

RESOLUTION 2020-03

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF LEBANON, INDIANA, REGARDING PAYMENT IN LIEU OF TAXES

WHEREAS, the City of Lebanon, Indiana (the "City") owns and operates through its Utility Service Board (the "Utility Board") a municipal utility known as Lebanon Utilities (the "Utility") for the purpose of providing electric, telecommunications, water and wastewater services in and around the City;

WHEREAS, pursuant I.C. § 8-1.5-3-8(g), the Utility must calculate and collect an amount sufficient to compensate the City for taxes that would be due on real property owned by the Utility as if the property were privately owned (payment in lieu of taxes, or "PILOT");

WHEREAS, pursuant to I.C. § 8-1.5-3-8(g) the City may elect to transfer collected PILOT funds from the Utility to the municipal general fund;

WHEREAS, in December 2010, the Common Council for the City of Lebanon elected to collect the entire PILOT from the rates and charges of the Utility by passing Resolution 2010-07, to wit:

"In accordance with Indiana Code 8-1.5-3-8(g), the Common Council of the City of Lebanon ('City') hereby elects to transfer to the City's General Fund, a payment in lieu of taxes from the rates and charges of Lebanon Utilities in an amount sufficient to compensate the City for taxes that would be due the City on the property owned by Lebanon Utility as if the property were privately owned."

WHEREAS, since December 2010, the fiscal standing of the City has improved, including tax changes which have modified the real property taxes collected by the City;

WHEREAS, the Utility, to provide services throughout the City, requires regular maintenance and improvement to the infrastructure of its various systems;

WHEREAS, the Utility Board projects capital expenditures for the Utility in the coming years that will necessitate rate increases for its services;

WHEREAS, the PILOT fund provides a flexible means to balance the budgetary needs of the Utility and the City on an annual basis;

WHEREAS, the Utility Board suggested that the City modify its Resolution 2010-07 to permit annual flexibility in the amount of PILOT collected from the Utility during the City budgetary process with its adoption of Utility Board Resolution 2019-02;

NOW, THEREFORE, be it resolved and adopted by the Common Council of the City of Lebanon, Indiana as follows:

In accordance with Indiana Code § 8-1.5-3-8(g), the Common Council of the City of Lebanon ("City") hereby elects to transfer to the City's General Fund, a payment in lieu of taxes from Lebanon Utilities in an amount up to the taxes that would be due the City on the property owned by Lebanon Utilities as if the property were privately owned. The amount of PILOT collected from the Utility shall be reviewed and determined by the City on an annual basis, after presentation from the Utility during the City's budget work sessions which shall include projected capital improvement projects to the Utility infrastructure and any relevant programs. The Common Council reserves the full authority to accept or allocate PILOT revenues as it deems appropriate and lawful.

[Remainder of this page intentionally left blank.]

ALL OF WHICH IS ADOPTED this ____ day of _____, 2020 by the Lebanon Common Council of the City of Lebanon, Indiana.

Voting For

Voting Against

Abstain

Keith Campbell

Keith Campbell

Keith Campbell

John Copeland

John Copeland

John Copeland

Caleb Edwards

Caleb Edwards

Caleb Edwards

Mike Kincaid

Mike Kincaid

Mike Kincaid

Sierra Messenger

Sierra Messenger

Sierra Messenger

Dick Robertson

Dick Robertson

Dick Robertson

Brent Wheat

Brent Wheat

Brent Wheat

ATTEST:

Tonya Thayer, Clerk-Treasurer

I hereby certify that Resolution 2020-01 was delivered to the Mayor of Lebanon on the _____ day of _____, 2020, at ____:____ __m.

Tonya Thayer, Clerk-Treasurer

I hereby APPROVE RESOLUTION
2020-01 this _____ day of
_____, 2020, at ____:____
__m.

I hereby VETO RESOLUTION 2020-
01 this _____ day of
_____, 2020, at ____:____
__m.

Matthew T. Gentry, Mayor

Matthew T. Gentry, Mayor

ATTEST:

Tonya Thayer, Clerk-Treasurer

This document prepared by: