

A G E N D A



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

DATE:	Wednesday, May 9, 2018	STAFF LIAISON:
TIME:	6:00 PM	Kelley Jacobs, Budget Officer
CHAIRPERSON:	Raquel Moore-Green	503•588•6049
		kjacobs@cityofsalem.net
PLACE:	Salem City Hall	Ryan Zink, Budget Analyst
	Council Chambers	503•588•6258
	555 Liberty Street SE	rzink@cityofsalem.net

1. OPENING EXERCISES – Chairperson Raquel Moore-Green
2. PUBLIC TESTIMONY
 - a. Comment on agenda items other than public hearings and deliberations
3. MINUTES
 - a. Minutes from May 2, 2018 City of Salem and Urban Renewal Agency Budget Committee Meeting
4. ACTION ITEMS
 - a. Errata Sheet 6 – General Fund Working Capital and Revenue (an additions agenda item)
5. INFORMATION ITEMS
 - a. Summary of Budget Committee Actions Through May 2, 2018
 - b. Correspondence from Jim Scheppke regarding Library fees
 - c. Correspondence from Craig Evans and Michael Evans regarding emergency preparedness in West Salem (an additions agenda item)
 - d. Correspondence from Susan Watkins regarding funding for sidewalk replacement and the State Street Corridor (an additions agenda item)
6. PUBLIC HEARINGS
None
7. SPECIAL ORDERS OF BUSINESS
 - a. Service Area Budget Review – Good Governance
 - Overview by Deputy City Manager Kacey Duncan
 - Questions of staff and committee discussion
 - b. Committee Discussion
Presentation by Deputy City Manager Kacey Duncan
 - Opportunity for the Budget Committee to discuss any issues or concerns regarding agenda items or items not on the agenda

- c. Approve FY 2019 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 \$16,264,030.
 - o Discussion and review
 - o Motion to approve City of Salem FY 2019 ad valorem property taxes

- d. Recommend FY 2019 City of Salem Budget
 Staff Report: Recommend FY 2019 City of Salem Budget
 - o Discussion and review
 - o Motion to approve final recommendation of FY 2019 City of Salem Budget

- e. Approve FY 2019 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 Fund Areas as follows:

	<u>Division of Taxes</u>	<u>Special Levy</u>	<u>Estimated Total</u>
1. Riverfront Downtown	100%	Remainder	\$7,213,260
2. North Gateway	100%	\$0	3,231,010
3. West Salem	100%	\$0	1,550,660
4. Mill Creek Industrial Park	100%	\$0	890,430
5. McGilchrist	100%	\$0	848,850
6. South Waterfront	100%	\$0	<u>315,570</u>
Estimated Total:			<u>\$14,049,780</u>

- o Discussion and review
 - o Motion to approve Salem Urban Renewal Agency FY 2019 ad valorem property taxes
- f. Recommend FY 2019 Salem Urban Renewal Agency Budget
 Staff Report: Recommend FY 2019 Salem Urban Renewal Agency Budget
 - o Discussion and review
 - o Motion to approve final recommendation of FY 2019 Salem Urban Renewal Agency Budget

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.

9. ADJOURNMENT

The next meetings related to the FY 2019 budget will occur with the City Council in Council Chambers, 555 Liberty Street SE, Room 240 as follows:

- *Monday, June 11, 2018, FY 2019 Budget Public Hearing*
- *Monday, June 25, 2018, FY 2019 Budget Adoption*

In addition, a special meeting of the Budget Committee to learn more about Priority Based Budgeting will be held on Tuesday, May 15, 2018 at noon in the City Council Chambers.

Budget staff is available for your convenience to discuss the budget document and process. Please call the staff listed above or 503-588-6231 if you have any questions.

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

NOTE: Disability-related accommodations, including auxiliary aids or services, in order to participate in this meeting, are available upon request. Sign language and interpreters for languages other than English are also available upon request. To request such an accommodation or interpretation, contact Kali Leinenbach, (503) 588-6231 or kleinenbach@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.

