

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 10, 2023	STAFF LIAISON:
TIME:	6:00 PM	Josh Eggleston, Chief Financial Officer
CHAIRPERSON:	Virginia Stapleton	503-588-6130
		jeggleston@cityofsalem.net
PLACE:	Hybrid	Kali Leinenbach, Budget Manager
	Chambers & Youtube	503-588-6231
		kleinenbach@cityofsalem.net

To sign up to provide virtual testimony to the Budget Committee, please visit the link below. Registration is open between 8:00 AM and 2:00 PM on the day of the meeting.

<https://www.cityofsalem.net/Pages/Public-Comment-at-Salem-City-Council-Meeting.aspx>

1. OPENING EXERCISES – Chairperson Virginia Stapleton
2. PUBLIC TESTIMONY
Comment on agenda items other than public hearings and deliberations
3. MINUTES
 - a. Minutes from May 3, 2023 City of Salem and Urban Renewal Agency Budget Committee Meeting
4. ACTION ITEMS
 - a. Errata 6 – General Fund Revenue (Fire Department) and Emergency Medical Services Fund (Fire Department)
5. INFORMATION ITEMS
 - a. Staff Report: Summary of Budget Committee Actions Through May 3, 2023
 - b. Staff Report: Responses to Committee Member Questions
6. PUBLIC HEARINGS
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

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

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

d. Recommend FY 2024 City of Salem Budget

Staff Report: Recommend FY 2024 City of Salem Budget

Good Governance

- Expenditures: \$125,679,450
- Discussion
- Motion to approve final recommendation of the City of Salem FY 2024 Good Governance Result Area Budget

Natural Environment Stewardship

- Expenditures: \$24,907,100
- Discussion

- Motion to approve final recommendation of the FY 2024 City of Salem Natural Environment Stewardship Result Area Budget

Safe and Healthy Community

- Expenditures: \$158,265,160
- Discussion
- Motion to approve final recommendation of the FY 2024 City of Salem Safe and Healthy Community Result Area Budget

Safe, Reliable, and Efficient Infrastructure and Capital Improvements

- Expenditures: \$154,493,530 for the result area and \$224,409,700 for capital improvement projects
- Discussion
- Motion to approve final recommendation of the FY 2024 City of Salem Safe, Reliable, and Efficient Infrastructure Result Area and Capital Improvements Budgets

Strong and Diverse Economy

- Expenditures: \$14,356,140
- Discussion
- Motion to approve final recommendation of the FY 2024 City of Salem Strong and Diverse Economy Result Area Budget

Welcoming and Livable Community

- Expenditures: \$51,862,230
- Discussion
- Motion to approve final recommendation of the FY 2024 City of Salem Welcoming and Livable Community Result Area 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 2024 budget will occur as follows:

- *Wednesday, May 17, 2023, FY 2024 City and URA Budget Recommendation (if needed) - Budget Cmte*
- *Monday, June 12, 2023, FY 2024 Budget and State Revenue Sharing Public Hearings- City Council*
- *Monday, June 26, 2023, FY 2024 Budget and CIP Adoption - City Council*

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/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 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.

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MINUTES



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

DATE: Wednesday, May 3, 2023
TIME: 6:00 PM
CHAIRPERSON: Virginia Stapleton
PLACE: Hybrid
Chambers & Youtube

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

1. OPENING EXERCISES – Chairperson Stapleton called the meeting to order at 6:00pm

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

Members absent: Milton

Pledge of Allegiance by: All

Vice-chair Brown informed the Committee about the additions agenda submitted which included three staff reports and four pieces of written testimony.

Motion: Move to approve the additions agenda of May 3, 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
 - a. Correspondence from James Aiken regarding the Proposed FY 2024 Budget
 - b. Correspondence from Steven Bergmann regarding an internal auditor
 - c. Correspondence from Matt Hale regarding the Proposed FY 2024 budget
 - d. Correspondence from Sheronne Blasi regarding an internal auditor
3. MINUTES
 - a. Minutes from April 26, 2023 City of Salem and Urban Renewal Agency Budget Committee Meeting

Motion: Move to approve the meeting minutes from the April 26, 2023 City of Salem Budget Committee and Urban Renewal Agency Budget Committee Meeting.

Motion by: Vice-chair Brown
Seconded by: Member C. Hoy

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

4. ACTION ITEMS

- a. Errata 4 – Safe and Healthy Community Position Allocations, pgs. 112 and 118
- b. Errata 5 – Airport Fund Summary, pg. 266

Motion: Move to approve Errata Sheets 4 and 5 as recommended by Staff

Motion by: Vice-chair Brown
Seconded by: Member C. Hoy

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

Chair Stapleton requested a reordering of events for Public Hearings to be conducted before Information Items.

6. PUBLIC HEARINGS

- a. Continuation of the Proposed Capital Improvements Plan Public Hearing
 - Member Nordyke declared a potential conflict of interest
 - Comments by Chair Stapleton
 - Closing of the Public Hearing by Chair Stapleton

Motion: Move to recommend the proposed FY 2024 through FY 2028 Capital Improvements Plan to the City Council for adoption.

Motion by: Vice-chair Brown
Seconded by: Member C. Hoy

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

- b. State Revenue Sharing Funds
Staff Report: Public Hearing on the Proposed Uses of State Revenue Sharing Funds; Josh Eggleston, Chief Financial Officer

- Chair Stapleton opened the Public Hearing
- Presentation by Josh Eggleston, Chief Financial Officer
- Chair Stapleton closed the Public Hearing

Questions or comments by: Members Tigan and Shirack

Answers or explanations by: Josh Eggleston, Chief Financial Officer

Motion: Move to recommend the proposed uses of State Revenue Sharing funds to the City Council.

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 April 26, 2023
- b. Staff Report: Additional Responses to Committee Member Questions
- c. Memo: from City Manager Stahley regarding the General Fund Budget
- d. Staff Report: Additional Responses to Committee Member Questions
- e. Staff Report: Balancing Act Update

Discussion of item 5.c. lead by City Manager Stahley. Presentation by City Manager Stahley, Deputy City Manager Krishna Namburi, Chief Financial Officer Josh Eggleston, Fire Chief Niblock and Police Chief of information items provided to the Budget Committee by Chief Financial Officer Eggleston.

Questions or comments by: Chair Stapleton, Members Nishioka, Curtis, Vice-chair Brown, J. Hoy, Phillips, Nordyke, Cohen, Varney, C. Hoy

Answers or explanations by: City Manager Stahley, Deputy City Manager Namburi, Fire Chief Niblock, Police Chief Womack

Member C. Hoy requested a 10-minute recess. Meeting resumed at 7:56PM.

7. SPECIAL ORDERS OF BUSINESS

- a. Result Area Budget Review – Good Governance, pages 43-76
 - Overview by Chief Finance Officer Josh Eggleston
 - Discussion and review

Questions or comments by: Members Phillips, Curtis and Chair Stapleton
Answers or explanations by: Chief Financial Officer Josh Eggleston, City Manager Stahley

- b. Result Area Budget Review – Safe and Healthy Community, pages 97-124
- Overview by Budget Manager Kali Leinenbach
 - Discussion and review

Questions or comments by: Members Allen, Phillips, Cohen, Tigan, J. Hoy, Chair Stapleton, Vice-chair Brown, Nordyke, Nishioka

Answers or explanations by: Budget Manager Kali Leinenbach, Chief Financial Officer Josh Eggleston, Police Chief Womack, Deputy City Manager Namburi, Fire Chief Niblock, City Manager Stahley

c. Committee Discussion

Questions or comments by: Members Allen, Nordyke, Shirack, Phillips, Dixon, Tigan

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

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

The meeting was adjourned at 9:20 PM

Respectfully Submitted,

Kelli Blechschmidt
Minutes Recorder

The next Budget Committee meeting will be Wednesday, May 10, 2023 at 6:00 pm. The following budgets are scheduled to be reviewed and actions to be taken:

- *Approval of Tax Levy*
- *Recommendation of Proposed FY 2024 City of Salem Budget and Proposed FY 2024 Urban Renewal Agency Budget*

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.

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TO: Budget Committee
THROUGH: Keith Stahley, City Manager
FROM: Josh Eggleston, Chief Financial Officer
SUBJECT: Errata Sheet 6 – General Fund Revenue (Fire Department) and Emergency Medical Services (Fire Department).

ISSUE:

To inform the Budget Committee about errors and corrections, or updated information regarding the Proposed FY 2024 City of Salem Budget

RECOMMENDATION:

1. Accept a decrease to General Fund revenue for the Fire Department as shown on pages 327-328, 333 and various summaries. There is a budgetary impact from this change.
2. Accept an increase to revenues and expenses in the Emergency Medical Services Fund and an increase to revenue in the General Fund as shown on pages 113-114, 314-317, 333-334 and various summaries. There is a budgetary impact from this change.

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:

During the review process of the budget book, Budget Committee members and Fire staff found that the Fire Safety Permits revenue was entered twice. This correction decreases fire safety permit revenue in the General Fund by \$1,154,610. This change will impact General Fund Summary in addition to all the other fund summaries. Double entry also occurred in the Emergency Medical Services (EMS) Fund for ambulance service revenue.

The City has been staffing a city medic unit to supplement ambulance service provision in the City. When the FY 2024 budget was developed, the plan was to cease operations in FY 2023, which happened for less than a month before the medic unit was needed to provide service again. This correction adds budget authority in revenues and expenses

in the EMS fund to cover a full year of city medic operations if it remains necessary. Also included is additional General Fund transfer revenue to reflect a reimbursement from the EMS fund for staffing costs associated with the City medic unit. \$150,000 was added for a study to determine the best course of action for and the City's role in ambulance service provision in the future. The overall expenditure increase from this action is \$4,358,000.

Below are details of the changes included in this errata by fund and account.

