



LEBANON CITY AND URBAN RENEWAL AGENCY BUDGET COMMITTEE MEETING AGENDA

April 16, 2025 at 12:00 PM

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

MISSION STATEMENT

*We provide services that foster a resilient, safe, and growing community,
strengthened by our community connections*

CALL TO ORDER

ROLL CALL

APPROVAL OF MINUTES

1. FY 2023-24 Budget Committee Minutes

NOMINATIONS

2. Election of Chair - *Kenneth Jackola*
3. Election of Secretary - *Committee Chair*

PRESENTATION(S)

4. **Presentation of FY 2025/2026 Budget Message**
- *Ron Whitlatch, City Manager (Budget Officer)*

Temporarily adjourn as the Lebanon Budget Committee and convene as the Urban Renewal Agency Budget Committee

5. **FY 2025/26 Lebanon Urban Renewal Agency Budget Message**
- *Ron Whitlatch, City Manager (Budget Officer)*

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

6. **Budget Training**
- *Brandon Neish, Finance Director*

SELECTION OF FUTURE COMMITTEE MEETINGS

ADJOURNMENT

Meetings are recorded and available on the City's YouTube page at:

<https://www.youtube.com/user/CityofLebanonOR/videos>

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 before the meeting to the City Recorder at 541.258.4905.



LEBANON CITY AND URBAN RENEWAL AGENCY BUDGET COMMITTEE MEETING MINUTES

April 16, 2025 at 12:00 PM

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

MISSION STATEMENT

*We provide services that foster a resilient, safe, and growing community,
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CALL TO ORDER

The meeting was called to order at noon.

ROLL CALL

PRESENT

Kenneth Jackola
Michelle Steinhebel
Carl Mann
Dave Workman
Jeremy Salvage
David McClain
Dominic Conti
Tom Wells
Lance Caddy
Jeffrey King
Robert Waterhouse

ABSENT

Rebecca Grizzle
Shantel Schroeder
Lawrence (Larry) Martin

STAFF

City Manager Ron Whitlatch
City Attorney Tre' Kennedy
Finance Director Brandon Neish
Community and Economic Development Director Kelly Hart
Police Chief Frank Stevenson
Library Services Director Kindra Antila
IT Administrative Assistant Erin Gomez
City Recorder Julie Fisher

APPROVAL OF MINUTES

1. FY 2023-24 Budget Committee Minutes

The wrong minutes were included in the packet, so no minutes were approved.

NOMINATIONS

2. Election of Chair - *Kenneth Jackola*

Mayor Jackola asked for nominations for Chair.

Motion made to nominate Councilor Workman as Budget Committee Chair by Steinhebel, Seconded by McClain.

Voting Yea: Jackola, Steinhebel, Mann, Workman, Salvage, McClain, Conti, Wells, Caddy, King, Waterhouse

3. Election of Secretary - Committee Chair

Chair Workman asked for nominations for Secretary.

Motion made to nominate Councilor Mann as Budget Secretary by Steinhebel, Seconded by King.

Voting Yea: Jackola, Steinhebel, Workman, Salvage, McClain, Conti, Wells, Caddy, King, Waterhouse

Voting Nay: Mann

PRESENTATION(S)

4. Presentation of FY 2025/2026 Budget Message

- Ron Whitlatch, City Manager (Budget Officer)

Temporarily adjourn as the Lebanon Budget Committee and convene as the Urban Renewal Agency Budget Committee

City Manager Ron Whitlatch presented the proposed Fiscal Year 2026 budget for the City of Lebanon, totaling \$88,240,933. The budget is designed to align with City Council priorities while maintaining essential services and ensuring long-term financial stability. There are no planned staff reductions in the upcoming year, with a continued focus on retaining a lean and effective workforce following the reductions made in the previous fiscal year.

The City continues to employ a conservative, data-informed approach to budgeting. The City Service Fee, implemented on January 1, 2025, has contributed significantly to stabilizing the General Fund, which has historically been underfunded due to limited property tax revenue. While the fee has helped prevent further shortfalls, future adjustments may be necessary to maintain—not expand—current service levels. The City will continue seeking alternative funding sources and efficiency improvements to minimize any increases to the fee.