MINUTES

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



DATE: Wednesday, May 2, 2018
TIME: 6:00 PM
CHAIRPERSON: Raquel Moore-Green
PLACE: Salem City Hall
Council Chambers
555 Liberty Street SE

STAFF LIAISON:
Kelley Jacobs, Budget Officer
503-588-6049
kjacobs@cityofsalem.net
Ryan Zink, Budget Analyst
503-588-6258
rzink@cityofsalem.net

1. OPENING EXERCISES – Chairperson Raquel Moore-Green called the meeting to order at 6:01 p.m.

Members present – Bennett, Kaser, Andersen, Nanke, McCoid, Hoy, Cook, Lewis, Nordyke, Tigan, Mingo, Moore-Green, Bassett, Hazlett, and Bergmann

Members absent – Member Ausec,

2. PUBLIC TESTIMONY
 - a. Comment on agenda items other than public hearings and deliberations

Public Appearance:

Jayne Downing, Center for Hope and Safety

Topic:

Social Services funding

3. MINUTES
 - a. Minutes from April 25, 2018 City of Salem and Urban Renewal Agency Budget Committee Meeting

Motion: Move to approve the meeting minutes from the April 25, 2018 City of Salem Budget Committee and Urban Renewal Agency Budget Committee Meeting.

Motion by: Member Cook
Seconded by: Member Hazlett

Action: Motion passes

Vote:
Aye: Unanimous
Nay:
Abstentions:

4. ACTION ITEMS
 - a. Errata Sheet 2 – Scrivener Corrections
 - b. Errata Sheet 3 – Additional and Increased Capital Improvement Projects
 - c. Errata Sheet 4 – Equipment Replacement Reserve Revenue
 - d. Errata Sheet 5 – Convention Center Transfer of Program Income

Motion: Move to approve staff recommendation for Errata Sheets 2 through 5, with the amendment to Errata sheet 5.

Motion by: Member Nanke
Seconded by: Member McCoid

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

5. INFORMATION ITEMS

- a. Summary of Budget Committee Actions Through April 25, 2018
- b. Correspondence from Chris Gower regarding funding for sidewalk replacement
- c. Correspondence from Lynnette Yoder regarding funding for sidewalk replacement
- d. Correspondence from Linda Ames regarding funding for sidewalk replacement
- e. Urban Renewal Agency Tax Increment Revenues
- f. Correspondence from LR Schellin regarding funding for sidewalk replacement
- g. Correspondence from Cindy Kimball regarding funding for sidewalk replacement
- h. Correspondence from Laura Sauter regarding funding for sidewalk replacement
- i. Correspondence from Pamela Ruona regarding funding for sidewalk replacement
- j. Proposal for the Blight to Bright Program
- k. Safety in City Parks, Park Ranger Position Update
- l. Elimination of DVD Rental Charge, Youth Collection Overdue Fines

6. PUBLIC HEARINGS

- a. State Revenue Sharing Funds
Staff Report: Public Hearing on the Proposed Uses of State Revenue Sharing Funds; Kelley Jacobs, Budget Officer

Questions or comments by: Members Hazlett and Tigan

Motion: Move to approve the proposed uses of State Revenue Sharing Funds.

Motion by: Member Andersen
Seconded by: Member Hoy

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

7. SPECIAL ORDERS OF BUSINESS

- a. Urban Renewal Agency Budget – Deputy City Manager Kacey Duncan
 - Overview by Deputy City Manager Kacey Duncan

- b. Service Area Budget Review – Strong and Diverse Economy
- Overview by Deputy City Manager Kacey Duncan
 - Questions of staff and committee discussion (for both the Proposed FY 2019 Urban Renewal Agency Budget and the Strong and Diverse Economy service area)

Questions or comments by: Members Bennett, Cook, Andersen, Bassett, Tigan, McCoid, and Nanke

- c. Service Area Budget Review – Safe Community
- Overview by Deputy City Manager Kacey Duncan
 - Questions of staff and committee discussion

Questions or comments by: Members Bennett, Cook, Nordyke, Hazlett, Lewis, Andersen, Kaser, McCoid, and Bergmann

- d. Committee Discussion
- Opportunity for the Budget Committee to discuss any issues or concerns regarding agenda items or items not on the agenda

Questions or comments by: Members Cook, Hazlett, Tigan, Andersen, Bennett, Nanke, and Kaser

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.

