



LEBANON BUDGET AND URBAN RENEWAL AGENCY BUDGET COMMITTEES MEETING MINUTES

April 30, 2024 at 12:00 PM

Santiam Travel Station – 750 3rd Street, Lebanon, Oregon

MISSION STATEMENT

The City of Lebanon is dedicated to providing exceptional services and opportunities that enhance the quality of life for present and future members of the community.

CALL TO ORDER

The meeting was called to order at 12:02 PM.

ROLL CALL

PRESENT

Kenneth Jackola
Kim Ullfers
Dave Workman
Jeremy Salvage
Michelle Steinhebel
Tom Wells
Rebecca Grizzle
Lance Caddy
Jeffrey King
Robert Waterhouse

ABSENT

Wayne Dykstra
Carl Mann
Dominic Conti

STAFF

Interim City Manager Ron Whitlatch
Finance Director Brandon Neish
Human Resources Director Angela Solesbee
Community and Economic Development Director Kelly Hart
City Recorder Julie Fisher
Public Works Director Jason Williams
Chief of Police Frank Stevenson
Library Services Director Kendra Antila
Senior Center Director Kindra Oliver
IT Director Brent Hurst
IT Administrative Assistant Erin Gomez

PRESENTATION(S) - Finance Director Brandon Neish:

Guest Presentations: Lebanon Chamber of Commerce

Rebecca Grizzle, CEO of the Lebanon Chamber of Commerce reported on the Transient Occupancy Tax Funds that the Chamber receives. The City allocates \$42,000 to the Chamber for the operation of the Lebanon Visitor's Center and \$43,000 for grants. Past recipients of the grant include events such as the Strawberry Festival, car show, and antique fair. Grant applications are reviewed by a volunteer committee. The Transient Occupancy Tax can only be used for tourism.

The Motel Tax Fund is a total of \$397,533 of which \$42,000 is allocated for the operation of the Visitor's Center, \$43,000 for the grant program, \$30,000 for the Lebanon Downtown Association, \$50,000 for the Downtown Building Restoration Project and the remaining is to be used for city wide projects that meet the Transient Occupational Tax criteria of promoting tourism. It was noted the committee desires to continue quarterly payments to the LDA.

Finance Director Brandon Neish reported on the following funds: Internal Service Funds, Utility Funds and General Funds.

The Internal Service Funds includes building maintenance, mechanic, Informational Technology. Each operational fund contributes calculated by using operational expenses from the prior year. \$36,000 is allocated for Council stipends. There was a question regarding how an opt out program could impact the General Fund. The Council stated the stipends were not the reason they serve. The non-representative employees are not receiving a COLA in the FY 2024/2025 Budget and the Council stated they would propose to discontinue the stipend and exemplify leadership by example.

Motion made to discontinue the Council stipend for the FY 2024/2025 by Ullfers, Seconded by Steinhebel.

Voting Yea: Jackola, Ullfers, Workman, Salvage, Steinhebel, Wells, Grizzle, Caddy, King, Waterhouse

Information Technologies also supports the Lebanon Fire District with contracted services using a base rate. The Use of AARPA funds will help with the IT needs during the City Council Chamber relocation.

The Mechanic is part of the Building Maintenance Fund and distributed by number of vehicles per department. Building maintenance is determined by the number of hours per week spent in specific facilities. Funds are set aside yearly for potential issues with older buildings such as the possible need to replace an HVAC unit.

For the Utility Funds: The Water Utility Fund total expenditures are down 15.5%. The rate has increased 2%. Funds in the amount of 1.1M are allocated for expansion on membrane filters at the Water Treatment Plant for drawdown events.

Wastewater also has a decrease in total fund expenditures of 12.2%. Funds allocated for future projects are 12.1M.

Storm drain total expenses are down 32.9%, and rates for 2025 have increase 10% and that fee which was \$4.82 is now \$5.30.

In the General Fund revenue is up by 5.29% and property tax revenue is down 1%. The NW URD service payments have been accelerated and the debt will be paid and the URD closed out by the end of 2027. The overall General Fund shows a deficit balance by 2027. Some of the actions that have been taken to mitigate the deficit is the Management Team has suspended COLAs for the FY 2024/25 Budget, 2 park positions are not being filled adding \$200,000 in additional savings, and the savings from Council stipends will be \$38,000.

There were questions from the Committee about how the Fire District Levy would impact City Funds. Other general questions included the cost of the membrane filters and if there could be some recovery

for those funds, how the School Resource Officer was funded, and what the franchise fees could be for PEAK.

Motion made to Add \$110,000 in fund 820 Equipment Reserve Fund and \$30,000 in fund 100 for the Council Dias by Ullfers, Seconded by Workman.

