repealing Chamber Fiber Council; Child Care Changes in Zoning and Declaring an Effective Date

A motion was made by Councilor Hanna Bass to approve the Second reading of Ordinance 2026-02- An Ordinance Providing for the Regulations of Parking; all Amending Ordinances; and all other Ordinances or Parts of Ordinances in Conflict Herewith; an Ordinance to Chapter 70: General Provisions to Include Golf Carts; Correction of Chapter 51.10(D)3-Disconnection for Late Payments; Repealing Chapter Fiber Counci; Child Care Changes in Zoning and Declaring an Effective Date by TITLE ONLY. The motion was seconded by Councilor Jan Stinchfield. Motion carried.
ROLL CALL VOTE - Yes- Jan Stinchfield, Dawn Parm, Jeremy Kirby, Tom Fatland, Hanna Bass, Michael Durfey, No- None, Abstain- None

CA Greiner read the ordinance by title only - Ordinance 2026-02- An Ordinance Providing for the Regulations of Parking; all Amending Ordinances; and all other Ordinances or Parts of Ordinances in Conflict Herewith; an Ordinance to Chapter 70: General Provisions to Include Golf Carts; Correction of Chapter 51.10(D)3-Disconnection for Late Payments; Repealing Chapter Fiber Counci; Child Care Changes in Zoning and Declaring an Effective Date.

A motion was made by Councilor Hanna Bass to approve Ordinance 2026-02- An Ordinance Providing for the Regulations of Parking; all Amending Ordinances; and all other Ordinances or Parts of Ordinances in Conflict Herewith; an Ordinance to Chapter 70: General Provisions to Include Golf Carts; Correction of Chapter 51.10(D)3-Disconnection for Late Payments; Repealing Chapter Fiber Counci; Child Care Changes in Zoning and Declaring an Effective Date. The motion was seconded by Councilor Jeremy Kirby. Motion carried.
ROLL CALL VOTE - Yes- Jan Stinchfield, Dawn Parm, Jeremy Kirby, Tom Fatland, Hanna Bass, Michael Durfey, No- None, Abstain- None

The ordinace will become effective October 31, 2025.

7.2. Review & Approve the 2025-26 Condon Community Pool Lease with Condon School District

CA Greiner noted that the pool lease remained the same as prior year.
A motion was made by Councilor Jan Stinchfield to approve the swimming pool lease with CondonSchool District. The motion was seconded by Councilor Dawn Parm. Motion carried.
Yes- Jan Stinchfield, Dawn Parm, Jeremy Kirby, Tom Fatland, Hanna Bass, Michael Durfey, No- None, Abstain- None

8. STAFF REPORTS

8.1. Public Works – Public Works Superintendent Gibb Wilkins

PW Wilkins stated that 7.4 million gallons were pumped at City Farm in September which was above normal. The water year that runs from October 1 to September 30 was 87.8 million gallons, which is higher than normal but could have been attributed to flushing the lines last spring. The water project on Ward and Gilliam Street is expected to be completed next week, while this week the public works crew is sanding the greens at the golf course. He was looking into a keyless system for the golf course clubhouse that may also be used for all city buildings that can be programmed for specific use and allow the city to track the use of buildings via keyless access. It was the consensus of the council to move forward to get costs of this system. PW Wilkins has ordered 32 tons of cold mix which they will use over the winter to repair utility cuts and potholes. He has estimated fixing the streets in Condon, which is 46 blocks, would cost $5.6 million. He noted that the recent street project had to be rebuilt due to no base rock used when they were built. He noted that potholes would always be a problem.

PW Wilkins stated that he has prioritized and gotten estimated costs on equipment for the public works department as follows:

- Pickup broom attachment to the skid steer - $8,000. This would allow the gravel from winter placed on the streets by ODOT to be picked up and used for other projects instead of sweeping down the storm drains.
- Double drum roller 36" - $24,000 - equipment used to roll the utility cuts or potholes when city crews use cold mix.
- Utility cut paver attachment to the skid steer 36" - $17,000 - equipment to do small paving jobs by city crew.

Councilor Stinchfield asked if there is money in the budget for these items. CA Greiner stated that there are funds budgeted for equipment purchases and will investigate the availability once the taxes and grant funds come in from the ODOT SCA grant project.

Councilor Bass inquired about the accessible parking sign and spot in front of Summit Springs Village Memory Care and asked if one could be put in front of the Summit Springs Assisted Living Facility. CA Greiner asked her to send an email with that request and will discuss with the city planner what steps need to be taken to get that accomplished.

8.2. Police & Fire – Gilliam County Sheriff Gary Bettencourt

Written reports were submitted by Gilliam County Sheriff's Office.

8.3. Administration – City Administrator Kathryn Greiner

CA Greiner reported that the audit field work was completed last month and the audit will be presented to the council at the December meeting. The golf course clubhouse was small, but it had an enjoyable evening and perfect weather. CA Greiner met with engineer Eric Klann of Divergent Engineering Services, who is designing Fairway Housing subdivision, and heard that their plan will be completed by the end of the year. This project is funded by the State of Oregon Housing grant and if there are funds left after the plan, the city can discuss designing Phase I of infrastructure installation. Klann also took soil samples on the subdivision and where the pool may be located near the Little League Fields.

9. COUNCIL INFORMATION

9.1. ** City of Arlington Letter - Business Recruiting Opportunities

9.2. ** Burning Ban Update Flyer

10. NEXT REGULAR MEETING DATE

10.1. The next regular meeting of the Condon City Council is Wednesday, November 5, 2025, 7 p.m. at City Hall.

11. ADJOURN REGULAR MEETING

Mayor Hall adjourned the meeting at 7:52 p.m.

_________________________________Date ________
Dustan Hall, Mayor

ATTEST: _________________________________ Date ______________
Kathryn Greiner City Administrator

Report Criteria:
Detail report.
Invoices with totals above $0.00 included.
Paid and unpaid invoices included.

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
AAMODT, MACKENZIE							
1649	AAMODT, MACKENZIE	OCT 2025	W/S DEPOSIT REFUND 232 N O	10/10/2025	88.87	.00	
	Total AAMODT, MACKENZIE:				88.87	.00	
ANDERSON, PERRY, & ASSOC.							
112	ANDERSON, PERRY, & ASSOC.	81530	GENERAL ENGINEERING SERV	09/25/2025	120.00	.00	
112	ANDERSON, PERRY, & ASSOC.	81530	GRIFFITH DEVELOPMENT	09/25/2025	1,974.00	.00	
	Total ANDERSON, PERRY, & ASSOC.:				2,094.00	.00	
ASI ACCTECHSOLUTIONS INC							
1551	ASI ACCTECHSOLUTIONS INC	6524	TECH SUPPORT SVCS	10/02/2025	375.00	.00	
	Total ASI ACCTECHSOLUTIONS INC:				375.00	.00	
AT&T MOBILITY							
599	AT&T MOBILITY	872564008X09	PHONE	09/06/2025	97.09	.00	
599	AT&T MOBILITY	872564008X09	PW Cell Phone	09/06/2025	97.09	.00	
	Total AT&T MOBILITY:				194.18	.00	
BAUM SMITH LLC							
831	BAUM SMITH LLC	38321	Admin Legal	09/18/2025	292.50	.00	
	Total BAUM SMITH LLC:				292.50	.00	
BELL DESIGN CO.							
1647	BELL DESIGN CO.	2025-564	GENERAL PLANNING 8/1-9/5/25	10/10/2025	2,625.00	.00	
	Total BELL DESIGN CO.:				2,625.00	.00	
BENNETT'S POINT S TIRE & AUTO							
859	BENNETT'S POINT S TIRE & AU	1066569	DUMP TRUCK TIRE	10/14/2025	522.39	.00	
	Total BENNETT'S POINT S TIRE & AUTO:				522.39	.00	
BISHOP SANITATION							
876	BISHOP SANITATION	I10071	TRANSFER STATION RESTROO	09/24/2025	130.00	.00	
	Total BISHOP SANITATION:				130.00	.00	
BOX R WATER ANALYSIS LAB							
151	BOX R WATER ANALYSIS LAB	X063465	BIOCHEMICAL OXYGEN DEMA	08/11/2025	68.00	.00	
151	BOX R WATER ANALYSIS LAB	X063465	TOTAL SUSPENDED SOLIDS	08/11/2025	47.00	.00	
151	BOX R WATER ANALYSIS LAB	X063469	MPN/ENUMERATION BACTERIA	08/11/2025	61.00	.00	
151	BOX R WATER ANALYSIS LAB	X063493	E coli Coliform Testing	08/12/2025	51.00	.00	
151	BOX R WATER ANALYSIS LAB	X063493	SAMPLE COLLECTIONS/TRANS	08/12/2025	52.00	.00	
151	BOX R WATER ANALYSIS LAB	X063802	E coli Coliform Testing	09/18/2025	51.00	.00	
151	BOX R WATER ANALYSIS LAB	X063802	SAMPLE COLLECTIONS/TRANS	09/18/2025	52.00	.00	
	Total BOX R WATER ANALYSIS LAB:				382.00	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
COLUMBIA BASIN ELECTRIC							
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	City HALL	09/23/2025	199.01	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	Golf Course	09/23/2025	123.51	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	PARK	09/23/2025	98.83	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	MEMORIAL HALL	09/23/2025	76.27	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	Golf Course	09/23/2025	57.01	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	Sewer Plant w pivot	09/23/2025	270.80	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	Disposal	09/23/2025	333.72	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	Golf Course	09/23/2025	378.18	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	City Farm	09/23/2025	2,852.63	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	Street Lights	09/23/2025	1,470.44	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	City Farm	09/23/2025	48.40	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	Golf Course	09/23/2025	131.55	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	Pool	09/23/2025	597.18	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	Library	09/23/2025	287.29	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	GRADE SCHOOL	09/23/2025	131.22	.00	
169	COLUMBIA BASIN ELECTRIC	SEPT 2025	NEW SHOP	09/23/2025	37.99	.00	
	Total COLUMBIA BASIN ELECTRIC:				7,094.03	.00	
DEPARTMENT OF ENVIRONMENTAL QUALITY							
222	DEPARTMENT OF ENVIRONME	WQDOM26007	Water Quality Permit	09/03/2025	2,168.40	.00	
	Total DEPARTMENT OF ENVIRONMENTAL QUALITY:				2,168.40	.00	
DEVIN OIL COMPANY							
224	DEVIN OIL COMPANY	SEPT 2025	Water Fuel	09/30/2025	354.26	.00	
224	DEVIN OIL COMPANY	SEPT 2025	Sewer Fuel	09/30/2025	354.26	.00	
	Total DEVIN OIL COMPANY:				708.52	.00	
GREINER, KATHRYN							
347	GREINER, KATHRYN	SEPT 2025	HR LOC SM CITIES MTG 182MI	09/29/2025	127.40	.00	
	Total GREINER, KATHRYN:				127.40	.00	
HATTENHAUER DIST.							
304	HATTENHAUER DIST.	0184014-IN	Water	09/24/2025	309.31	.00	
304	HATTENHAUER DIST.	0184014-IN	Sewer	09/24/2025	309.31	.00	
304	HATTENHAUER DIST.	0184015-IN	Water	09/24/2025	1,097.88	.00	
304	HATTENHAUER DIST.	CL23375	Golf Fuel	09/30/2025	77.30	.00	
304	HATTENHAUER DIST.	CL23375	Park Fuel	09/30/2025	22.98	.00	
304	HATTENHAUER DIST.	CL23375	Water	09/30/2025	221.73	.00	
304	HATTENHAUER DIST.	CL23375	Sewer	09/30/2025	221.72	.00	
	Total HATTENHAUER DIST.:				2,260.23	.00	
HD FOWLER COMPANY							
306	HD FOWLER COMPANY	I7122378	ROMAC GRIP RING	09/10/2025	806.00	.00	
306	HD FOWLER COMPANY	I7135887	COUPLING	09/23/2025	598.54	.00	
	Total HD FOWLER COMPANY:				1,404.54	.00	
HOME TELEPHONE COMPANY							
766	HOME TELEPHONE COMPANY	10289214	Administration	10/01/2025	192.62	.00	
766	HOME TELEPHONE COMPANY	10289214	Water	10/01/2025	44.17	.00	
766	HOME TELEPHONE COMPANY	10289214	Sewer	10/01/2025	287.20	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	Total HOME TELEPHONE COMPANY:				523.99	.00	
HOWE, RANDY							
1650	HOWE, RANDY	OCT 2025	W/S DEPOSIT REFUND 733 S M	10/10/2025	98.98	.00	
	Total HOWE, RANDY:				98.98	.00	
INLAND DEVELOPMENT CORPORATION							
897	INLAND DEVELOPMENT CORP	OCT 2025	MRC Fiber Project	10/01/2025	2,040.00	.00	
	Total INLAND DEVELOPMENT CORPORATION:				2,040.00	.00	
LEAGUE OF OREGON CITIES							
362	LEAGUE OF OREGON CITIES	14048	ADMIN JOB POSTING	08/15/2025	35.00	.00	
	Total LEAGUE OF OREGON CITIES:				35.00	.00	
M & A AUTO PARTS							
371	M & A AUTO PARTS	SEPT 2025	ECON DRIVER	09/30/2025	7.99	.00	
371	M & A AUTO PARTS	SEPT 2025	ECON DRIVER	09/30/2025	7.99	.00	
371	M & A AUTO PARTS	SEPT 2025	GRASS SEED	09/30/2025	19.99	.00	
371	M & A AUTO PARTS	SEPT 2025	WASP SPRAY	09/30/2025	15.18	.00	
371	M & A AUTO PARTS	SEPT 2025	WASP SPRAY	09/30/2025	30.36	.00	
371	M & A AUTO PARTS	SEPT 2025	DOWEL	09/30/2025	25.98	.00	
371	M & A AUTO PARTS	SEPT 2025	MACS BELT DRESSING	09/30/2025	6.47	.00	
371	M & A AUTO PARTS	SEPT 2025	DRIVER, HOSE WASHER	09/30/2025	4.64	.00	
371	M & A AUTO PARTS	SEPT 2025	DRIVER, HOSE WASHER	09/30/2025	4.65	.00	
371	M & A AUTO PARTS	SEPT 2025	BOLTS	09/30/2025	21.00	.00	
371	M & A AUTO PARTS	SEPT 2025	ROUNDUP	09/30/2025	8.99	.00	
371	M & A AUTO PARTS	SEPT 2025	FILTERS	09/30/2025	710.28	.00	
371	M & A AUTO PARTS	SEPT 2025	FILTERS	09/30/2025	710.28	.00	
371	M & A AUTO PARTS	SEPT 2025	BOLTS & NUTS	09/30/2025	1.86	.00	
371	M & A AUTO PARTS	SEPT 2025	3RD Q DEMURRAGE	09/30/2025	37.50	.00	
	Total M & A AUTO PARTS:				1,613.16	.00	
MORROW COUNTY GRAIN GROW.							
377	MORROW COUNTY GRAIN GRO	86112	Pool Propane	09/02/2025	333.87	.00	
	Total MORROW COUNTY GRAIN GROW.:				333.87	.00	
OPEN COUNTRY FARM							
433	OPEN COUNTRY FARM	12-26922	POTTING SOIL	09/25/2025	43.75	.00	
	Total OPEN COUNTRY FARM:				43.75	.00	
OPSIS ARCHITECTURE, LLP							
1643	OPSIS ARCHITECTURE, LLP	14899	PROFESISONAL SVCS 09/01-09/	10/06/2025	16,661.64	.00	
	Total OPSIS ARCHITECTURE, LLP:				16,661.64	.00	
OREGON BACKFLOW TESTING							
414	OREGON BACKFLOW TESTING	1131470	Backflow testing	09/24/2025	3,115.00	.00	
	Total OREGON BACKFLOW TESTING:				3,115.00	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
OREGON CONNECTIONS TELECOMMUNICATIONS							
1648	OREGON CONNECTIONS TELE	DONALD JAMI	OREGON CONNECTIONS TELE	07/15/2025	140.00	.00	
1648	OREGON CONNECTIONS TELE	JAN STINCHFI	OREGON CONNECTIONS TELE	07/15/2025	140.00	.00	
1648	OREGON CONNECTIONS TELE	KATHRYN GR	OREGON CONNECTIONS TELE	07/15/2025	140.00	.00	
1648	OREGON CONNECTIONS TELE	TOM FATLAND	OREGON CONNECTIONS TELE	07/15/2025	140.00	.00	
	Total OREGON CONNECTIONS TELECOMMUNICATIONS:				560.00	.00	
OWENS PUMP & EQUIPMENT							
1654	OWENS PUMP & EQUIPMENT	INV-997265	PUMP	09/20/2025	1,126.95	.00	
	Total OWENS PUMP & EQUIPMENT:				1,126.95	.00	
OXARC							
442	OXARC	0062132308	Chlorine	09/30/2025	70.60	.00	
442	OXARC	0062132308	Chlorine	09/30/2025	70.60	.00	
	Total OXARC:				141.20	.00	
POST MASTER							
463	POST MASTER	OCT 2025	Postage Trust Account	10/16/2025	500.00	.00	
463	POST MASTER	OCT 2025	Postage Trust Account	10/16/2025	500.00	.00	
463	POST MASTER	OCT 2025	Postage Trust Account	10/16/2025	500.00	.00	
	Total POST MASTER:				1,500.00	.00	
SCOTT NATION							
1652	SCOTT NATION	1	HAUL SAND FROM HERMISTON	10/02/2025	540.00	.00	
	Total SCOTT NATION:				540.00	.00	
SNIPES MTN. SAND							
513	SNIPES MTN. SAND	922136	15 TON SAND	09/23/2025	256.00	.00	
513	SNIPES MTN. SAND	922138	15 TON SAND	10/02/2025	256.00	.00	
	Total SNIPES MTN. SAND:				512.00	.00	
South Gilliam County Health Center							
615	South Gilliam County Health Cent	9-25	CDL Wilkins	10/07/2025	100.00	.00	
615	South Gilliam County Health Cent	9-25	CDL Wilkins	10/07/2025	100.00	.00	
	Total South Gilliam County Health Center:				200.00	.00	
STODDARD, LYNNETTE							
1651	STODDARD, LYNNETTE	OCT 2025	W/S DEPOSIT REFUND 712 W 5	10/10/2025	.56	.00	
	Total STODDARD, LYNNETTE:				.56	.00	
THE TIMES-JOURNAL							
540	THE TIMES-JOURNAL	SEPT 2025	GOLF CLUBHOUSE OPENHOUS	10/06/2025	144.00	.00	
	Total THE TIMES-JOURNAL:				144.00	.00	
TWO BOYS MEAT & GROCERY							
548	TWO BOYS MEAT & GROCERY	SEPT 2025	DRINKS & SNACKS	09/27/2025	11.50	.00	
548	TWO BOYS MEAT & GROCERY	SEPT 2025	DRINKS	09/27/2025	36.56	.00	
548	TWO BOYS MEAT & GROCERY	SEPT 2025	COFFEE	09/27/2025	21.09	.00	
548	TWO BOYS MEAT & GROCERY	SEPT 2025	COFFEE	09/27/2025	21.09	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
548	TWO BOYS MEAT & GROCERY	SEPT 2025	GOLF OPEN HOUSE FOR CLUB	09/27/2025	199.60	.00	
548	TWO BOYS MEAT & GROCERY	SEPT 2025	GOLF OPEN HOUSE OR CLUBH	09/27/2025	47.12	.00	
	Total TWO BOYS MEAT & GROCERY:				336.96	.00	
VISA							
559	VISA	5886 SEPT 20	MICROSOFT MONTHLY EMAIL	09/21/2025	96.00	.00	
559	VISA	5886 SEPT 20	MICROSOFT MONTHLY SVCS	09/21/2025	50.00	.00	
559	VISA	5886 SEPT 20	ADMIN JOB POSTING	09/21/2025	199.00	.00	
559	VISA	5886 SEPT 20	POOL PARTY SUPPLIES	09/21/2025	70.00	.00	
559	VISA	5886 SEPT 20	CAMERAS & MEMORY CARD -	09/21/2025	145.07	.00	
559	VISA	5886 SEPT 20	STREET SIGNS	09/21/2025	135.65	.00	
559	VISA	5886 SEPT 20	LETTERHEAD, NOTEBOOK	09/21/2025	100.98	.00	
559	VISA	5886 SEPT 20	FLOWERS & PLANTS	09/21/2025	118.98	.00	
559	VISA	5886 SEPT 20	DAFFODILS	09/21/2025	195.70	.00	
559	VISA	5886 SEPT 20	SUPPLIES FOR GOLF CLUBHO	09/21/2025	202.19	.00	
559	VISA	5886 SEPT 20	DESK PART	09/21/2025	98.99	.00	
559	VISA	5886 SEPT 20	POOL MTG LUNCH	09/21/2025	167.90	.00	
559	VISA	5886 SEPT 20	POOL GIFT CARDS	09/21/2025	900.00	.00	
	Total VISA:				2,480.46	.00	
WADE TRUCKING							
1653	WADE TRUCKING	39	SAND - UMATILLA TO CONDON	09/23/2025	425.00	.00	
	Total WADE TRUCKING:				425.00	.00	
Western States Equipment							
572	Western States Equipment	IN003322571	GREASE CART	09/04/2025	244.20	.00	
	Total Western States Equipment:				244.20	.00	
	Grand Totals:				53,143.78	.00	

Dated: ____

Mayor: ____

City Admininstrator: ____

Report Criteria:

Detail report.