9. ADJOURNMENT

The meeting was adjourned at 7:52 p.m.

Respectfully Submitted,

Kali Leinenbach

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TO: Budget Committee Members

FROM: Steve Powers, City Manager 

SUBJECT: Errata Sheet 6 – General Fund Working Capital and Revenue

ISSUE:

To inform the Budget Committee about errors and corrections, or updated information regarding the Proposed FY 2019 City of Salem Budget.

RECOMMENDATION:

1. Increase *Beginning Working Capital / Account 39910* in the General Fund, cost center, 101-60961000, by \$950,120 to a new total of \$23,719,140.
2. Adjust the below-listed revenue accounts by a total of \$318,880 as follows:
 - a. Increase *Telecommunications Franchise Fee / Account 32120* by \$310,290;
 - b. Decrease *Cable Franchise Fee / Account 32150* by \$117,870; and
 - c. Increase *State Revenue Sharing / Account 35325* by \$126,460.
3. Increase unappropriated ending working capital by \$1,269,000.

SUMMARY AND BACKGROUND:

Errata sheets are used in the budget process to identify and correct errors to the proposed budget or provide updated information. Small errors in formatting, spelling, and grammar may not be included in an errata sheet, but instead will be corrected prior to publication of the adopted budget. When an error or updated information has a budgetary impact or could affect comprehension, an errata sheet is prepared.

FACTS AND FINDINGS:

Recommendation 1:

Throughout the fiscal year, the Budget Office and each City department re-forecasts current year revenues and expenditures. This re-forecasting is performed, reviewed, and evaluated on a regular basis with the exception of the 10-week period when future year budget development activities are most intense. During this period re-forecasting is done more sporadically due to capacity constraints.

Over the past two weeks, the Budget Office has re-forecast FY 2018 estimated results for revenues and expenditures. This analysis has revealed an increase in expenditure savings in the General Fund over the estimate established in January /

February 2018. The increase in savings is largely due to position vacancies.

Expenditure savings equal approximately \$744,220 of the proposed increase to working capital. The balance of the increase, \$205,900, is the result of the re-forecast of General Fund revenues. With this recommendation working capital in the Proposed FY 2019 Budget would be increased to \$23,719,140.

Recommendations 2 and 3:

The analysis and re-forecast of General Fund revenues in the current fiscal year has presented a strong case for increasing revenues in the Proposed FY 2019 Budget. Growth in Telecommunications franchise fees and changes to revenue trends in Cable franchise fees prompts the recommendation to increase the category of franchise fee revenues by \$192,420 to a total of \$18,436,350. The breakdown of changes within the category is as follows:

- Increase *Telecommunications Franchise Fee / Account 32120* by \$310,290
- Decrease *Cable Franchise Fee / Account 32150* by \$117,870

In addition, an increase of \$126,460 is recommended for the revenue, *State Revenue Sharing / Account 35325* to a new total of \$1,776,830. This new total will be included in the second public hearing for State Revenue Sharing, which will be held during the June 11, 2018, City Council meeting.

Finally, the working capital and revenue actions included in Recommendations 1 and 2 require an offset in the General Fund. It is recommended that unappropriated ending working capital be increased by \$1,269,000.


Kelley Jacobs
Budget Officer

FOR BUDGET COMMITTEE MEETING OF: May 9, 2018
AGENDA ITEM NO.: 5.a.

TO: Budget Committee Members

FROM:  for Steve Powers, City Manager

SUBJECT: Summary of Budget Committee Actions Through May 2, 2018

RECOMMENDATION:

Information only.

FACTS AND FINDINGS:

The purpose of this staff report is to provide a summary of the actions of the Budget Committee during the FY 2019 proposed budget review process, which includes weekly meetings from April 25, 2018 through May 9, 2018. The list of potential attachments, which appears below, will form the content of the report.

Attachment 1: Lists actions, deletions, or changes with a budgetary impact made by the Budget Committee.

