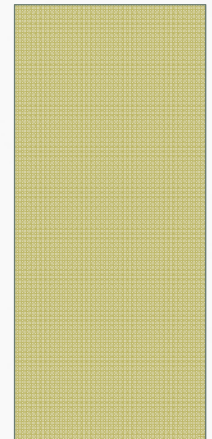


CITY OF PENDLETON

CITY BUDGET & COMMUNITY LISTENING SESSION



AGENDA

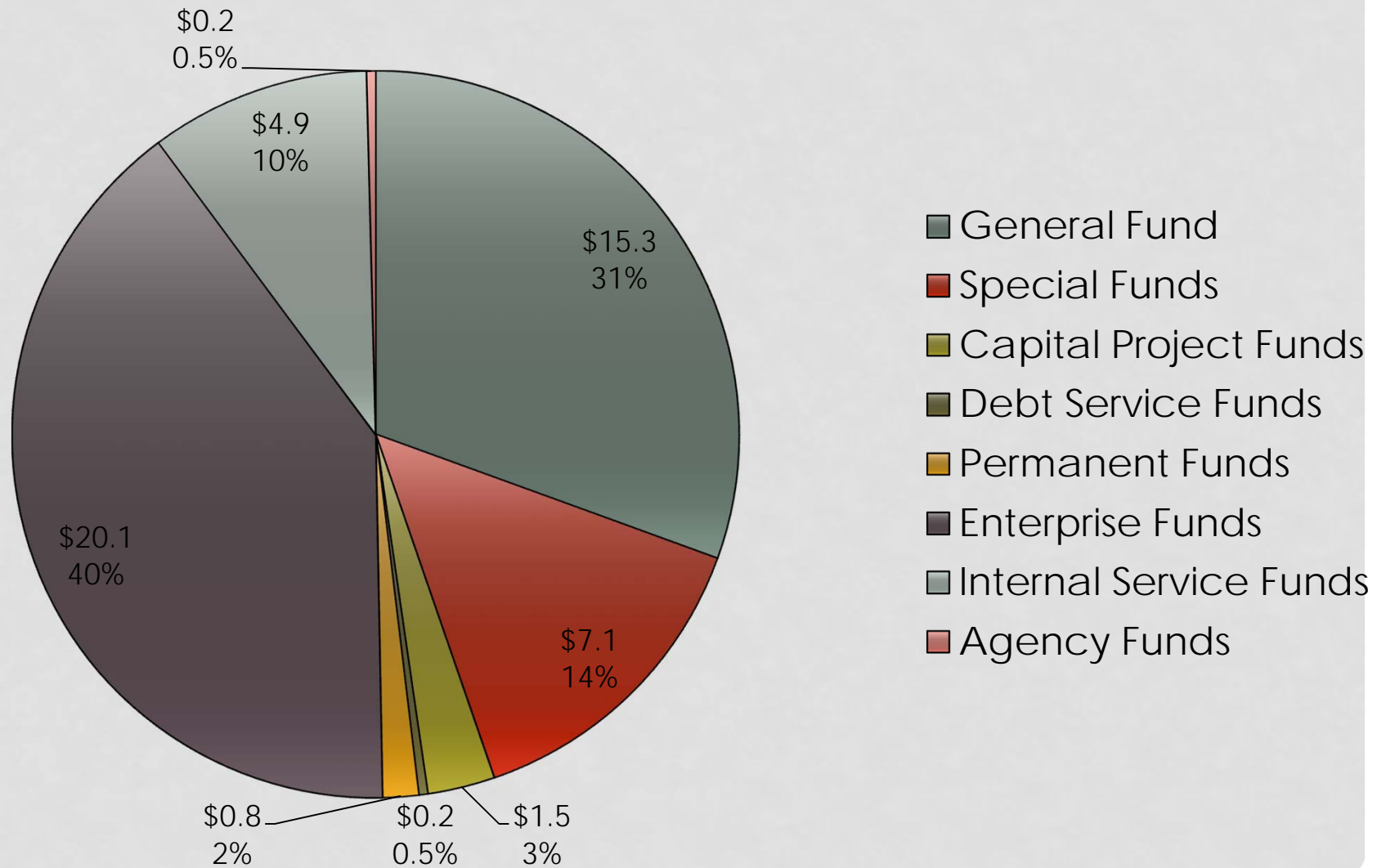
- City Staff – Brief Budget Presentation
 - 10 to 15 minutes
 - Help citizens understand how the city is funded
 - Help citizens understand our identified needs
 - Help form the community discussion
- Community Comments / Concerns / Questions
 - Staff on-hand to listen and answer questions
 - Councilors may also be in attendance