Invoices with totals above $0.00 included.

Paid and unpaid invoices included.

Bank of Eastern Oregon
Member FDIC/Equal Housing Lender

VISA

RECEIVED

SEP 30 2025

CITY OF CONDON

Account Summary

Billing Cycle		09/21/25
Days In Billing Cycle		30
Previous Balance		$3,798.19
Purchases	+	2,480.46
Cash	+	0.00
Special	+	$0.00
Balance Transfers	+	$0.00
Credits	-	$0.00
Payments	-	$3,798.19
Other Charges	+	$0.00
Finance Charges	+	0.00
NEW BALANCE		**$2,480.46**

Account Inquiries

Customer Service: (800) 423-7503
Report Lost or Stolen Card: (727) 570-4881

Visit us on the web at:
www.MyCardStatement.com

Please send Billing Inquiries and Correspondence to:
PO BOX 30495 TAMPA , FL 33630-3495

Payment Summary

NEW BALANCE	$2,480.46
MINIMUM PAYMENT	$2480.46
PAYMENT DUE DATE	10/16/2025

Credit Summary

Total Credit Line	$15,000.00
Available Credit Line	$12,519.00
Available Cash	$0.00
Amount Over Credit Line	$0.00
Amount Past Due	**$0.00**
Disputed Amount	$0.00

NOTE: *Grace period to avoid a finance charge on purchases, pay entire new balance by payment due date. Finance charge accrues on cash advances until paid and will be billed on your next statement.*

Important Information About Your Account

MANAGE YOUR CARD ACCOUNT ONLINE. IT'S FREE! IT'S EASY! SIMPLY GO TO WWW.MYCARDSTATEMENT.COM AND ENROLL IN OUR ONLINE SERVICE. YOU CAN REVIEW ACCOUNT INFORMATION, TRACK SPENDING, SET ALERT SERVICE, NOTIFICATIONS, DOWNLOAD FILES, AND MUCH MORE. MANAGING YOUR ACCOUNT IS FAST, SECURE, AND EASY WITH MYCARDSTATEMENT.COM. ENROLL TODAY!

Cardholder Account Summary

Trans Date	Post Date	MCC Code	Reference Number	Description	Amount
08/23/25	08/24/25	5045	24204295235001100425045	MSFT * E0500X7SC2 800-6427676 WA monthly email	$96.00 A150
08/23/25	08/24/25	5045	24204295235000400443096	MSFT * E0500X7PSD 800-6427676 WA monthly svcs	$50.00 A150
08/25/25	08/26/25	7399	24000775238100002577822	STRATEGIC GOV RESOURCE WWW.GOVERNMEN TX admin job postings	$199.00 A005
08/26/25	08/27/25	8699	24692165238109919221132	SQ *OREGON FRONTIER CHAMB CONDON OR pool party supplies	$70.00 pool 10

PLEASE DETACH COUPON AND RETURN PAYMENT USING THE ENCLOSED ENVELOPE - ALLOW UP TO 7 DAYS FOR RECEIPT

BANK OF EASTERN OREGON
P O BOX 39
HEPPNER OR 97836 - 0039

Bank of Eastern Oregon
Member FDIC/Equal Housing Lender

Account Number
5886

Check box to indicate name/address change on back of this coupon

AMOUNT OF PAYMENT ENCLOSED

Closing Date	New Balance	Total Minimum Payment Due	Payment Due Date
09/21/25	$2,480.46	$2480.46	10/16/2025

$ 2480.46

CITY OF CONDON
CITY OF CONDON 1
PO BOX 445
CONDON OR 97823-0445

748

MAKE CHECK PAYABLE TO:

VISA
PO BOX 4512
CAROL STREAM IL 60197-4512

12 4344 2212 1003 5886 00248046 00248046 2

CITY OF CONDON
CITY OF CONDON 1

Account Number: #### #### #### 5886
Closing Date: 09/21/25
Credit Limit: $15,000.00 Available Credit: $12,519.00

VISA

748

Cardholder Account Summary Continued

Trans Date	Post Date	MCC Code	Reference Number	Description	Amount
08/26/25	08/27/25	5942	24692165238100158188322	AMAZON MKTPL*CG8GT9VF3 Amzn.com/bill WA cameras + memory card - old school	$145.07 A40
09/04/25	09/05/25	5947	24116415247712376939561	BT *DORNBOS SIGN & SA 180-092-2002 MI street signs	$135.65 St 231
09/08/25	09/09/25	2741	24036295251742017429496	VISTAPRINT 866-207-4955 MA letterhead, notebook	$100.98 A10
09/09/25	09/10/25	5261	24116415252714150663419	HIGH COUNTRY GARDENS 800-925-9387 VT Flowers + plants	$118.98 A40
09/09/25	09/10/25	5261	24116415252744150977907	HOLLAND BULB FARMS 800-689-2852 WI Daffodils	$195.70 Park 010
09/11/25	09/12/25	5300	24692165254104600245291	WWW COSTCO COM 800-955-2292 WA supplies - openhouse 014-140-600010	$202.19
09/12/25	09/14/25	5072	24055235255476905004040	WURTH LOUIS 714-529-1771 CA Desk part	$98.99 A10
09/12/25	09/15/25	6010	1 5258121287000010	PAYMENT - THANK YOU	$3,798.19 -
09/16/25	09/17/25	5812	24692165259109214109077	SQ *CONDON LOCAL Condon OR pool mtg lunch	$167.90 pool 010
09/18/25	09/18/25	5942	24692165261100239629674	Amazon.com*V20TD6V73 Amzn.com/bill WA pool gift cards	$900.00 pool 010

Additional Information About Your Account

Interest Charge Calculation/Plan Level Information

Plan Description	ICM[1]	Balance Subject to Interest Rate	Periodic Rate	Annual Percentage Rate (APR)[2]	Interest Charge	Ending Balance
CURRENT						
PURCHASES	G	$ 0.00	1.3200%	15.84%	$ 0.00	
CASH	F	$ 0.00	1.3200%	15.84%	$ 0.00	
FEES/**INTEREST CHARGE**					$ 0.00	
TOTAL				0.00%	$ 0.00	$ 2,480.46

[1] ICM Interest Charge Method: See reverse side of Page 1 for explanation.
[2] Your **Annual Percentage Rate (APR)** is the annual interest rate on your account.
(V) = Variable Rate. If you have a variable rate account the periodic rate and **Annual Percentage Rate (APR)** may vary.

Statements

Statements (21)

View Statement PDFs

September 21 2025 Statement Period

New Balance:: $0.00
Payment Due Date: Oct 16, 2025
Total Minimum Due: $0.00
Previous Balance: $0.00
Purchases: $0.00
Cash: $0.00
Special: $0.00
Credits: $0.00
Other Charges: $0.00
Finance Charges: $0.00
Payments: $0.00

View Transaction Detail

Make A Payment

No statement received for card #1827. went to mycardstatement.com to print out Sept. statement, there is not one, shows balance of $0.

10/16/25

August 22 2025 Statement Period

July 22 2025 Statement Period

June 22 2025 Statement Period

May 22 2025 Statement Period

April 21 2025 Statement Period

March 23 2025 Statement Period

February 19 2025 Statement Period

January 22 2025 Statement Period

December 22 2024 Statement Period

128 S Main St.
PO Box 445
Condon, OR 97823
P: 541-384-2711
F: 541-384-2700

CITY OF CONDON
WORK SESSION AGENDA
POOL COMMITTEE
Thursday, October 16, 2025, 4:00 PM
CONDON CITY HALL

1. CALL THE MEETING TO ORDER

Meeting was called to order at 4:01 p.m.

Present: Mayor Dustan Hall; Councilor Mike Durfey, Pool Manager Shellie Johnson, Community members - Guy Whatley, Molly Fatland, Gilliam County Commissioner Leah Watkins, Cindy Osterlund, Steve Shaffer (zoom); Staff & Contractors - City Administrator Kathryn Greiner, Justine Banda - Opsis, Sarah Burk - Opsis & Scott Caron, Ballard*King.

Absent: Community Member Amanda Richardson; Contractors - Chirs Roberts-Opsis, Ryan Nachreiner-WTI.

2. GUIDING PRINCIPLES REVIEW - 4 PM - 4:10 P.M.

The committee briefly reviewed the guiding principles that were agreed upon at the previous meetings. Key words include welcoming, safe, full accessible, promote community health and wellness, right-sized facility, versatility, foster synergy, new and engaging program opportunities, environmentally responsible and energy-efficient, maximize the value, financially sustainable manner and earns strong community support.

3. SITE COMPARISON REVIEW - 4:10 PM - 4:40 PM

3.1. Sites - Condon School District, Old Condon Grade School & Industrial Site

Contractors brought back the chart comparing the sites and included the current pool site on the chart. Fatland stated that she was not in favor of the Industrial site and Johnson agreed. Durfey stated that he has heard from parents that they like the Condon Grade School (CGS) site and suggested that a park or playground be built at the same time. Whatley stated that the community of Ione has built their new facilities across town from the school and distance is not an issue.

Banda stated that they did not want to overbuild the pool, but wanted to add interesting activities that would increase usage and revenue. Caron stated that the current location, due to the elevations, it may be unable to obtain permits. This has to do with ADA access that would not allow enough space for the required paths.

4. SITE DESIGN WORKSHOP - 4:40 PM - 5:50 PM

4.1. Pool Design Review

Burk went through the pool design, noting that it is mindful to block the southwest wind and allowing space for a playground or food truck area. It was noted that the zero-entry pool was expanded for lessons. There are slides for older children and a shaded area for gathering while at the facility. Fatland had concerns with the site lines in the proposed grassy area and Shaffer asked if the wall or fence could be moved to near the equipment building for visibility. The committee discussed adding bleachers outside the fence for viewing the lap pool and shade options that would not detract from the morning sun warming the pool. The design has solar panels and wind turbines and contractors believe this could be a net-zero facility. It was discussed to add EV charging stations and a solar carport in the parking area. The team will identify zones for additional outdoor recreational activities such as pickleball, playground, skate park or a basketball court.

4.2. Bathhouse Design Review

The committee reviewed the design that has the bathroom and locker rooms laid out to allow use for other activities in the area without allowing access to the pool deck. The Little League fields could use the restrooms during their season or potential future activities — playground or pickleball courts. Concerns about visibility from the check-in area and access from the hallway towards the bathrooms which Opsis will remove the storage closet by check-in and create an additional entrance. It was also discussed adding drinking fountains or bottle filling stations on deck for users. The design showed no roof over the hallway from the entrance to the pool deck and the committee asked that a roof be installed on that area.

CITY of CONDON

128 S Main St.
PO Box 445
Condon, OR 97823
P: 541-384-2711
F: 541-384-2700

Burk reviewed materials to be used on the bathhouse, which included stone, metal, wood and material that will allow light to come in but allow privacy.

4.3. Additional Program

No additional programming was discussed.

4.4. Massing Study

Massing study was not discussed.

5. WRAP-UP & NEXT STEPS - 5:50 PM - 6 PM

Opsis will send out the designs for CA Greiner to distribute the committee for any additional comments. Once the design team has any additional comments, they will put together the information in a final report for the committee. This report will include basic financial information on construction and operational costs.

6. ADJOURN

Meeting was adjourned at 5:18 p.m.

Pool Committee Design Meeting
Condon Municipal Pool Masterplan

October 16th 2025

Design Committee Meeting Agenda

1 Welcome

4 - 4:10 (10 mins)

- Overview of Agenda
- Review of Guiding Principles

2 Site Comparison

4:10 - 4:40 (30 mins)

- Existing Site
- Old Grade School Site
- Industrial Site

3 Site Review

4:40 - 5:50 (70 mins)

- Pool Design Review
- Bathhouse Design Review
- Additional Program
- Material Study

4 Summary and Next Steps

5:50 - 6:00 (10 mins)

- Next Steps

Guiding Principles

- Provide a **welcoming, safe, and fully accessible** environment for all ages, from infants to seniors.
- **Promote community health and wellness** through inclusive aquatic activities.
- Design a **right-sized facility** that reflects Condon's unique culture and character.
- Ensure **versatility** to support a wide variety of uses and activities.
- **Foster synergy** between the pool and the broader community.
- Introduce **new and engaging programming opportunities** for all users.
- Incorporate **environmentally responsible and energy-efficient** systems and practices.
- **Maximize the value** of both capital investments and operational budgets**.**
- Operate in a **financially sustainable manner** for the long term.
- Present a vision that **earns strong community support** to address various funding sources and partnerships.