Attachment 2: Lists information and reports requested by the Budget Committee and the date the reports are scheduled to be presented.

Attachment 3: Lists the correspondence received by the Budget Committee and the meeting it addresses.



Kelley Jacobs
Budget Officer

Additions, Deletions and Changes Approved by the Budget Committee Through May 2, 2018

1. CAPITAL IMPROVEMENTS FUND (255), Errata Sheet 3, City of Salem Budget		
A. Resources - Proposed		\$ 166,995,070
1. Increase - transfer from Utility Fund (310)		950,000
		<u>\$ 167,945,070</u>
B. Expenditures - Proposed		\$ 166,995,070
1. Increase - materials and services for Mill Race Culvert Replacement at FS 1		150,000
2. Increase - materials and services for 12th Street SE Stormwater Improvements		800,000
		<u>\$ 167,945,070</u>
C. Unappropriated Ending Balance - Proposed		\$ -
1. No change		-
		<u>\$ -</u>
2. UTILITY FUND (310), Errata Sheet 3, City of Salem Budget		
A. Resources - Proposed		\$ 152,545,700
1. No change		-
		<u>\$ 152,545,700</u>
B. Expenditures - Proposed		\$ 114,335,280
1. Increase - transfer to Capital Improvements Fund (255)		950,000
		<u>\$ 115,285,280</u>
C. Unappropriated Ending Balance - Proposed		\$ 38,210,420
1. Decrease - for transfer to Capital Improvements Fund (255)		(950,000)
		<u>\$ 37,260,420</u>
3. EQUIPMENT REPLACEMENT RESERVE FUND (388) - Errata Sheet 4, City of Salem Budget		
A. Resources - Proposed		\$ 10,603,780
1. Increase - sale of assets		139,670
		<u>\$ 10,743,450</u>
B. Expenditures - Proposed		10,603,780
1. No change		-
		<u>\$ 10,603,780</u>
C. Unappropriated Ending Balance - Proposed		\$ -
1. Increase - due to additional revenue		139,670
		<u>\$ 139,670</u>

**Additions, Deletions and Changes
Approved by the Budget Committee
Through May 2, 2018**

4. CONVENTION CENTER FUND (345) - Errata Sheet 5, Urban Renewal Agency Budget		
A. Resources - Proposed		\$ 7,083,120
1. Increase - beginning working capital		700,000
		<u>\$ 7,783,120</u>
B. Expenditures - Proposed		7,083,120
1. Increase - transfer expense to the Convention Center Gain / Loss Reserve		700,000
		<u>\$ 7,783,120</u>
C. Unappropriated Ending Balance - Proposed		\$ -
1. No change		-
		<u>\$ -</u>
5. CONVENTION CENTER GAIN / LOSS RESERVE FUND (428) - Errata Sheet 5, Urban Renewal Agency Budget		
A. Resources - Proposed		\$ 5,554,580
1. Increase - transfer revenue from the Convention Center Fund		700,000
		<u>\$ 6,254,580</u>
B. Expenditures - Proposed		825,000
1. No change		-
		<u>\$ 825,000</u>
C. Unappropriated Ending Balance - Proposed		\$ 4,729,580
1. Increase - due to additional revenue		700,000
		<u>\$ 5,429,580</u>

Information and Reports
Requested by the Budget Committee
As of May 2, 2018

	Estimated Agenda Date	Requestor	Department Responsible
1. Blight to Bright initiative	May 2, 2018, received by committee, and May 9, 2018, additional discussion	Member Nordyke	Community Development
2. Urban renewal areas tax increment	May 2, 2018	Member Bassett	Budget Office
3. General Fund working capital re-forecast	May 9, 2018	Member Bennett	Budget Office
4. Library DVD fee elimination Overdue fines data and specifically, children's library fines; Food for Fines	May 2, 2018, received by committee, and May 9, 2018, additional discussion	Member Bennett Member Cook	Community Development
5. Safety in Salem parks	May 2, 2018, received by committee, and May 9, 2018, additional discussion	Member Andersen	Community Development, Police, Public Works