General Fund

Revenue Account	FY 2024 Proposed Budget	Errata 6 Change	New Account Total
Fire Safety Permits	2,184,770	(1,154,610)	1,030,160
Interfund Transfers	2,774,060	1,500,000	4,274,060
Net change General Fund Revenue		345,390	

Emergency Medical Services Fund

Revenue Account	FY 2024 Proposed Budget	Errata 6 Change	New Account Total
Ambulance Service	742,500	3,635,500	4,378,000
Increase EMS Fund Revenue		3,635,500	

Expense Account	FY 2024 Proposed Budget	Errata 6 Change	New Account Total
Other Professional Services	10,000	150,000	160,000
Bad Debt - Write Off	50,000	100,000	150,000
Bad Debt - Medicare Write Off	115,000	1,200,000	1,315,000
Bad Debt - Medicaid Write Off	100,000	1,400,000	1,500,000
Bad Debt - Ambulance Subscription Write Off	2,000	8,000	10,000
Interfund Transfers	75,000	1,500,000	1,575,000
Increase EMS Fund Expenses		4,358,000	

Kelli Blechschmidt
Management Analyst I

Attachments:

1. Errata 6 replacement pages

City of Salem Budget
General Fund Assumptions and Trends
FY 2024

Category	Account	Description	Amount	% Chg from FY 2023 B
	32825	Fire Safety: permits issued by the Salem Fire Department to businesses containing extra hazardous uses as required by the Uniform Fire Code, estimating flat revenue over the FY 2023 Budget.	\$ 1,030,160	0.0%
	32830	Automation Surcharge: assessed on each building, public works, and parking permit for the purpose of offsetting the annual maintenance cost of software supporting permit issuance, estimating a 0.6% increase over the FY 2023 Budget.	\$ 96,030	0.6%
	32855	Sign Permits: revenue collected to cover the costs for approving, issuing, and inspecting all business signs to ensure safe installation and maintenance of signs, estimating a 22% increase over the FY 2023 Budget.	\$ 285,470	22.0%
Rents				
	34110	Land / Building: payments the City receives for rental of City-owned property. Most revenues are the result of Center 50+, Salem Public Library, and the Riverfront Park boat dock facility rentals, estimating a 10.3% decrease from the FY 2023 Budget.	\$ 69,420	-10.3%
	34132 34134	Parking Rent: collections from employee and monthly permit holder parking fees for their use of a parking space at the Civic Center, Library, and Pringle parking structures. Estimating a 1% increase over the FY 2023 Budget.	\$ 153,600	1.0%
	34146	Parking Carpool: revenue represents collection of fees derived from carpool parking permits in and around downtown Salem, estimating no change from the FY 2023 Budget.	\$ 92,100	0.0%
	34148	Parking Meters: Salem has coin-operated parking meters, electronic meters, or electronic pay stations located in four parking structures as well as the library, the downtown perimeter, and State Capitol area, estimating a 0.3% increase over the FY 2023 Budget.	\$ 796,500	0.3%
Internal Charges				
	35130	Support Services Charge (Indirect Cost Allocation or Allocated Overhead): includes funds received through use of the indirect cost allocation plan. This plan, updated annually, accounts for the value of services provided by General Fund departments in support of all other City funds, is estimating a 25.7% increase over the FY 2023 Budget.	\$ 11,318,100	25.7%
	35212	Intrafund - Direct Charge: generated when one department and / or fund performs work for another City department and / or fund. In particular, these revenues are captured when General Fund employees perform salaried work for other funds. For example, much of the work performed by the Urban Development Department for the Urban Renewal Agency is reimbursed through this labor charge. Estimating an increase of 34.7% over the FY 2023 Budget.	\$ 3,936,210	34.7%

City of Salem Budget
General Fund Assumptions and Trends
FY 2024

Category	Account	Description	Amount	% Chg from FY 2023 B
	35213	Intrafund - Budgeted Transfers: revenues received as budgeted and generally will bring in exactly the amount planned. One twelfth of the budget amount is recorded each month. Within the General Fund, these monies are received due to assessment of General Fund department administrative overhead charges reallocated to the particular funds for which the General Fund provides oversight.	\$ 4,028,350	28.7%
	35215	Intrafund - Interdepartmental Reimbursements: charges occur after all General Fund costs for a project are accumulated then assessed or "billed" to the benefiting department.	\$ 266,270	-88.0%
	39110	Interfund Transfers: accounts for financial activity between two funds.	\$ 4,274,060	3.6%
State Shared Revenue				
	35315	Alcoholic Beverage: Each month Oregon cities receive 20 percent of the net proceeds from the Oregon Liquor Control Commission's (OLCC) sale of alcoholic beverages. These funds are distributed based on population, estimating an increase of 4.2% over the FY 2023 Budget.	\$ 3,544,710	4.2%
	35320	Cigarette Tax: Cigarette taxes are received by cities based on population through the state imposed tax on cigarette sales, estimating a 4.6% increase over the FY 2023 Budget.	\$ 136,720	4.6%
	35325	State Revenue Sharing: Each quarter, cities receive 14 percent of the total receipts collected by the OLCC on the sale of alcoholic beverages. Again, these revenues are allocated to cities based on population with an adjustment for local taxing effort. Estimating a decrease of 0.4% from the FY 2023 Budget.	\$ 2,374,380	-0.4%

City of Salem Budget
General Fund
FY 2024

General Fund Resources






Account	Description	Budget FY 2021	Actual FY 2021	Budget FY 2022	Actual FY 2022	Budget FY 2023	Mgr Rec FY 2024	BC Rec FY 2024	Adopted FY 2024	Difference from FY 2023	% Chg Difference
32810	APARTMENT LICENSES	382,380	379,261	375,100	398,922	400,940	407,990	407,990		7,050	1.8%
32825	FIRE SAFETY PERMITS	1,031,070	850,577	1,031,070	1,040,252	1,030,140	2,184,770	1,030,160		20	0.0%
32830	AUTOMATION SURCHARGE	101,010	94,348	95,500	94,187	95,500	96,030	96,030		530	0.6%
32835	BUILDING PERMITS	147,030	62,965	210,260	195,250	214,600	330,490	330,490		115,890	54.0%
32855	SIGNS PERMITS	213,140	169,014	204,850	290,277	234,010	285,470	285,470		51,460	22.0%
32895	OTHER PERMITS	1,030	565	14,950	481	15,020	15,090	15,090		70	0.5%
	Total Sales, Fees, Licenses, and Permits	\$ 14,332,240	\$ 12,713,721	\$ 13,885,440	\$ 15,216,332	\$ 14,916,120	\$ 22,249,610	\$ 21,095,000		\$ 6,178,880	41.4%
33115	ASSESSMENT - INTEREST	\$ 5,200	\$ 1,232	\$ 2,500	\$ -	\$ 1,400	\$ 2,500	\$ 2,500		\$ 1,100	78.6%
	Total Assessments	\$ 5,200	\$ 1,232	\$ 2,500	\$ -	\$ 1,400	\$ 2,500	\$ 2,500		\$ 1,100	78.6%
34110	LAND / BUILDING RENT	\$ 83,700	\$ 46,426	\$ 81,890	\$ 52,176	\$ 77,370	\$ 69,420	\$ 69,420		\$ (7,950)	-10.3%
34132	PARKING RENT - CIVIC CENTER	50,400	(20)	93,390	29,968	50,180	51,740	51,740		1,560	3.1%
34134	PARKING RENT - PRINGLE CREEK	216,400	91,913	152,750	86,746	101,860	101,860	101,860		-	-
34146	PARKING RENT - CARPOOL	208,560	105,027	166,850	79,717	92,100	92,100	92,100		-	-
34148	PARKING RENT - METERS	1,558,000	289,044	934,300	508,810	794,170	796,500	796,500		2,330	0.3%
34295	PARKING RENT - OTHER	80,000	6,492	80,000	9,633	30,000	30,000	30,000		-	-
	Total Rents	\$ 2,197,060	\$ 538,882	\$ 1,509,180	\$ 767,050	\$ 1,145,680	\$ 1,141,620	\$ 1,141,620		\$ (4,060)	-0.4%
35130	SUPPORT SERVICES CHARGE (ICAP)	\$ 8,737,020	\$ 8,766,530	\$ 9,251,620	\$ 9,257,130	\$ 9,000,800	\$ 11,318,100	\$ 11,318,100		\$ 2,317,300	25.7%
35212	INTRAFUND - DIRECT CHG (LABOR)	2,591,100	2,008,280	2,837,350	2,186,727	2,923,030	3,936,210	3,936,210		1,013,180	34.7%
35213	INTRAFUND - BUDGETED TRANSFERS	3,662,190	3,536,756	3,383,830	3,442,882	3,130,470	4,028,350	4,028,350		897,880	28.7%
35215	INTRAFUND - INTERDEPARTMENTAL BILLINGS	1,984,630	1,542,578	2,248,310	1,520,131	2,222,630	266,270	266,270		(1,956,360)	-88.0%
	Total Internal Charges	\$ 16,974,940	\$ 15,854,144	\$ 17,721,110	\$ 16,406,870	\$ 17,276,930	\$ 19,548,930	\$ 19,548,930		\$ 2,272,000	13.2%
35315	STATE ALCOHOLIC BEVERAGE	\$ 2,977,260	\$ 3,282,750	\$ 3,363,210	\$ 3,264,119	\$ 3,400,230	\$ 3,544,710	\$ 3,544,710		\$ 144,480	4.2%
35320	STATE CIGARETTE TAX	191,680	161,329	163,920	141,388	130,660	136,720	136,720		6,060	4.6%
35325	STATE REVENUE SHARING	1,974,130	2,217,751	2,267,520	2,186,587	2,382,950	2,374,380	2,374,380		(8,570)	-0.4%
35326	STATE MARIJUANA TAX	806,070	736,227	160,000	313,743	310,000	315,000	315,000		5,000	1.6%
35330	STATE 911	1,144,470	1,178,413	1,477,240	1,531,228	1,487,620	1,619,530	1,619,530		131,910	8.9%
	Total State Shared Revenue	\$ 7,093,610	\$ 7,576,469	\$ 7,431,890	\$ 7,437,065	\$ 7,711,460	\$ 7,990,340	\$ 7,990,340		\$ 278,880	3.6%
35350	CHEMEKETA COMM COLLEGE	\$ 673,670	\$ 683,012	\$ 587,460	\$ 610,629	\$ 463,360	\$ 689,300	\$ 689,300		\$ 225,940	48.8%
35355	HOUSING AUTHORITY	58,500	59,530	50,000	77,428	60,000	60,000	60,000		-	-
35361	STATE REIMBURSEMENT	88,000	561,936	150,000	168,583	450,000	450,000	450,000		-	-
35370	MARION COUNTY	338,300	294,727	323,300	274,503	323,300	275,000	275,000		(48,300)	-14.9%
35375	POLK COUNTY	154,300	154,300	120,000	119,750	-	-	-		-	-
35380	SCHOOL DISTRICT	622,590	-	-	-	-	-	-		-	-
35385	PAYMENT IN LIEU OF TAXES	141,580	99,146	145,120	102,498	146,000	146,000	146,000		-	-
35395	OTHER GOVERNMENT AGENCIES	177,070	177,076	377,070	154,144	150,000	10,000	10,000		(140,000)	-93.3%
35495	OTHER AGENCIES	17,430	13,801	15,980	11,553	17,710	19,000	19,000		1,290	7.3%
	Total Other Agencies	\$ 2,271,440	\$ 2,043,528	\$ 1,768,930	\$ 1,519,089	\$ 1,610,370	\$ 1,649,300	\$ 1,649,300		\$ 38,930	2.4%