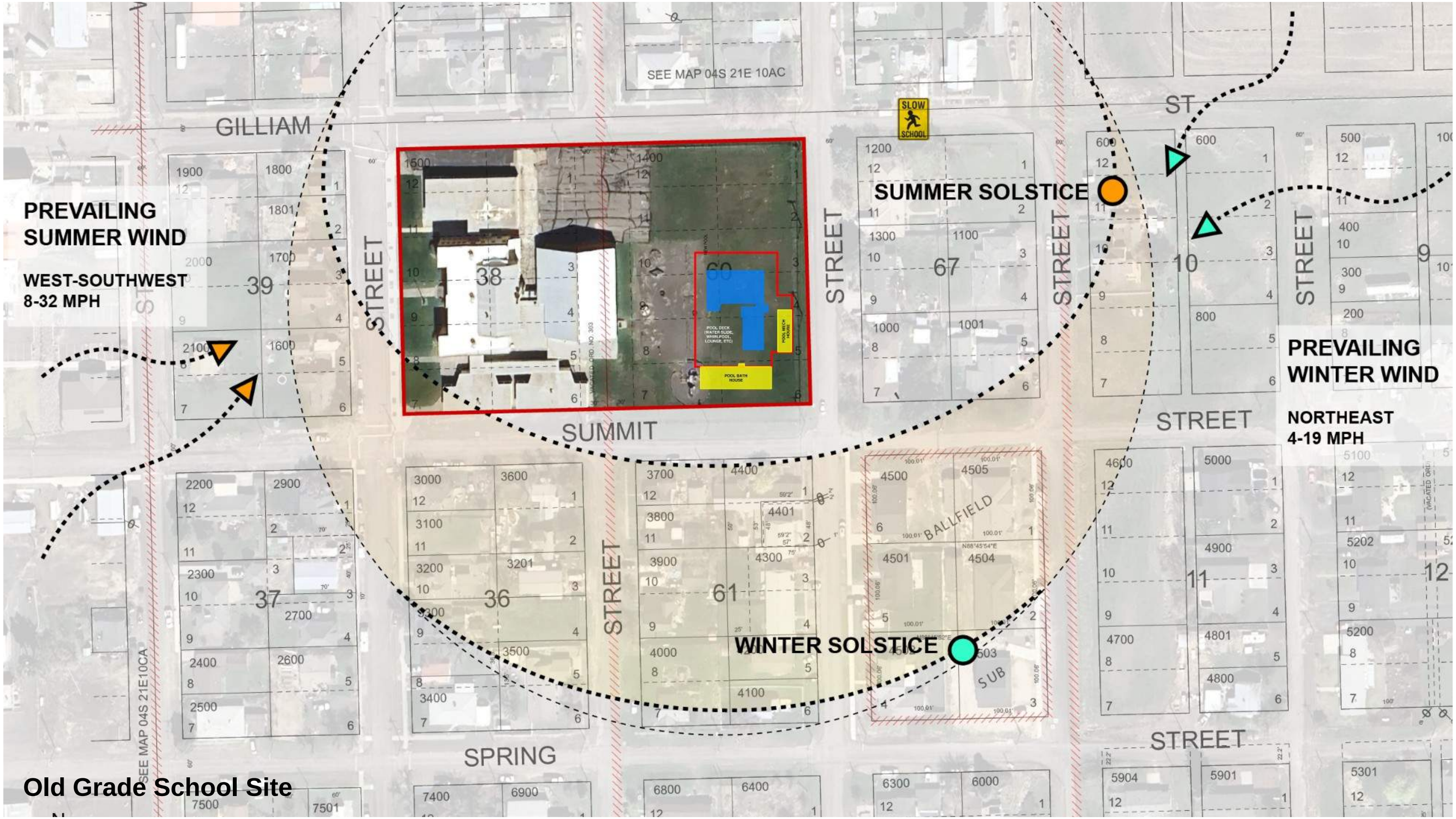
Site Comparison

02

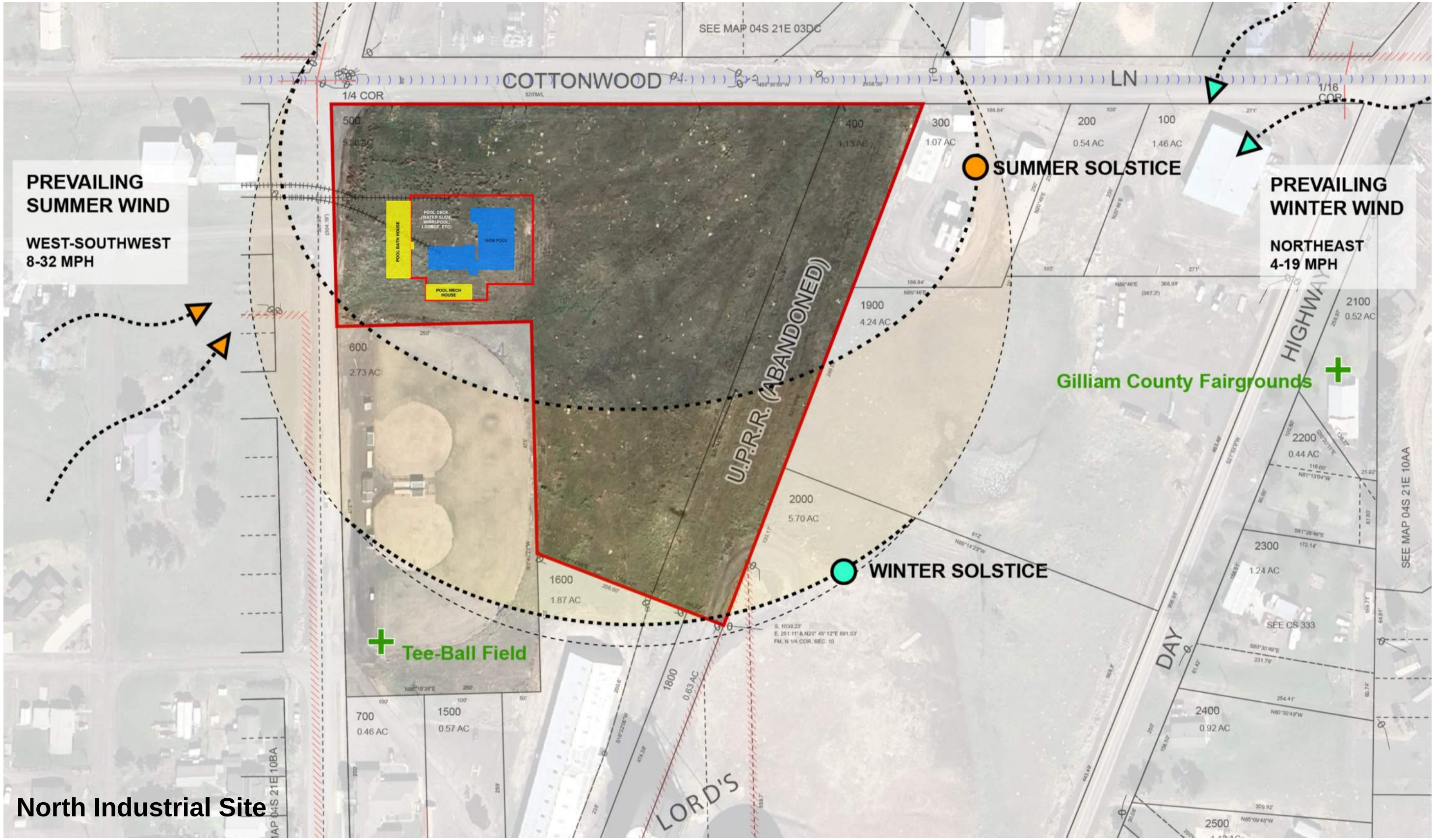
Site Evaluation Matrix **10.14.2025**

Rating:
- 4 - Excellent (100% - 81%)
- 3 - Good (80% - 61%)
- 2 - Fair (60% - 41%)
- 1 - Poor (40% - 0%)

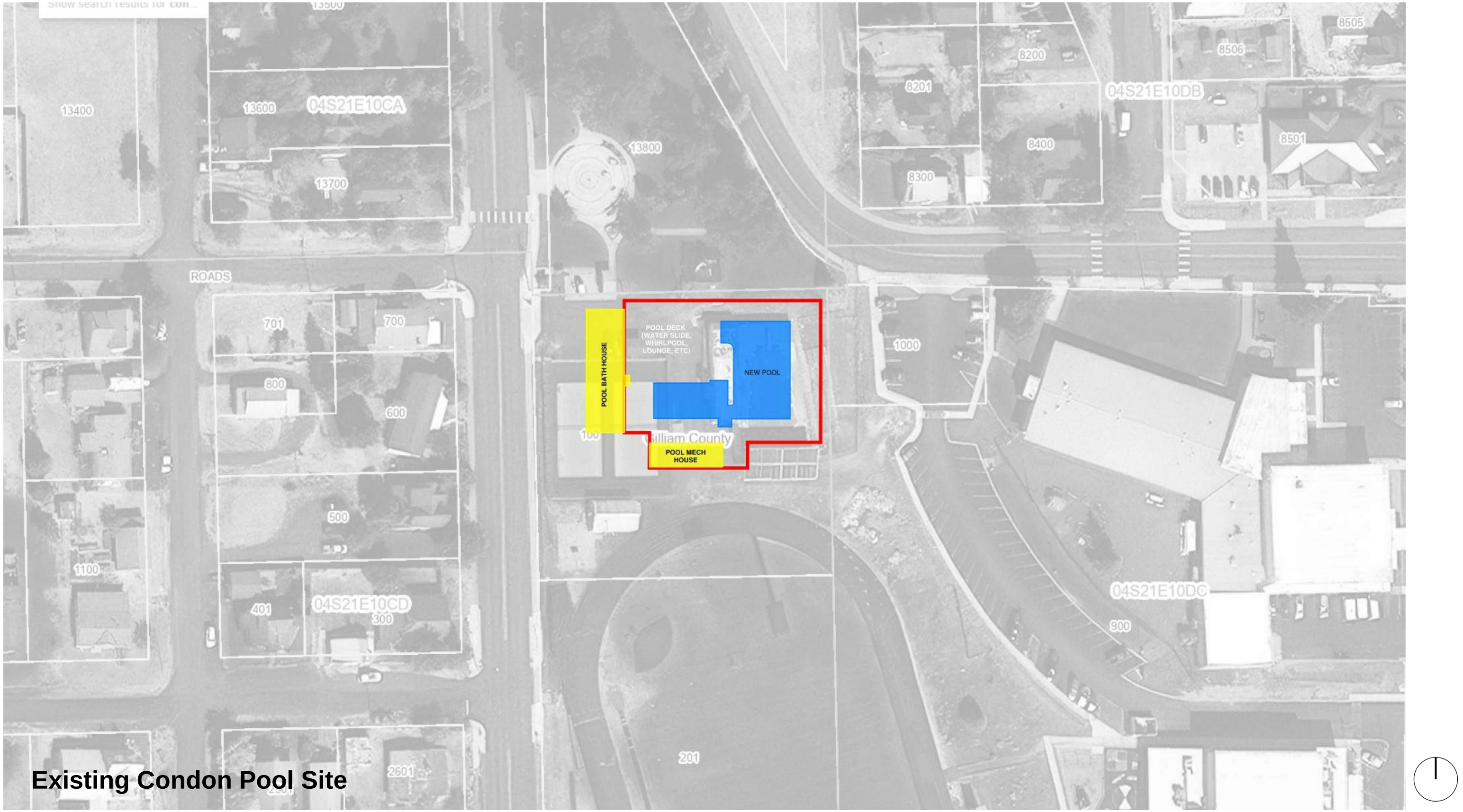
	Old Grade School Site		North Industrial Site		Existing Condon Pool	
Development Capacity	81%	**13**	100%	**16**	56%	**9**
Focus: Evaluates each site's ability to meet programmatic, spatial, and functional needs.						
Program Accommodation: Ability to support required building area and functional adjacencies.	Yes	4	Yes	4	No	4
Parking Capacity: Ability to meet or expand parking requirements.	Limited site parking and neighborhood street parking	3	Scalable on site parking and street parking	4	Shared parking with school	2
Property Value Enhancement: Potential to increase the value and utilization of existing city-owned assets.	Abandoned school; Located near indoor recreation court and within a 4 blocks of Condon City Park	3	Under developed lot; Located near golf course and baseball fields	4	Existing pool property owned by the school district	1
Site Efficiency: Effectiveness of site configuration, circulation, and land use.	Revitalizes old school site in residential neighborhood	3	Suited for regional destination aquatics and recreation facility	4	Limited site size	2
Economic Viability	92%	**11**	83%	**10**	75%	**9**
Focus: Assesses the financial soundness and market alignment of the site.						
Asset Utilization: Cost-effective use or adaptive reuse of existing public assets.	Confined development nestled within central neighborhood	3	Site can be developed beyond season aquatics to address holistic recreational needs	4	Requires purchase of land and demolition of existing pool structure	2
Visibility & Presence: Degree of street frontage, visibility, and public recognition.	2 blocks off Main Street in center of town	4	Intersection of Main Street and Condon Airport Road on north end of city limits	3	Maintains current visibility and adjacency to school	3
Community Synergy: Proximity and relationship to compatible uses, amenities, and local businesses that enhance vitality and economic return.	2-3 blocks from downtown business (3 minute walk)	4	Half mile from downtown core (12 minute walk)	3	South edge of downtown core	4
Stewardship of Funding	67%	**8**	92%	**11**	42%	**5**
Focus: Evaluates cost implications and long-term value to ensure responsible public investment.						
Development Cost: Anticipated on-site and off-site improvement costs, including utilities and access.	Large frontage Improvements & nearby utilities - Removal of existing equipment and uncertain future of old school	2	Frontage Improvements & utilities extension	3	Large scale demolition and site reconfiguration	1
Site Conditions: Suitability based on soils, grading, and topography.	Minimal slope, soils unknown	3	Relatively flat and level, assumed fill could accommodate easier excavation	4	Sloped & restricted site	2
Value-Added Design: Opportunities for design efficiency, lifecycle value, and innovation relative to cost.	Limited site size & access to solar and wind power generation	3	high opportunity for design efficiency & access to solar and wind power generation	4	Site severely limits development opportunities	2
Supports Accessibility & Belonging	67%	**8**	92%	**11**	33%	**4**
Focus: Measures how the site contributes to community access, inclusion, and connectivity.						
Service Balance: Ability to provide equitable and complementary services to diverse user groups.	Recreation focused in the center of town	3	Recreation focused builds upon adjacency to ball fields	4	Sloped site is not conducive to universal accessibility	1
Outdoor Integration: Connection to existing or potential outdoor recreation amenities and capacity for future flexibility.	Future development is uncertain with school building on site	2	Site location and size provides flexibility and enhanced development capacity	4	Requires removal of exiting tennis courts and severely limits future flexibility	1
Transportation Connectivity: Accessibility by multiple transportation modes (pedestrian, bicycle, transit,	Multi-modal: car, bike, walking and parking	3	Multi-modal: car, bike, walking and expanded parking potential	3	Multi-modal: car, bike, walking and limited parking	2
Regulatory Approval	63%	**5**	88%	**7**	50%	**4**
Focus: Assesses site readiness and alignment with permitting and environmental regulations.						
Environmental Suitability: Avoidance of critical areas such as wetlands, streams, and steep slopes.	No known critical areas, future oil tank decommissioning related to school building	3	Retired railroad track line	3	Sloped site	2
Permitting Complexity: Anticipated ease or complexity of obtaining necessary land use and building approvals.	Potential demolition, hazardous material abatement and traffic review	2	Traffic review	4	Demolition, potential hazardous material abatement and traffic review	2
		45		**55**		**31**



Old Grade School Site



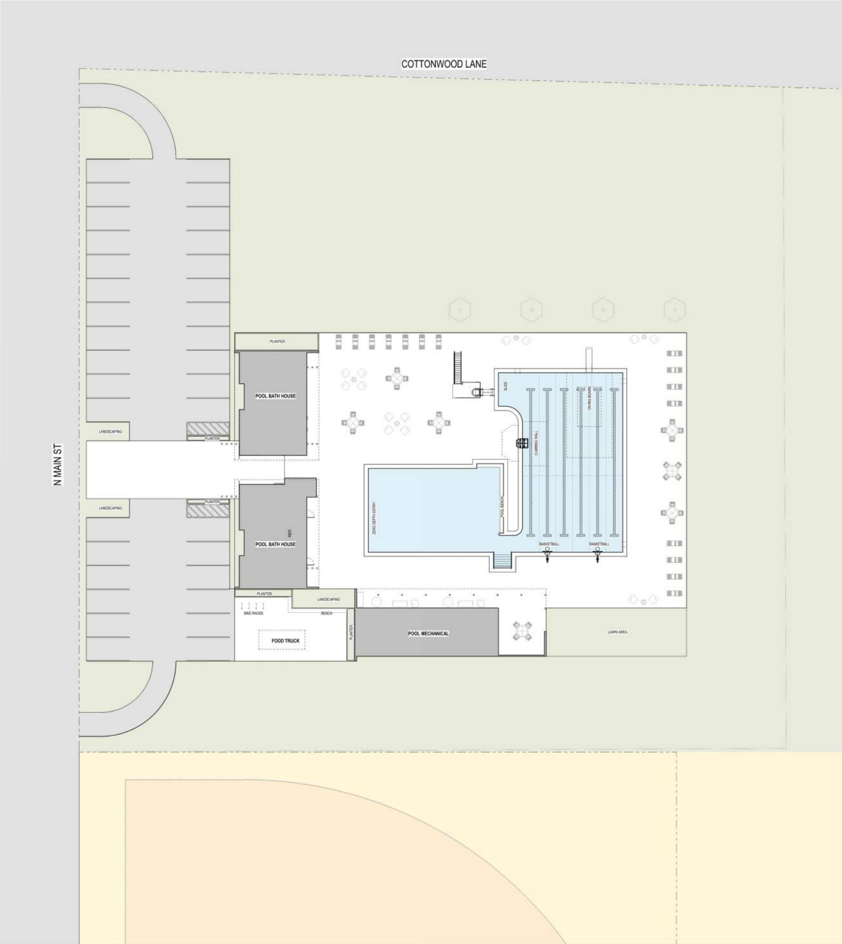
North Industrial Site



Existing Condon Pool Site

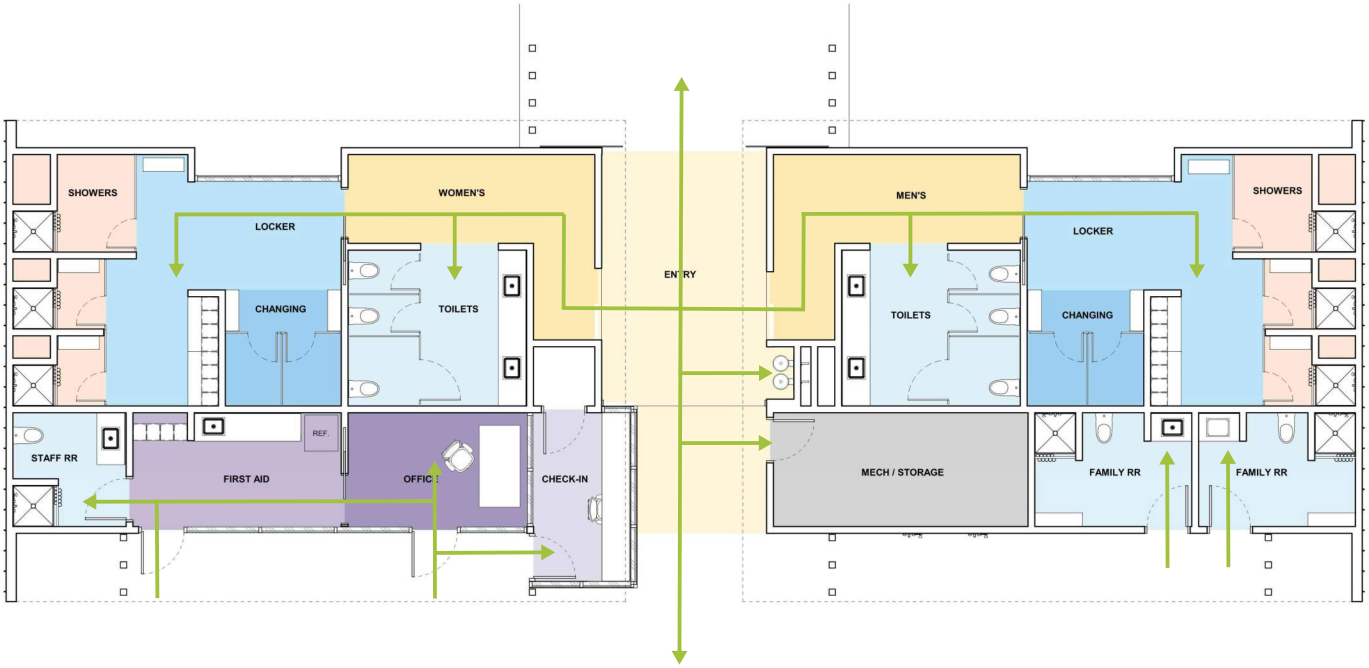
Site Review

03

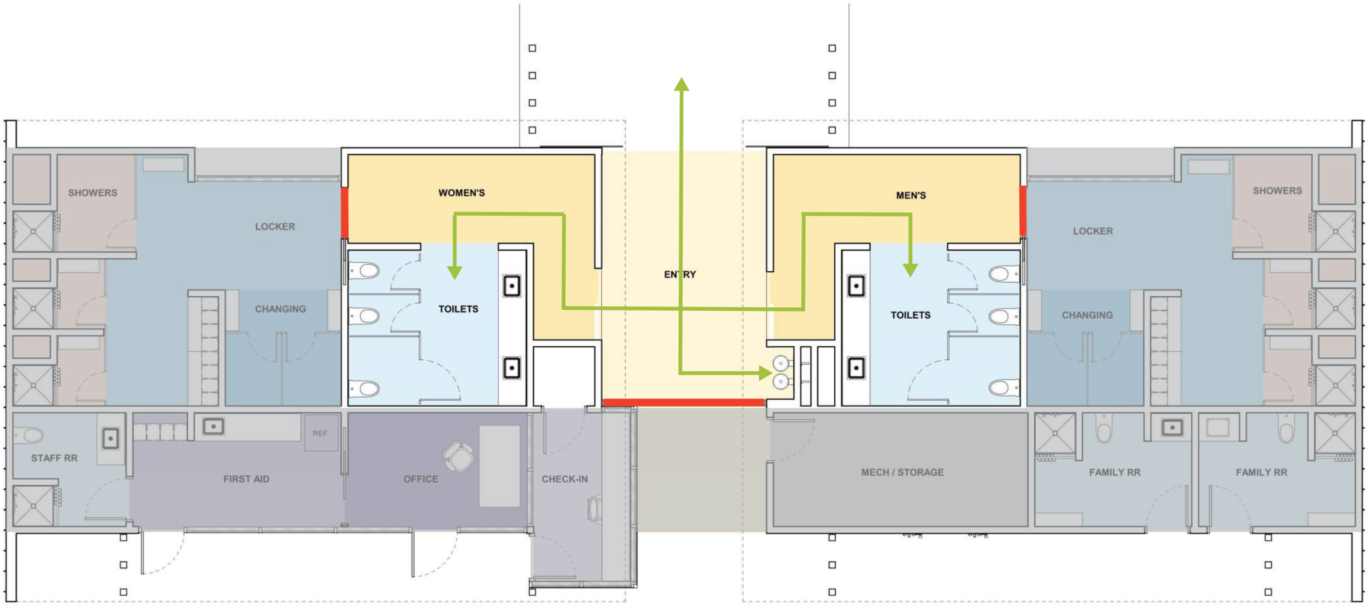


North Industrial - Site Plan

Pool Bathhouse Plan

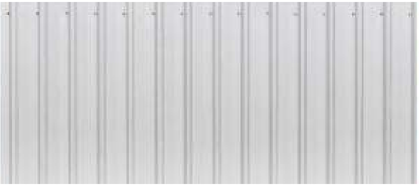


Circulation Plan - In Season



Circulation Plan - Off Season


Early Conceptual Materials









Proposed Materials


Aerial View - From SW

SW Approach from Main Street

Entry from Parking Lot

Check-In and Locker Room Entry

View Looking SW from Pool

View Looking NW from Pool Deck

Next Steps

04

CITY OF CONDON
Gilliam County, Oregon

ANNUAL FINANCIAL REPORT

June 30, 2025

436 1st Avenue W • P.O. Box 1072
Albany, Oregon 97321 • (541) 223-5555

CITY OF CONDON
Gilliam County, Oregon

CITY OFFICIALS

June 30, 2025

MAYOR

Dustan Hall
(Effective 1/1/2025)

Jim Hassing
(Through 12/31/2024)

CITY COUNCIL

Tom Fatland

Jeremy Kirby

Dawn Parm

Jan Stinchfield

Hanna Bass
(Effective 1/1/2025)

Michael Durfey
(Effective 1/1/2025)

Dustan Hall
(Through 12/31/2024)

Donald Jamieson
(Through 12/31/2024)

**All city councilors receive mail at the City's address listed below.*

CITY ADMINISTRATOR

Kathryn Greiner
128 S. Main Street
P.O. Box 445
Condon, Oregon 97823

CITY OF CONDON
Gilliam County, Oregon

TABLE OF CONTENTS

June 30, 2025

FINANCIAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF CONDON
Gilliam County, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

As management of the City of Condon, Gilliam 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 Condon amounted to $12,461,287. Of this amount, $6,878,791 was invested in capital assets, net of related debt. The remaining balance included $1,470,967 restricted for various purposes, and $4,111,529 of unrestricted net position.