BUDGET BASICS

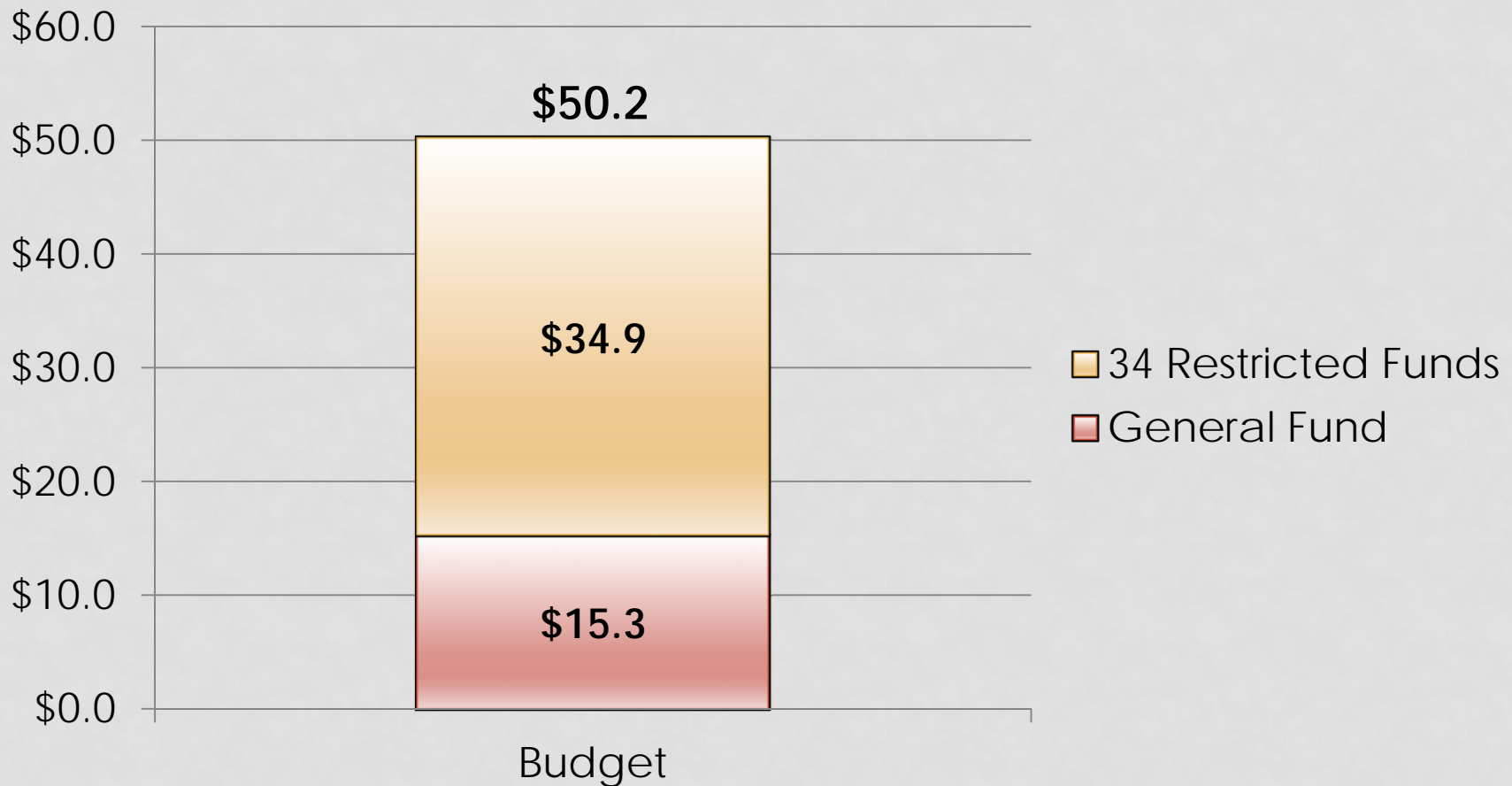
- Budget process is prescribed by Oregon Law.
- City follows these requirements:
 - Standardized format
 - July – June fiscal year
 - Hearing and publication requirements
 - Designate specific categories
 - 8 such categories:
 - 35 separate funds
 - Each fund must balance income and expenses
 - Every city has a general operating fund
 - Deficit spending not allowed
 - Borrowing internal funds is allowed

CITY BUDGET - \$50.2 MILLION

EIGHT CATEGORY BREAKDOWN



2014-2015 BUDGET (MILLIONS)



- o 34 Restricted Funds in 7 categories: must be used for a specific purpose
- o General Fund: 1 fund/category that can be used for any lawful purpose

WHERE DOES YOUR PERSONAL PROPERTY TAXES GO?