Correspondence Received by the Budget Committee As of May 2, 2018

Subject	From	Agenda
1. Crosswalk enforcement	Alan Scott	April 25, 2018
2. Sidewalk replacement	Tom Wrosch	April 25, 2018
3. Sidewalk replacement	Egon Bodtker	April 25, 2018
4. Park ranger services	Kasia Quillinan	April 25, 2018
5. Sidewalk replacement	Marjorie Laux	April 25, 2018
6. Sidewalk replacement	Jeremy Parker	April 25, 2018
7. Winter-Maple Bicycle and Pedestrian Plan funding	Angela Obery	April 25, 2018
8. Winter-Maple Bicycle and Pedestrian Plan funding	Becky Gilliam	April 25, 2018
9. Sidewalk replacement	Chris Gower	May 2, 2018
10. Sidewalk replacement	Lynnette Yoder	May 2, 2018
11. Sidewalk replacement	Linda Ames	May 2, 2018
12. Sidewalk replacement	LR Schellin	May 2, 2018
13. Sidewalk replacement	Cindy Kimball	May 2, 2018
14. Sidewalk replacement	Laura Sauter	May 2, 2018
15. Sidewalk replacement	Pamela Ruona	May 2, 2018

Kali Leinenbach

From: Jim Scheppke <jscheppke@comcast.net>

Date: 5/2/18 1:25 PM (GMT-08:00)

To: Scott Bassett <bassettpost@gmail.com>, Joyce Judy <pacajoyce@sbcglobal.net>, Vanessa Nordyke <vannanordyke@yahoo.com>

Subject: Why the Library DVD Fee Needs to Go

Scott, Joyce and Vanessa:

As members of the City Budget Committee, I wanted to share with you my opinion about why charging \$1 for DVDs at the Salem Public Library no longer makes sense.

In the past year the Library has installed a new self-service check-out system that uses RFID technology. It really works great, and as a result, most people are using it. The physical layout of the circulation desk is not ideal for it, and if that were changed even more people would opt for the self-check stations. Hopefully when the library is renovated in a few years this problem can be fixed.

But in the meantime people who want to take home a DVD cannot use the self-check stations because they have to pay a library staff person \$1 for the privilege. This means that more staff have to be at the circulation desk than might otherwise be the case. I usually see two staff. I think it is possible that most times there could be only one staff person at the circulation desk if the library was not charging for DVDs.

Our library is terribly understaffed. That's why, for example, there are no children's programs at the West Salem Branch. If staff did not have to collect DVD fees, staff could be redeployed to do more useful work.

This situation is equivalent to a bank that charged \$1 to deposit a check, thus forcing ATM users to go to a teller. That would be dumb.

The Library should be striving for near 100% use of the RFID self-check stations as an efficiency measure, but the DVD fees are a barrier to achieving this outcome.

Thanks for your service, and thanks for listening! ;-)

Jim

Jim Scheppke
jscheppke@comcast.net
503-269-1559

Kali Leinenbach

From: Craig Evans <craig@crowrealestategroup.com>
Sent: Friday, May 04, 2018 4:13 PM
To: budgetoffice; Steve Powers; citycouncil; recorder@cityofsalem.net
Cc: Jim Allhiser
Subject: WSNA - SEMP Concerns - Budget Issues
Attachments: WSNA SEMP Concerns letter.docx

Dear All,

Please review the attached document. WSNA believes that funding for mitigation to address these issues must be included in the 2019 budget.

Sincerely,

Craig Evans
WSNA Disaster Preparedness Committee member



2018-05-03

Dear Salem City Council, Budget Committee & Salem City Manager:

On February 19, 2018 Salem's Emergency Manager Roger Stevens attended the WSNA general meeting to discuss CERT training and emergency preparedness issues. During his presentation he stated that when the Cascadia earthquake happens, "the bridges will all be down and west Salem will be on its own for at least two weeks and probably much longer."