- The City's total net position increased by $356,414 during the current fiscal year.

- The City's total revenues of $2,064,636 exceeded total expenditures of $1,708,222 by $356,414.

- At June 30, 2025, the City's governmental funds reported combined fund balances of $5,526,177.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Condon's basic financial statements. The City's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the 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 12 through 13 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 Condon 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 14 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, State Revenue Sharing, Development Grant, Equipment Reserve, Water Improvement, and Wastewater Improvement 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 the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Condon 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 14 through 18 of this report.

- **Proprietary Funds**

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City maintains two proprietary funds, which are 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 19 through 23 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 24 through 52 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 schedules of the City's proportionate share of the net pension liability and contributions, and budgetary comparison information for the General, State Revenue Sharing, and Development Grant Funds. This required supplementary information can be found on pages 53 through 56 of this report.

The combining statements, 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 57 through 71 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 $12,461,287.

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. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

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 $356,414 during the current fiscal year. Condensed statement of net position information is shown below.

Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Assets						
Current assets	$ 4,316,927	$ 4,580,326	$ 440,165	$ 550,262	$ 4,757,092	$ 5,130,588
Restricted assets	1,258,426	1,164,045	53,303	52,601	1,311,729	1,216,646
Net capital assets	3,922,842	3,870,830	3,630,539	3,039,418	7,553,381	6,910,248
Total assets	9,498,195	9,615,201	4,124,007	3,642,281	13,622,202	13,257,482
Deferred outflows of resources	111,028	86,302	111,028	86,302	222,056	172,604
Liabilities						
Current liabilities	140,456	92,959	144,579	138,235	285,035	231,194
Noncurrent liabilities	554,540	553,839	501,185	490,995	1,055,725	1,044,834
Total liabilities	694,996	646,798	645,764	629,230	1,340,760	1,276,028
Deferred inflows of resources	21,105	24,596	21,106	24,594	42,211	49,190
Net position						
Net investment in capital assets	3,554,125	3,483,453	3,324,666	2,723,941	6,878,791	6,207,394
Restricted	1,417,664	1,162,735	53,303	52,601	1,470,967	1,215,336
Unrestricted	3,921,333	4,383,921	190,196	298,217	4,111,529	4,682,138
Total net position	$ 8,893,122	$ 9,030,109	$ 3,568,165	$ 3,074,759	$ 12,461,287	$ 12,104,868

City's Changes in Net Position

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

Condensed Statement of Activities

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Program revenues						
Charges for services	$ 79,657	$ 58,708	$ 523,821	$ 482,583	$ 603,478	$ 541,291
Operating grants and contributions	19,893	92,348	-	-	19,893	92,348
Capital grants and contributions	366,787	639,271	-	-	366,787	639,271
Total program revenues	466,337	790,327	523,821	482,583	990,158	1,272,910
General revenues						
Taxes	399,376	395,840	-	-	399,376	395,840
Investment earnings	188,170	209,368	27,444	27,184	215,614	236,552
Other	459,488	397,100	-	-	459,488	397,100
Total general revenues	1,047,034	1,002,308	27,444	27,184	1,074,478	1,029,492
Total revenues	1,513,371	1,792,635	551,265	509,767	2,064,636	2,302,402
Program expenses						
General government	312,843	366,675	-	-	312,843	366,675
Public safety	49,053	42,530	-	-	49,053	42,530
Highways and streets	42,008	68,953	-	-	42,008	68,953
Culture and recreation	207,395	202,398	-	-	207,395	202,398
Contributed capital	-	-	-	-	-	-
Unallocated depreciation	245,443	213,527	-	-	245,443	213,527
Water	-	-	450,727	362,945	450,727	362,945
Sewer	-	-	400,753	390,288	400,753	390,288
Total program expenses	856,742	894,083	851,480	753,233	1,708,222	1,647,316
Capital contributions	-	545,000	-	-	-	545,000
Transfers	(793,621)	(220,802)	793,621	220,802	-	-
Change in net position	(136,992)	1,222,750	493,406	(22,664)	356,414	1,200,086
Net position - beginning	9,030,114	7,807,359	3,074,759	3,097,423	12,104,873	10,904,782
Net position - ending	$ 8,893,122	$ 9,030,109	$ 3,568,165	$ 3,074,759	$ 12,461,287	$ 12,104,868

CITY OF CONDON
Gilliam County, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 $5,526,177. Of this amount, $560,567 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 $613,719. Of this amount, $560,567 constitutes unassigned fund balance

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 $3,568,165 at year-end. Of this amount, $3,324,666 was invested in capital assets, net of related debt. The remaining balance included $30,292 restricted for customer deposits, $23,011 restricted for debt service, and $190,196 of unrestricted net position.

BUDGETARY HIGHLIGHTS

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

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental activities and business-type activities as of June 30, 2025 amounted to $3,922,842 and $3,630,539 net of accumulated depreciation, respectively. This investment in capital assets includes land and improvements, construction in progress, buildings, vehicles and equipment, 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 $245,443 and $247,896, respectively.

Additional information on the City's capital assets can be found in Note II-B on pages 37 through 39 of this report.

Long-Term Liabilities

At the end of the current fiscal year, the City had total debt outstanding in the governmental and business-type activities of $368,717 and $305,873, respectively. This amount is comprised of general obligation bonds and revenue bonds. The City's total debt decreased in the governmental and business-type activities by $18,660 and $9,604, respectively, during the current fiscal year.

Additional information on the City's long-term liabilities can be found in Note II-D on pages 39 through 41 of this report.

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:

- The City continues to operate the Condon School District swimming pool with the financial support of Gilliam County. The golf course clubhouse has been demolished and the construction of contract has been awarded to build a new clubhouse. Construction is anticipated to be completed by December 31, 2024.

- The City continues to work with community partners on workforce housing solutions. On the Ballfield Housing Development, two homes have been completed and occupied, and plans have been approved for 10 rental units on three lots. The City completed a design of the Fairway Housing project that if developed, will add an additional 40 home sites.

All of these factors were considered in preparing the City's budget for the 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 Administrator at the following address: P.O. Box 445, Condon, Oregon 97823.

BASIC FINANCIAL STATEMENTS

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF NET POSITION

June 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	$ 3,963,673	$ 392,713	$ 4,356,386
Accounts receivable	349,349	42,787	392,136
Prepaid expenses	3,905	4,665	8,570
Total current assets	4,316,927	440,165	4,757,092
Restricted assets			
Cash and cash equivalents	1,258,426	53,303	1,311,729
Noncurrent assets			
Capital assets not being depreciated	55,780	111,233	167,013
Capital assets being depreciated, net	3,867,062	3,519,306	7,386,368
Total noncurrent assets	3,922,842	3,630,539	7,553,381
Total assets	9,498,195	4,124,007	13,622,202
DEFERRED OUTFLOWS OF RESOURCES	111,028	111,028	222,056
LIABILITIES			
Current liabilities			
Accounts payable	46,011	2,361	48,372
Accrued interest	7,927	6,024	13,951
Compensated absences	63,853	95,890	159,743
Customer deposits	-	30,292	30,292
Unearned revenues - golf course	3,165	-	3,165
Long-term debt, current portion	19,500	10,012	29,512
Total current liabilities	140,456	144,579	285,035
Noncurrent liabilities			
Net pension liability	205,323	205,324	410,647
Long-term debt, less current portion	349,217	295,861	645,078
Total liabilities	694,996	645,764	1,340,760
DEFERRED INFLOWS OF RESOURCES	21,105	21,106	42,211
NET POSITION			
Net investment in capital assets	3,554,125	3,324,666	6,878,791
Restricted for:			
Land conservation and development	1,221,197	-	1,221,197
Highways and streets	115,752	-	115,752
Tourism	45,032	-	45,032
Debt service	35,683	23,011	58,694
Customer deposits	-	30,292	30,292
Unrestricted	3,921,333	190,196	4,111,529
Total net position	$ 8,893,122	$ 3,568,165	$ 12,461,287

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

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Totals
Governmental activities							
General government	$ 312,843	$ 10,122	$ -	$ 196,300	$ (106,421)	$ -	$ (106,421)
Public safety	49,053	-	-	-	(49,053)	-	(49,053)
Highways and streets	42,008	-	-	-	(42,008)	-	(42,008)
Culture and recreation	207,395	69,535	19,893	170,487	52,520	-	52,520
Unallocated depreciation	245,443	-	-	-	(245,443)	-	(245,443)
Total governmental activities	$ 856,742	$ 79,657	$ 19,893	$ 366,787	(390,405)	-	(390,405)
Business-type activities							
Water	$ 450,727	$ 261,821	$ -	$ -	-	(188,906)	(188,906)
Sewer	400,753	262,000	-	-	-	(138,753)	(138,753)
Total business-type activities	$ 851,480	$ 523,821	$ -	$ -	-	(327,659)	(327,659)
General revenues							
Property taxes					297,608	-	297,608
Transient lodging tax					28,600	-	28,600
State highway tax					59,518	-	59,518
Liquor and cigarette taxes					13,650	-	13,650
Franchise fees					377,215	-	377,215
Intergovernmental					4,678	-	4,678
Investment earnings					188,170	27,444	215,614
Miscellaneous					77,595	-	77,595
Total general revenues					1,047,034	27,444	1,074,478
Transfers					(793,621)	793,621	-
Change in net position					(136,992)	493,406	356,414
Net position - beginning					9,030,114	3,074,759	12,104,873
Net position - ending					$ 8,893,122	$ 3,568,165	$ 12,461,287

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

CITY OF CONDON
Gilliam County, Oregon

BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2025

	General Fund	Special Revenue Funds: State Revenue Sharing	Special Revenue Funds: Development Grant	Capital Projects Funds: Equipment Reserve	Capital Projects Funds: Water Improvement	Capital Projects Funds: Wastewater Improvement	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	$ 291,780	$ 563,521	$ 1,222,743	$ 825,413	$ 398,642	$ 627,177	$ 1,292,823	$ 5,222,099
Accounts receivable	331,988	-	-	-	-	-	17,361	349,349
Prepaid expenses	3,195	-	-	-	710	-	-	3,905
Total assets	$ 626,963	$ 563,521	$ 1,222,743	$ 825,413	$ 399,352	$ 627,177	$ 1,310,184	$ 5,575,353
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities								
Accounts payable	$ 10,079	$ 375	$ 1,546	$ -	$ 19,984	$ -	$ 14,027	$ 46,011
Deferred inflows of resources								
Unavailable revenue - golf course revenue	3,165	-	-	-	-	-	-	3,165
Fund balances								
Nonspendable	3,195	-	-	-	710	-	-	3,905
Restricted	-	-	1,221,197	-	-	-	196,467	1,417,664
Committed	49,957	563,146	-	825,413	378,658	627,177	1,099,690	3,544,041
Unassigned	560,567	-	-	-	-	-	-	560,567
Total fund balances	613,719	563,146	1,221,197	825,413	379,368	627,177	1,296,157	5,526,177
Total liabilities, deferred inflows of resources, and fund balances	$ 626,963	$ 563,521	$ 1,222,743	$ 825,413	$ 399,352	$ 627,177	$ 1,310,184	$ 5,575,353

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

CITY OF CONDON
Gilliam County, Oregon

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES

June 30, 2025

Total fund balances		$ 5,526,177
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds:		
Cost	6,499,605	
Accumulated depreciation	(2,576,763)	3,922,842
Accounts relating to the City's proportionate share of the net pension liability or asset for the Oregon Public Employees 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 expense	111,028	
Deferred inflows of resources relating to return on pension assets	(21,105)	
Net pension asset (liability)	(205,323)	(115,400)
Long-term liabilities are not due or payable 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:		
Accrued interest	(7,927)	
Compensated absences	(63,853)	
Loans payable	(368,717)	(440,497)
Net position of governmental activities		$ 8,893,122

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

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended June 30, 2025

		Special Revenue Funds		Capital Projects Funds				
	General Fund	State Revenue Sharing	Development Grant	Equipment Reserve	Water Improvement	Wastewater Improvement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES								
Property taxes	$ 274,543	$ -	$ -	$ -	$ -	$ -	$ 23,065	$ 297,608
State liquor/cigarette taxes	13,650	-	-	-	-	-	-	13,650
Transient lodging taxes	-	-	-	-	-	-	28,600	28,600
Franchise fees	377,215	-	-	-	-	-	-	377,215
Charges for services	-	-	-	-	-	-	5,334	5,334
Licenses, fees, and permits	69,535	-	1,100	-	-	-	-	70,635
Intergovernmental	190,380	4,678	-	-	196,300	-	59,518	450,876
Grants and contributions	-	-	-	-	-	-	-	-
Rents and leases	3,648	-	-	-	-	-	-	3,648
Investment earnings	71,851	24,719	28,016	31,199	32,891	22,769	48,576	260,021
Miscellaneous	5,784	-	-	-	-	-	-	5,784
Total revenues	1,006,606	29,397	29,116	31,199	229,191	22,769	165,093	1,513,371
EXPENDITURES								
Current								
General government	193,311	30,037	5,474	-	69,809	-	4,623	303,254
Public safety	49,053	-	-	-	-	-	-	49,053
Highways and streets	-	-	-	-	-	-	43,008	43,008
Culture and recreation	452,867	-	-	-	-	-	26,983	479,850
Debt service	-	-	-	-	-	23,011	36,089	59,100
Capital outlay	-	-	-	-	750,798	-	90,554	841,352
Total expenditures	695,231	30,037	5,474	-	820,607	23,011	201,257	1,775,617

(Continued)

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

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended June 30, 2025

(Continued)

		Special Revenue Funds		Capital Projects Funds				
	General Fund	State Revenue Sharing	Development Grant	Equipment Reserve	Water Improvement	Wastewater Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Excess (deficiency) of revenues over (under) expenditures	$ 311,375	$ (640)	$ 23,642	$ 31,199	$ (591,416)	$ (242)	$ (36,164)	$ (262,246)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	10,000	200,000	60,000	100,000	105,000	135,000	610,000
Transfers out	(555,000)	-	-	-	-	-	-	(555,000)
Total other financing sources (uses)	(555,000)	10,000	200,000	60,000	100,000	105,000	135,000	55,000
Net change in fund balances	(243,625)	9,360	223,642	91,199	(491,416)	104,758	98,836	(207,246)
Fund balances - beginning	857,344	553,786	997,555	734,214	870,784	522,419	1,197,321	5,733,423
Fund balances - ending	$ 613,719	$ 563,146	$ 1,221,197	$ 825,413	$ 379,368	$ 627,177	$ 1,296,157	$ 5,526,177

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

CITY OF CONDON
Gilliam County, Oregon

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025

Net change in fund balances		$ (207,246)
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.		
Expenditures for capital assets	297,455	
Current year depreciation expense	(245,443)	52,012
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.		
Compensated absences		(8,434)
Long-term debt proceeds are reported as other financing sources in the governmental funds. In the statement of net position, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position.		
Debt principal paid		18,660
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 the governmental funds. In the statement of activities, pension expense or credits are recognized when determined to have been accrued.		
Pension expense		8,016
Change in net position		$ (136,992)

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

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

June 30, 2025

	Business-Type Activities - Enterprise Funds		
	Water Fund	Sewer Fund	Total
ASSETS			
Current assets			
Cash and cash equivalents	$ 167,736	$ 224,977	$ 392,713
Accounts receivable	21,762	21,025	42,787
Prepaid expenses	2,325	2,340	4,665
Total current assets	191,823	248,342	440,165
Restricted assets			
Cash and cash equivalents	30,292	23,011	53,303
Noncurrent assets			
Capital assets not being depreciated	55,616	55,617	111,233
Capital assets being depreciated, net	1,946,574	1,572,732	3,519,306
Total noncurrent assets	2,002,190	1,628,349	3,630,539
Total assets	2,224,305	1,899,702	4,124,007
DEFERRED OUTFLOWS OF RESOURCES	55,514	55,514	111,028
LIABILITIES			
Current liabilities			
Accounts payable	1,141	1,220	2,361
Accrued interest	-	6,024	6,024
Compensated absences	46,535	49,355	95,890
Customer deposits	30,292	-	30,292
Long-term debt, current portion	-	10,012	10,012
Total current liabilities	77,968	66,611	144,579

(Continued)