For every \$1

Other
\$.04

Schools
\$.40

City
\$.40

County
\$.16



General Fund, Bond Levy,
District 16, ESD, BMCC
Total: \$6.1M

General Fund (**\$5.4M**),
Bond Levy, Urban Renewal
Total \$6.1M

General Fund,
Bond Levy
Total: \$2.3M

Port of Umatilla, County Radio, Library District
Total: \$0.6M

PROPERTY TAXES DO NOT COVER BASIC SAFETY SERVICES



General
Fund
Property
Taxes
\$5,405,100

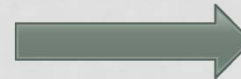


\$2,314,355

Other General
Fund Revenue
Sources

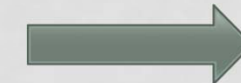


\$3,639,230



Ambulance & Fire

\$4,080,225

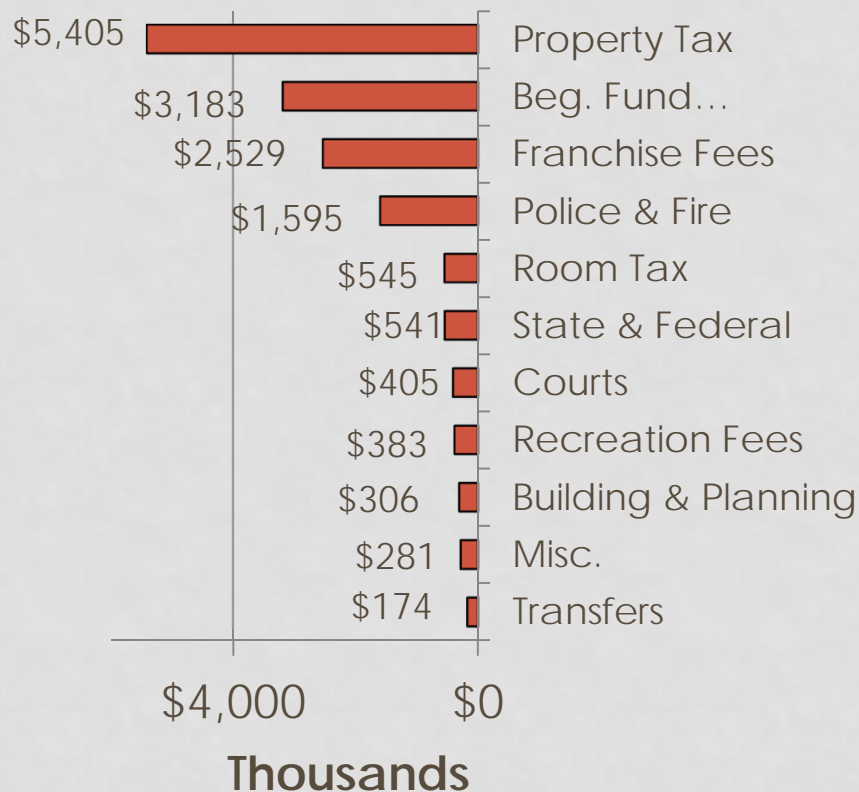


Police

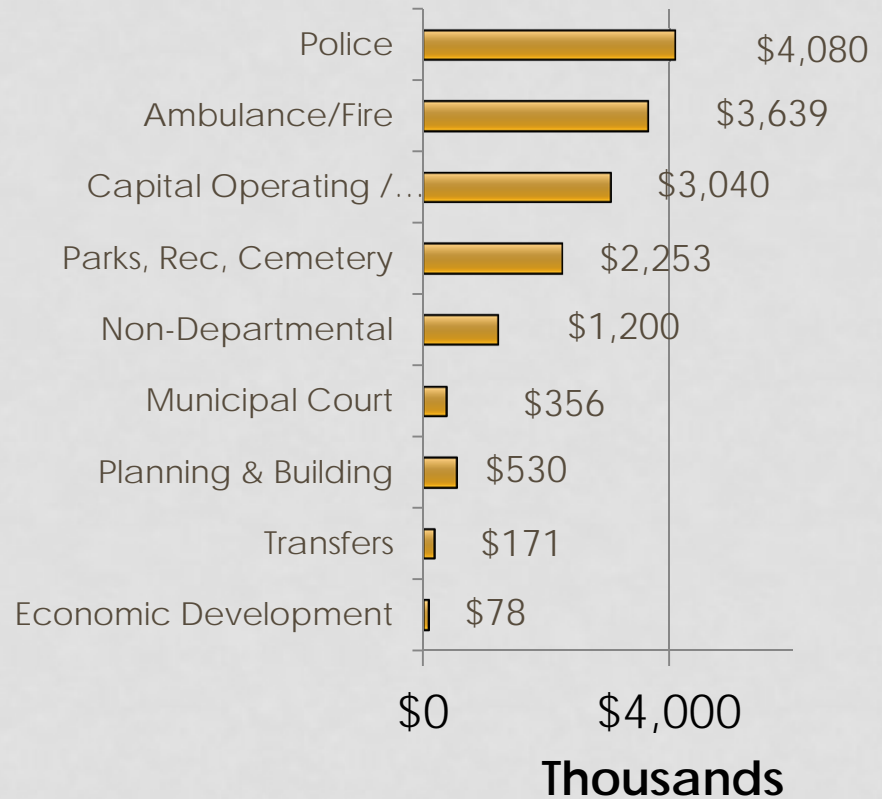
GENERAL FUND

2014-2015: \$15.3 MILLION

Revenue



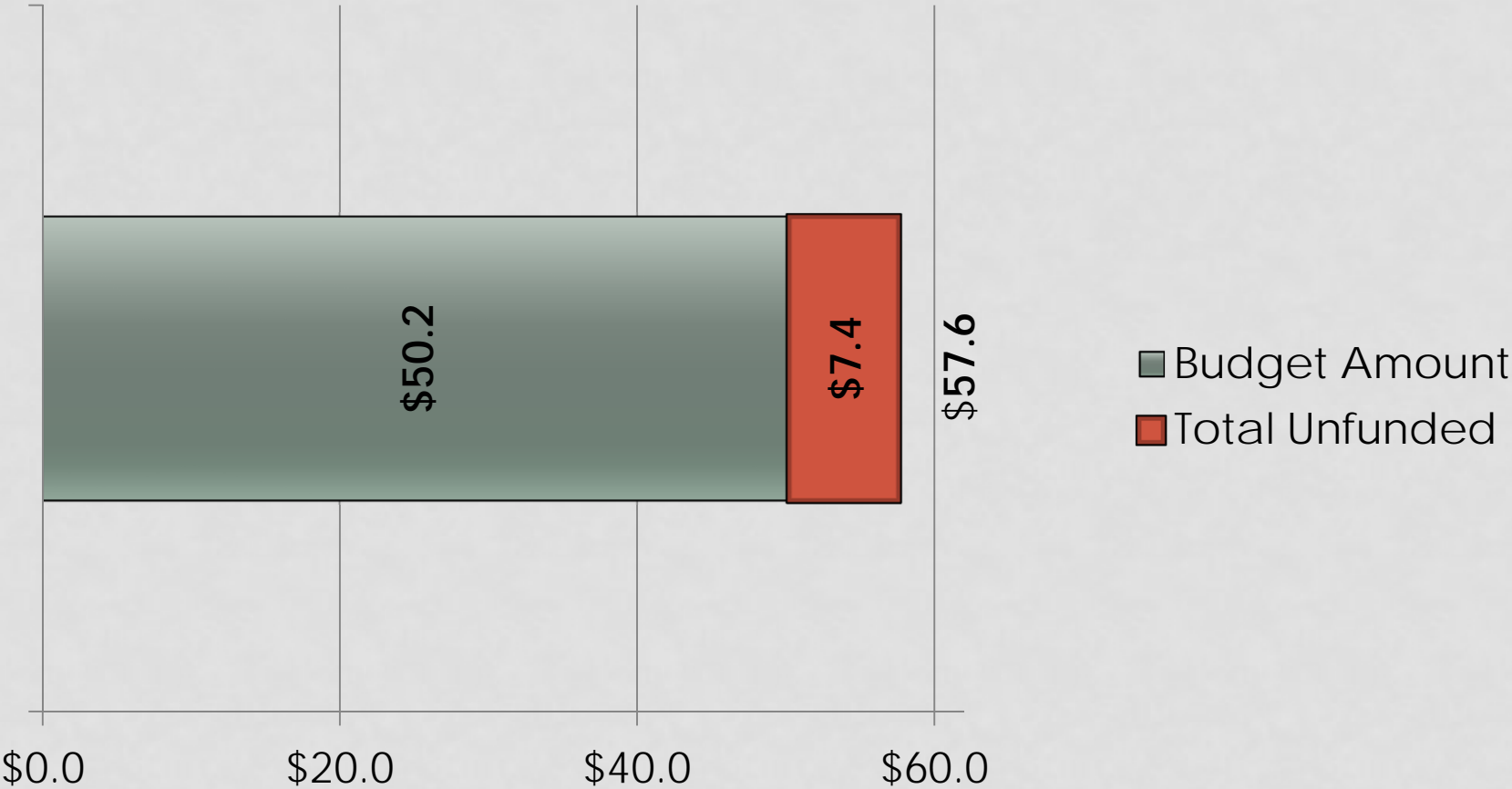
Expense



Beginning Fund Balance Revenue & Capital Operating Expense:

- Funding carry-over to operate city from August to November until new tax receipts come in
- Without this carry-over, city would have to borrow and pay someone interest to operate until November

ADDITIONAL BUDGET NEEDS (\$ MILLIONS / YEAR)



Total Unfunded as identified by:

- o Capital Investment Advisory Committee and City staff
- o Water, Sewer, & Storm Master Planning

UNFUNDED NEED BREAKDOWN (\$ MILLIONS / YEAR)



o Capital Investment Advisory Committee, city staff, & Master Plans

FUNDED/UNFUNDED NEEDS (\$ MILLIONS / 20-YEAR AVERAGE)

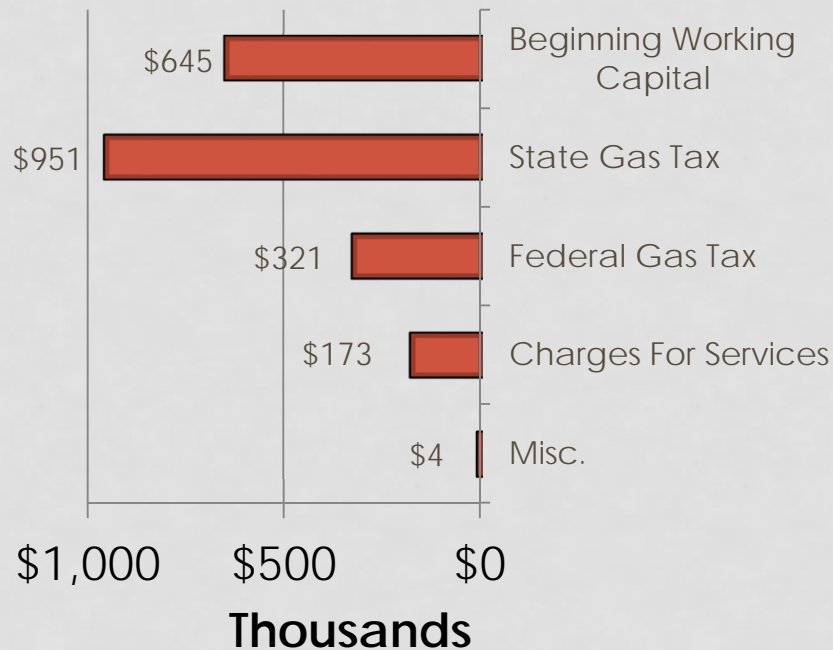


- o Funded includes current budgeted capital outlay
- o Unfunded includes annual average need for new capital outlay over 20-years

