

MINUTES



Joint Meeting of the City of Salem Budget Committee and the Salem Urban Renewal Agency Budget Committee

DATE: Wednesday, May 10, 2023
TIME: 6:00 PM
CHAIRPERSON: Virginia Stapleton
PLACE: Hybrid
Council Chambers & Youtube

STAFF LIAISON:
Josh Eggleston, Chief Financial Officer
503-588-6130
jeggleston@cityofsalem.net
Kali Leinenbach, Budget Manager
503-588-6231
kleinenbach@cityofsalem.net

1. OPENING EXERCISES – Chair Stapleton called the meeting to order at 6:01pm

Members present: Milton, Cohen, Allen, Tigan, Vieyra-Braendle, Nishioka, Phillips, Gwyn, Gonzalez, J. Hoy, Nordyke, Varney, C. Hoy, Dixon, Curtis, Shirack, Vice-chair Brown, Chair Stapleton

Pledge of Allegiance by: All

Vice-chair Brown informed the Committee about the additions agenda submitted to the Committee which included a staff report.

Motion: Move to approve the additions agenda of May 10, 2023 for the City of Salem Budget Committee and Urban Renewal Agency Budget Committee Meeting.

Motion by: Vice-chair Brown
Seconded by: Member Phillips

Action: Motion passes
Vote:
Aye: Unanimous
Nay:
Abstentions:

2. PUBLIC TESTIMONY

Council Chamber Appearance:

Topic:

Rick Gaupo – Marion Polk Food Share
DJ Vincent – Church at the Park

FY 2024 Budget
FY 2024 Budget

Questions or comments by: Member Nordyke, Phillips, Vice-chair Brown, Chair Stapleton, Member Gonzalez
Answers or explanations by: DJ Vincent

3. MINUTES

- a. Minutes from May 3, 2023 City of Salem and Urban Renewal Agency Budget Committee Meeting

Motion: Move to approve the meeting minutes from the May 3, 2023 City of Salem Budget Committee and Urban Renewal Agency Budget Committee Meeting.

Motion by: Vice-chair Brown
Seconded by: Member Phillips

Action: Motion passes
Vote:
Aye: Unanimous
Nay:
Abstentions:

4. ACTION ITEMS

- a. Errata 6 – General Fund Revenue (Fire Department) and Emergency Medical Services Fund (Fire Department)

Questions or comments by: Member Allen
Answers or explanations by: Josh Eggleston, Chief Financial Officer

Motion: Move to approve Errata Sheet 6 as recommended by Staff

Motion by: Vice-chair Brown
Seconded by: Member Phillips

Action: Motion passes
Vote:
Aye: Unanimous
Nay:
Abstentions:

5. INFORMATION ITEMS

- a. Staff Report: Summary of Budget Committee Actions Through May 3, 2023
b. Staff Report: Responses to Committee Member Questions
c. Staff Report: Additional Responses to Committee Member Questions

Explanation of information items provided to the Budget Committee by Chief Financial Officer Eggleston.

Questions or comments by: None
Answers or explanations by: None

6. PUBLIC HEARINGS

- a. None

7. SPECIAL ORDERS OF BUSINESS

- a. Approve FY 2024 Salem Urban Renewal Agency Ad Valorem Property Taxes
 Staff Report: Approval of Ad Valorem Property Taxes – Salem Urban
 Renewal Agency

Approve the estimated ad valorem property tax levies derived from the sum of the Division of Taxes and the Special Levy for the Salem Urban Renewal Agency Areas as follows:

	Division of Taxes	Special Levy	Estimated Total
1. Jory Apartments	100%	\$0	\$280,100
2. McGilchrist	100%	\$0	1,334,640
3. Mill Creek	100%	\$0	5,133,930
4. North Gateway	100%	\$0	4,838,270
5. Riverfront Downtown	100%	Remainder	8,185,790
6. South Waterfront	100%	\$0	532,750
7. West Salem	100%	\$0	2,139,200
			\$22,444,680

- Discussion
- Motion to approve Salem Urban Renewal Agency FY 2024 ad valorem property taxes

Questions or comments by: None
 Answers or explanations by: None

Motion: Move to approve staff recommendation for the FY 2024 Salem Urban Renewal Agency Ad Valorem Property Taxes.