A key initiative in the FY 2026 budget includes the plan to expedite debt retirement in the Northwest Urban Renewal District (URD), with a goal of closing the district by FY 2028. This transition will result in a temporary annual reduction of approximately \$270,000 in General Fund property tax revenue over the next three years. The City may also evaluate other URDs, such as the Downtown URD, to determine their financial viability.

The City's utility funds remain stable, supported by five-year financial projections. Major infrastructure investments are planned, including an upgrade to the wastewater treatment plant to ensure environmental compliance and long-term system reliability. Grant opportunities and state funding are being actively pursued to offset costs and reduce financial burdens on residents.

Public safety remains a priority, with the Lebanon Police Department making progress toward full staffing. The City also continues to explore partnerships and crime prevention strategies to enhance community safety.

In support of broader goals, the City Council adopted a five-year strategic plan in December 2024. The FY 2026 budget supports year-one initiatives such as the wastewater project, waterline replacements, and the preliminary phase of the Parks Master Plan update. Staff continue advocacy efforts with state and federal partners to secure additional funding for critical infrastructure and transportation projects.

Despite overall financial stability, several high-priority items remain unfunded in this year's budget. These include opening the city jail (estimated cost: \$750,000–\$1 million), increased

staffing for the parks system, and road maintenance needs amid declining gas tax revenues. Additionally, the City is monitoring the impacts of Green Peter Reservoir drawdowns, which may require costly upgrades to the water treatment infrastructure. Staff will continue to explore solutions and funding sources for these challenges.

In conclusion, the City is in a stronger financial position, but limited surplus funds emphasize the need for ongoing strategic planning. The focus remains on preserving core services, monitoring revenue trends, and making thoughtful infrastructure investments.

Mayor Jackola expressed appreciation to the City Council, Department Directors, and Budget Committee for their collaboration in shaping a budget that supports a sustainable and prosperous future for Lebanon.

5. FY 2025/26 Lebanon Urban Renewal Agency Budget Message - *Ron Whitlatch, City Manager (Budget Officer)*

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

City Manager Whitlatch presented the Lebanon Urban Renewal Agency Budget Message for the Proposed Budget for FY25/26. The Agency has five Urban Renewal Districts (URD): Northwest, North Gateway, Mill Race, Downtown, and Cheadle Lake. Each budget is balanced in a separate fund for each, and all debt provisions are expected to be met.

There are minimal changes from the FY2025 to FY2026 Budgets. However, two of the URDs have specific changes to address operational needs. The Northwest Urban District has no changes in expenditures, but the Agency is planning to increase the revenue the URD brings in to prepare accelerated payments on outstanding debt. This action will allow for the closeout of the Northwest URD, and return the funds to the different taxing entities, helping bolster the general fund.

In the North Gateway URD, a street reconstruction project is about to begin on Fifth Street. The project scope spans from Tangent Street to Mary Street. The Agency intends a bond sale in the Spring of 2026 to fund the project, with construction beginning the Summer of 2026.

The Downtown URD will conduct a cost-benefit analysis based on minimal funding generated in the district versus the viability of completing projects and considering collapsing the URD. The Mill Race URD continues to meet the obligations of an economic development agreement to encourage growth, and a private developer continues working towards commercial development and connection to the highway with ODOT.

6. Budget Training
- *Brandon Neish, Finance Director*

Finance Director Neish reviewed the online and printed versions of the 2026 Proposed Budget documents. He explained how the budget was compiled and showed how to find information in the document. Finance Director Neish encouraged anyone with any questions contact either him, the City Manager, or any Department Head. He noted that any question is easier to share with the group if the questions is emailed, however he is more than happy to meet face to face as well.

There was a question regarding why there were no franchise fees for Ziply Fiber within the Franchise Fees column in the budget. Director Neish explained that there is no legal ability to establish Franchise Fees for Intranet Services. City Manager Whitlatch added the City did change the fee structure to bore underground by linear feet to help recover some of the cost for use of the right-of-way, and outside counsel is exploring a way to implement a fee for use of the right-of-way.

Chair Workman stated he is available for questions either by email or his personal cell.

SELECTION OF FUTURE COMMITTEE MEETINGS

ADJOURNMENT

The meeting was adjourned at 12:41 PM.