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

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

June 30, 2025

(Continued)

	Business-Type Activities - Enterprise Funds		
	Water Fund	Sewer Fund	Total
Noncurrent liabilities			
Net pension liability	$ 102,662	$ 102,662	$ 205,324
Long-term debt, less current portion	-	295,861	295,861
Total noncurrent liabilities	102,662	398,523	501,185
Total liabilities	180,630	465,134	645,764
DEFERRED INFLOWS OF RESOURCES	10,553	10,553	21,106
NET POSITION			
Net investment in capital assets	2,002,190	1,322,476	3,324,666
Restricted for;			
Customer deposits	30,292	-	30,292
Debt service	-	23,011	23,011
Unrestricted	56,154	134,042	190,196
Total net position	$ 2,088,636	$ 1,479,529	$ 3,568,165

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

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

For the Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds		
	Water Fund	Sewer Fund	Total
Operating revenues			
Charges for services	$ 261,821	$ 262,000	$ 523,821
Operating expenses			
Personnel services	190,572	195,483	386,055
Materials and services	127,050	90,479	217,529
Depreciation	133,105	114,791	247,896
Total operating expenses	450,727	400,753	851,480
Operating income (loss)	(188,906)	(138,753)	(327,659)
Nonoperating revenues (expenses)			
Investment earnings	11,097	16,347	27,444
Income (loss) before transfers	(177,809)	(122,406)	(300,215)
Transfers in	829,017	44,604	873,621
Transfers out	(30,000)	(50,000)	(80,000)
Change in net position	621,208	(127,802)	493,406
Total net position - beginning	1,467,428	1,607,331	3,074,759
Total net position - ending	$ 2,088,636	$ 1,479,529	$ 3,568,165

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds		
	Water Fund	Sewer Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	$ 262,137	$ 263,330	$ 525,467
Cash payments for payroll and related costs	(191,039)	(198,396)	(389,435)
Cash payments for operating expenses	(126,332)	(89,893)	(216,225)
Net cash provided (used) by operating activities	(55,234)	(24,959)	(80,193)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	25,000	-	25,000
Net cash provided (used) by noncapital financing activities	25,000	-	25,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Transfers to other funds for capital acquisitions	(30,000)	(50,000)	(80,000)
Net cash provided (used) by capital and related financing activities	(30,000)	(50,000)	(80,000)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	11,097	16,347	27,444
Net increase (decrease) in cash and cash equivalents	(49,137)	(58,612)	(107,749)
Cash and cash equivalents - beginning (including $29,590 and $23,011 in the Water and Sewer Funds, respectively, reported in restricted accounts)	247,165	306,600	553,765
Cash and cash equivalents - ending (including $30,292 and $23,011 in the Water and Sewer Funds, respectively, reported in restricted accounts)	$ 198,028	$ 247,988	$ 446,016

(Continued)

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended June 30, 2025

(Continued)

	Business-Type Activities - Enterprise Funds		
	Water Fund	Sewer Fund	Totals
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ (188,906)	$ (138,753)	$ (327,659)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	133,105	114,791	247,896
(Increase) decrease in:			
Accounts receivable	(386)	1,330	944
Deferred outflows of resources	(12,363)	(12,363)	(24,726)
Increase (decrease) in:			
Accounts payable	718	586	1,304
Compensated absences	3,539	1,093	4,632
Customer deposits	702	-	702
Net pension liability	10,101	10,101	20,202
Deferred inflows of resources	(1,744)	(1,744)	(3,488)
Net cash provided (used) by operating activities	$ (55,234)	$ (24,959)	$ (80,193)
Noncash investing, capital, and financing activities			
Capital contributions	$ 804,017	$ 44,604	$ 848,621

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF CONDON
Gilliam County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Condon have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement 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 Condon, Oregon was incorporated in 1893. The government of the City consists of an elected mayor and six council members. The mayor serves a two-year term and the council members serve four-year terms. The administrative functions of the City are delegated to individuals who report and are responsible to the Mayor and city council. The City Administrator is the chief financial officer of the City.

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 proprietary 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 City'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 proprietary funds, each displayed in a separate column. Major individual governmental and proprietary funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

The City reports the following major governmental funds:

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

Special Revenue Funds

State Revenue Sharing Fund – The State Revenue Sharing Fund accounts for funds received from the State of Oregon. Expenditures are generally for capital outlay items, administration services, and the City's Main Street Project.

Development Grant Fund – The Development Grant Fund account for grant funds and development fees, and maintains the state-mandated LCDC plan.

Capital Projects Fund

Equipment Reserve Fund – The Equipment Reserve Fund accounts for revenues transferred from the General Fund, sale of surplus property, investment earnings, and carryover. The fund is maintained to address the city hall office space needs when appropriate.

Water Improvement Fund – The Water System Improvement Fund accounts for the receipt and expenditure of financial resources that are generally restricted for use on the City's water system.

Wastewater Improvement Fund – The Wastewater System Improvement Fund accounts for the receipt and expenditure of financial resources that are generally restricted for use on the City's sewer system.

The City reports the following major proprietary funds:

Enterprise Funds

Water Fund – The Water Fund accounts for the operation and maintenance of the City's water system.

Sewer Fund – The Water Fund accounts for the operation and maintenance of the City's sewer system.

Additionally, the City reports the following nonmajor governmental funds:

Special Revenue Funds

Condon Grade School Building/Facility Fund – The Condon Grade School Building/Facility Fund was established in 2022 to account for revenues and expenditures related to the grade school facility improvement. Primary revenues are investment earnings and transfers from other funds.

State Street Fund – The State Street Fund accounts for revenues received by apportionment from the State Highway Division. The primary use of revenue is for maintenance and improvements of the City's streets and street lighting.

Transient Tax Fund – The Transient Tax Fund accounts for transient room taxes. The primary use of the revenue is to promote tourism in the area.

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

Capital Projects Funds

Sewer Reserve Fund – The Sewer Reserve Fund accounts for funds set aside for maintenance of the City's sewer system. The primary sources of revenue are charges for services and investment earnings.

Water Equipment Fund – The Water Equipment Fund accounts for revenues related to system development charges from new residences, private donations, and investment earnings. Expenditures are proposed when a new project is identified.

Sewer Equipment Fund – The Sewer Equipment Fund accounts for revenues related to system development charges from new residences, private donations, and investment earnings. Expenditures are proposed when a new project is identified.

Additionally, the City reports the Memorial Hall Fund, as described below, which is presented in the General Fund for financial statement presentation purposes in accordance with GASB Statement No. 54.

Memorial Hall Fund – The Memorial Hall Fund accounts for resources to be used for maintenance and operations of Memorial Hall. The primary source of revenue is transfers from the General Fund. A budget and actual statement is presented for this fund in accordance with Oregon Budget Law.

Certain activity occurs during the year involving transfers of resources between funds. In the fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in the 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 and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for 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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are 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, 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 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 City.

F. Budgetary Basis of Accounting

Annual budgets are adopted on the cash basis of accounting for revenues and the modified accrual basis of accounting. 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, capital projects, and enterprise funds.

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 city 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, interfund transfers, and operating contingencies are the levels of control 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. A supplemental budget 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.

Budget amounts shown in the financial statements reflect the original 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 cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. 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.

3. Accounts Receivable

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

4. 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

$5,000 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.

Land and construction in progress are not deprecated. The other 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	5–40
Buildings and improvements	10-40
Infrastructure	10–40

5. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations arising from cash basis transactions are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond using the bonds outstanding method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

6. 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 therefore 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 therefore 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, that 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.

7. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS), and additions to/deductions from OPERS' fiduciary net position have been determined on the same basis as they are reported by OPERS. 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.

8. Net Position Flow Assumption

Sometimes, the City 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 City's policy to consider restricted net position to have been depleted before unrestricted net position is applied

9. Fund Balance Flow Assumption

Sometimes, the City 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 City'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.

10. 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 City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Restricted fund balance are amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The city council is the highest level of decision-making authority for the City 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 City for specific purposes but do not meet the criteria to be classified as committed. The city council has, by resolution, authorized the City Administrator to assign fund balance. The city 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 balance 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:

- Nonspendable fund balance – amounts that are in nonspendable 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 the City intends to use for a specific purpose. Intent can be expressed by the 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

Property taxes attach as an enforceable lien on real property and are levied as of July 1. The tax levy is divided into two billings: the first billing (mailed on July 1) is an estimate of the current year's levy based on prior year's taxes; the second billing (mailed on January 1) reflects adjustments to the current year's actual levy. The billings are considered past due 15 days after the respective billing date, at which time the applicable property is subject to lien, and penalties and interest are assessed.

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. Uncollected property taxes are shown as assets in the governmental funds. Property taxes collected within approximately 60 days of fiscal year end are recognized as revenue, while the remaining are recorded as deferred inflows of resources because they are not deemed available to finance operations of the current period.

3. Compensated Absences

Amounts of vested/accumulated vacation and sick leave that are expected to be liquidated with expendable available financial resources are reported as expenditures when paid. Amounts of vested or accumulated leave that are not expected to be liquidated with expendable available financial resources are reported as long-term liabilities on the statement of net position.

4. Proprietary Funds 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 a proprietary fund's principal ongoing operations. The principal operating revenues for the enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation and amortization on capital assets. All revenues not meeting this definition are reported as nonoperating revenues and expenses.

5. Retirement Plan

Most of the City's employees participate in Oregon's Public Employees Retirement System (PERS). Contributions and expenditures are made on a current basis, as required by the plan.

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.

II. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash Deposits with Financial Institutions

The City 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 based upon their combined cash and investment balances.

Investments, including amounts held in pooled cash and investments, are stated at fair value. In accordance with 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 (LGIP)). The LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. The State's investment policies are governed by 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 LGIP 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 that 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, 867 Hawthorne Avenue SE, Salem, Oregon 97301.

<u>Fair Value Measurement</u>

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 quoted market prices.
- *Level 3* – Unobservable inputs.

There LGIP investments are not required to be categorized under the fair value hierarchy. The fair value of the City's position in the LGIP is the same as the value of the pool shares.

<u>Credit Risk</u>

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:

	Credit Quality Rating	Maturities	Fair Value
Oregon Local Government Investment Pool	Unrated	-	$ 5,391,842

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. 100 percent of the City's investments are in the Oregon Local Government Investment Pool.

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 Eastern Oregon, for which the FDIC provides insurance coverage of $250,000 for demand deposit accounts and $250,000 for time and savings accounts. At June 30, 2025, the City's had deposits of $250,000 insured by the FDIC and $189,933 collateralized by the PFCP.

Deposits

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

Checking accounts	$ 276,273
Investments	5,391,842
Total deposits and investments	$ 5,668,115

Cash and investments by fund:

Governmental activities - unrestricted	
General Fund	$ 291,780
State Revenue Sharing Fund	563,521
Equipment Reserve Fund	825,413
Water Improvement Fund	398,642
Wastewater Improvement Fund	627,177
Nonmajor governmental funds	1,257,140
Total governmental activities - unrestricted	3,963,673
Business-type activities - unrestricted	
Water Fund	167,736
Sewer Fund	224,977
Total business-type activities - unrestricted	392,713
Subtotal unrestricted cash and investments	4,356,386
Governmental activities - restricted	
Development Grant Fund	1,222,743
Nonmajor governmental funds	35,683
Total governmental activities - restricted	1,258,426
Business-type activities - restricted	
Water Fund	30,292
Sewer Fund	23,011
Total business-type activities - restricted	53,303
Subtotal restricted cash and investments	1,311,729
Total cash and investments	$ 5,668,115

Restricted cash is for land conservation and development, highways and streets, tourism, debt service, and utility customer deposits.

CITY OF CONDON
Gilliam County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

B. Capital Assets

Governmental 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 and improvements	$ 22,500	$ -	$ -	$ 22,500
Construction in progress	65,080	25,000	(56,800)	33,280
Total capital assets not being depreciated	87,580	25,000	(56,800)	55,780
Capital assets being depreciated				
Buildings	1,234,837	305,067	-	1,539,904
Vehicles and equipment	728,684	24,188	-	752,872
Infrastructure	4,151,049	-	-	4,151,049
Total capital assets being depreciated	6,114,570	329,255	-	6,443,825
Less accumulated depreciation for:				
Buildings	(765,036)	(29,536)	-	(794,572)
Vehicles and equipment	(583,803)	(23,479)	-	(607,282)
Infrastructure	(982,481)	(192,428)	-	(1,174,909)
Total accumulated depreciation	(2,331,320)	(245,443)	-	(2,576,763)
Total capital assets being depreciated, net	3,783,250	83,812	-	3,867,062
Governmental activities capital assets, net	$ 3,870,830	$ 108,812	$ (56,800)	$ 3,922,842

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

	Capital Assets	Accumulated Depreciation	Net Capital Assets
Governmental activities			
Land and improvements	$ 22,500	$ -	$ 22,500
Construction in progress	33,280	-	33,280
Buildings	1,539,904	(794,572)	745,332
Vehicles and equipment	752,872	(607,282)	145,590
Infrastructure	4,151,049	(1,174,909)	2,976,140
Total governmental activities capital assets	$ 6,499,605	$ (2,576,763)	$ 3,922,842

Business-type capital asset activity for the year ended June 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land and improvements	$ 111,233	$ -	$ -	$ 111,233
Construction in progress	60,576	-	(60,576)	-
Total capital assets not being depreciated	171,809	-	(60,576)	111,233
Capital assets being depreciated				
Buildings	421,477	-	-	421,477
Vehicles and equipment	300,062	-	-	300,062
Infrastructure	9,491,166	899,593	-	10,390,759
Total capital assets being depreciated	10,212,705	899,593	-	11,112,298
Less accumulated depreciation for				
Buildings	(89,407)	(18,142)	-	(107,549)
Vehicles and equipment	(285,567)	(7,598)	-	(293,165)
Infrastructure	(6,970,122)	(222,156)	-	(7,192,278)
Total accumulated depreciation	(7,345,096)	(247,896)	-	(7,592,992)
Total capital assets being depreciated, net	2,867,609	651,697	-	3,519,306
Business-type activities capital assets, net	$ 3,039,418	$ 651,697	$ (60,576)	$ 3,630,539

Business-type capital assets are reported on the statement of net position as follows:

	Capital Assets	Accumulated Depreciation	Net Capital Assets
Business-type activities			
Land and improvements	$ 111,233	$ -	$ 111,233
Buildings	421,477	(107,549)	313,928
Vehicles and equipment	300,062	(293,165)	6,897
Water system	10,390,759	(7,192,278)	3,198,481
Total business-type activities capital assets	$ 11,223,531	$ (7,592,992)	$ 3,630,539

For the governmental activities, depreciation was not charged to specific functions or programs of the City. Capital assets of the City's governmental activities are for the use of the entire City and are therefore unallocated. Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities	
Unallocated depreciation expense	$ 245,443
Business-type activities	
Water	$ 133,105
Sewer	114,791
Total business-type activities	$ 247,896

C. Compensated Absences

Changes in the City's compensated absences during the year ended June 30, 2025 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities	$ 55,419	$ 8,434	$ -	$ 63,853
Business-type activities	$ 91,258	$ 4,632	$ -	$ 95,890

D. 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	Reductions	Ending Balance	Due Within One Year
Governmental activities							
General Obligation							
Installment Sewer Bond	3.35%	$ 664,000	$ 387,377	$ -	$ 18,660	$ 368,717	$ 19,500
Business-type activities							
Sewer Revenue Bond	4.25%	438,970	315,477	-	9,604	305,873	10,012
Total		$ 1,102,970	$ 702,854	$ -	$ 28,264	$ 674,590	$ 29,512

2. Governmental Activity General Obligation Bonds

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. The City's outstanding general obligation bonds represent funding primarily for building improvement projects. Interest is fixed at 3.35%. Principal and interest are due annually on December 18. The Debt Service Fund has traditionally been used to liquidate long-term debt related to the general obligation bonds. The general obligation bond requires a loan reserve of $21,052 which is maintained in the Debt Service Fund.

3. Governmental Activity Future Maturities of Long-Term Liabilities

Year Ending	General Obligation Bonds		
June 30	Principal	Interest	Total
2026	$ 19,500	$ 16,589	$ 36,089
2027	20,378	15,711	36,089
2028	21,295	14,794	36,089
2029	22,253	13,836	36,089
2030	23,254	12,835	36,089
2031-2035	132,942	47,503	180,445
2036-2039	129,095	15,261	144,356
	$ 368,717	$ 136,529	$ 505,246

4. Business-Type Activity Revenue Bonds

Revenue bonds are direct obligations that pledge the full faith and credit of the City and are payable from sewer utility revenue proceeds. The City's outstanding revenue bonds represent funding primarily for system improvement projects. Principal and interest are due annually on December 28. The Wastewater Improvement Fund has traditionally been used to liquidate long-term debt related to the revenue bonds. The revenue bond requires a loan reserve of $23,011 which is maintained in the Sewer Fund.

5. Business-Type Activity Future Maturities of Long-Term Liabilities

Year Ending June 30	Sewer Revenue Bond Principal	Sewer Revenue Bond Interest	Sewer Revenue Bond Total
2026	$ 10,012	$ 12,999	$ 23,011
2027	10,437	12,574	23,011
2028	10,881	12,130	23,011
2029	11,343	11,668	23,011
2030	11,826	11,186	23,012
2031-2035	67,107	47,949	115,056
2036-2040	82,632	32,423	115,055
2041-2045	101,635	13,307	114,942
	$ 305,873	$ 154,236	$ 460,109

6. Legal Debt Limit

The City's legal annual debt service limit (as defined by ORS 478.410) as of June 30, 2025 was approximately $2,430,139. The City's legal debt service limit is 3% of the real market value of property within the City.

7. Interest Expense

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

Governmental activities	
General government	$ 29,996
Business-type activities	
Sewer	$ 13,408

E. Interfund Transfers

The City's interfund transfers during the year consisted of the following

	Transfers in:							
	Development Grant Fund	State Revenue Sharing Fund	Water Improvement Fund	Wastewater Improvement Fund	Equipment Reserve Fund	Nonmajor Governmental Funds	Water Fund	Total
Transfers out:								
Governmental activities								
General Fund	$ 200,000	$ 10,000	$ 100,000	$ 100,000	$ -	$ 120,000	$ 25,000	$ 555,000
Business-type activities								
Water Fund	-	-	-	-	30,000	-	-	30,000
Sewer Fund	-	-	-	5,000	20,000	25,000	-	50,000
Total	$ 200,000	$ 10,000	$ 100,000	$ 105,000	$ 50,000	$ 145,000	$ 25,000	$ 635,000

The primary purpose of the interfund transfers was to reserve funds for future expenditures.

