



MEMORANDUM

Finance Department

To: Mayor & City Council
Ron Whitlatch, City Manager

From: Brandon Neish, Finance Director

Subject: Fiscal Year 2026-2027 Budget Adoption

Date: June 10, 2026

I. INTRODUCTION

Oregon Local Budget Law, ORS 294, outlines a very specific process for budget development and citizen involvement. The City is required to follow this process which consists of a citizen Budget Committee containing the Mayor, six City Councilors, and seven citizen members, a Budget Message and Proposed Budget from a designated Budget Officer, an approved budget, multiple hearings, levied taxes, and an adopted budget. The Budget Committee reviews the Budget Officer's Proposed Budget and Budget Message before approving a budget (with any changes they deem necessary), recommends tax levies, and forwards that to the City Council. During the approval process, a public hearing is required, and a second public hearing is required before the City Council can adopt the budget. All of this must be completed before July 1 annually or the City cannot legally operate.

II. CURRENT REPORT

The Budget Committee received the Budget Officer's (City Manager's) Proposed Budget and Budget Message during a public meeting on April 16, 2026. The meeting was noticed in The New Era to comply with ORS 294.426(3)(a). During a second meeting held on May 18, 2026, committee members reviewed the budget by fund. After opportunities to hear from the public, the committee approved a budget of \$94,684,265, recommended taxes of \$5.1364 per \$1,000 of assessed value and bond revenue of \$1,917,122, and recommended the Council adopt the budget. This included operating and non-operating costs.

Before the City Council is a resolution to adopt a total expenditure budget of \$94,684,265 and a resolution to levy taxes for the coming fiscal year.

III. RECOMMENDATION

- Conduct a public hearing on the Approved Budget.

THE CITY THAT FRIENDLINESS BUILT

- Adopt Resolution No. 2026-09 adopting a budget for the 2026-2027 fiscal year beginning July 1, 2026.
- Adopt Resolution No. 2026-10 levying taxes for the City of Lebanon's budget for fiscal year 2026-2027.