



MEMORANDUM

Finance Department

TO: Mayor Jackola and City Council
Ron Whitlatch, Interim City Manager

FROM: Brandon Neish, Finance Director

RE: Department Report – February 2024

- Accounts Payable
 - Payments made in January 2024; 157 checks were processed for payments of \$2,317,629.90. Payments made in February 2024; 235 checks were processed for payments of \$2,095,722.17.
- Payroll
 - Payroll was processed on January 5th and January 19th for all employees. In total, 143 employees were paid during the month of January. Payroll was also processed on February 2nd and February 16th. In total, 129 employees were paid during the month of February.
 - The following adjustments have processed since January 1, 2024 for payroll errors:
 - January 2024:
 - W-2s were initially issued by ADP on January 10, 2024. Wages and taxes were correct, information in box 12 was not. Staff immediately engaged with the vendor and the issue stemmed from coding that was incorrectly applied within the vendor's system at implementation. Corrected W-2s were issued and staff was notified throughout the process. Adjustments which would normally be paid by the City will be covered by the vendor due to their mistakes.
 - A reprinted check was done for an employee with incorrect banking information entered.
 - 14 employees had the wrong FSA amounts withheld in January. The withholding amount was for the prior year. Employees were contacted and the corrections were made either on the next payroll or over the next three pay dates.
 - February 2024:
 - An employee identified that the 2 hour minimum for callback time did not calculate correctly (missed 1.4 hours of additional time at OT rate).
- Budget
 - The FY2025 budget process began December 21 with personnel estimates for the remainder of the fiscal year completed by Finance staff.
 - Departments began entering their estimates for 2024 expenditures December 26 and completed on January 19.
 - Departments completed their requested budgets on February 9 with subsequent review by the Interim City Manager and Finance Director completed the following week.
 - Interim City Manager and Finance Director met with each Director February 26 – March 1 to review their requested budgets.

- A draft of the budget book is expected around March 12th with a final draft completed March 20th.
- A budget calendar is included below for information

- **Additional**

- The City received notice from the IRS that Affordable Care Act (ACA) forms (1095-C) were not submitted in January 2022 for tax year 2021. Staff submitted the necessary paperwork in February to rectify the issue.
- Staff was alerted by employees that W-2 information for 2022 was not submitted to the Social Security Administration and the IRS. No notification has been received from these governmental agencies. Staff gained access to the SSA's Business Services Online system and filed the required reports.
- Sarah Campbell was selected to fill the vacant Accountant role. Duties within Finance will be redistributed to reduce 1.0 FTE from the Finance Office in accordance with a cost reduction proposal submitted during budget reviews.
- Staff continues to work with the auditors to finalize our 2023 fiscal year audit. Additional requests for documentation have been sent over the past month and it has been determined that additional time will be necessary to complete the annual document. Auditors have requested additional information as recently as February 28th regarding Capital Assets.
- The new point of sale (POS) system at the Library launched in January with minimal issues. Staff at the Library are enjoying the ease of use and functionality of the new POS.

- **Utility Billing:**

- 6,287 billing statements (including electronics) were mailed January 26th for a total of \$1,035,245 in utility revenue. 6,258 billing statements (including electronics) were mailed February 23rd for a total of \$1,086,117.
- 49 Owner Lien (past due) notification letters were mailed.
- On February 15th, 313 phone calls went out to notify customers they have a past due balance.
- There were a total of 107 lockouts in January and 79 in February.
- There was a total of 323 service requests in February: 52 move ins, 79 lock-offs, 26 re-read meters, 81 reconnects, 26 move outs, 13 leak checks, 1 changed meter, 16 turn ons, 8 turn offs, 5 meter installations, 5 meter removals, no dead meters, 1 water quality check, no pressure tests, 2 emergency requests, 1 meter test, 1 meter locate and 6 miscellaneous requests.

Utility Billing Data

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
Active Accounts	6,448	6,459	6,459	6,459	6,459	6,459	6,516	6,516	6,555	6,582	6,581	6,581	6,581
Penalty Applied	711	953	721	N/A	296	236	265	280	365	234	426	426	426
Lock Offs	56	68	68	83	71	74	0	100	73	114	N/A	N/A	N/A

Municipal Court Data

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
Charges Filed	94	134	100	94	129	102	137	166	109	180	102	241	95
Show Cause Issued	43	39	34	43	42	54	48	56	61	55	45	50	55
Licenses Suspensions Issued	17	10	30	22	23	20	38	32	30	20	47	39	51
Warrants Issued	105	159	180	154	144	160	231	203	150	169	141	174	202
Charges Disposed	157	99	168	115	80	137	141	123	121	92	170	163	196

Lebanon Budget Calendar for FY 2024-25

	City Recorder's Office reviews Budget Committee terms and advertises accordingly
Dec 21	Finance to complete payroll projections through end of FY24
Dec 26 - Jan 19	Departments input year-end expenditure and department focused grants/donation projections
Jan 5	Revenue projections for FY25 complete
Jan 12	New personnel requests due to Finance
Jan 17	Five-year Capital Plan review with Department Directors
	Review personnel requests with Department Directors
Jan 22	Admin, IT/GIS, Custodial/Maintenance Services, Mechanic, PW Admin FY25 requested amounts entered with transfers
Jan 24 - Feb 16	Departments compile FY25 requested budget / Finance completes personnel projections
Feb 16 - 23	City Manager and Finance Director review budget requests
Feb 26 - Mar 1	Directors meet with Finance Director and City Manager
Feb 28 - Mar 27	Department Director's review pre-proposed budget
Mar 1	Directors submit graphics / data / text for department summaries in budget book
Mar 3	Publish notice of Budget Committee meeting (submit to DH by 2/27)
Mar 12	Draft FY25 Proposed Budget complete
Mar 20	FY25 Proposed Budget available for public review
Apr 3	First Proposed Budget Committee Meeting (public comment due Mar 29)
	Budget Committee: Deliver proposed budget / Deliver budget message / Elect chair / Set meeting calendar
May 1 - 10	Budget Committee: Department review / budget changes / five-year capital plan / five-year forecast for utility funds / review of internal service funds / public hearing (multiple meetings possible)
May 15	Approved budget compiled / LB-1 sent to DH for publication
June 7	Last day for public to submit testimony on proposed uses of State Revenue Sharing Funds to the City Manager
June 12	Regularly scheduled City Council meeting / Public hearing on approved uses of State Revenue Sharing / Resolution to accept Approved Budget and State Shared Revenue adopted by Council