F. Constraints on Fund Balances

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

	General Fund	State Revenue Sharing Fund	Development Grant Sharing Fund	Equipment Reserve Fund	Water Improvement Fund	Wastewater Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Fund balances:								
Nonspendable:								
Prepaid balances	$ 3,195	$ -	$ -	$ -	$ 710	$ -	$ -	$ 3,905
Restricted:								
Land conservation and development	-	-	1,221,197	-	-	-	-	1,221,197
Highways and streets	-	-	-	-	-	-	115,752	115,752
Tourism	-	-	-	-	-	-	45,032	45,032
Debt service	-	-	-	-	-	-	35,683	35,683
Committed:								
Main street projects	-	563,146	-	-	-	-	-	563,146
Equipment purchases	-	-	-	825,413	-	-	212,436	1,037,849
Water system upgrade and repair	-	-	-	-	378,658	-	-	378,658
Sewer replacement	-	-	-	-	-	-	435,949	435,949
Sewer system upgrade and repair	-	-	-	-	-	627,177	-	627,177
Memorial Hall needs	49,957	-	-	-	-	-	-	49,957
Community development	-	-	-	-	-	-	451,305	451,305
Unassigned	560,567	-	-	-	-	-	-	560,567
Total fund balances	$ 613,719	$ 563,146	$ 1,221,197	$ 825,413	$ 379,368	$ 627,177	$ 1,296,157	$ 5,526,177

III. 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. Pension Plan

1. Plan Description

The City is a participating employer in the Oregon Public Employees Retirement System (OPERS), a cost-sharing, multiple-employer, defined benefit, and defined contribution pension plan. The Oregon Legislature has delegated authority to the Public Employees Retirement System Board to administer and manage the system. All benefits of the system are established by the legislature, pursuant to Oregon Revised Statutes (ORS) Chapters 238 and 238A. Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Pension Program, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. OPERS issues a publicly available annual comprehensive financial report and actuarial valuation, both of which can be obtained at: https://www.oregon.gov/pers/emp/pages/annual-reports.aspx.

2. Benefits Provided

a. Tier One/Tier Two Retirement Benefits (ORS Chapter 238)

Pension Benefits

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options that are actuarially equivalent to the base benefit. These options include survivorship benefits and lump-sum refunds. The base benefit is based on years of service and final average salary. A percentage (1.67% for general service employees, 2.0% for police and fire employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if they have had a contribution 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. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Pension Plan is closed to new members hired on or after August 29, 2003.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

Disability Benefits

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

Benefit Changes After Retirement

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the fair value of underlying global equity investments of that account. Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living adjustments (COLA), starting with the monthly benefits received or entitled to be received on August 1. The COLA is capped at 2.0%.

b. Oregon Public Service Retirement Plan (OPSRP) Pension Program (Defined Benefit)

Pension Benefits

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions and earnings. Benefits are calculated with the following formula for members who attain normal retirement age:

General service: 1.5% 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.

Police and fire: 1.8% is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To 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.

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

Death Benefits

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50% of the pension that would otherwise have been paid to the deceased member.

Disability Benefits

A member who has accrued 10 or more years of retirement credit before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45% of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit Changes After Retirement

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

c. OPSRP Individual Account Program (IAP) (Defined Contribution)

Benefit Terms

The IAP is an individual account-based program under the OPERS tax-qualified governmental plan as defined under ORS 238A.400. An IAP member becomes vested on the date the employee account is established or on the date the rollover account is established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP IAP may receive the amounts in their employee account, rollover account, and vested employer-funded 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. Installment amounts vary with market returns as the account remains invested while in distribution. When chosen, the distribution option must result in a $200 minimum distribution amount, or the frequency of the installments will be adjusted to reach that minimum.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives, in a lump sum, the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Recordkeeping

OPERS contracts with Voya Financial to maintain IAP participant records.

3. Contributions

PERS' funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates during the period were based on the December 31, 2022 actuarial valuation, which became effective July 1, 2023. Employer contributions for the year ended June 30, 2025 were $88,587, excluding amounts to fund employer-specific liabilities. The rates in effect for the fiscal year ended June 30, 2025 were 23.22% for Tier One/Tier Two general service members, 23.22% for Tier One/Tier Two police and fire members, 21.2% for OPSRP Pension Program general service members, 25.99% for OPSRP Pension Program police and fire members and 6% for OPSRP IAP. The City has elected to make the payments on behalf of its employees for the OPSRP IAP.

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

At June 30, 2025, the City reported a liability of $410,647 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to June 30, 2024. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan, relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2024, the City's proportion was 0.00185%, which decreased from its proportion of 0.00198% measured as of June 30, 2023.

For the year ended June 30, 2025, the City recognized pension expense of $71,353. 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	$ 24,327	$ 980
Change in assumptions	41,286	53
Net difference between projected and actual earnings on investments	26,088	-
Change in proportionate share	17,095	26,733
Differences between employer contributions and employer's proportionate share of system contributions	24,675	14,445
Total (prior to post-MD contributions)	133,471	42,211
Contributions subsequent to the MD	88,585	-
Total	$ 222,056	$ 42,211

Deferred outflows of resources related to pensions of $88,585 resulting from the City's contributions subsequent to the measurement date will be recognized as either a reduction of the net pension liability or an increase in the net pension asset in the year ended June 30, 2026.

Other amounts reported as deferred outflows (inflows) of resources related to pensions will be recognized in pension expense as follows:

Subsequent fiscal years	Deferred Outflows/ (Inflows) of Resources
1st Fiscal Year	$ 4,885
2nd Fiscal Year	48,702
3rd Fiscal Year	23,596
4th Fiscal Year	11,611
5th Fiscal Year	2,466

5. Actuarial Assumptions

The employer contribution rates effective July 1, 2023 through June 30, 2025 were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), and (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an actuarially determined amount for funding a disability benefit component, and (3) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

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

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 six-year period ending on December 31, 2022.

6. 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 Public Employees Retirement System 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. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see OPERS' annual comprehensive financial report, which can be obtained at: https://www.oregon.gov/pers/emp/pages/annual-reports.aspx.

7. Discount Rate

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

8. Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.90%, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.90%) or one percentage point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability (asset)	$ 647,778	$ 410,647	$ 212,037

9. Pension Plan Fiduciary Net Position

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

C. Commitments

On June 4, 2025, the City signed an agreement for a grant-funded paving project in the amount of $219,850, all of which remained outstanding at year end.

D. New Pronouncements

For the fiscal year ended June 30, 2025, the City implemented the following new accounting standard:

GASB Statement No. 102, *Certain Risk Disclosures* – This statement improves reporting by providing users of financial statements with essential information that previously was not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact.

The City will implement applicable new GASB pronouncements no later than the required fiscal year. Management has not determined the effect on the financial statements for implementing any of the following pronouncements:

GASB Statement No. 103, *Financial Reporting Model Improvements* – The objective of this statement is to improve key components of the financial reporting model. The purposes of the improvements are to (a) enhance the effectiveness of the financial reporting model in providing information that is essential for decision making and assessing a government's accountability and (b) address certain application issues identified through pre-agenda research conducted by the GASB. The requirements of this statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* – This statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

E. Subsequent Events

Management has evaluated subsequent events through Rep Letter Date, 2025, which was the date that the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CONDON
Gilliam County, Oregon

SCHEDULES OF THE CITY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY (ASSET) AND CITY CONTRIBUTIONS

<u>OREGON PERS SYSTEM</u>

Schedule of the Proportionate Share of the Net Pension Liability

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a % of covered payroll	Plan fiduciary net position as a % of the total pension liability
2016	0.0029684%	$ 170,432	$ 194,581	250%	91.88%
2017	0.0023437%	351,836	177,621	260%	80.53%
2018	0.0024942%	336,216	207,251	204%	83.12%
2019	0.0025984%	393,617	232,737	209%	82.07%
2020	0.0023147%	400,393	200,593	233%	80.20%
2021	0.0017976%	392,292	193,664	255%	75.79%
2022	0.0018362%	219,732	207,456	129%	87.60%
2023	0.0020383%	312,100	233,875	133%	84.50%
2024	0.0019767%	370,244	230,853	160%	81.70%
2025	0.0018475%	410,647	252,359	163%	79.30%

Schedule of Contributions

	Contractually required contribution	Contributions in relation to the contractually required contribution liability (NPL)	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a % of covered payroll
2016	$ 79,303	$ (79,303)	$ -	$ 276,463	21.00%
2017	84,328	(84,328)	-	265,969	22.00%
2018	65,080	(65,080)	-	184,444	32.00%
2019	62,913	(62,913)	-	250,041	39.00%
2020	114,931	(114,931)	-	221,620	42.00%
2021	60,326	(60,326)	-	274,155	41.00%
2022	59,708	(59,708)	-	222,851	32.00%
2023	52,817	(52,817)	-	170,680	30.95%
2024	67,349	(67,349)	-	272,733	24.69%
2025	88,587	(88,587)	-	318,740	27.79%

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis	Actual Adjustments	Actual GAAP Basis
REVENUES					
Property taxes	$ 295,000	$ (20,457)	$ 274,543	$ -	$ 274,543
State liquor taxes	15,000	(1,766)	13,234	-	13,234
State cigarette taxes	500	(84)	416	-	416
Franchise fees	348,500	28,715	377,215	-	377,215
Licenses, fees, and permits	1,000	(1,000)	-	-	-
Grants and contributions	450,000	(259,620)	190,380	-	190,380
Charges for services	43,000	26,535	69,535	-	69,535
Rents and leases	1,000	1,448	2,448	1,200	3,648
Investment earnings	20,000	51,048	71,048	803	71,851
Miscellaneous	6,500	(716)	5,784	-	5,784
Total revenues	1,180,500	(175,897)	1,004,603	2,003	1,006,606
EXPENDITURES					
Current					
Administration	343,450	(153,469)	189,981	3,330	193,311
Police	30,500	(9,477)	21,023	-	21,023
Fire	42,500	(14,470)	28,030	-	28,030
Golf	300,850	(1,954)	298,896	-	298,896
Parks	48,950	(13,362)	35,588	-	35,588
Swimming pool	128,500	(10,117)	118,383	-	118,383
Contingency	320,750	(320,750)	-	-	-
Total expenditures	1,215,500	(523,599)	691,901	3,330	695,231
Excess (deficiency) of revenues over (under) expenditures	(35,000)	347,702	312,702	(1,327)	311,375
OTHER FINANCING SOURCES (USES)					
Transfers out	(565,000)	-	(565,000)	10,000	(555,000)
Net change in fund balance	(600,000)	347,702	(252,298)	8,673	(243,625)
Fund balance - beginning	600,000	216,060	816,060	41,284	857,344
Fund balance - ending	$ -	$ 563,762	$ 563,762	$ 49,957	$ 613,719

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

STATE REVENUE SHARING FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Fees and charges	$ 10,000	$ (10,000)	$ -
Intergovernmental	7,500	(2,822)	4,678
Grants and contributions	10,000	(10,000)	-
Investment earnings	20,000	4,719	24,719
Total revenues	47,500	(18,103)	29,397
EXPENDITURES			
Current			
General government	592,500	(562,463)	30,037
Excess (deficiency) of revenues over (under) expenditures	(545,000)	544,360	(640)
OTHER FINANCING SOURCES (USES)			
Transfers in	10,000	-	10,000
Net change in fund balance	(535,000)	544,360	9,360
Fund balance - beginning	535,000	18,786	553,786
Fund balance - ending	$ -	$ 563,146	$ 563,146

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

DEVELOPMENT GRANT FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Charges for services	$ 2,000	$ (900)	$ 1,100
Grants and contributions	200,000	(200,000)	-
Investment earnings	20,000	8,016	28,016
Total revenues	222,000	(192,884)	29,116
EXPENDITURES			
Current			
Culture and recreation	1,272,000	(1,266,526)	5,474
Excess (deficiency) of revenues over (under) expenditures	(1,050,000)	1,073,642	23,642
OTHER FINANCING SOURCES (USES)			
Transfers in	200,000	-	200,000
Net change in fund balance	(850,000)	1,073,642	223,642
Fund balance - beginning	850,000	147,555	997,555
Fund balance - ending	$ -	$ 1,221,197	$ 1,221,197

OTHER SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES

CITY OF CONDON
Gilliam County, Oregon

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

June 30, 2025

	Special Revenue Funds				Capital Projects Funds			Total
	Condon Grade School Building/ Facility	State Street	Transient Tax	Debt Service Fund	Sewer Reserve	Water Equipment	Sewer Equipment	Nonmajor Governmental Funds
ASSETS								
Cash and cash equivalents	$ 451,305	$ 115,752	$ 42,156	$ 35,683	$ 435,491	$ 78,997	$ 133,439	$ 1,292,823
Accounts receivable	-	-	16,903	-	458	-	-	17,361
Total assets	$ 451,305	$ 115,752	$ 59,059	$ 35,683	$ 435,949	$ 78,997	$ 133,439	$ 1,310,184
LIABILITIES								
Accounts payable	$ -	$ -	$ 14,027	$ -	$ -	$ -	$ -	$ 14,027
FUND BALANCES								
Restricted for:								
Highways and streets	-	115,752	-	-	-	-	-	115,752
Tourism	-	-	45,032	-	-	-	-	45,032
Debt service	-	-	-	35,683	-	-	-	35,683
Committed to:								
Equipment purchases	-	-	-	-	-	78,997	133,439	212,436
Sewer replacement	-	-	-	-	435,949	-	-	435,949
Community development	451,305	-	-	-	-	-	-	451,305
Total fund balances	451,305	115,752	45,032	35,683	435,949	78,997	133,439	1,296,157
Total liabilities and fund balances	$ 451,305	$ 115,752	$ 59,059	$ 35,683	$ 435,949	$ 78,997	$ 133,439	$ 1,310,184

CITY OF CONDON
Gilliam County, Oregon

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2025

	Special Revenue Funds				Capital Projects Funds			Total
	Condon Grade School Building/ Facility	State Street	Transient Tax	Debt Service Fund	Sewer Reserve	Water Equipment	Sewer Equipment	Nonmajor Governmental Funds
REVENUES								
Property taxes	$ -	$ -	$ -	$ 23,065	$ -	$ -	$ -	$ 23,065
Transient lodging taxes	-	-	28,600	-	-	-	-	28,600
Charges for services	-	-	-	-	5,334	-	-	5,334
Intergovernmental	-	59,518	-	-	-	-	-	59,518
Investment earnings	6,796	8,201	1,949	1,032	18,955	5,076	6,567	48,576
Total revenues	6,796	67,719	30,549	24,097	24,289	5,076	6,567	165,093
EXPENDITURES								
Current								
General government	4,623	-	-	-	-	-	-	4,623
Highways and streets	-	43,008	-	-	-	-	-	43,008
Culture and recreation	-	-	26,983	-	-	-	-	26,983
Debt services	-	-	-	36,089	-	-	-	36,089
Capital outlay	-	-	-	-	-	55,554	35,000	90,554
Total expenditures	4,623	43,008	26,983	36,089	-	55,554	35,000	201,257
Excess (deficiency) of revenues over (under) expenditures	2,173	24,711	3,566	(11,992)	24,289	(50,478)	(28,433)	(36,164)
OTHER FINANCING SOURCES (USES)								
Transfers in	100,000	-	-	15,000	-	10,000	10,000	135,000
Net change in fund balances	102,173	24,711	3,566	3,008	24,289	(40,478)	(18,433)	98,836
Fund balances - beginning	349,132	91,041	41,466	32,675	411,660	119,475	151,872	1,197,321
Fund balances - ending	$ 451,305	$ 115,752	$ 45,032	$ 35,683	$ 435,949	$ 78,997	$ 133,439	$ 1,296,157

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

CONDON GRADE SCHOOL BUILDING/FACILITY FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Rentals	$ 1,000	$ (1,000)	$ -
Grants and contributions	650,000	(650,000)	-
Investment earnings	5,000	1,796	6,796
Total revenues	656,000	(649,204)	6,796
EXPENDITURES			
Current			
General government	1,081,000	(1,076,377)	4,623
Excess (deficiency) of revenues over (under) expenditures	(425,000)	427,173	2,173
OTHER FINANCING SOURCES (USES)			
Transfers in	100,000	-	100,000
Net change in fund balance	(325,000)	427,173	102,173
Fund balance - beginning	325,000	24,132	349,132
Fund balance - ending	$ -	$ 451,305	$ 451,305

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

STATE STREET FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Intergovernmental	$ 60,000	(482)	$ 59,518
Grants and contributions	700,000	(700,000)	-
Investment earnings	7,500	701	8,201
Total revenues	767,500	(699,781)	67,719
EXPENDITURES			
Current			
Highways and streets	937,500	(894,492)	43,008
Excess (deficiency) of revenues over (under) expenditures	(170,000)	194,711	24,711
Fund balance - beginning	170,000	(78,959)	91,041
Fund balance - ending	$ -	$ 115,752	$ 115,752

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TRANSIENT TAX FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Transient room taxes	$ 25,000	$ 3,600	$ 28,600
Investment earnings	1,000	949	1,949
Total revenues	26,000	4,549	30,549
EXPENDITURES			
Current			
Culture and recreation	51,000	(24,017)	26,983
Excess (deficiency) of revenues over (under) expenditures	(25,000)	28,566	3,566
Fund balance - beginning	25,000	16,466	41,466
Fund balance - ending	$ -	$ 45,032	$ 45,032

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

DEBT SERVICE FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Property taxes	$ 26,500	$ (3,435)	$ 23,065
Investment earnings	2,500	(1,468)	1,032
Total revenues	29,000	(4,903)	24,097
EXPENDITURES			
Debt service	74,000	(37,911)	36,089
Excess (deficiency) of revenues over (under) expenditures	(45,000)	33,008	(11,992)
OTHER FINANCING SOURCES (USES)			
Transfers in	15,000	-	15,000
Net change in fund balance	(30,000)	33,008	3,008
Fund balance - beginning	30,000	2,675	32,675
Fund balance - ending	$ -	$ 35,683	$ 35,683

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

WATER IMPROVEMENT FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Grants and contributions	$ 300,000	$ (103,700)	$ 196,300
Investment earnings	30,000	2,891	32,891
Total revenues	330,000	(100,809)	229,191
EXPENDITURES			
Water system improvements	1,330,000	(509,393)	820,607
Excess (deficiency) of revenues over (under) expenditures	(1,000,000)	408,584	(591,416)
OTHER FINANCING SOURCES (USES)			
Transfers in	100,000	-	100,000
Net change in fund balance	(900,000)	408,584	(491,416)
Fund balance - beginning	900,000	(29,216)	870,784
Fund balance - ending	$ -	$ 379,368	$ 379,368

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

WASTEWATER IMPROVEMENT FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Grants and contributions	$ 10,000	$ (10,000)	$ -
Investment earnings	20,000	2,769	22,769
Total revenues	30,000	(7,231)	22,769
EXPENDITURES			
Wastewater system improvements	635,000	(611,989)	23,011
Excess (deficiency) of revenues over (under) expenditures	(605,000)	604,758	(242)
OTHER FINANCING SOURCES (USES)			
Transfers in	105,000	-	105,000
Net change in fund balance	(500,000)	604,758	104,758
Fund balance - beginning	500,000	22,419	522,419
Fund balance - ending	$ -	$ 627,177	$ 627,177