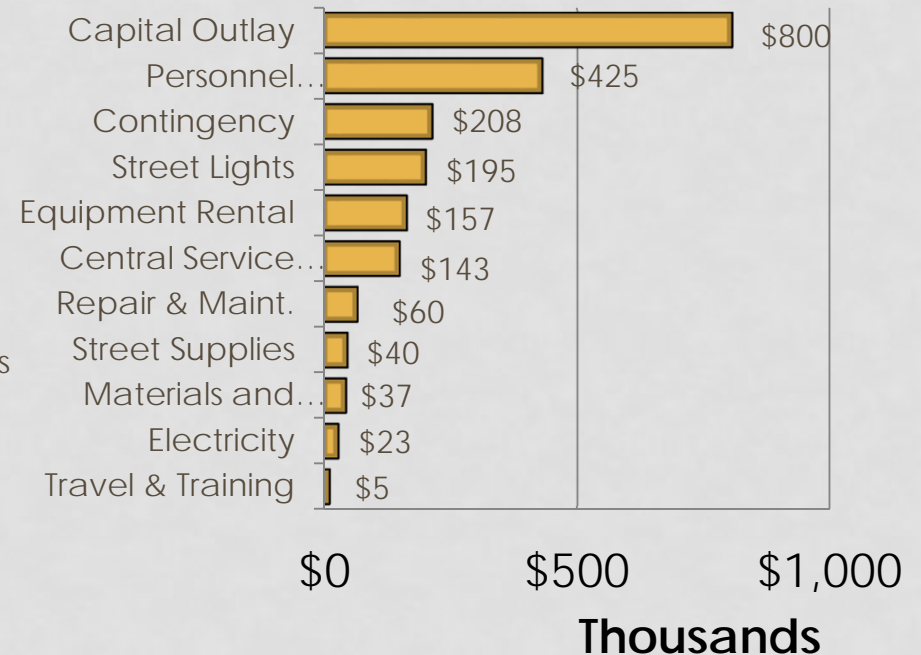
STREET FUND

2014-2015: \$2.1 MILLION

Revenue



Expense



Annual gas tax revenue:

- o State: \$951,000: 30¢/Gallon: \$32,000 per 1¢
- o Federal: \$180,000: 18.4¢/Gallon: \$9,780 per 1¢

Annual local gas tax revenue:

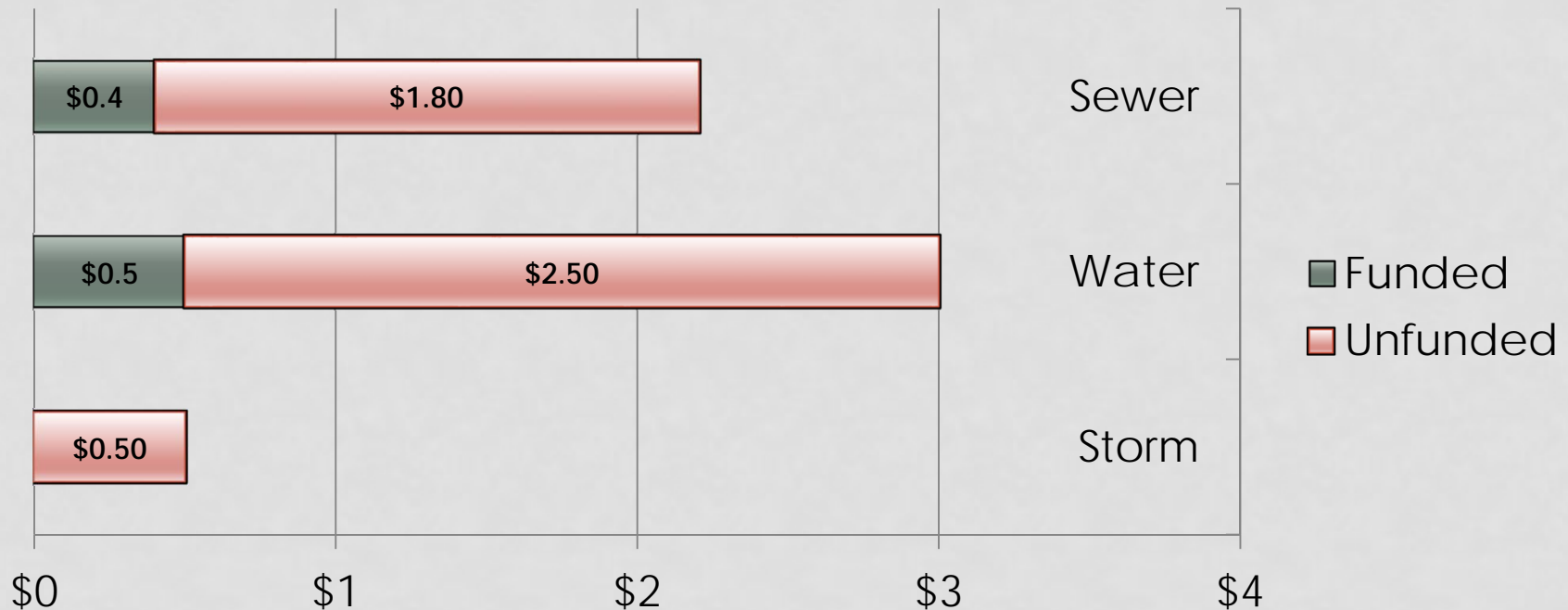
- o \$110,000 per 1¢

Charges for services come from Sewer Fund to help pay personnel doing storm system maintenance