City of Salem Budget
General Fund
FY 2024

General Fund Resources

Account	Description	Budget FY 2021	Actual FY 2021	Budget FY 2022	Actual FY 2022	Budget FY 2023	Mgr Rec FY 2024	BC Rec FY 2024	Adopted FY 2024	Difference from FY 2023	% Chg Difference
35510	STATE GRANTS	\$ 242,700	\$ 4,000	\$ 4,750	\$ 816,000	\$ 4,750	\$ -	\$ -		\$ (4,750)	-100.0%
35615	OTHER FEDERAL GRANTS	28,000	-	70,000	-	70,000	86,000	86,000		16,000	22.9%
35518	STATE-PARKS & REC DEPT (OPRD)	-	6,230	-	3,000	-	-	-		-	-
35633	US FEDERAL HIGHWAY TRANSPORTATION	29,000	54,615	29,000	14,465	29,000	29,000	29,000		-	-
35635	US DEPT OF HOMELAND SECURITY	152,300	122,241	171,060	281,170	140,000	145,000	145,000		5,000	3.6%
35640	US DEPT OF JUSTICE (OTHER)	229,820	159,338	150,000	167,770	150,000	150,000	150,000		-	-
35641	US DEPT OF THE TREASURY	-	10,297,893	9,557,330	12,899,619	-	-	-		-	-
35655	OTHER GRANTS	-	-	-	11,595	-	-	-		-	-
	Total Grants	\$ 681,820	\$ 10,644,317	\$ 9,982,140	\$ 14,193,619	\$ 393,750	\$ 410,000	\$ 410,000		\$ 16,250	4.1%
36110	PARKING FINES	\$ 892,860	\$ 502,391	\$ 714,290	\$ 661,772	\$ 714,290	\$ 615,000	\$ 615,000		\$ (99,290)	-13.9%
36115	COURT FINES	1,417,670	1,053,682	1,134,140	981,408	1,020,000	900,000	900,000		(120,000)	-11.8%
36116	PHOTO RED LIGHT FINES	-	-	-	74,675	1,200,000	1,215,000	1,215,000		15,000	1.3%
36117	SPEED ON GREEN FINES	-	-	-	-	540,000	515,000	515,000		(25,000)	-4.6%
36130	CIVIL PENALTIES	35,000	(6,990)	70,000	292,863	70,000	70,000	70,000		-	-
36195	OTHER FINES AND FORFEITS	91,500	82,636	98,900	127,213	103,900	138,900	138,900		35,000	33.7%
36210	INTEREST	615,780	503,134	546,480	374,547	498,500	756,000	756,000		257,500	51.7%
35631	US FEDERAL EMERGENCY MGMT ADMIN (FEM)	-	245	480,000	192,858	1,838,000	-	-		(1,838,000)	-100.0%
36810	BAD DEBT RECOVERY	6,300	2,044	4,500	1,318	4,000	2,500	2,500		(1,500)	-37.5%
36815	WAGE RECOVERY	25,000	72,131	20,000	59,473	50,000	50,000	50,000		-	-
36820	DONATIONS	103,500	67,495	103,500	79,982	80,500	87,500	87,500		7,000	8.7%
36830	CORPORATE CARD REBATE	-	3,891	-	5,587	-	12,000	12,000		12,000	-
36895	OTHER REVENUE	87,800	55,009	74,000	97,036	80,300	75,000	75,000		(5,300)	-6.6%
	Total Other Revenue	\$ 3,275,410	\$ 2,335,669	\$ 3,245,810	\$ 2,948,730	\$ 6,199,490	\$ 4,436,900	\$ 4,436,900		\$ (1,762,590)	-28.4%
38755	SALE OF ASSETS	\$ -	\$ -	\$ -	\$ 497,111	\$ -	\$ -	\$ -		\$ -	-
	Total Sale of Assets	\$ -	\$ -	\$ -	\$ 497,111	\$ -	\$ -	\$ -		\$ -	-
39108	INTERFUND TRANSFERS - TOT	\$ -	\$ -	\$ 120,000	\$ 21,617	\$ -	\$ -	\$ -		\$ -	-
39110	INTERFUND TRANSFERS	1,936,070	1,894,460	7,829,750	3,080,639	4,126,120	2,774,060	4,274,060		147,940	3.6%
	Total Interfund Transfers	\$ 1,936,070	\$ 1,894,460	\$ 7,949,750	\$ 3,102,256	\$ 4,126,120	\$ 2,774,060	\$ 4,274,060		\$ 147,940	3.6%
39910	BEGINNING WORKING CAPITAL	\$ 23,407,760	\$ 24,967,159	\$ 30,893,040	\$ 30,909,507	\$ 42,528,530	\$ 37,515,940	\$ 37,515,940		\$ (5,012,590)	-11.8%
	Total Beginning Balance	\$ 23,407,760	\$ 24,967,159	\$ 30,893,040	\$ 30,909,507	\$ 42,528,530	\$ 37,515,940	\$ 37,515,940		\$ (5,012,590)	-11.8%
	Total Resources	\$ 165,303,810	\$ 173,507,977	\$ 192,174,740	\$ 192,551,549	\$ 198,505,670	\$ 204,956,160	\$ 205,301,550		\$ 6,795,880	3.4%

General Fund Programs and FTE

	FY 2023		FY 2024		Alignment					
	Program Budget	Staff	Program Budget	Staff						
Public Education and Outreach	161,060	0.72	289,760	1.20	Least	✓	✓			✓
Public Information Coordination and Outreach	33,100	0.10	54,090	0.10	Less	✓	✓		✓	✓
Special Use Permits and Inspections	190,260	0.75	257,300	0.90	More	✓	✓	✓	✓	
Special Weapons and Tactics Medics	125,450	0.65	186,880	0.60	Less		✓		✓	✓
State Conflagration Incident Response	307,670	1.47	80,110	0.10	Less	✓	✓		✓	✓
Training and Certifications	362,800	0.85	492,810	1.35	Less	✓	✓			✓
Youth Fire Prevention and Intervention	46,240	0.20	57,370	0.25	Least	✓	✓			✓
Ambulance Transport and On-Scene Patient Treatment Administration	257,560	0.75	255,860	0.60	Less		✓		✓	✓
Water Rescue	89,550	0.40	407,590	1.65	More	✓	✓	✓	✓	✓
Exempt Jurisdiction Compliance and Reporting	202,320	0.84	226,270	0.73	Less		✓	✓	✓	✓
Urban Search and Rescue	175,330	0.45	774,380	3.15	More	✓	✓	✓	✓	✓
Confined Space / Trench Rescue Emergency Response	-	0.00	842,890	3.20	Less		✓	✓		✓
Total General Fund	\$ 43,511,140	180.00	\$ 48,697,150	184.00						

Emergency Services (EMS) Fund Programs and FTE

Career Development and Promotional Processes	-	0.00	32,250	0.00	Less	✓	✓			✓
Contingencies	60,000	0.00	60,000	0.00	Contingencies not scored					
Data Analysis, Reporting, and Records Management	-	0.00	50,930	0.00	Less		✓			✓
Operational and Technology Transfers	28,970	0.00	62,690	0.00	Operating / technology transfers not scored					
Special Weapons and Tactics Medics	5,000	0.00	5,500	0.00	Less		✓		✓	✓
Training and Certifications	-	0.00	44,710	0.00	Less	✓	✓			✓
Ambulance Transport and On-Scene Patient Treatment Administration	1,135,150	2.00	5,727,870	2.00	Less		✓		✓	✓
Total Emergency Services Fund	\$ 1,229,120	2.00	\$ 5,983,950	2.00						

General Fund Programs and FTE

FY 2023		FY 2024	
Program Budget	Staff	Program Budget	Staff

Alignment					
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City Services Fund Programs and FTE

Radio Communications	1,915,340	4.00	1,992,530	4.00	More		✓	✓	✓	✓
Total Radio Communications, City Services Fund	\$ 1,915,340	4.00	\$ 1,992,530	4.00						

Willamette Valley Communication Center (WVCC) Fund Programs and FTE

Capital Improvements Transfer	1,000,000	0.00	425,000	0.00	Capital improvement transfers not scored					
Contingencies	500,000	0.00	500,000	0.00	Contingencies not scored					
Public Safety Call Taking and Dispatch	13,776,460	75.60	15,107,090	78.60	Most	✓	✓	✓	✓	✓
Total WVCC Fund	\$ 15,276,460	75.60	\$ 16,032,090	78.60						

Total Fire Department \$ 61,932,060 261.60 **\$ 72,705,720** 268.60

City of Salem Budget

Emergency Medical Services (EMS) Fund Assumptions and Trends

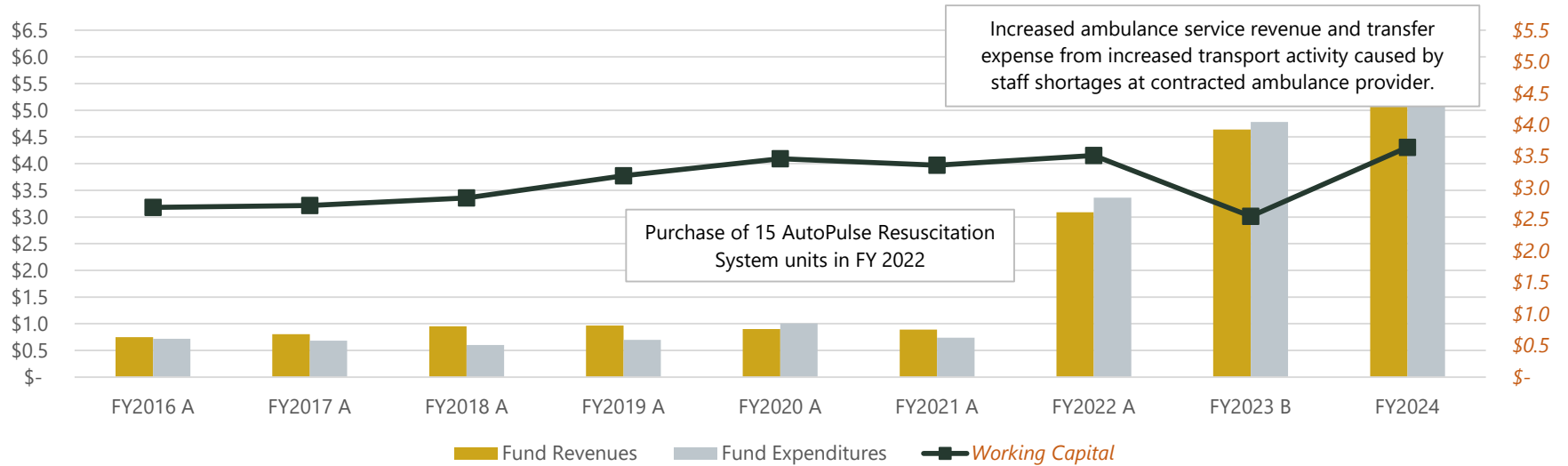
FY 2024

Account	Assumption	Amount	Account	Assumption	Amount
Proceeds from Emergency Medical Services Fund program activities					
32385	Ambulance Service: fees charged for City of Salem ambulance service, estimating a 15.2% increase from the FY 2023 Budget	\$ 4,378,000	32642	Ambulance Subscription Fee: fees charged for Capital FireMed Subscription, estimating 102.0% increase over the FY 2023 Budget	\$ 2,970
32391	Ambulance Contractor Fee: payment from Falck Ambulance NW, the City's ambulance transport service provider, estimating 7.3% increase over the FY 2023 Budget	\$ 676,040			

Not all revenues included on the next page are highlighted here.
See the result area of *Safe Community* for more information about Emergency Medical Services Fund program expenses.