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

EQUIPMENT RESERVE FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Investment earnings	$ 25,000	$ 6,199	$ 31,199
EXPENDITURES			
Capital outlay	775,000	(775,000)	-
Excess (deficiency) of revenues over (under) expenditures	(750,000)	781,199	31,199
OTHER FINANCING SOURCES (USES)			
Transfers in	60,000	-	60,000
Net change in fund balance	(690,000)	781,199	91,199
Fund balance - beginning	690,000	44,214	734,214
Fund balance - ending	$ -	$ 825,413	$ 825,413

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

SEWER RESERVE FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Charges for services	$ 5,000	$ 334	$ 5,334
Investment earnings	17,000	1,955	18,955
Total revenues	22,000	2,289	24,289
EXPENDITURES			
Capital outlay	422,000	(422,000)	-
Excess (deficiency) of revenues over (under) expenditures	(400,000)	424,289	24,289
Fund balance - beginning	400,000	11,660	411,660
Fund balance - ending	$ -	$ 435,949	$ 435,949

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

WATER EQUIPMENT FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Investment earnings	$ 7,500	$ (2,424)	$ 5,076
EXPENDITURES			
Water equipment	132,500	(76,946)	55,554
Excess (deficiency) of revenues over (under) expenditures	(125,000)	74,522	(50,478)
OTHER FINANCING SOURCES (USES)			
Transfers in	10,000	-	10,000
Net change in fund balance	(115,000)	74,522	(40,478)
Fund balance - beginning	115,000	4,475	119,475
Fund balance - ending	$ -	$ 78,997	$ 78,997

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

SEWER EQUIPMENT FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Investment earnings	$ 5,000	$ 1,567	$ 6,567
EXPENDITURES			
Capital outlay	165,000	(130,000)	35,000
Excess (deficiency) of revenues over (under) expenditures	(160,000)	131,567	(28,433)
OTHER FINANCING SOURCES (USES)			
Transfers in	10,000	-	10,000
Net change in fund balance	(150,000)	131,567	(18,433)
Fund balance - beginning	150,000	1,872	151,872
Fund balance - ending	$ -	$ 133,439	$ 133,439

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

MEMORIAL HALL FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis	Actual Adjustments	Actual GAAP Basis
REVENUES					
Rents and leases	$ 1,500	$ (300)	$ 1,200	$ (1,200)	$ -
Investment earnings	2,000	(1,197)	803	(803)	-
Total revenues	3,500	(1,497)	2,003	(2,003)	-
EXPENDITURES					
Current					
General government	48,500	(45,170)	3,330	(3,300)	-
Excess (deficiency) of revenues over (under) expenditures	(45,000)	43,673	(1,327)	1,297	-
OTHER FINANCING SOURCES (USES)					
Transfers in	10,000	-	10,000	(10,000)	-
Net change in fund balance	(35,000)	43,673	8,673	(8,703)	-
Fund balance - beginning	35,000	6,284	41,284	(41,284)	-
Fund balance - ending	$ -	$ 49,957	$ 49,957	$ (49,987)	$ -

* Presented in the General Fund for financial statement presentation in accordance with GASB Statement No. 54.

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - BUDGET AND ACTUAL

SEWER FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis	Actual Adjustments	Actual GAAP Basis
REVENUES					
Sewer charges	$ 275,000	$ (13,000)	$ 262,000	$ -	$ 262,000
Investment earnings	15,000	1,347	16,347	-	16,347
Total revenues	290,000	(11,653)	278,347	-	278,347
EXPENSES					
Current					
Sewer operations	347,150	(58,275)	288,875	111,878	400,753
Contingency	192,850	(192,850)	-	-	-
Total expenses	540,000	(251,125)	288,875	111,878	400,753
Excess (deficiency) of revenues over (under) expenses	(250,000)	239,472	(10,528)	(111,878)	(122,406)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	44,604	44,604
Transfers out	(50,000)	-	(50,000)	-	(50,000)
Total other financing sources (uses)	(50,000)	-	(50,000)	44,604	(5,396)
Change in net position	(300,000)	239,472	(60,528)	(67,274)	(127,802)
Net position - beginning	300,000	30,661	330,661	1,276,670	1,607,331
Net position - ending	$ -	$ 270,133	$ 270,133	$ 1,209,396	$ 1,479,529

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - BUDGET AND ACTUAL

WATER FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual: Budget Basis	Actual: Adjustments	Actual: GAAP Basis
REVENUES					
Water charges	$ 263,000	$ (1,179)	$ 261,821	$ -	$ 261,821
Investment earnings	10,000	1,097	11,097	-	11,097
Total revenues	273,000	(82)	272,918	-	272,918
EXPENSES					
Current					
Water operations	355,600	(37,511)	318,089	132,638	450,727
Contingency	117,400	(117,400)	-	-	-
Total expenses	473,000	(154,911)	318,089	132,638	450,727
Excess (deficiency) of revenues over (under) expenses	(200,000)	154,829	(45,171)	(132,638)	(177,809)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	25,000	25,000	804,017	829,017
Transfers out	(30,000)	-	(30,000)	-	(30,000)
Total other financing sources (uses)	(30,000)	25,000	(5,000)	804,017	799,017
Change in net position	(230,000)	179,829	(50,171)	671,379	621,208
Net position - beginning	230,000	10,853	240,853	1,226,575	1,467,428
Net position - ending	$ -	$ 190,682	$ 190,682	$ 1,897,954	$ 2,088,636

OTHER FINANCIAL SCHEDULES

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF FUTURE REQUIREMENTS FOR RETIREMENT OF LONG-TERM DEBT

June 30, 2025

	Governmental Activities			Business-Type Activities		
	GO Installment Sewer Bond			Sewer Revenue Bond		
	Principal	Interest	Total	Principal	Interest	Total
2025-2026	$ 19,500	$ 16,589	$ 36,089	$ 10,012	$ 12,999	$ 23,011
2026-2027	20,378	15,711	36,089	10,437	12,574	23,011
2027-2028	21,295	14,794	36,089	10,881	12,130	23,011
2028-2029	22,253	13,836	36,089	11,343	11,668	23,011
2029-2030	23,254	12,835	36,089	11,826	11,186	23,012
2030-2031	24,301	11,788	36,089	12,328	10,683	23,011
2031-2032	25,394	10,695	36,089	12,852	10,159	23,011
2032-2033	26,537	9,552	36,089	13,398	9,613	23,011
2033-2034	27,731	8,358	36,089	13,968	9,044	23,012
2034-2035	28,979	7,110	36,089	14,561	8,450	23,011
2035-2036	30,283	5,806	36,089	15,180	7,831	23,011
2036-2037	31,646	4,443	36,089	15,825	7,186	23,011
2037-2038	33,070	3,019	36,089	16,498	6,513	23,011
2038-2039	34,096	1,993	36,089	17,199	5,812	23,011
2039-2040	-	-	-	17,930	5,081	23,011
2040-2041	-	-	-	18,692	4,319	23,011
2041-2042	-	-	-	19,486	3,525	23,011
2042-2043	-	-	-	20,315	2,697	23,012
2043-2044	-	-	-	21,178	1,833	23,011
2044-2045	-	-	-	21,964	933	22,897
	$ 368,717	$ 136,529	$ 505,246	$ 305,873	$ 154,236	$ 460,109

CITY OF CONDON
Gilliam County, Oregon

COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

SEWER FUND

For the Year Ended June 30, 2025

	2025	2024
Operating revenues		
Charges for services	$ 262,000	$ 261,965
Operating expenses		
Personnel services	195,483	159,400
Materials and services	90,479	84,490
Depreciation	114,791	146,398
Total operating expenses	400,753	390,288
Operating income (loss)	(138,753)	(128,323)
Nonoperating revenues (expenses)		
Investment earnings	16,347	15,436
Income (loss) before transfers	(122,406)	(112,887)
Transfers in	44,604	140,788
Transfers out	(50,000)	(45,000)
Change in net position	(127,802)	(17,099)
Total net position - beginning	1,607,331	1,624,430
Total net position - ending	$ 1,479,529	$ 1,607,331

AUDIT COMMENTS AND DISCLOSURES REQUIRED BY FEDERAL AND STATE REGULATIONS

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF FINDINGS AND RESPONSES

June 30, 2025

Finding Number	**2025-001 (Repeat finding)**
Finding Title	Adequate segregation of duties in most areas was impractical due to the limited number of employees. The City has, however, developed alternative procedures, which mitigate this condition to some extent.
Type of Finding	Significant Deficiency
Criteria	Ideally, staffing levels should allow for all areas of accounting responsibility (authorization or approval, custody of assets, recording transactions, and reconciliations) to be performed independent of each other.
Condition	Due to limited staffing, complete segregation is not possible within the City.
Cause of Condition	Finance staff is competent and capable, and performs daily and monthly functions very well. Due to the size of the City, adding finance staff is not a feasible option, so the finding is created.
Potential Effect of Condition	There is a greater opportunity for misstatements in financial records, whether from fraud or error, to occur.
Prevalence	Systemic
Recommendation	We do not recommend any changes in staffing, but the city council should be aware of this deficiency and remain involved in mitigating controls that have been put into place.
Management's Response	Management continually evaluates the monitoring and controls established to ensure risks are mitigated.

CITY OF CONDON

Report to the City Council
for the Year Ended June 30, 2025

Rep Letter Date, 2025

436 1st Avenue W • P.O. Box 1072
Albany, Oregon 97321 • (541) 223-5555

CITY OF CONDON
Gilliam County, Oregon

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June 30, 2025

Rep Letter Date, 2025

The Honorable Dustan Hall, Mayor
and Members of the City Council
City of Condon
Condon, Oregon 97823

We are pleased to present this report related to our audit of the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Condon, Gilliam County, Oregon, for the year ended June 30, 2025. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the City's financial reporting process. Also included is a summary of recently issued accounting standards that may affect future financial reporting by the City.

This report is intended solely for the information and use of the city council and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to the City.

Very truly yours,

Accuity, LLC

Accuity, LLC
Certified Public Accountants

Albany, Oregon

436 1st Avenue W • PO Box 1072 • Albany, Oregon 97321
(541) 223-5555 • www.accuitycpas.com • Fax (541) 730-4420

Rep Letter Date, 2025

The Honorable Dustan Hall, Mayor
and Members of the City Council
City of Condon
Condon, Oregon 97823

In planning and performing our audit of the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Condon as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, we considered the City of Condon's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified a deficiency in internal control 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 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. We did not identify any deficiencies in the City's internal control that we consider to be material weaknesses.

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 following deficiency in the City's internal control to be a significant deficiency.

Organizational Structure

The size of the City's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This situation dictates that the city council remain involved in the financial affairs of the City to provide oversight and independent review functions.

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

Very truly yours,

Accuity, LLC

Accuity, LLC

The Honorable Dustan Hall, Mayor
and Members of the City Council
City of Condon
Condon, Oregon 97823

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Condon for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated June 11, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Condon are described in Note I to the financial statements. One new accounting policy was adopted during the year, Governmental Accounting Standards Board (GASB) Statement No. 102, *Certain Risk Disclosures*. The application of existing policies was not changed during the year ended June 30, 2025. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

- Management's estimates of depreciable lives and salvage values of capital assets, which are based on expected useful lives of the assets and current market conditions and management's estimate of the net realizable value of the property held for sale. We evaluated the key factors and assumptions used to develop the depreciable lives and salvage values and fair value of the property held for sale and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

- Defined benefit pension plan actuarial assumptions.

- Valuation of accrued compensation.

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(541) 223-5555 • www.accuitycpas.com • Fax (541) 730-4420

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City of Condon's financial statements relate to pension plans and long-term debt obligations.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain written representations from management, which are included in the attached letter dated Rep Letter Date, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors; however, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and schedules of the City's proportionate share of the net pension liability and contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the General Fund and major special revenue fund budgetary comparison information, which is RSI. We were also engaged to report on combining statements and individual fund schedules, which accompany the financial statements, but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the schedule of future requirements for retirement of long-term debt or the Water Fund comparative schedule of revenues, expenses, and changes in net position, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information, and we do not express an opinion or provide any assurance on it.

Modification of Auditor' Report

We have added an emphasis of matter paragraph to the auditor's report for implementation of GASB Statement No. 102, *Certain Risk Disclosures*.

Restriction on Use

This report is intended solely for the use of the city council and management of the City of Condon, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Accuity, LLC

Accuity, LLC
Rep Letter Date, 2025

Recently Issued Accounting Standards
June 30, 2025

New Pronouncements

For the fiscal year ended June 30, 2025, the City implemented the following new accounting standard:

> GASB Statement No. 102, *Certain Risk Disclosures* – This statement improves reporting by providing users of financial statements with essential information that previously was not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact.

The City will implement applicable new GASB pronouncements no later than the required fiscal year. Management has not determined the effect on the financial statements for implementing any of the following pronouncements:

> GASB Statement No. 103, *Financial Reporting Model Improvements* – The objective of this statement is to improve key components of the financial reporting model. The purposes of the improvements are to (a) enhance the effectiveness of the financial reporting model in providing information that is essential for decision making and assessing a government's accountability and (b) address certain application issues identified through pre-agenda research conducted by the GASB. The requirements of this statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

> GASB Statement No. 104, *Disclosure of Certain Capital Assets* – This statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

Journal Entry Approval Form

To: Accuity, LLC

Re: Adjusting Journal Entries

Client: City of Condon

Service: Audit

Balance Sheet Date: June 30, 2025

We approve all the journal entries proposed in the attached schedule for our financial statements referred to above.

Kathryn Greiner, City Administrator City of Condon	Date

CITY OF CONDON
Journal Entry
06/30/2025

Account	Description	Debit	Credit	Net Income Effect
AJE01				
To clear prepaid in fund 9 - 21/22 engineering				
009-000-108000	PREPAID ITEMS	0.00	2,950.00	
009-350-600080	ENGINEERING/CONSULTANT/LEGAL	2,950.00	0.00	
Total		**2,950.00**	**2,950.00**	**-2,950.00**
AJE02				
To adjust prepaid insurance to actual				
001-000-108000	PREPAID HEALTH INSURANCE	274.81	0.00	
001-100-504300	HEALTH INSURANCE	0.00	274.81	
006-000-108000	PREPAID INSURANCE	972.05	0.00	
006-600-504300	HEALTH INSURANCE	0.00	972.05	
007-000-108000	PREPAID INSURANCE	986.77	0.00	
007-650-504300	HEALTH INSURANCE	0.00	986.77	
020-000-108000	PREPAID EXPENSES	295.95	0.00	
020-960-504300	HEALTH INSURANCE	0.00	295.95	
Total		**2,529.58**	**2,529.58**	**2,529.58**
AJE03				
To remove PY AR & record CY				
001-000-106000	ACCOUNTS RECEIVABLE	0.00	66,971.84	
001-000-425000	SWIMMING POOL - GILLIAM COUNTY	66,971.84	0.00	
004-000-107000	ACCOUNTS RECEIVABLE	0.00	1,123.85	
004-000-420000	STATE REVENUE APPORTION.	1,123.85	0.00	
001-000-420000	SWIMMING POOL REVENUE	0.00	2,532.55	
001-000-106000	ACCOUNTS RECEIVABLE	2,532.55	0.00	
014-000-420000	TAX RECEIPTS	0.00	16,903.09	
014-000-106000	HOTEL TAXES RECEIVABLE	16,903.09	0.00	
Total		**87,531.33**	**87,531.33**	**-48,660.05**
AJE04				
To remove PY franchise rec & record CY				
001-000-406000	ELECTRIC FRANCHISE	2,197.99	0.00	
001-000-413000	TELEPHONE FRANCHISE	1,159.98	0.00	
001-000-418000	OWSI HOST FEE	275,179.19	0.00	
001-000-419000	CWM HOST FEE	7,500.00	0.00	
001-000-107000	FRANCHISE FEES RECEIVABLE	0.00	286,037.16	
001-000-406000	ELECTRIC FRANCHISE	0.00	2,458.51	
001-000-413000	TELEPHONE FRANCHISE	0.00	1,343.54	
001-000-418000	OWSI HOST FEE	0.00	318,153.18	
001-000-419000	CWM HOST FEE	0.00	7,500.00	
001-000-107000	FRANCHISE FEES RECEIVABLE	329,455.23	0.00	
Total		**615,492.39**	**615,492.39**	**43,418.07**
AJE05				
To reclass heat pump to admin department per KG				
001-100-700100	BUILDING IMPROVEMENTS	7,500.00	0.00	
001-250-700200	GOLF COURSE IMPROVEMENT	0.00	7,500.00	

CITY OF CONDON
Journal Entry
06/30/2025

Account	Description	Debit	Credit	Net Income Effect
Total		**7,500.00**	**7,500.00**	**0.00**
GRAND TOTAL		**716,003.30**	**716,003.30**	**-5,662.40**

Accuity, LLC
Certified Public Accountants
436 1st Avenue W
P.O. Box 1072
Albany, Oregon 97321

This representation letter is provided in connection with your audit of the financial statements of the City of Condon, which comprise the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2025, the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of signature of this letter, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 11, 2025, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.

2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the City required by generally accepted accounting principles to be included in the financial reporting entity.

3. We acknowledge our responsibility 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.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5. The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.

6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

8. If any, the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit.

9. We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.

10. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.

11. Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

12. We have provided you with:

    a. Access to all information of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.

    b. Additional information that you have requested from us for the purpose of the audit.

    c. Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.

    d. Minutes of the meetings of the city council or summaries of actions of recent meetings for which minutes have not yet been prepared.

13. All material transactions have been recorded in the accounting records and are reflected in the financial statements.

14. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

15. We have no knowledge of any fraud or suspected fraud that affects the City and involves management, employees who have significant roles in internal control, or others where the fraud could have a material effect on the financial statements.

16. We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.

17. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.

18. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

19. We have disclosed to you the identity of the City's related parties and all the related party relationships and transactions of which we are aware.

City-Specific

20. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

21. We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, grant agreements, or abuse that you have reported to us.

22. We have a process to track the status of audit findings and recommendations.

23. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

24. We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

25. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.

26. The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.

27. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

28. We have appropriately disclosed or recognized conduit debt obligations and/or certain arrangements associated with conduit debt obligations in accordance with Governmental Accounting Standards Board (GASB) Statement No. 91.

29. We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.

30. We have appropriately measured, recorded, and disclosed compensated absences and other salary-related payments in accordance with GASB Statement No. 101.

31. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

32. As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.

33. The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral.

34. The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

35. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34, as amended.

36. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

37. Components of net position (net investment in capital assets, restricted, and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

38. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.

39. Provisions for uncollectible receivables have been properly identified and recorded.

40. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

41. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

42. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

43. Deposits, investment securities, and derivative instruments are properly classified as to risk and are properly disclosed.

44. Capital assets, including intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.

45. We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

46. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. This policy determines the fund balance classifications for financial reporting purposes.

47. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

48. With respect to the budgetary comparison information, combining statements, and individual fund schedules:

   a. We acknowledge our responsibility for presenting the budgetary comparison information, combining statements, and individual fund schedules in accordance with U.S. GAAP, and we believe this information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the budgetary comparison information, combining statements, and individual fund schedules have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

Kathryn Greiner, City Administrator City of Condon	Date

Accuity, LLC
Certified Public Accountants
436 1st Avenue W
P.O. Box 1072
Albany, Oregon 97321

This letter is to inform you that we have not consulted a lawyer regarding litigation, claims, or assessments for the year ended June 30, 2025. In addition, we are not aware of any pending or threatened litigation, claims, or assessments or any unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.

Sincerely,

Kathryn Greiner, City Administrator
City of Condon

Date

CITY OF CONDON
ORDINANCE NUMBER 2026-02

AN ORDINANCE; PROVIDING FOR THE REGULATION OF PARKING; ALL AMENDING ORDINANCES; AND ALL OTHER ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; AN ORDINANCE TO CHAPTER 70: GENERAL PROVISIONS TO INCLUDE GOLF CARTS; CORRECTION OF CHAPTER 51.10 (D)3 – DISONNECTION FOR LATE PAYMENT; REPEALING CHAPTER FIBER COUNCIL; CHILD CARE CHANGES IN ZONING AND DECLARING AN EFFECTIVE DATE

THE CITY OF CONDON ORDAINS AS FOLLOWS:

Section 1. Applicability of state traffic Laws

1. Violations of provisions in O.R.S. Chapters 153, 743 and 801 through 823, inclusive as now constituted, is an offense against the city.
2. If an ordinance or provision thereof of the city is in conflict with the motor vehicle laws of the state, the motor vehicle laws of the state shall prevail.
3. Violation of a provision identical to a state statute is punishable by a fine or imprisonment not to exceed the penalty prescribed by the state statute.

Section 2. DEFINITIONS

Except where the context clearly indicates or requires a different meaning, the definitions contained in the Motor Vehicle Laws of Oregon shall be used where applicable in the Condon Parking Ordinance.

Section 3. POWERS OF THE COUNCIL

To the fullest extent provided for in state law and the City Charter, the City Council shall exercise all local traffic authority for the City expect those powers expressly delegated by this Ordinance or other ordinances. The powers of the City Council include, but are not limited to:

1. All fees, fines, towing and storage costs, and bails required by this Ordinance shall be established by Resolution of the City Council of the City of Condon, Oregon.
2. Regulating the parking and standing of vehicles by:
    a. Classifying portions of streets upon which either parking or standing or both shall be prohibited, or is prohibited during certain hours.
    b. Establishing the time limit for legal parking in limited parking areas.
    c. Designating the angle of parking if other than parallel to the curb.
    d. Designating city owned or leased property on which the public will be permitted.

Section 4. DUTIES

1. The City delegates to the Gilliam County Sheriff's office the ability to enforce this ordinance.

Section 5. PARKING TIME LIMITS

1. The lawful time allowed for parking vehicles other than motor trucks engaged in the actual loading or unloading of freight or merchandise shall, in any section of any street, be as indicated by lettering upon the face of painted signs placed at the top of standards placed along the curbline of any section of any street or by parking meters. The time limits and the indication thereof may be changed from time to time by the City Council. The time limits shall mean the continuous aggregate of time of all parking of any 1 vehicle within any 1 block or any blocks adjacent thereto within the daily time limits.
    a. This shall not prohibit removing a vehicle from the above designated area and returning the vehicle to the area after expiration of 1 hour.
2. Time limits shall be applicable between the hours of 8:00 a.m. and 6:00 p.m. These time limits shall not apply on Sundays, New Year's Day, Memorial Day, July 4, Labor Day, Thanksgiving or Christmas.
3. It is unlawful to erase, remove or obliterate any marking that has been placed on a vehicle for the purpose of monitoring parking time limits.

Section 6. PARKING, STORING, OR ABANDONING OF MOTOR VEHICLES ON CITY STREETS

1. No person, firm or corporation shall park, store or permit to be stored on a street or other public property therein, without the permission of the City Council, a vehicle or personal property for a period in excess of 72 hours. The continuity of the time shall not be deemed broken by movement of the vehicle elsewhere on the block unless the movement removes the vehicle from the block where it is located before it is returned.
    a. No person, firm or corporation shall abandon a vehicle upon a street or upon any other public or private property.
2. When a vehicle is found in violation of division A. of this section, the officer responsible for the enforcement of this section shall follow the procedures provided in O.R.S. Chapter 819 dealing with the custody, removal and disposal of vehicles.
3. Vehicles parked upon any city street must have a lawfully affixed, unexpired registration on display.
4. Parking of a trailer in the commercial zone for more than 24 hours is prohibited.
5. There shall be a time limit on all business parking on Main Street from Walnut Street to Court Street. Marked spots will be subject to 2 hour parking between the hours of 8:30 am and 5:30 pm during the week. Any non-vehicular property stored in a regulated parking zone will be considered a nuisance by the City Council and may be summarily abated.

Section 7. PARKING REGULATIONS

A motor vehicle shall not be parked, stopped, or left standing in the following areas, except where vehicles may be exempted by Oregon Revised Statutes;

1. On the roadway side of a vehicle stopped or parked at the edge or curb of a highway (double parked);
2. On a sidewalk;
3. Within an intersection;
4. On a crosswalk;
5. Alongside or opposite a street excavation impediment, when stopping, standing, or parking would obstruct traffic;
6. At any place where official signs prohibit stopping;
7. Curb side that is **yellow** in color;
8. Curb side that is **green** in color, except when vehicle is stopped or standing momentarily for the purpose of and while actually engaged in loading or unloading property or passengers;
9. Parking in violation of any restricted time zones, if appropriate signs or markings are posted, giving notice of any regulations, restrictions, or prohibitions on the parking, stopping or standing of vehicles on any roadway. Disabled parking permits issued by the Department of Motor Vehicles are exempt, per Oregon Revised Statutes.
10. In front of a public or private driveway;
11. Within ten feet (10') of a fire hydrant;
12. At any place where official signs prohibit parking;
13. Within twenty feet (20') of a crosswalk at an intersection;
14. A vehicle shall not be parked in an alley, other than for the expeditious loading or unloading of persons or materials and in no case for a period in excess of thirty (30) consecutive minutes. A vehicle loading or unloading must allow sufficient room for traffic to safely pass in an alley.
15. A motor truck, as defined by Oregon Revised Statutes, shall hot have the motor or auxiliary motors on the truck or trailer continuously running when parked on a public street or private property between the hours of 9:00 p.m. to 7:00 a.m. of the following day in front of or adjacent to a residence, motel, apartment house, hotel, or other sleeping accommodations.
16. No motor vehicle shall be parked upon a street or public right-of-way for the principal purpose of:

a. displaying the vehicle for sale;

b. repairing or servicing the vehicle, except repairs necessitated by an emergency;

17. No person shall park a vehicle for any purpose other than for the expeditious loading or unloading of materials, freight, or passengers in a place designated as a loading zone, within the hours posted for that loading zone;
18. Where maximum parking time limits are designated by sign, movement of a vehicle within the same block shall not extend the time limits for parking.
19. No person shall park a vehicle for any purpose other than for the expeditious loading or unloading of passengers in a place designated as a fire lane.

20. The provisions of this Ordinance regulating the parking of vehicles shall not apply to a vehicle of the City, County, State, or public utility, while necessarily in use for construction or repair work on a street.
21. During the hours between 12:00 AM and 5:00 AM when snow is present or predicted no vehicles will be allowed to park on Main Street (Hwy 19) inside the City limits to allow ODOT to plow and maintain the parking areas.

Section 8. CITATIONS ON ILLEGALLY PARKED VEHICLES.

Whenever a vehicle is found parked in violation of a restriction imposed by this Ordinance or State law, the City may elect to contact the Gilliam County Sheriff's Office and request assistance with the violation.

Section 9. REPEAL OF CONFLICTING ORDINANCES

All amending Ordinances; and all other Ordinances or parts of Ordinances in conflict herewith shall be and hereby are repealed.

Section 10. SEVERABILITY

Invalidity of a Section or part of a Section of this Ordinance shall not affect the validity of the remaining Sections or parts of Sections.

70.02 – Definitions

GOLF CART. This means any motor vehicle that :
1. Has not less than three wheels in contact with ground;
2. Has an unloaded weight of less than three hundred pounds;
3. Is designed to be operated at no more than 15 miles per hour;
4. Is designed to carry golf clubs and no more than two persons.

70.10 – Golf Cart Uses & Operation

(A) Golf Cart Operations
  a. Golf carts may be operated during daylight hours on city streets from place of cart storage to golf course.
  b. Golf carts are prohibited on the state Highways (19 & 206) which include the city streets of Walnut Street; Main Street from Walnut Street south to City limits; Bayard Street from Main Street east to City limits; and Washington Street from Walnut Street north to City limits.
  c. No person shall operate a golf cart on any sidewalk or other walkway designated for pedestrian usage.
  d. Only eligible operators – must be 16 years or older with a valid driver's license.
  e. Unlawful riding – the operator of the car shall not permit a passenger to, and no passenger shall, ride on a golf cart on a street except within a part

of the golf cart designated or intended for the use of passengers; no persona shall board or alight from a golf cart while the vehicle is in motion on a public street or right-of-way of the City of Condon; and the operator of the golf cart shall obey all ordinary laws governing vehicular traffic on a public street.

f. The operation of the golf cart on a city street shall be the responsibility of the operator. The operator and the owner of the golf cart shall assume all risks and liabilities resulting from the operation of the golf cart. The operator and owner shall hold the City of Condon harmless of any action, injury or damage arising from the operation of a golf cart on a city street.
g. No person shall store, or permit to be stored, a golf cart on a street or other right-of-way.

Correction of Chapter 51.10 (D)3 – Disconnection for late payment

When it becomes necessary for the city to discontinue utility service to a customer for non-payment of bills, service will be reinstated only after all bills for service then due have been paid, along with a turn-on charge **listed on the city's General Fee Resolution.**

Repeal Chapter 31.35 – 31.54 and Appendix A-An Intergovernmental Agreement for Fiber Project

City of Condon approved Resolution 2022-05- A Resolution Dissolving the Fiber Council on May 4, 2022. This appendix will be removed from Condon Code of Ordinances.

Changes to Zoning for Child Care and Family Child Care per ORS329A.440

154.002 Definitions

Replace Child Care and Family Day Care with the following:

CHILD CARE CENTER. Means a child care facility, other than a family child care home, that is certified under ORS 329A

FAMILY CHILD CARE HOME. Means a child care facility in a dwelling that is caring for not more than 16 children and is certified under ORS 329A.280(2) or is registered under ORS 329A.330. A family child \care home is considered a residential use and not a "HOME OCCUPATION."

154.020 Residential Zone – Add or Revise

Add - (B)(11) Family Child Care Home.

154.022 C-1 Commercial Zone

Revise – All uses permitted in the Residential Zone provided that the dwellings and mobile homes observe the side area and yard requirements in the Residential Zone

Add – (B)(7) Child Care Center
(B)(8) Family Child Care Home

154.023 M-1 – Industrial Zone

Add – Child Care Center, subject to "reasonable conditions" as allowed under ORS329A.440

This Ordinance shall become effective thirty (30) days after its adoption by the City Council of the City of Condon, Oregon, and its approval by the Mayor; specifically, ____ _____, 2025.

ADOPTED this ____________day of_____, 2025, by _______ Councilor's present and voting in the affirmative.

APPROVED this ___________ day of _________, 2025.

____
Dustan Hall
Mayor

ATTEST:

____
Kathryn Greiner
City Administrator

Two Boys Parking Map (Rough)

10/28/2025, 10:47:05 AM

ODOT Highway
Override 1
City Limits
Override 1
City Street
Taxlots

1:282

0 0 0 0.01 mi

0 0 0.01 0.01 km

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ArcGIS Web AppBuilder

Microsoft, Vantor | Esri Community Maps Contributors, Oregon State Parks, State of Oregon GEO, © OpenStreetMap, Microsoft, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA, USFWS |

Gilliam County Sheriff's Office

Total CAD Calls Received, by Nature of Call in Zone GSOA

Nature of Call	Total Calls Received	% of Total
Abandoned Call	1	1.23
Animal/Dog Complaint	1	1.23
Attempt to Locate	1	1.23
Call-Back Request	3	3.70
Civil Problem/Service	3	3.70
Referral or Assist	1	1.23
Driving Complaint	1	1.23
Escort/Funeral/Parade	2	2.47
Follow-Up Investigation	3	3.70
Fraud / Forgery / Scam	1	1.23
Traffic Hazard	1	1.23
Information Report	2	2.47
Littering / Illegal Dumping	2	2.47
River/Water/Ice Event	1	1.23
Missing/Overdue Person/Runaway	1	1.23
Motorist Assist	2	2.47
Parking Problem	1	1.23
Panic/Burglary Alarm	4	4.94
Lost/Found Property	3	3.70
Public Assist	5	6.17
Railroad, Railway, Train	1	1.23
Suspicious Person/Circumstance	5	6.17
Vehicle Stop	33	40.74
Trespass	2	2.47
Welfare Check	1	1.23

Total reported: 81

Report Includes:
All dates between `00:00:00 10/01/25` and `23:59:00 10/31/25`, All nature of incidents, All cities, All types matching `l`, All priorities, All agencies, All zones matching `GSOA`

Gilliam County Sheriff's Office

Total CAD Calls Received, by Nature of Call in Zone GSOC

Nature of Call	Total Calls Received	% of Total
911 Open Line	1	1.79
Abandoned Vehicle	1	1.79
Animal/Dog Complaint	3	5.36
Call-Back Request	5	8.93
Civil Problem/Service	1	1.79
Serving Civil	8	14.29
Driving Complaint	1	1.79
Fish & Game	1	1.79
Follow-Up Investigation	4	7.14
Harassment	4	7.14
Hit & Run	1	1.79
Information Report	2	3.57
Missing/Overdue Person/Runaway	1	1.79
Slide Off	1	1.79
Panic/Burglary Alarm	1	1.79
Restraining Order Violation	1	1.79
Security Check	1	1.79
Vehicle Stop	14	25.00
Trespass	2	3.57
Unauthorized Use of Motor Veh	1	1.79
Warrant Service	1	1.79
Welfare Check	1	1.79

Total reported: 56

Report Includes:
All dates between `00:00:00 10/01/25` and `23:59:00 10/31/25`, All nature of incidents, All cities, All types matching `l`, All priorities, All agencies, All zones matching `GSOC`

Gilliam County Sheriff's Office

Total CAD Calls Received, by Nature of Call in Zone

Nature of Call	Total Calls Received	% of Total
Unknown Emergency	1	0.34
911 Open Line	1	0.34
Abandoned Call	1	0.34
Agency Assistance	2	0.67
Animal/Dog Complaint	6	2.01
Attempt to Locate	1	0.34
Call-Back Request	9	3.02
Civil Problem/Service	4	1.34
Serving Civil	11	3.69
Referral or Assist	1	0.34
Disturbance/Verbal/Argument	1	0.34
Driving Complaint	17	5.70
Escort/Funeral/Parade	2	0.67
Extra Patrol Request	2	0.67
Fish & Game	1	0.34
Follow-Up Investigation	11	3.69
Fraud / Forgery / Scam	1	0.34
Harassment	3	1.01
Traffic Hazard	3	1.01
Hit & Run	1	0.34
Information Report	2	0.67
Littering / Illegal Dumping	2	0.67
River/Water/Ice Event	1	0.34
Missing/Overdue Person/Runaway	2	0.67
Motorist Assist	17	5.70
Slide Off	2	0.67
Parking Problem	1	0.34
Panic/Burglary Alarm	5	1.68
Lost/Found Property	3	1.01
Public Assist	6	2.01
Restraining Order Violation	1	0.34
Security Check	1	0.34
Subject Stop	1	0.34
Suspicious Person/Circumstance	13	4.36
Vehicle Stop	148	49.66
Trespass	6	2.01
Unauthorized Use of Motor Veh	2	0.67
Vehicle Check	2	0.67
Warrant Service	1	0.34
Welfare Check	3	1.01

Total reported: 298

Report Includes:
All dates between `00:00:00 10/01/25` and `23:59:00 10/31/25`, All nature of incidents, All cities, All types matching `l`, All priorities, All agencies matching `GCSO`, All zones

Gilliam County Sheriff's Office

Total Traffic Citation Report, by Area

Area	Citations	Violations
GCSO Gilliam County	93	93
GSOA ARLINGTON	9	9
GSOC CONDON	5	5
Report Totals	**107**	**107**

Report Includes:
All dates of issue between `00:00:00 10/01/25` and `23:59:00 10/31/25`, All agencies matching `GCSO`, All issuing officers, All areas, All courts, All offense codes, All dispositions, All citation/warning types

Gilliam County Sheriff's Office

Law Incident Summary Report, by Incident Number

Agency: Gilliam County Sheriffs Office

Number	Time and Date	Nature	Location	Dsp
G25-260	15:37:47 10/02/25	Uumv	GSOC	ACT
G25-261	15:31:49 10/07/25	Information	GSOC	CLD
G25-262	17:13:41 10/10/25	Agency Assist	GSOA	CLD
G25-263	11:14:32 10/12/25	Property	GSOA	CLD
G25-264	09:20:51 10/14/25	Mvc	GSOA	CLD
G25-265	20:08:43 10/17/25	Property	GCSO	CLD
G25-266	10:57:34 10/18/25	Duii	GCSO	CAA
G25-267	06:19:55 10/18/25	Uumv	GCSO	ACT
G25-268	18:30:22 10/18/25	Trespass	GSOA	ACT
G25-269	18:13:27 10/20/25	Threat	GCSO	RDA
G25-270	20:35:26 10/20/25	Missing Person	GSOC	CLD
G25-271	06:33:22 10/21/25	Warrant Service	GSOC	CLD
G25-272	15:13:32 10/22/25	Traffic Stop	GCSO	CAA
G25-273	09:19:09 10/24/25	Hr	GSOA	INA
G25-274	03:18:55 10/25/25	Death	GSOC	CLD
G25-275	10:37:41 10/27/25	Disturbance	GCSO	RDA
G25-276	17:19:42 10/31/25	Animal/Dog	GSOC	CLD
G25-277	18:40:04 10/31/25	Roviol	GSOC	RDA

Total Incidents for This Agency: 18

Total reported: 18

Report Includes:
All dates between `00:00:00 10/01/25` and `23:59:00 10/31/25`, All agencies matching `GCSO`, All officers, All dispositions, All natures, All locations, All cities, All clearance codes, All observed offenses, All reported offenses, All offense codes, All circumstance codes

Gilliam County Sheriff's Office

Total Traffic Warning Report, by Area

Area		Warnings	Violations
GCSO	Gilliam County	31	31
GSOA	ARLINGTON	5	5
GSOC	CONDON	5	5
	Report Totals:	**41**	**41**

Report Includes:
All dates between `00:00:00 10/01/25` and `23:59:00 10/31/25`, All agencies matching `GCSO`, All issuing officers, All areas, All violations