Average annual capital outlay:

- o \$300,000/year for road preservation (capital outlay)
 - o City builds-up funds over several years to cover projects
 - o Focus has been arterials / collector streets – most highly traveled
- Contingency:
- o Try to hold \$200,000 for immediate failure / rebuild

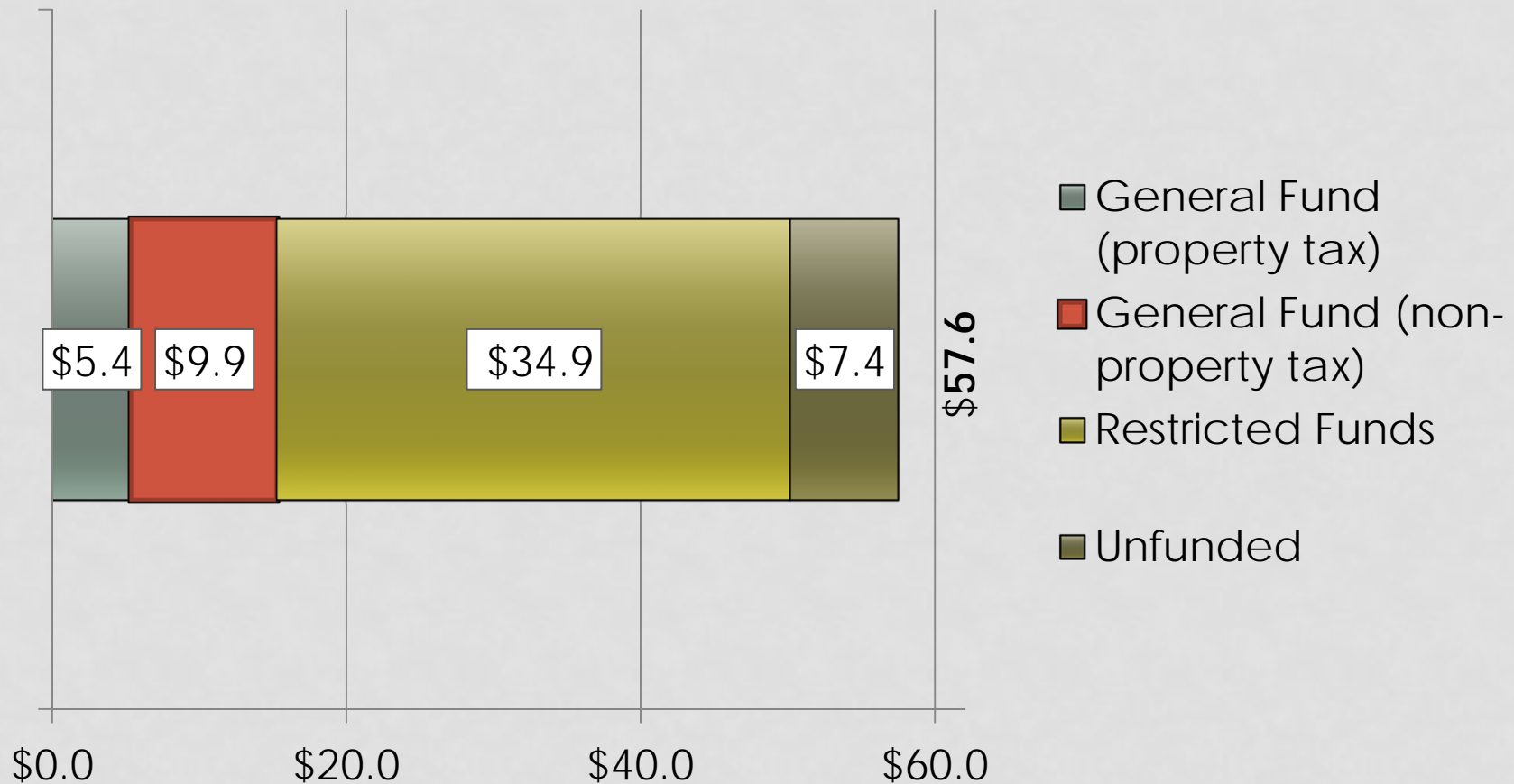
FUNDED/UNFUNDED NEEDS (\$ MILLIONS / 5-YEAR AVERAGE)