Voting Yea: Jackola, Ullfers, Workman, Salvage, Steinhebel, Wells, Grizzle, Caddy, King, Waterhouse

PUBLIC HEARINGS:

A. State Share Revenues – Committee Chair

Motion: I move to recommend the City of Lebanon City Council accept State Revenue Sharing monies as non-dedicated revenue in the General Fund.

B. FY 2024/2025 Proposed City of Lebanon Budget - Committee Chair

The Public Hearing for State Revenue Sharing was open at 1:45 PM. There was no Public Comment. The Public Hearing was closed at 1:47 PM.

Motion made to recommend the City of Lebanon City Council accept State Revenue Monies as non-dedicated revenue in the General Fund by Grizzle, Seconded by Wells.

Voting Yea: Jackola, Ullfers, Workman, Salvage, Steinhebel, Wells, Grizzle, Caddy, King, Waterhouse

The Public Hearing for FY 2024/2025 Proposed City of Lebanon Budget was opened at 1:48 PM. There was no Public Comment. The Public Hearing was closed at 1:49 PM.

Motion made to recommend the City of Lebanon City Council levy the permanent Property Tax rate of %5.1364 per \$1,000 of assessed value for operating purposed, and \$1,856,562 for payment of bond principal and interest by Grizzle, Seconded by Ullfers.

Voting Yea: Jackola, Ullfers, Workman, Salvage, Steinhebel, Wells, Grizzle, Caddy, King, Waterhouse

Motion made to approve the FY 2024/2025 Budget in the amount of \$66,892,541 as amended as proposed by the City's Budget Officer and recommended the City of Lebanon City Council adopt the fiscal year budget by Grizzle, Seconded by Ullfers.

Voting Yea: Jackola, Ullfers, Workman, Salvage, Steinhebel, Wells, Grizzle, Caddy, King, Waterhouse

PUBLIC HEARINGS ADJOURNMENT AND CONVENE: Adjourn as the City of Lebanon Budget Committee and convene as the Urban Renewal Agency Budget Committee - *Committee Chair*

PUBLIC HEARINGS:

A. Proposed Urban Renewal District Taxes

The Public Hearing for the Proposed Urban Renewal District Taxes was opened at 1:52 PM. There was no public comment. The Public Hearing was closed at 1:55 PM.

Motion made to recommend the Urban Renewal Agency approve the NW Lebanon URD Taxes for FY 2024/2025 at the tax increment value of \$1,684,161 by Grizzle, Seconded by Wells.

Voting Yea: Jackola, Ullfers, Workman, Salvage, Steinhebel, Wells, Grizzle, Caddy, King, Waterhouse

Motion made to recommend the Urban Renewal Agency approve the Cheadle Lake URD Taxes for FY 2024/2025 at the rate of 100% the amount from the division of tax by Grizzle, Seconded by Ullfers.

Voting Yea: Jackola, Ullfers, Workman, Salvage, Steinhebel, Wells, Grizzle, Caddy, King, Waterhouse

Motion made to recommend the Urban Renewal Agency approve the N Gateway URD Taxes for FY 2024/2025 at the rate of 100% of the amount from the division of tax by Grizzle, Seconded by Jackola.

Voting Yea: Jackola, Ullfers, Workman, Salvage, Steinhebel, Wells, Grizzle, Caddy, King, Waterhouse

Motion made to recommend the Urban Renewal Agency approve the Downtown URD Taxes for FY 2024/2025 at the rate of 100% of the amount from the division of tax by Grizzle, Seconded by Jackola. Voting Yea: Jackola, Ullfers, Workman, Salvage, Steinhebel, Wells, Grizzle, Caddy, King, Waterhouse

Motion made to recommend the Urban Renewal Agency approve the Mill Race URD Taxes for FY 2024/2025 at the rate of 100% of the amount from the division of tax by Grizzle, Seconded by Wells. Voting Yea: Jackola, Ullfers, Workman, Salvage, Steinhebel, Wells, Grizzle, Caddy, King, Waterhouse

The Public Hearing for the Proposed Urban Renewal Budget was opened at 1:58 PM. There was no public comment. The Public Hearing was closed at 1:58 PM.

B. Proposed Urban Renewal Budget

Motion made to recommend the Urban Renewal Agency FY 2024/2025 Budget in the sum of \$2,839,366 as proposed by the Agency's Budget Officer and recommend the City of Lebanon City Council adopt the fiscal year budget by Grizzle, Seconded by Wells.

Voting Yea: Jackola, Ullfers, Workman, Salvage, Steinhebel, Wells, Grizzle, Caddy, King, Waterhouse

Adjourn as the Urban Renewal Agency Budget Committee and reconvene as the City of Lebanon Budget Committee

PUBLIC COMMENTS None

COMMITTEE COMMENTS The Committee stated they appreciated having the budget documents early and like the format which was very transparent.

ADJOURNMENT

The meeting adjourned at 2:04 PM.