WSNA members found this revelation to be disturbing and decided to hold a special meeting to discuss our communities concerns. The result of the March 12, 2018 special meeting was the adoption of the following motion:

WSNA leadership present the need to provide emergency mitigation, response, and recovery for West Salem in anticipation of bridge failures resulting from an earthquake or other catastrophic event, as soon as possible, to Salem City Council and request that they:

- Allocate funding in the 2019 budget to provide emergency management capacity in west Salem as described in the SEMP including but not limited to; Access to trauma facility, Public works equipment and personnel, Police, Hazmat response, Coroner, Helipads, Water, Heavy equipment for "digging out."
- Amend the SEMP in collaboration with WSNA and local stakeholders to accurately reflect known risks including bridge failure.
- Work with WSNA to devise effective plans to mitigate these risks, and make response and recovery possible after a Cascadia event.

On behalf of the WSNA, I am bringing this to your attention and ask that you include funding in this year's budget to address these issues.

Sincerely,

Michael Evans
Chair, WSNA Disaster Preparedness Committee

Kali Leinenbach

From: susanwat@peak.org
Sent: Tuesday, May 01, 2018 2:19 PM
To: budgetoffice
Subject: sidewalks

I read Capi Lynn's article in the Statesman Journal regarding sidewalk repair in Salem. By the time I got to the end of the article, I was very unimpressed and disgusted. The city repairs one mile of sidewalk per year? That's all? And then that repair is on Sunnyside? No wonder no progress is being made. There should be ten miles of repair per year starting with Salem's oldest neighborhood, then the second oldest, etc. The situation is so bad that now some of the streets are starting to buckle. I don't understand why this not a top priority. Instead the city is spending beaucoup money and time on State St. which is not needed and not wanted by the State St. neighborhood. The reduction of State St. to one lane of traffic will cause a major backup of traffic in and out of the city during peak travel times.

For the Budget Committee Meeting of: May 9, 2018
Agenda Item No.: 7.c.

TO: Budget Committee Members

FROM: *for Nancy Duncan*
Steve Powers, City Manager

SUBJECT: Approval of Ad Valorem Property Taxes – City of Salem

ISSUE:

Should the Budget Committee approve the ad valorem property taxes for all City of Salem funds for FY 2019?

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 \$16,264,030.

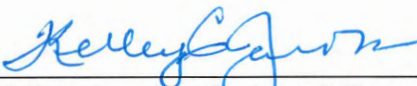
SUMMARY AND BACKGROUND:

Oregon Local Budget Law requires the Budget Committee to separately specify the ad valorem property taxes for all City of Salem General and Debt Service funds. The City Council can reduce but cannot increase the amount of property taxes approved by the Budget Committee.

FACTS AND FINDINGS:

The Budget Committee is being asked to separately specify the forthcoming fiscal year's ad valorem property taxes for all funds. In this case, the Budget Committee will be considering the establishment and approval of the amount and / or rate of property taxes to be imposed for FY 2019 for both the General Fund and the General Obligation Debt Fund.

The recommended levies are consistent with the General Fund and General Debt Fund budgets reviewed by the Budget Committee at previous meetings. Staff recommends that the Budget Committee approve the City of Salem permanent tax rate of \$5.8315 for the General Fund and the General Obligation bond debt levy of \$16,264,030.


Kelley Jacobs, Budget Officer

For the Budget Committee Meeting of: May 9, 2018
Agenda Item No.: 7.d.

TO: Budget Committee Members

FROM:  Steve Powers, City Manager

SUBJECT: Recommend FY 2019 City of Salem Budget

ISSUE:

Should the Budget Committee recommend the FY 2019 City of Salem Budget as it is represented in Table 1 of this report?

RECOMMENDATION:

Approve and recommend to the City Council the FY 2019 City of Salem Budget as it is represented in Table 1 of this report.

SUMMARY AND BACKGROUND:

Oregon Local Budget Law provides for the Budget Committee to review, discuss, and possibly make changes to the City Manager's proposed budget. Upon completion of the Budget Committee's deliberations, the committee approves the budget and provides a recommendation to the City Council.

FACTS AND FINDINGS:

Table 1 on page two of this report is the proposed FY 2019 budget presented to the Budget Committee for its consideration on April 25, 2018 with the addition of appropriation in the Capital Improvements Fund, Utility Fund, and Equipment Replacement Reserve described in Errata Sheet 3 and Errata Sheet 4 as approved by the Budget Committee.