- o Funded includes existing capital outlay
- o Unfunded includes Master Plan recommended new staffing levels, on-going replacement, & new capital outlay
- o System Development Charges proposed for future capacity related capital outlay

BUDGET REVIEW

(\$ MILLIONS / YEAR)



DISCUSSION POINTS FROM APRIL 29TH

- Target voting public with messaging and meetings
- Spread fees for diversity
- Provide options for consideration
- Fuel dealers will pull out – no gas tax
- Focus on neighborhood streets
- Diversity and consistency for funding
 - Need buy in to vision
 - City needs to provide vision
- It is broken, streets are bad, hard sell
- Address infrastructure at all levels
- Funding discussions:
 - LOC Survey:
 - 31 cities: transportation utility fee
 - 22 cities: gas tax (14 @ \$0.03/gallon)
 - Local option: payroll tax
 - 0.5% to 1.5% of payroll
 - Done in Indiana at county level and city level
 - Renter's fee

DISCUSSION POINTS FROM MAY 6TH

- Low turn-out is telling – get the message out to the people
- Don't have community ownership
- Us versus Them
- Message improving citizen's lives
- No longer a good ol' boy network
- Need community buy in
- Cannot continue to "do more with less"
- Build ownership
- Be careful of public perception:
 - Ambulance / Fire Station: \$75,000 report: \$10 to \$15 million cost?
 - Economic development guy: what is he doing
 - Drone status at airport
 - Communication person
 - Driving business to Hermiston
 - Spending money with no return on investment
- How does all the issues rank?
- Not broken yet – public doesn't see it
- Water bill notices / newspaper stuffers

DISCUSSION POINTS FROM MAY 13TH

- May have to accept something less than ideal
- Statues – came from grants from Pacific Power, Wildhorse Foundation, Pendleton Foundation, etc.
- How much was spent on Airport Road, also known in the community as “the road to nowhere?”
 - \$5.9 million in federal grant (from federal taxes)
 - \$1.5 million raised by local \$0.04/gallon fuel tax
 - \$825,000 of this by local citizens
 - \$675,000 by non-local citizens
- Streets/water/sewer/storm – better evaluation with GIS
- Where is funding for 8th Street Bridge derived?
 - 89.73% is from federal Highway Bridge Renewal / Replacement funds
 - 10.27% is from local match
 - 50% or \$375,000 from city Street Fund
 - 50% or \$375,000 from Umatilla County pedestrian improvement funds
- 2010 Census on employment in Pendleton
 - About 5200 employees work here, but do not live here
 - About 3800 employees work here, and live in the city limits
 - About 3300 employed outside the city, and live in the city limits

DISCUSSION POINTS FROM MAY 13TH

- Need to better our community by supporting additional funding
- Lack of trust related to:
 - Communicating
 - Marketing
- Private industry / public sector
- Room tax comparison to other cities:
 - 9%, which is in the lower / middle of other cities
 - 8% comes to city and 1% now goes to state
- Explain enterprise zone waiver:
 - Property tax relief for a specific amount of time
 - Negotiate other costs related to infrastructure

ATTENDANCE

- 1st Community Discussion:
 - 4/29 @ Pendleton Convention Center
 - General Public: 5
 - Staff: 6
 - Council / Committees: 11
 - Newspaper: 1
- 2nd Community Discussion:
 - 5/6 @ Washington School Gymnasium
 - General Public: 8
 - Staff: 4
 - Council / Committees: 6
- 3rd Community Discussion:
 - 5/13 @ McKay School Gymnasium
 - General Public: 19
 - City Staff: 4
 - City Council / Committees: 3

QUESTIONS / DISCUSSION

Community Discussion

Some Next Steps:

- Capital Investment Advisory Committee:
 - 5:30 to 7:00 pm
 - 2nd & 4th Thursday, City Hall, 2nd Floor, Council Annex
 - Public welcome to attend
- Future:
 - Use this information to assist with prioritizing capital projects
 - Use this information to look at existing funding sources and develop diverse funding options
 - Reach back out to the community and explain options
 - Possibly place some projects for voter consideration
 - Other?!?