EMS Fund Revenues, Expenditures, and Working Capital - Multi-Year View

In millions



City of Salem Budget
Emergency Medical Services Fund
FY 2024

EMS Fund Resources

Account	Description	Budget FY 2021	Actual FY 2021	Budget FY 2022	Actual FY 2022	Budget FY 2023	Mgr Rec FY 2024	BC Rec FY 2024	Adopted FY 2024	Difference from FY 2023	% Chg Difference
32385	AMBULANCE SERVICE	\$ 94,770	\$ 148,516	\$ 1,000,000	\$ 2,186,097	\$ 3,800,140	\$ 742,500	\$ 4,378,000		\$ 577,860	15.2%
32386	GEMT SUPPLEMENT	-	-	-	-	-	240,000	240,000		240,000	-
32391	AMBULANCE CONTRACTOR FEE	693,240	630,040	630,040	630,040	630,040	676,040	676,040		46,000	7.3%
32642	AMBULANCE SUBSCRIPTION FEE	2,520	1,828	1,050	144	1,470	2,970	2,970		1,500	102.0%
	Total Sales, Fees, Licenses, Permits	\$ 790,530	\$ 780,384	\$ 1,631,090	\$ 2,816,281	\$ 4,431,650	\$ 1,661,510	\$ 5,297,010		\$ 865,360	19.5%
35212	INTRAFUND - DIRECT CHG (LABOR)	\$ 10,000	\$ 11,990	\$ 10,000	\$ -	\$ 10,000	\$ 10,000	\$ 10,000		\$ -	-
35361	STATE REIMBURSEMENT	-	-	-	1,252	-	-	-		-	-
	Total Internal / Intergovernmental	\$ 10,000	\$ 11,990	\$ 10,000	\$ 1,252	\$ 10,000	\$ 10,000	\$ 10,000		\$ -	-
36195	OTHER FINES AND FORFEITS	\$ 100,000	\$ 42,950	\$ 50,000	\$ 233,700	\$ 120,000	\$ 120,000	\$ 120,000		\$ -	-
36210	INTEREST	80,000	54,132	80,000	36,089	74,160	74,160	74,160		-	-
36810	BAD DEBT RECOVERY	1,000	1,211	1,000	1,321	1,000	1,000	1,000		-	-
36895	OTHER REVENUE	-	15	-	1,000	-	-	-		-	-
39110	INTERFUND TRANSFERS	-	-	350,000	-	-	-	-		-	-
	Total Other Revenue	\$ 181,000	\$ 98,307	\$ 481,000	\$ 272,110	\$ 195,160	\$ 195,160	\$ 195,160		\$ -	-
39910	BEGINNING WORKING CAPITAL	\$ 3,212,990	\$ 3,359,059	\$ 3,262,770	\$ 3,512,086	\$ 2,549,850	\$ 3,644,000	\$ 3,644,000		\$ 1,094,150	42.9%
	Total Beginning Balance	\$ 3,212,990	\$ 3,359,059	\$ 3,262,770	\$ 3,512,086	\$ 2,549,850	\$ 3,644,000	\$ 3,644,000		\$ 1,094,150	42.9%
	Total Resources	\$ 4,194,520	\$ 4,249,740	\$ 5,384,860	\$ 6,601,728	\$ 7,186,660	\$ 5,510,670	\$ 9,146,170		\$ 1,959,510	27.3%

City of Salem Budget
Emergency Medical Services Fund
FY 2024

EMS Fund Expenditures

Account	Description	Budget FY 2021	Actual FY 2021	Budget FY 2022	Actual FY 2022	Budget FY 2023	Mgr Rec FY 2024	BC Rec FY 2024	Adopted FY 2024	Difference from FY 2023	% Chg Difference
51010	SALARY AND WAGES	\$ 220,490	\$ 231,922	\$ 228,670	\$ 211,649	\$ 248,660	\$ 265,640	\$ 265,640		\$ 16,980	6.8%
51025	HOLIDAY - REGULAR	-	-	2,500	-	-	2,500	2,500		2,500	-
51030	OVERTIME	15,000	20,270	20,000	18,479	40,000	40,000	40,000		-	-
51100	INCENTIVES	15,450	19,370	18,000	17,336	18,750	19,060	19,060		310	1.7%
51120	LEAVE PAYOFF	10,000	1,688	1,000	1,455	2,500	2,500	2,500		-	-
51210	FICA AND MEDICARE	19,890	19,118	20,670	18,245	22,200	23,010	23,010		810	3.6%
51221	WORKERS' COMP PREMIUM	-	-	1,250	1,250	1,400	2,940	2,940		1,540	110.0%
51222	WORKERS' COMP STATE ASSMT	60	43	60	37	60	90	90		30	50.0%
51225	PAID FAMILY LEAVE - STATE ASSMT	-	-	1,350	-	1,460	3,110	3,110		1,650	113.0%
51240	EMPLOYER - RETIREMENT PERS	60,870	59,984	62,070	59,718	75,030	79,410	79,410		4,380	5.8%
51243	PERS UNFUNDED LIABILITY	13,140	13,140	13,180	13,180	13,940	15,600	15,600		1,660	11.9%
51245	EMPLOYER - PERS PICKUP	15,660	15,550	16,210	15,092	18,590	19,780	19,780		1,190	6.4%
51246	EMPLR - PERS IAP OPTION	-	4,883	5,380	6,438	9,300	6,590	6,590		(2,710)	-29.1%
51250	INSURANCE - MEDICAL	24,120	38,906	44,460	41,338	56,410	47,330	47,330		(9,080)	-16.1%
51255	INSURANCE - VISION	610	983	1,010	1,011	1,220	1,030	1,030		(190)	-15.6%
51260	INSURANCE - DENTAL	2,050	3,315	3,400	3,399	4,090	3,470	3,470		(620)	-15.2%
51265	INSURANCE - LIFE	200	197	290	164	290	290	290		-	-
51275	OTHER HEALTH BENEFITS	2,160	2,295	2,590	2,384	3,640	3,880	3,880		240	6.6%
51310	PHYSICAL EXAMINATIONS	-	-	400	-	1,200	1,200	1,200		-	-
	Total Personal Services	\$ 399,700	\$ 431,662	\$ 442,490	\$ 411,176	\$ 518,740	\$ 537,430	\$ 537,430		\$ 18,690	3.6%
52110	SUBSCRIPTIONS AND BOOKS	\$ 1,500	\$ 728	\$ 1,500	\$ 676	\$ 1,500	\$ 1,500	\$ 1,500		\$ -	-
52120	MAIL	100	13	100	77	100	100	100		-	-
52130	SUPPLIES	2,000	777	2,000	1,167	2,000	2,500	2,500		500	25.0%
52405	TELEPHONE - OFFICE	2,480	2,467	2,480	2,590	3,660	3,560	3,560		(100)	-2.7%
52410	TELEPHONE - CELLULAR	2,400	1,748	2,400	1,811	2,250	2,320	2,320		70	3.1%
52460	COMMUNICATION - OTHER	13,840	11,847	13,840	12,291	30,340	31,210	31,210		870	2.9%
52510	TRAINING	6,000	-	6,000	-	10,000	10,000	10,000		-	-
52670	OTHER PROFESSIONAL SERVICES	6,000	5,093	5,000	29,090	15,000	10,000	160,000		145,000	966.7%
52710	MEMBERSHIP DUES	50	-	50	-	50	50	50		-	-
52720	LICENSES / CERTIFICATIONS	26,310	23,965	1,100	1,205	26,600	1,100	1,100		(25,500)	-95.9%
52740	PERMITS	-	175	-	88	-	-	-		-	-
52815	CONTROLLED EQUIPMENT	3,000	4,359	140,000	28,570	8,000	37,790	37,790		29,790	372.4%
52820	SMALL EQUIPMENT AND SUPPLIES	57,500	9,412	64,640	23,980	50,750	47,000	47,000		(3,750)	-7.4%
52830	COMPUTER SOFTWARE AND LICENSES	55,580	26,956	56,300	36,560	56,480	58,530	58,530		2,050	3.6%
52910	DIESEL FUEL	560	587	560	4,997	1,000	1,030	1,030		30	3.0%
52930	GASOLINE	2,570	1,406	2,570	2,024	3,550	3,650	3,650		100	2.8%
53211	LIABILITY INSURANCE	4,170	4,170	4,550	4,550	6,190	8,280	8,280		2,090	33.8%
53310	VEHICLE MAINTENANCE	3,600	12,673	4,800	36,453	7,500	8,000	8,000		500	6.7%
53320	EQUIPMENT MAINTENANCE	19,000	81	23,500	9,605	120,230	14,000	14,000		(106,230)	-88.4%
53610	GAS	3,150	4,197	3,100	5,439	4,200	4,320	4,320		120	2.9%
53620	ELECTRIC	5,280	4,319	5,500	4,198	4,500	4,630	4,630		130	2.9%
53650	REFUSE DISPOSAL	-	456	-	864	-	-	-		-	-
53734	SAFETY CLOTHING AND EQUIPMENT	20,000	-	-	101	-	-	-		-	-
53763	MEDICAL - SUPPLIES	35,500	14,396	53,000	97,689	68,000	76,950	76,950		8,950	13.2%
53767	BANKING AND INVESTMENT FEES	-	3,244	-	3,829	-	-	-		-	-

City of Salem Budget
Emergency Medical Services Fund
FY 2024

EMS Fund Expenditures

Account	Description	Budget FY 2021	Actual FY 2021	Budget FY 2022	Actual FY 2022	Budget FY 2023	Mgr Rec FY 2024	BC Rec FY 2024	Adopted FY 2024	Difference from FY 2023	% Chg Difference
53770	BAD DEBT - WRITE OFF	15,000	24,365	15,000	19,763	25,000	50,000	150,000		125,000	500.0%
53771	BAD DEBT - MEDICARE WRITE OFF	28,000	41,875	200,000	410,457	1,200,000	115,000	1,315,000		115,000	9.6%
53772	BAD DEBT - MEDICAID WRITE OFF	28,000	17,523	200,000	338,758	1,100,000	100,000	1,500,000		400,000	36.4%
53773	BAD DEBT - AMBULANCE SUBS. WRITE OFF	2,700	750	2,700	1,776	2,490	2,000	10,000		7,510	301.6%
53776	GEMT PROGRAM	-	-	-	5,732	-	120,000	120,000		120,000	-
53812	INTRA CITY - DIRECT CHG (LABOR)	-	281	-	-	-	-	-		-	-
53830	RADIO	10,800	10,800	10,800	10,800	-	-	-		-	-
53840	MOTOR POOL RENTAL	10,120	10,099	9,660	9,660	20,230	26,330	26,330		6,100	30.2%
53841	EQUIPMENT REPLACEMENT CHARGE	-	-	-	282,000	-	82,000	82,000		82,000	-
53851	COPY	2,000	1,291	2,000	222	1,190	2,000	2,000		810	68.1%
53853	PRINTING	500	-	500	-	500	500	500		-	-
53854	PHOTOCOPIES	1,000	0	1,000	-	100	100	100		-	-
53865	BUILDING SECURITY	-	-	-	-	-	210	210		210	-
53900	COST ALLOCATION PLAN	32,760	32,760	30,850	30,850	28,970	55,180	55,180		26,210	90.5%
	Total Materials and Services	\$ 401,470	\$ 272,813	\$ 865,500	\$ 1,417,873	\$ 2,800,380	\$ 879,840	\$ 3,737,840		\$ 937,460	33.5%
55130	EQUIPMENT AND MACHINERY	\$ -	\$ -	\$ 1,400,000	\$ 866,282	\$ -	\$ 73,680	\$ 73,680		\$ 73,680	-
55150	FLEET REPLACEMENT	50,000	33,179	-	-	-	-	-		-	-
	Total Capital Outlay	\$ 50,000	\$ 33,179	\$ 1,400,000	\$ 866,282	\$ -	\$ 73,680	\$ 73,680		\$ 73,680	-
61110	CONTINGENCIES	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ 60,000	\$ 60,000	\$ 60,000		\$ -	-
	Total Contingencies	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ 60,000	\$ 60,000	\$ 60,000		\$ -	-
62110	INTERFUND TRANSFERS	\$ 150,000	\$ -	\$ 700,000	\$ 666,995	\$ 1,400,000	\$ 75,000	\$ 1,575,000		\$ 175,000	12.5%
	Total Interfund Transfers	\$ 150,000	\$ -	\$ 700,000	\$ 666,995	\$ 1,400,000	\$ 75,000	\$ 1,575,000		\$ 175,000	12.5%
	Total Expenditures	\$ 1,061,170	\$ 737,654	\$ 3,467,990	\$ 3,362,327	\$ 4,779,120	\$ 1,625,950	\$ 5,983,950		\$ 1,204,830	25.2%

TO: Budget Committee Members

THROUGH: Keith Stahley, City Manager

FROM: Josh Eggleston, Chief Financial Officer

SUBJECT: Summary of Budget Committee Actions Through May 3, 2023

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 2024 proposed budget review process, which includes weekly meetings from April 19, 2023 through May 10, 2023. The list of potential attachments, which appears below, will form the content of the report. A notation adjacent to an item on the list indicates its inclusion in the weekly report.