Motion: Vice-chair Brown
 Seconded by: Member Nordyke

Action: Motion passes
Vote:
Aye: Unanimous
Nay:
Abstentions:

- b. Recommend FY 2024 Salem Urban Renewal Agency Budget
 Staff Report: Recommend FY 2024 Salem Urban Renewal Agency Budget
- Discussion
 - Motion to approve final recommendation of FY 2024 Salem Urban Renewal Agency Budget

Questions or comments by: None

Answers or explanations by: None

Motion: Move to approve staff recommendation for the FY 2024 Salem Urban Renewal Budget.

Motion: Vice-chair Brown
Seconded by: Member Nordyke

Action: Motion passes
Vote:
Aye: Unanimous
Nay:
Abstentions:

- c. Approve FY 2024 City of Salem Ad Valorem Property Taxes
Staff Report: Approval of Ad Valorem Property Taxes – City of Salem
Recommendation:
Approve the ad valorem property taxes for the City of Salem General Fund and the City of Salem General Obligation Debt fund as follows:

1. Approve the City of Salem permanent tax rate of \$5.8315 for general fund operations.
2. Approve a General Obligation bond debt levy of \$18,765,580
 - Discussion
 - Motion to approve City of Salem FY 2024 ad valorem property taxes

Questions or comments by: Vice-chair Brown
Answers or explanations by: Josh Eggleston, Chief Financial Officer

Motion: Move to approve staff recommendation for the City of Salem Ad Valorem property taxes for operations and general obligation debt.

Motion: Vice-chair Brown
Seconded by: Member Nordyke

Action: Motion passes
Vote:
Aye: Unanimous
Nay:
Abstentions:

- d. Recommend FY 2024 City of Salem Budget
Staff Report: Recommend FY 2024 City of Salem Budget

Good Governance

- Expenditures: \$125,679,450

Questions or comments by: Member Cohen, Allen, Nordyke, J. Hoy, Phillips, Tigan

Answers or explanations by: Josh Eggleston, Chief Financial Officer

Motion: Move that the City of Salem Citizen Budget Committee recommend that the City of Salem adopt an employee payroll tax designed to address the persistent structural imbalance in the City's General Fund to take effect as soon as practicable but no later than January 1, 2025.

Motion: Member Tigan

Seconded by: Vice-chair Brown

Questions or comments by: Member Tigan, C. Hoy, Dixon, Gonzalez, J. Hoy, Milton, Allen, Phillips, Chair Stapleton, Curtis, Nishioka, Vice-chair Brown, Gwyn, Shirack, Vieyra-Braendle, Cohen

Answers or explanations by: Keith Stahley, City Manager, Josh Eggleston, Chief Financial Officer

Member C. Hoy requested a recess. Meeting recess at 7:12PM and returned at 7:26PM

Continued Discussion:

Questions or comments by: Chair Stapleton, Member Gwyn, Gonzalez, Phillips

Answers or explanations by: Josh Eggleston, Chief Financial Officer

Substitute Motion: Move as a substitute motion that the City of Salem Citizen Budget Committee recommend that the Salem City Council adopt an employee payroll tax equitably designed to address the persistent structural imbalance in the City's General Fund to take effect as soon as practicable but no later than January 2025 and consider referring to voters including a sunset.

Motion: Member Phillips

Seconded by: Member Nishioka

Questions or comments by: Member Phillips, Milton, Vice-chair Brown, Tigan, Allen, J. Hoy, Nishioka, C. Hoy, Varney, Nordyke, Dixon
Answers or explanations by: Keith Stahley, City Manager, Josh Eggleston, Chief Financial Officer

Action: Motion passes

Vote:

Aye: Cohen, Allen, Tigan, Vieyra-Braendle, Nishioka, Phillips, Varney, C. Hoy, Dixon, Curtis, Shirack, Vice-chair Brown, Chair Stapleton

Nay: Milton, Gwyn, Gonzalez, J. Hoy, Nordyke

Abstentions:

Member Cohen leaves at 8:03PM

Motion: Move to approve staff recommendation for the Good Governance result area budget.