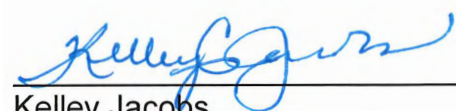
The FY 2019 budget represented in Table 1 is a balanced budget for the City of Salem. For each City of Salem fund, the table provides total resources detailed as beginning working capital (beginning balance) and revenues, and total requirements detailed as expenditures and unappropriated ending fund balance. For the purposes of recommendation to the City Council, the budget is presented at the fund-level. The six service areas defined in the Proposed FY 2019 City of Salem Budget are included within the fund appropriations.

Table 1 does not include any potential changes to the budget that may be approved by the Budget Committee during its final FY 2019 review meeting on May 9, 2018.

Table 1 – Proposed FY 2019 City of Salem Budget, including Errata Sheet 3 and Errata Sheet 4 changes.

Table 1
 City of Salem Budget
 Summary of Resources and Requirements
 All Funds
 FY 2019

Fund No.	Fund Name	Beginning			Unappropriated
		Balance	Revenues	Expenditures	Ending Balance
101	General	\$ 22,769,020	\$ 123,958,450	\$ 134,026,760	\$ 12,700,710
155	Transportation Services	2,929,500	15,109,900	17,636,780	402,620
156	Streetlight	753,900	1,859,000	1,862,320	750,580
160	Airport	1,073,710	1,178,250	2,251,960	-
165	Community Renewal	-	4,584,060	4,584,060	-
170	Downtown Parking	332,900	1,114,810	1,447,710	-
175	Cultural and Tourism	662,000	4,465,400	4,671,770	455,630
176	Public Art	48,600	30,480	79,080	-
180	Leasehold	757,990	537,570	1,295,560	-
185	Building and Safety	7,387,490	5,028,500	5,398,440	7,017,550
210	General Debt Service	544,710	20,890,420	20,542,710	892,420
255	Capital Improvements	120,119,640	47,825,430	167,945,070	-
260	Extra Capacity Facilities	22,873,650	9,989,930	32,863,580	-
275	Development District	3,569,670	3,487,970	7,057,640	-
310	Utility	48,860,400	103,685,300	115,285,280	37,260,420
320	Emergency Services	2,965,870	810,460	851,800	2,924,530
330	Willamette Valley Comm. Center	1,142,920	11,084,590	11,459,010	768,500
335	Police Regional Records System	1,216,990	408,670	1,398,630	227,030
355	City Services	5,593,040	10,447,150	11,369,150	4,671,040
365	Self Insurance	16,111,080	27,252,220	43,363,300	-
388	Equipment Replacement Reserve	6,424,510	4,318,940	10,603,780	139,670
400	Trust	7,057,380	2,080,450	2,584,440	6,553,390
Total		\$ 273,194,970	\$ 400,147,950	\$ 598,578,830	\$ 74,764,090



Kelley Jacobs
 Budget Officer

For the Budget Committee Meeting of: May 9, 2018
Agenda Item No.: 7.e.

TO: Budget Committee Members

FROM:  Steve Powers, City Manager

SUBJECT: Approval of Ad Valorem Property Taxes – Salem Urban Renewal Agency

ISSUE:

Should the Budget Committee approve the ad valorem property tax levies for all Salem Urban Renewal Agency funds for FY 2019?

RECOMMENDATION:

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 Fund Areas as follows:

	<u>Division of Taxes</u>	<u>Special Levy</u>	<u>Estimated Total</u>
1. Riverfront Downtown	100%	Remainder	\$7,213,260
2. North Gateway	100%	\$0	3,231,010
3. West Salem	100%	\$0	1,550,660
4. Mill Creek Industrial Park	100%	\$0	890,430
5. McGilchrist	100%	\$0	848,850
6. South Waterfront	100%	\$0	315,570
Estimated Total:			<u>\$14,049,780</u>

SUMMARY AND BACKGROUND:

Oregon Local Budget Law requires the Budget Committee to separately specify the ad valorem property taxes for the Urban Renewal Agency of the City of Salem. The Agency Board of Directors can reduce but cannot increase the amount of property taxes approved by the Budget Committee.