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

Attachment 2: Lists ideas and discussion points to be considered as the Budget Committee deliberates its budget recommendation.

Included Attachment 3: Lists information and reports requested by the Budget Committee and the date the reports are scheduled to be presented.

Attachment 4: Lists additional appropriations for the FY 2024 budget proposed by the Budget Committee, which the committee may wish to consider for inclusion in the balanced budget.

Included Attachment 5: Lists the correspondence received by the Budget Committee and the meeting it addresses.

**Information and Reports
Requested by the Budget Committee
As of May 3, 2023**

		<u>Requested Agenda Date</u>	<u>Response Date</u>	<u>Estimated Agenda Date</u>	<u>Department Responsible</u>
1.	Questions from Member Dixon regarding payroll v. income tax and a forecasting scenario	April 19, 2023	April 21, 2023	April 26, 2023	Finance
2.	Questions from Member Cohen regarding the City Operations Fee and Utility Billing	April 19, 2023	April 21, 2023	April 26, 2023	Finance / Public Works
3.	Questions from Member Allen regarding baseline General Fund budget	April 19, 2023	April 21, 2023	April 26, 2023	Finance
4.	Questions from Member Nordyke regarding a payroll tax and remote work tracking	April 19, 2023	April 21, 2023	April 26, 2023	Finance
5.	Questions from Member Shirack regarding the City's Tree Canopy	April 19, 2023	April 21, 2023	April 26, 2023	Public Works
6.	Questions from Member Cohen regarding Police vacancies	April 19, 2023	April 28, 2023	May 3, 2023	Police
7.	Questions from Member Nordyke regarding a City auditor	April 19, 2023	April 28, 2023	May 3, 2023	Finance/CMO/ Enterprise Svcs
8.	Questions from Member Cohen regarding Police and Fire overtime	April 26, 2023	April 28, 2023	May 3, 2023	Police / Fire
9.	Questions from Member Curtis regarding new positions	April 26, 2023	May 3, 2023	May 3, 2023	Finance
10.	Inquiry about photo red light	April 26, 2023	April 28, 2023	May 3, 2023	Police
11.	Question from Member Dixon regarding City services costs per capita	April 26, 2023	April 28, 2023	May 3, 2023	Finance
12.	Question from Member Dixon regarding tracking of services provided by housing status	April 26, 2023	April 28, 2023	May 3, 2023	Finance
13.	Questions from Member Vieyra-Braendle regarding police positions, vacancies and costs	May 3, 2023	May 3, 2023	May 3, 2023	Finance
14.	Questions from Member Cohen regarding general fund line item expenditures	May 3, 2023	May 3, 2023	May 3, 2023	Finance
15.	Additional questions from Member Cohen regarding Police and Fire staffing and overtime	May 3, 2023	May 3, 2023	May 3, 2023	Finance / Police / Fire
16.	Questions from Member Cohen regarding general fund staffing and phasing	May 3, 2023	May 3, 2023	May 3, 2023	Finance
17.	Questions from Member Cohen regarding general fund capital expenditures	May 3, 2023	May 3, 2023	May 3, 2023	Finance
18.	Inquiry about the PERS IAP program	May 3, 2023	May 3, 2023	May 3, 2023	Finance

**Information and Reports
Requested by the Budget Committee
As of May 3, 2023**

	Requested Agenda Date	Response Date	Estimated Agenda Date	Department Responsible
19. Question from Member Tigan regarding the Urban Renewal Agency and the loss of operating dollars	May 3, 2023	May 3, 2023	May 3, 2023	Finance
20. Additional questions from Member Nordyke regarding an internal City auditor	May 3, 2023	May 5, 2023	May 10, 2023	Finance
21. Questions from Member Nordyke regarding the population ages in Salem	May 3, 2023	May 5, 2023	May 10, 2023	Finance
22. Questions from Member Dixon regarding the deferred staffing need in the General Fund	May 3, 2023	May 5, 2023	May 10, 2023	Finance
23. Questions from Member J. Hoy regarding trespassing calls	May 3, 2023	May 5, 2023	May 10, 2023	WVCC / Police
24. Questions from Member Nordyke regarding position vacancies	May 3, 2023	May 10, 2023	May 10, 2023	Enterprise Services (HR) and Finance
25. Questions from Member Curtis regarding City communications	May 3, 2023	May 5, 2023	May 10, 2023	City Manager's Office
26. Questions from Chair Stapleton regarding graffiti	May 3, 2023	May 5, 2023	May 10, 2023	Police

**Correspondence Received by the Budget Committee
As of May 3, 2023**

Subject	From	Agenda
1. Salem Public Library Staffing and Expenditures	Jim Scheppke	4/19/2023
2. City Staffing and the Salem Public Library	Jim Scheppke	4/19/2023
3. City Operations Fee	Mary Nikas, Marion Co. Democrats	4/19/2023
4. Proposed FY 2024 City Budget	Julie Hall	4/19/2023
5. Revenue	Lora Meisner & Glenn Baly	4/19/2023
6. Payroll Tax	Bill Smaldone	4/19/2023
7. Proposed FY 2024 City Budget	James Aiken	5/3/2023
8. Internal Auditor Position	Steve Bergmann	5/3/2023
9. Proposed FY 2024 City Budget	Matt Hale	5/3/2023
10. Internal Auditor Position	Sheronne Blasi	5/3/2023

TO: Budget Committee Members
THROUGH: Keith Stahley, City Manager
FROM: Josh Eggleston, Chief Financial Officer
SUBJECT: Responses to Committee Member Questions

SUMMARY:

Committee members have reached out to City departments with excellent questions. In the interest of sharing information and increasing understanding, the questions and responses are compiled in this document.

ISSUE:

Responses to member questions through May 5, 2023.

RECOMMENDATION:

Information only.

BACKGROUND:

1. Additional context was requested on the structure and cost of an internal audit function.
 - a. Would there be cost savings / efficiencies that would pay for an auditor?

There can be a return on investment (ROI) with an internal auditor, it is less likely to have an ROI when there is only a single person who has limited capacity. The City's current model using a consultant allows them to complete multiple projects each year.

- b. Is the City too big not to have an auditor?

The State does not require municipalities to have an internal auditor, however it is a best practice. This is one of the reasons that the City engaged our third-party consultant on an ongoing basis to complete performance audits of different areas throughout the City each year.

- c. How do we ensure the auditor is independent?
 - i. The Government Finance Officer Association (GFOA) has best practice recommendations related to an Internal Audit Function:
 1. The internal audit function should be established formally by charter, enabling resolution, or other appropriate legal means, which should include the scope of work, who the internal auditor reports to (i.e. top management and/or the

- audit committee/governing body), submission of an annual report, and the auditing standard(s) to follow;
 2. It is recommended that internal auditors of state and local governments conduct their work in accordance with the professional standards relevant to internal auditing contained in the U.S. General Accounting Office's publication Government Auditing Standards, including those applicable to the independence of internal auditors;
 3. At a minimum, the head of the internal audit function should possess a college degree and appropriate relevant experience. It also is highly desirable that the head of the internal audit function hold some appropriate form of professional certification (e.g., certified internal auditor, certified public accountant, certified information systems auditor); and
 4. All reports of internal auditors, as well as the annual internal audit work plan, should be made available to the government's audit committee or its equivalent.
- ii. The U.S. Government Accountability Office provides the following guidance related to the independence for an internal audit function in section 3.56 of the 2018 version of the Government Auditing Standards:
1. Government internal auditors who work under the direction of the audited entity's management are considered structurally independent for the purposes of reporting internally, if the head of the audit organization meets all of the following criteria:
 - a. is accountable to the head or deputy head of the government entity or to those charged with governance;
 - b. reports the engagement results both to the head or deputy head of the government entity and to those charged with governance;
 - c. is located organizationally outside the staff or line management function of the unit under audit;
 - d. has access to those charged with governance; and
 - e. is sufficiently removed from pressures to conduct engagements and report findings, opinions, and conclusions objectively without fear of reprisal.
- d. Does the Deschutes County auditor report to commissioners?

No, the internal auditor at Deschutes County is appointed and serves at the pleasure of the County Administrator in consultation with the Audit Committee and Board. The Audit Committee protects the independence of

the County's Internal Auditor by ensuring the findings are not influenced by the County Administrator or the Board of County Commissioners.

- e. What would be the cost of a city auditor?
 - i. As indicated previously, the cost for a Manager II position (the identified classification by Human Resources) to perform this work would be approximately \$158,730 in FY 2024. It is likely that a single position would not be sufficient. For example, in Deschutes County in addition to the Internal Auditor, there is an additional Performance Auditor position.
2. What is the plan for equity with the City Operations Fee and to address the City's identified deferred need of 307.5 positions in the General Fund?

