

A public meeting of the City of Pendleton City Council will be held on June 4, 2024 at 7 pm at City Council Chambers, City Hall, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2024 as approved by the City of Pendleton Budget Committee. A public hearing before the City Council on the proposed uses of State Revenue Sharing funds in relation to the entire budget will be held. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at City Hall, 500 SW Dorion Ave., Pendleton between the hours of 8 a.m. and 5 p.m. or on the City website <https://pendletonor.gov/finance/page/budgets-0> This budget is for an annual budget period. This budget was prepared on a basis of

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FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Actual Amount 2022-2023	Adopted Budget This Year 2023-24	Approved Budget Next Year 2024-25
Beginning Fund Balance/Net Working Capital	35,122,911	23,326,307	25,756,375
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	26,447,380	23,999,915	25,272,320
Federal, State and All Other Grants, Gifts, Allocations and Donations	30,329,962	23,949,048	21,092,305
Revenue from Bonds and Other Debt	0	14,847,165	17,921,425
Interfund Transfers / Internal Service Reimbursements	5,611,634	8,277,850	8,521,485
All Other Resources Except Property Taxes	4,636,986	2,930,130	3,153,340
Property Taxes Estimated to be Received	7,391,407	7,573,813	7,980,135
Total Resources	109,540,279	104,904,228	109,697,385

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

Personnel Services	19,415,466	21,250,960	26,847,280
Materials and Services	18,584,606	21,755,250	22,975,560
Capital Outlay	26,684,874	40,220,005	38,294,400
Debt Service	6,225,889	3,746,805	3,873,020
Interfund Transfers	1,675,249	2,033,460	981,395
Contingencies	0	6,405,553	7,374,375
Special Payments	0	260,000	260,000
Unappropriated Ending Balance and Reserved for Future Expenditure	0	9,232,195	9,091,355
Total Requirements	72,586,083	104,904,228	109,697,385

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *

Name of Organizational Unit or Program FTE for that unit or program			
Public Safety	12,405,769	14,561,065	15,686,455
FTE	62	68 3/4	68
Parks and Recreation	2,878,277	3,715,940	4,402,380
FTE	29 5/6	30 39/47	31 2/67
Cemetery	391,550	1,274,630	1,342,715
FTE	2 2/3	2 2/3	2 2/3
Community Development	1,178,196	2,108,430	1,868,585
FTE	8 3/4	8 1/2	9 1/2
Economic Development	45,804	70,950	45,310
FTE	0	0	0
Streets	3,081,884	5,446,275	6,923,285
FTE	5	5	6
Library	769,350	1,804,740	1,940,170
FTE	6 1/4	6 1/4	7
Public Transportation	1,638,150	4,239,180	4,119,650
FTE	0	0	0
Pendleton Convention Center	1,657,715	2,033,250	2,107,230
FTE	5 3/4	7 1/4	7 1/4
General Obligation Debt	536,200	548,850	565,900
FTE	0	0	0
Local Improvement District Construction	0	506,000	224,150
FTE	0	0	0
Housing Infrastructure Revolving Loan Fund	0	2,110,170	3,639,000
FTE	0	0	0
Water	16,110,128	27,543,010	24,154,665
FTE	10 6/7	11 6/7	11 6/7
Sewer	8,913,195	14,312,980	19,900,735
FTE	8 9/10	8 9/10	9 9/10
Airport	14,089,818	12,170,300	9,801,260
FTE	7 1/4	8 1/4	8 3/4
PW Administration & Fleet	1,426,519	2,636,885	2,961,040
FTE	13	12 1/2	12
Administration	2,536,474	2,798,855	3,451,410
FTE	13 1/14	13 17/63	12 41/50
Facilities Maintenance	2,867,938	1,821,600	2,241,760
FTE	5 1/2	5 1/2	5 1/2

Pendleton Foundation Trust	196,073	260,000	260,000
FTE	0	0	0
Information Technology	228,680	340,740	467,685
FTE	0	1	1
Not Allocated to Organizational Unit or Program	1,634,362	4,604,378	3,594,000
FTE	0	0	0
Total Requirements	72,586,083	104,908,228	109,697,385
Total FTE	178 77/93	190 34/65	193 3/11

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

I am pleased to submit to you the balanced 2025 City of Pendleton budget. This is my twelfth budget as your City Manager. I think back to where we started: Interfund loans exceeded \$3M, \$40M backlog in road maintenance, \$14M backlog in repairs to City owned buildings, and a severe housing shortage. We have come a long way. Each time I put together the budget letter we face different hurdles. Inflation over the past few years has been hard on everyone and the City is no exception. It is noticeable across the board. From wages to the cost of repairs to energy costs, all have grown substantially. It is most noticeable this year in the cost of insurance. This year our insurance costs were \$250,000 over the projected cost and next year we are projecting the cost to be another \$400,000 above that. This is due to an industry trend and a bad year for claims. This shows up in the Central Service charge to every department in the City. As we head into the new year we will be taking advantage of a \$4M grant to support housing infrastructure which will jump start a 40+ acre subdivision. These funds along with state loans for water infrastructure, some of which are forgivable loans, will enable us to build an arterial road through residential land in the SE corner of Pendleton. The Council has long had as their primary goal to increase housing. We saw the completion of a 205-unit apartment complex at Westgate and another affordable housing project on Franklin Grade Road will add 50+ living units for members of our community who are in the greatest need.

The Airport/UAS Range received a \$2.4M competitive grant from the State of Oregon to develop a Center of Innovative Excellence (CIE). The Center will solicit start up UAS companies to apply to bring their project to the Airport and test their technology/business idea. The competitive grant process will occur during the Pendleton Roundup, hoping to utilize this very special event to lure companies to plant roots in Pendleton. All of this will be funded by the grant. Additionally, a new hanger will be constructed which will utilize the remainder of a \$1.5M federal grant and the CIE will pay to renovate the B17 hanger which will become an incubator for new businesses. The City continues to work with consultants to create a Basin Analysis which we hope will provide solutions to the problem of increased risk of flooding in the McKay Creek neighborhood. We received a \$300,000 grant and partnered with Umatilla County and the Lower McKay Creek Flood Control District to come up with the 25% match requirement. The study is due to be complete this July. We have received initial indication that we will receive a multimillion-dollar grant from FEMA to implement a project which will protect homes from flooding and enhance the stream habitat to support the restoration of salmon and steelhead currently underway.

PROPERTY TAX LEVIES

	Rate or Amount Imposed	Rate or Amount Imposed	Rate or Amount Approved
Permanent Rate Levy (rate limit __6.5771__ per \$1,000)	6.5771	6.5771	6.5771
Local Option Levy	0	0	0
Levy For General Obligation Bonds	651,803	550,989	574,500

STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Debt Outstanding on July 1, 2024	Estimated Debt Authorized, But Not Incurred on July 1, 2024
General Obligation Bonds	\$7,370,000	\$7,105,000
Other Bonds	\$7,287,502	\$5,497,563
Other Borrowings	\$20,949,045	\$26,611,532
Total	\$35,606,547	\$39,214,095