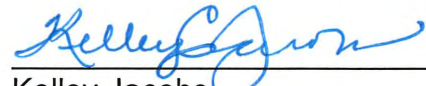
FACTS AND FINDINGS:

The Budget Committee is being asked to establish and approve the property tax levies to be imposed for FY 2019 for the Salem Urban Renewal Agency funds. These recommended levies are consistent with the urban renewal budgets presented at the May 2, 2018 Budget Committee meeting.

Staff recommends that the Budget Committee approve the Salem Urban Renewal Agency

estimated ad valorem property taxes. The estimated levy amounts are shown below. For the Riverfront Downtown Urban Renewal Area, the property tax levy includes 100 percent of the Division of Taxes Levy, and the Special Levy. The North Gateway, West Salem, Mill Creek Industrial, McGilchrist, and South Waterfront areas are eligible for only the Division of Taxes Levy.

	<u>Estimated Division of Taxes</u>	<u>Estimated Special Levy</u>	<u>Estimated Total</u>
1. Riverfront Downtown	\$4,277,930	\$2,935,330	\$7,213,260
2. North Gateway	3,231,010	0	3,231,010
3. West Salem	1,550,660	0	1,550,660
4. Mill Creek Industrial Park	890,430	0	890,430
5. McGilchrist	848,850	0	848,850
6. South Waterfront	315,570	0	315,570
Estimated Total:			<u>\$14,049,780</u>



Kelley Jacobs
Budget Officer

For the Budget Committee Meeting of: May 9, 2018
Agenda Item No.: 7.f.

TO: Budget Committee Members

FROM:  Steve Powers, City Manager

SUBJECT: Recommend FY 2019 Salem Urban Renewal Agency Budget

ISSUE:

Should the Budget Committee recommend the FY 2019 Salem Urban Renewal Agency Budget as it is represented in Table 1 of this report?

RECOMMENDATION:

Approve and recommend to the Urban Renewal Agency Board the FY 2019 Salem Urban Renewal Agency Budget as it is represented in Table 1 of this report.

SUMMARY AND BACKGROUND:

Oregon Local Budget Law provides for the Budget Committee to review, discuss, and possibly make changes to the Urban Renewal Agency Executive Director's proposed budget. Upon completion of the Budget Committee's deliberations, the committee approves the budget and provides a recommendation to the Urban Renewal Agency Board.

FACTS AND FINDINGS:

Table 1 on page two of this report is the proposed FY 2019 budget presented to the Budget Committee for its consideration on May 2, 2018 with additional appropriation in the Salem Convention Center Fund and the Convention Center Gain / Loss Reserve Fund described in Errata Sheet 5 as approved by the Budget Committee.

The FY 2019 budget represented in Table 1 is a balanced budget for the Salem Urban Renewal Agency. For each Salem Urban Renewal Agency fund, the table provides total resources detailed as beginning working capital (beginning balance) and revenues, and total requirements detailed as expenditures and unappropriated ending fund balance.

Table 1 does not include any potential changes to the budget that may be approved by the Budget Committee during its final FY 2019 review meeting on May 9, 2018.

Table 1 – Proposed FY 2019 Salem Urban Renewal Agency Budget

Table 1
 Urban Renewal Agency Budget Summaries
 Summary of Resources and Requirements

All Funds
 FY2019

Fund No.	Fund Name	Beginning Balance	Revenues	Expenditures	Ending Balance
220	Debt Service*	\$ 7,773,830	\$ 14,013,330	\$ 17,782,780	\$ 4,004,380
265	Capital Improvements**	33,108,780	22,081,650	55,190,430	-
345	Salem Convention Center	806,450	6,976,670	7,783,120	-
428	Convention Center Gain / Loss Reserve	4,704,580	1,550,000	825,000	5,429,580
TOTAL		\$ 46,393,640	\$ 44,621,650	\$ 81,581,330	\$ 9,433,960

* Also known as Tax Allocation Bond Debt Fund

** Also known as Tax Allocation Improvement Fund

Kelley Jacobs
 Budget Officer