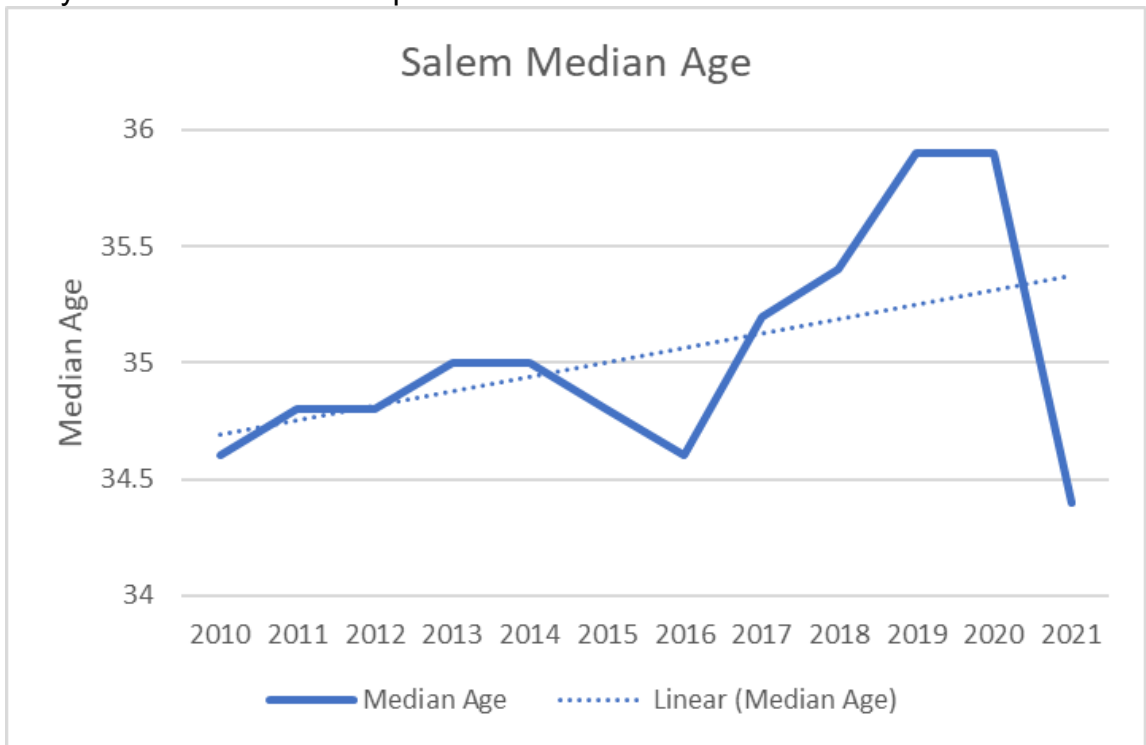
The City's Operations Fee is currently billed as a flat rate based on utility customer classification without any tiers within these classifications. The Council and Budget Committee have expressed a desire to modify the current methodology to address equity concerns for the Commercial customer classification. In order to make this change for the future, a new data set is needed to differentiate tiers of Commercial customers. The current billing system includes data sets for water meter size, dwelling units, and impervious area. None of these customer characteristics correlate well to the size of Commercial customers in terms of number of employees, gross floor area, or annual sales. Council has discussed the possibility of having a subcommittee work on this issue, and an enhanced methodology has also been identified as a potential project for the Sustainable Cities Year Program with the University of Oregon in Fall 2023. In addition, the City is also in the process of upgrading a 20-year-old utility billing system, anticipated to be completed in Winter 2024. Although modifications could be made in the legacy system, it is fragile, and implementing a change in methodology in the current system comes with risk. Given the need and time required to develop a new methodology, gather the data set, and test it in the billing system, it will be most efficient to implement in the new system and could begin billing as early as Spring 2024. It is important to note that delaying an increase to the City Operations Fee until the new system is active will worsen the outlook of the health of the General Fund.

The deferred need of over 300 General Fund positions was addressed by both staff and independent consultant Moss Adams at the [February 21, 2023 City Council Work Session](#). Although it is evident that there is a need for General Fund positions across the organization, there are both financial and logistical hurdles of hiring over 300 positions quickly. The implementation of the proposed payroll tax would address some of the need, but will not be able to support an additional 300 positions. The level of revenue needed to fund the entire need doesn't seem feasible at this time. The City will continue to support efforts for

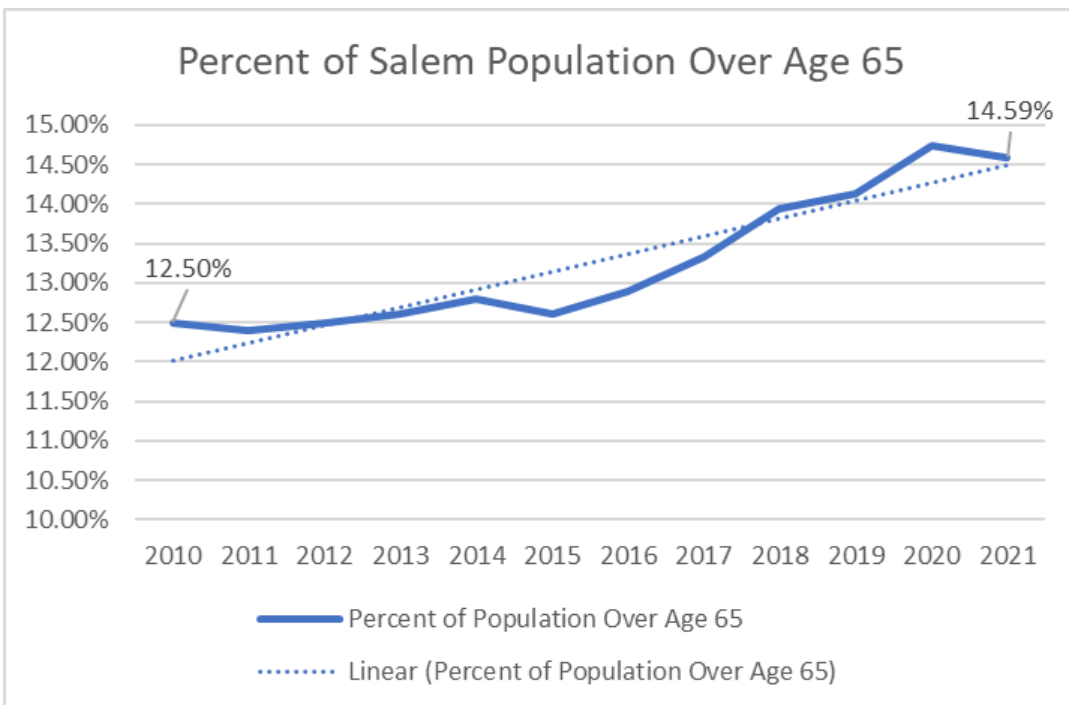
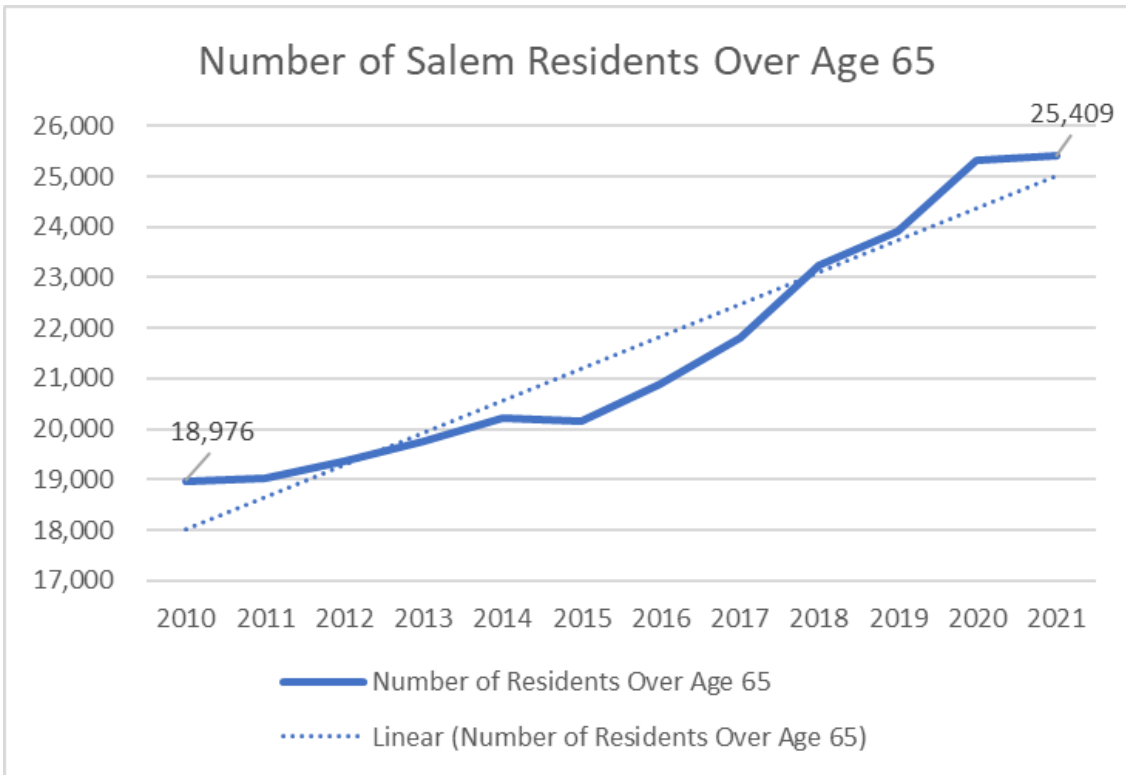
property tax reform or other revenue opportunities that may be able to fix the systemic revenue issues for cities.

3. Median age in Salem and age predictions?

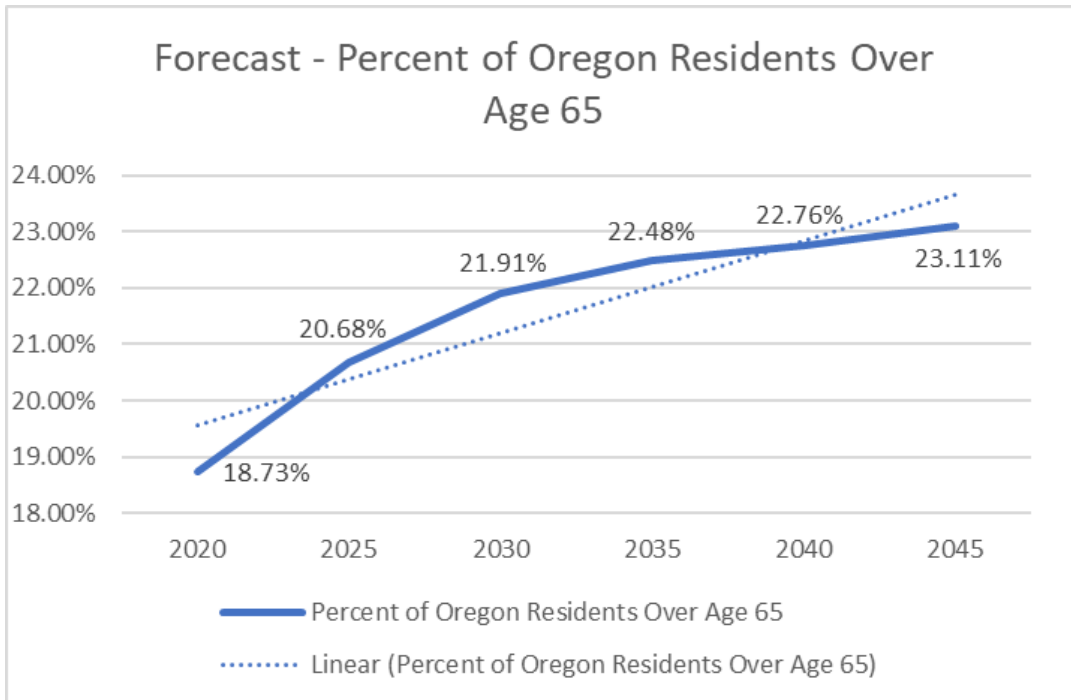
According to the Census Bureau, the median age in Salem grew from 34.5 to almost 36 between 2010 and 2020, before dropping to pre-2010 levels in 2021, likely due to the COVID-19 pandemic.



The two charts below show the growth in Salem residents over the age of 65 both in real numbers and as a percent of total population.



The final graph displays a Portland State University forecast that estimates the grown in percent of Oregon residents over the Age of 65 through 2045.



4. What has been the number of trespass calls that Salem Police Department has responded? How about EDP (emotionally disturbed person) calls to WVCC?

The City’s emergency communications center received 3,742 trespassing calls in 2020, 4,252 calls in 2021, and 4,866 calls in 2022, an approximate 14 percent increase each year.

Included with this report are three attachments that further discuss EDP calls for service and responses by Police and Fire Departments.

5. Can you talk about the City’s level of communications staffing? What is the communications strategy?

The City’s Communications Team is comprised of two dedicated positions in the City Manager’s Office for whom citywide communications is their sole function. The City also has staff in the Public Works, Urban Development, Police and Fire departments who allocate a portion of their time to communication duties. Often staff are supported by consultants who are funded through a specific program or project.