Motion by: Vice-chair Brown

Seconded by: Member Phillips

Action: Motion passes

Vote:

Aye: Allen, Tigan, Vieyra-Braendle, Nishioka, Phillips, Nordyke, Varney, C. Hoy, Dixon, Curtis, Shirack, Vice-chair Brown, Chair Stapleton

Nay: Milton, Gwyn, Gonzalez, J. Hoy

Abstentions:

Natural Environment Stewardship

- Expenditures: \$24,907,100

Questions or comments by: None

Answers or explanations by: None

Motion: Move to approve staff recommendation for the Natural Environmental Stewardship result area budget.

Motion by: Vice-chair Brown

Seconded by: Member Phillips

Action: Motion passes

Vote:

Aye: Milton, Allen, Tigan, Vieyra-Braendle, Nishioka, Phillips, Gwyn, Gonzalez, Nordyke, Varney, C. Hoy, Dixon, Curtis, Shirack, Vice-chair Brown, Chair Stapleton

Nay: J. Hoy
Abstentions:

Safe and Healthy Community

- Expenditures: \$158,265,160

Questions or comments by: Member Allen
Answers or explanations by: Chief Financial Officer Josh Eggleston

Motion: Move to approve staff recommendation for the Safe and Healthy Community result area budget.

Motion by: Vice-chair Brown
Seconded by: Member Nordyke

Action: Motion passes
Vote:
Aye: Unanimous
Nay:
Abstentions:

Safe, Reliable, and Efficient Infrastructure and Capital Improvements

- Expenditures: \$154,493,530 for the result area and \$224,409,700 for capital improvement projects

Questions or comments by: None
Answers or explanations by: None

Motion: Move to approve staff recommendation for the Safe, Reliable and Efficient Infrastructure result area and Capital Improvements budget.

Motion by: Vice-chair Brown
Seconded by: Member Milton

Action: Motion passes
Vote:
Aye: Unanimous
Nay:
Abstentions:

Strong and Diverse Economy

- Expenditures: \$14,356,140

Questions or comments by: None
 Answers or explanations by: None

Motion: Move to approve staff recommendation for the Strong and Diverse Economy result area budget.

Motion by: Vice-chair Brown
 Seconded by: Member Phillips

Action: Motion passes
Vote:
Aye: Unanimous
Nay:
Abstentions:

Welcoming and Livable Community

- Expenditures: \$51,862,230

Questions or comments by: Member J. Hoy
 Answers or explanations by: Chief Financial Officer Josh Eggleston

Motion: Move to approve staff recommendation for the Welcoming and Livable Community result area budget.

Motion by: Vice-chair Brown
 Seconded by: Member Tigan

Action: Motion passes
Vote:
Aye: Milton, Allen, Tigan, Vierya-Braendle, Nishioka, Phillips, Gonzalez, J. Hoy, Nordyke, Varney, C. Hoy, Dixon, Curtis, Shirack, Vice-chair Brown, Chair Stapleton
Nay: Gwyn
Abstentions:

8. PUBLIC TESTIMONY FOR FUTURE BUDGET ISSUES
 The Budget Committee has set aside time for public comment to address items not on the agenda. Each individual testifying will be limited to no more than three (3) minutes.
 - a. None

9. ADJOURNMENT
 Comments by: Chair Stapleton, Member Dixon

The meeting was adjourned at 9:03 PM

Respectfully Submitted,

Kelli Blechschmidt
Minutes Recorder

The next meetings related to the FY 2024 budget will occur with the City Council as follows:

- *Monday, June 12, 2023, FY 2024 Budget and State Revenue Sharing Public Hearing*
- *Monday, June 26, 2023, FY 2024 Budget and CIP Adoption*

*Budget staff is available for your convenience to discuss the budget document and process.
Please call the staff listed above or 503-588-6049 if you have any questions.*

The City of Salem budget information can be accessed on the internet at: www.cityofsalem.net/budget

NOTE: Disability-related accommodations, including auxiliary aids or services, in order to participate in this meeting, are available upon request. Sign language and Spanish interpreters are available at the meeting. For languages other than English or other accommodation, contact Kelli Blechschmidt, (503) 588-6049 or kblechschmidt@cityofsalem.net at least 2 business days before this meeting. TTD/TTY telephone (503) 588-6439 is also available 24/7.

The City of Salem values all persons without regard to race, color, religion, national origin, sex, age, marital status, domestic partnership, disability, familial status, sexual orientation, gender identity and source of income.