The City's core Communications positions include: a Public Information Officer who serves as a spokesperson for the City and is primarily responsible for media relations (currently vacant, recruiting underway) and a Community and Media Relations Specialist who manages the City's engagement through social media, website, other engagement tools, and builds video content. Additional positions in the City Manager's Office also allocate a fraction of their time to the City Communications program.

One of the City Council's four priorities is engaging our community. Increasing transparency and trust through engagement and communication is consistent with this priority goal. The City has launched a comprehensive engagement and communications plan. Our work together is expected to be completed in June 2023 and result in strategies to tell the City's story, increase awareness of the impact the City has in day-to-day lives, and increase civic participation and diversity of that participation to enhance our volunteer base, Neighborhood Associations, advisory boards and commissions, and to benefit talent acquisition and recruitment strategies.

Our primary areas of inquiry which will guide this work include:

- What are the expectations of the City's engagement and communications?
- What is going well? What could be better?
- Who is doing this well in our community? Who is doing this well in other, comparable cities?

Based on what we learn, we'll identify gaps and recommend how we can effectively engage all of our community to ensure the broadest possible community awareness and representation in Salem's decision making. We'll identify opportunities to expand our tools and our reach – and measures to understand how effective we're being and where more improvements are needed.

6. Graffiti is a concern to many in the community. Do we have a sense of where graffiti is being reported? How long does it take to solve or remove the graffiti?

Graffiti affects neighborhoods all across our community but is reported with greatest frequency north of State Street. The most common form of graffiti is spray-painting, but the Graffiti Abatement Team also addresses defacing which is drawn with markers, etched onto surfaces, and stickers.

The time it takes a team member to remove graffiti can vary based on the affected surface and amount of graffiti at the location. As an example, removal of spray paint on one fence panel may take less time than if the vandalism is applied to a cement surface or a tree trunk. A small area may take 15 minutes to

paint over, yet a larger or more difficult surface may take several hours, especially if other tools, such as pressure-washing, are necessary.

The amount of time for an investigation is separate from the work done by the team. For example, if the team member determines there is a suspect in the incident, they capture images of the evidence and remove the graffiti, but the investigation is done by a police officer. The same holds true of any graffiti in the form of hate speech, which is considered a bias crime.

Background

The Team and their Work

The police department's graffiti abatement program comprises two FTE. However, for several months in late 2022, the Graffiti Abatement Team was actually a team of one. As of mid-January 2023, the team is fully staffed.

Even with decreased staffing in 2022, the team responded to 2,192 reports of graffiti. In the first four months of 2023, the duo responded to 934 reported incidents, a 36% increase when compared to the same time period last year.

Reports received are prioritized with most incidents handled, generally, within one or two business days of receiving the complaint since staffers do not work weekends. Inclement weather also affects how quickly the team can act to remove graffiti.

The team commonly removes graffiti from public spaces, whether it is reported, or they encounter it while out working. However, if the graffiti is on private property, staff will work with the property owner to encourage them to remove the graffiti within five business days as required by [city ordinance](#). Working with private property owners is usually a longer process for removal than removal from public property. Property owners, however, can sign a waiver and allow the team member to remove the graffiti for them.

Program Cost Considerations

- The number of property owners who opt to allow the team to remove the graffiti has increased this year, resulting in an increase in expenses for supplies.
- Adding staff to keep up with the removal would require allocation of another vehicle with equipment and supplies. Without an additional vehicle, staff would respond together to locations which would be ineffective for any efforts to remove graffiti in more areas of the city.
- Team members routinely receive complaints of graffiti which are outside the city limits, usually because the resident is unaware. The calls are referred to [Marion County Code Enforcement](#). Yet, in an effort to be proactive and discourage the

graffiti from continuing to grow into the city limits, the team will remove small amounts of graffiti on the county side of those border areas.

Reporting Graffiti

Residents can report graffiti using the following methods:

- Call 503-371-4264
- Email graffiti@cityofsalem.net. Reporting via email provides a convenient way to also attach images of the damage.

Additional information, such as graffiti removal techniques, is available on our webpage, www.cityofsalem.net/graffiti.

MEMORANDUM



To: Vanessa Nordyke
City Councilor, Ward 7

From: Mike Niblock
Fire Chief

Date: November 10, 2022

Subject: Salem Fire Response to Emotionally Disturbed People

The Salem Fire Department (SFD) was asked to look at the interactions with Emotionally Disturbed People (EDP) in the last three years.

SFD received a 6.25% increase in EDP calls between 2019 and 2021 (576 to 615).

Unknown if transports to Salem Hospital have decreased or increased between 2019 to 2021 without further investigation and time.

EDP Calls

In 2019, SFD was dispatched on 576 EDP calls.

In 2020, SFD was dispatched on 601 EDP calls, a 4.3% increase.

In 2021, SFD was dispatched on 733 EDP calls, a 22% increase.

In 2022, SFD has been dispatched on 513 calls (so far), with an anticipated total of 615 EDP calls, a 16.1% decrease. If we remove 2021 from the list due to the pandemic and look back to 2020, the increase from 2020 to 2022 would be 2.3%.

While the above calls are listed as EDP, it is unknown if they were actual EDP calls or other medical emergencies that may have prompted the EDP call type. This will require additional person-hours to complete.

Disposition of EDP Calls

How many were transported to Salem Health?

It is unknown how many EDP Patients we transported from 2019 to the present day without researching each call and verifying if the patient was transported or a refusal was obtained.

How many people are taken to the PCC (Psychiatric Crisis Center)?

SFD, in partnership with Falck Ambulance, does not take any patients, no matter the medical determination, to any other location besides an Emergency Room.

How many people were taken to receive services somewhere like The ARCHES Project?

SFD, in conjunction with Falck Ambulance, does not take any patients, no matter the medical determination, to any other location besides an Emergency Room.

If we receive a call about an emotionally disturbed person, SFD and Falck Medics generally have three (3) possible courses of action.

- Determine if a Peace Officer is needed to assist. This means determining if the person is a danger to themselves or others.
- Transport the person to the local Emergency Room voluntarily.
- If the person is not a danger to themselves or others and is alert and oriented to person, place, time, and event, we will have them sign a refusal form, saying they do not want to be transported.

How many emotionally disturbed people were arrested?

This is an unknown number unless we investigate each call which will require additional person-hours to complete.

Duration of EDP Call

What time is spent on an Emotionally Disturbed Person's calls for service?

This is an unknown number unless we investigate each call which will require additional person-hours to complete.

Statistics

EDP CALLS	2019	2020	VARIANCE	%	2021	VARIANCE	%	2022 (EST)	VARIANCE	%
	576	601	25	4.3%	733	132	22.0%	615	-118	-16.1%
	This variance is between 2020 and 2022 (excluding 2022 due to the Pandemic)								14	2.3%

EDP Calls by Incident Type

Report Period: From 1/1/2018 To 10/31/2022

2,945

2018	522
SALEM (Suburban)	4
2	Medical Aid
2	Good Intents (Includes Cancelled En Route)
SALEM	518
423	Medical Aid
62	Service Calls
31	Good Intents (Includes Cancelled En Route)
2	False Alarms
2019	576
SALEM (Suburban)	9
6	Medical Aid
1	Service Calls
2	Good Intents (Includes Cancelled En Route)
SALEM	567
466	Medical Aid
53	Service Calls
48	Good Intents (Includes Cancelled En Route)
2020	601
SALEM (Suburban)	8
5	Medical Aid
3	Good Intents (Includes Cancelled En Route)
SALEM	593
1	Fires
1	Overpressure / Rupture
469	Medical Aid
61	Service Calls
61	Good Intents (Includes Cancelled En Route)
2021	733
SALEM (Suburban)	12
12	Medical Aid
SALEM	721
1	Fires
560	Medical Aid
74	Service Calls
86	Good Intents (Includes Cancelled En Route)

2022		513
SALEM (Suburban)	2	2
	2	Medical Aid
SALEM		511
	418	Medical Aid
	47	Service Calls
	45	Good Intents (Includes Cancelled En Route)
	1	False Alarms



POLICE DEPARTMENT

333 Division ST NE • Salem, OR 97301-2592 • 503-588-6123 • Fax 503-588-6329

Salem Police response to Emotionally Disturbed People

Executive Summary

The Salem Police Department (SPD) was asked to look at the interactions with Emotionally Disturbed People (EDP) in the last 3 years.

SPD classifies events in two ways. Calls For Service (CFS) include any event that SPD responds to, either generated by the public calling into the dispatch center for assistance, or by the officer self-initiating an event. In less serious events, the entire response may be documented in the CFS. Incidents are a subset of CFS where a full police report is written. These incidents require more formal documentation. Incidents begin as CFS, but not all CFS generate an incident.

There have been changes made in how information is categorized and recorded from 2019 to 2021. One major change occurred in November 2019 when SPD implemented a new, modernized Records Management System. Numbers from 2019 are included for reference when available, but due to these changes may not be completely analogous to the information for 2020 and 2021. As changes have been implemented over the three years, numbers from year to year cannot be directly compared accurately.

SPD has received a 65% increase in EDP CFS between 2019 to 2021 (2,719 to 4,501).

EDP-specific cases have dropped 40% between 2020 to 2021 (972 to 580).

Transports to Salem Hospital have increased 51% between 2019 and 2021 (386 to 583).

Transports to PCC have decreased 59% between 2019 and 2021 (296 to 122).

EDP Calls

In 2020, SPD coded 3,646 CFS as EDP. In 2021, SPD coded 4,501 calls as EDP. More CFS may have an EDP component, but other call categories were chosen based on the situation.

Officers have the option to mark any call as having an EDP component. There are also 3 call types that are specifically EDP. Officers marked that there was some EDP component in 1,668 cases in 2020 and 1,311 cases in 2021. 972 cases in 2020 and 580 cases in 2021 were specifically EDP Hold, EDP Transport, or Assist EDP.

While officers have the option to mark any case as EDP, these incident numbers and CFS numbers are known to be low as officers may not be aware of EDP issues at the time of the event.



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Disposition of EDP Calls

How many were transported to Salem Health?

Salem Hospital does not record which police agency brings patients in. SPD brings in the largest number of patients compared to other agencies. The total numbers of patients brought to Salem Hospital by all police agencies are below.

2020 – 1,169 Patients brought in by police, with 547 being Mental Health patients (46.79%)

2021 – 1,379 Patients brought in by police, with 583 being Mental Health patients (42.28%)

How many people are taken to the PCC (Psychiatric Crisis Center)?

PCC staff indicate that Salem Police transports people to PCC almost daily, however does not have statistics available. Officers can only offer PCC as a resource but cannot compel individuals to go or to accept treatment at PCC. Often people not transported by officers indicate that they intend to go on their own at a later time.

PCC is mentioned as being offered as a resource in 477 cases in 2020 and in 321 cases in 2021. In 2020 194 (41%) of these resulted in individuals being transported to PCC. In 2021 122 (38%) of these individuals were transported to PCC.

How many people were taken to receive services somewhere like The ARCHES Project?

Few if any. If we receive a call about an emotionally disturbed person, officers generally have four possible courses of action.

- Determine if a Peace Officer Custody is required. This means determining if the person is a danger to themselves or others.
- Transport the person to Psychiatric Crisis Center voluntarily.
- Determine if a crime has been committed then follow the protocols as laid out in the Marion County Memorandum of Understanding.
- Deescalate and disengage if none of the above criteria are met.

Transporting someone who does not fit into option 1, 2, or 3 above presents a challenge for officers as they have no mechanism to make the person behave or go somewhere when they do not want to go. It would also be irresponsible for an officer to transport someone who is on the verge of crisis to a community partner that is not equipped to deal with them as that could create more issue for the person or partner agency.



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How many emotionally disturbed people were arrested?

Starting on July 2, 2020, SPD began breaking down arrests into criminal arrest/citation and non-arrest custody. Criminal arrests/citations include what is generally understood of as criminal arrests with the possibility of the individual being taken to jail or summoned to court. Non-arrest custody is involuntary commitment at a medical or mental health facility, often classified as a Police Officer Custody (POC) or Police Officer Hold (POH). Prior to July 2, 2020, SPD had arrests and non-arrest custody administratively classified as one category instead of two. The change was made to differentiate the criminal vs non-criminal aspects of the custody.

In 2020, 666 cases marked EDP resulted in arrests. This number would include non-arrest custody numbers for the first half of the year. After July 2, 219 were taken into a non-arrest custody

In 2021, 552 cases marked EDP resulted in an arrest. 404 were taken into non-arrest custody.

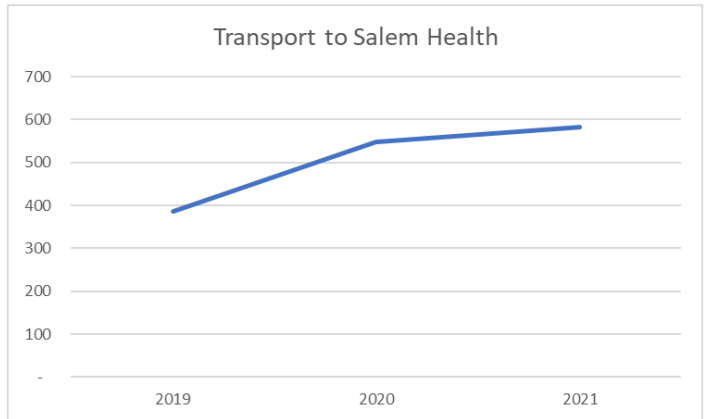
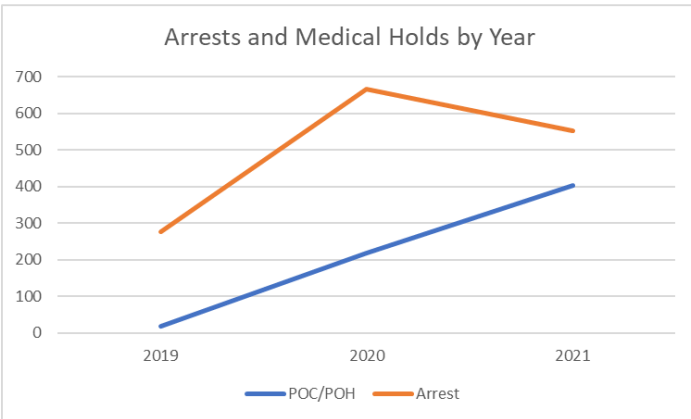
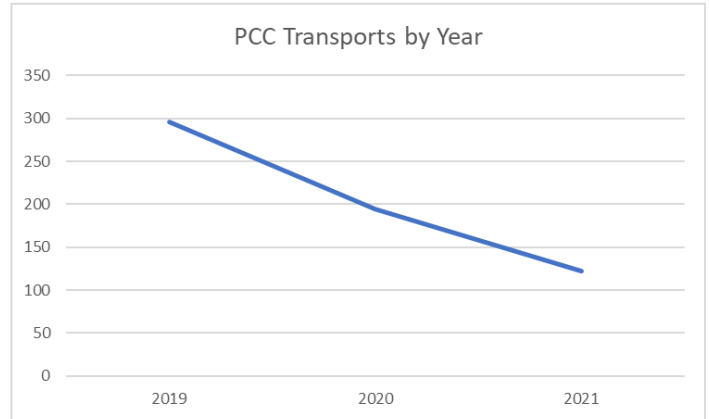
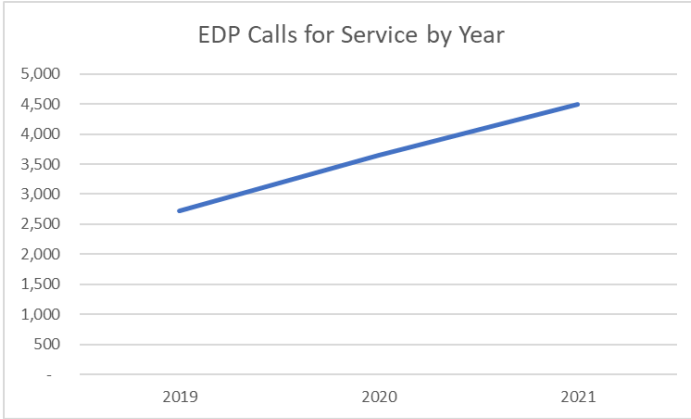
Those arrested included individuals with warrants, trespass arrests and situations where there was a victim of a crime where an arrest was needed, either as mandatory arrest or removal from a scene for safety purposes. An arrest could result in transport and incarceration in the county jails, or it could result in a summons to court. During COVID, many non-violent and property crimes were issued summons while jail was reserved primarily for crimes vs persons.

Duration of EDP Call

What amount of time is spent on Emotionally Disturbed Person calls for service?

By counting only the CFS with the EDP call type, in 2020 the average time on call was 65 minutes and in 2021 it was 59 minutes.

Charts



TO: Budget Committee Members

THROUGH: Keith Stahley, City Manager

FROM: Josh Eggleston, Chief Financial Officer

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 areas for FY 2024

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 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

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 2024 for the Salem Urban Renewal Agency funds. These recommended levies are consistent with the urban renewal budgets presented at the April 26, 2023 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 Jory Apartments, McGilchrist, Mill Creek, North Gateway, South Waterfront, and West Salem areas are eligible for only the Division of Taxes Levy.

	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

TO: Budget Committee Members

THROUGH: Keith Stahley, City Manager

FROM: Josh Eggleston, Chief Financial Officer

SUBJECT: Recommend FY 2024 Salem Urban Renewal Agency Budget

ISSUE:

Should the Budget Committee recommend the FY 2024 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 2024 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 of this report is the proposed FY 2024 budget presented to the Budget Committee for its consideration on April 26, 2023. The FY 2024 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 2024 review meeting on May 10, 2023.

Table 1 - Urban Renewal Agency Budget
FY 2024

Fund No.	Fund Name	Beginning Balance	Revenues	Expenditures	Ending Balance
220	Debt Service (Tax Allocation Bond Debt)	\$3,733,710	\$21,809,960	\$ 22,463,180	\$ 3,080,490
265	Capital Improvements (Tax Allocation Improvement)	65,551,180	28,552,960	94,104,140	-
345	Salem Convention Center	-	4,856,250	4,856,250	-
428	Convention Center Gain / Loss Reserve	3,956,640	428,860	987,000	3,398,500
TOTAL		\$73,241,530	\$55,648,030	\$ 122,410,570	\$ 6,478,990

For the Budget Committee Meeting of: May 10, 2023
Agenda Item No.: 7.c.

TO: Budget Committee Members

THROUGH: Keith Stahley, City Manager

FROM: Josh Eggleston, Chief Financial Officer

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 2024?

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

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 2024 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 \$18,765,580.

For the Budget Committee Meeting of: May 10, 2023
Agenda Item No.: 7.d.

TO: Budget Committee Members

THROUGH: Keith Stahley, City Manager

FROM: Josh Eggleston, Chief Financial Officer

SUBJECT: Recommend FY 2024 City of Salem Budget

ISSUE:

Should the Budget Committee recommend the FY 2024 City of Salem Budget as it is represented in Table 1 and Table 2 of this report?

RECOMMENDATION:

Approve and recommend to the City Council the FY 2024 City of Salem Budget as it is represented in Table 1 and Table 2 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 of this report represents the proposed FY 2024 budget presented to the Budget Committee for its consideration on May 10, 2023. Table 1 displays the budget by fund, which is the manner in which it will be displayed for the resolution and exhibits for budget adoption by the City Council. Table 2 displays the FY 2024 budget by result area, which is the manner in which it was reviewed and discussed by the committee.

The FY 2024 budget represented in Table 1 includes the display of resources and is a balanced budget for the City of Salem. For each City of Salem fund, the table provides total resources detailed as beginning fund 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 result areas defined in the Proposed FY 2024 City of Salem Budget and represented in Table 2 are included within the fund appropriations.

The budget does include the changes made through the Erratas at prior meetings and the presumption of the approval of Errata 6 during the May 10, 2023 meeting. The tables do not include any potential changes to the budget that may be approved by the Budget Committee during its final FY 2024 review meeting on May 10, 2023.

Table 1 - City of Salem Budget
All Funds
FY 2024

Fund No.	Fund Name	Beginning Balance	Revenues	Expenditures	Unappropriated Ending Balance
101	General	\$ 37,515,940	\$ 167,785,610	\$ 185,215,040	\$ 20,086,510
155	Transportation Services	6,374,780	18,298,720	20,201,970	4,471,530
156	Streetlight	1,450,760	1,999,230	2,507,650	942,340
160	Airport	517,420	2,575,980	2,545,670	547,730
165	Community Renewal	-	10,587,810	10,587,810	-
170	Downtown Parking	109,900	962,180	1,072,080	-
175	Cultural and Tourism	3,881,480	4,804,340	5,026,690	3,659,130
176	Public Art	39,900	32,450	72,350	-
177	Tourism Promotion Area	-	1,350,000	1,350,000	-
180	Leasehold	333,240	627,690	960,930	-
185	Building and Safety	17,366,400	7,311,400	8,357,330	16,320,470
210	General Debt Service	887,950	24,689,100	24,272,890	1,304,160
255	Capital Improvements	143,668,500	53,276,720	157,406,450	39,538,770
260	Extra Capacity Facilities	39,520,140	17,023,970	56,544,110	-
275	Development District	8,104,700	2,354,440	10,459,140	-
310	Utility	55,340,940	123,835,280	139,309,630	39,866,590
320	Emergency Services	3,644,000	5,502,170	5,983,950	3,162,220
330	Willamette Valley Comm. Center	1,645,780	14,522,630	16,032,090	136,320
335	Police Regional Records System	1,782,980	519,620	273,750	2,028,850
355	City Services	4,189,950	13,389,040	14,240,380	3,338,610
365	Self Insurance Benefits	12,632,320	29,452,020	37,648,530	4,435,810
366	Self Insurance Risk	5,208,050	5,738,280	10,946,330	-
388	Equipment Replacement Reserve	18,050,100	8,843,490	26,893,590	-
400	Trust	26,136,610	2,597,810	16,064,950	12,669,470
Total		\$ 388,401,840	\$ 518,079,980	\$ 753,973,310	\$ 152,508,510

Table 2 - City of Salem Budget
All Funds
FY 2024

Result Area	Expenditures
Good Governance	\$ 125,679,450
Natural Environment Stewardship	24,907,100
Safe and Healthy Community	158,265,160
Safe, Reliable, and Efficient Infrastructure and Capital Improvement Projects	154,493,530 224,409,700
Strong and Diverse Economy	14,356,140
Welcoming and Livable Community	51,862,230
	<u>\$ 753,973,310</u>