

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, April 28, 2021

TIME: 6:00 PM

CHAIRPERSON: Paul Tigan

PLACE: Virtual Online Meeting

STAFF LIAISON:

Josh Eggleston, Budget Officer

503•588•6130

jeggleston@cityofsalem.net

Kali Leinenbach, Senior Fiscal Analyst

503•588•6231

kleinenbach@cityofsalem.net

*** ADDITIONS AGENDA ***

2. PUBLIC TESTIMONY

- b. Correspondence from Salem Area Lodging Association regarding a mobile response unit

4. ACTION ITEMS

- b. Errata Sheet 4 – ARPA Lost Revenue Calculation for Photo Red Light (replacement pgs. 40, 48-50, 67, 251-256, 328, 391, and 396-400)

- c. Errata Sheet 5 – Police Department Program Displays (replacement pgs. 119-120)

5. INFORMATION ITEMS

- e. Staff Report: Responses to Committee Member 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.

From: [Scott Snyder](#)
To: [budgetoffice](#)
Cc: [Scott Snyder](#); [Vanessa Nordyke](#)
Subject: FW: SALA CC Letter_ 11-5-2020 2
Date: Tuesday, April 27, 2021 8:14:21 AM
Attachments: [SALA CC Letter_ 11-5-2020 2.docx](#)

Please accept this resubmitted letter to be included in the Budget Committee record.

Thank you,

Scott Snyder
Chairperson Salem Area Lodging Association

From: Scott Snyder <scott.snyder@grandhotelsalem.com>
Sent: Thursday, November 5, 2020 7:38 AM
To: citycouncil@cityofsalem.net; cityrecorder@cityofsalem.net
Cc: Scott Snyder <scott.snyder@grandhotelsalem.com>
Subject: SALA CC Letter_ 11-5-2020 2

Please find attached a letter to be included in the November 9, 2020 official record for the Salem City Council meeting.

Thank you,

Scott Snyder



November 5, 2020

Dear Mayor Bennett and Salem City Councilors,

The Salem Area Lodging Association's (SALA) member properties are experiencing disturbing and very concerning issues on a regular basis. These issues include car break-ins; homeless people loitering and behaving in an aggressive manner toward our staff and guests; and damaging property.

As hoteliers, we are the "face of Salem!" We welcome guests from around the world to our city and share the many attributes Salem has to offer from recreation to cultural and business interests. When these crimes and potentially dangerous situations occur, it ruins Salem's image with visitors. It is highly unlikely that these visitors will return to our city.

It is heartbreaking and extremely unpleasant apologizing to a guest whose vehicle was broken into or harassed.

My property, The Grand Hotel in Salem, has had many individuals trespass. When this occurs it is clear that many of these folks have mental issues. We contact the non-emergency police line and if the Salem Police are available, they diplomatically handle the situation. However, the recently introduced initiative by Councilor Nordyke, which seems similar to Eugene's CAHOOTS program, would utilize individuals with significant training in the mental health arena. It makes sense to have mental health professionals interact with these folks, deescalate any concerning behavior and assist with services, in a less intimidating fashion.

SALA encourages your further exploration and eventual adoption of this mobile response unit. We believe this initiative will help provide an improved experience for our visitors as well as all Salem residents.

We appreciate your consideration!

Scott Snyder, Chairperson
Salem Area Lodging Association
503-540-7800 or scott.snyder@grandhotelsalem.com

For the Budget Committee Meeting of: April 28, 2021
Agenda Item Number: 4.b.

TO: Budget Committee
FROM: Steve Powers, City Manager
SUBJECT: Errata Sheet 4 – ARPA Lost Revenue Calculation for Photo Red Light
ISSUE:

To inform the Budget Committee about errors and corrections, or updated information regarding the Proposed FY 2022 City of Salem Budget

RECOMMENDATION:

1. Accept a change to the proposed revenue for the General Fund, Traffic Safety Fund, and Federal Relief Trust Fund on pages 40, 48-50, 67, 251-256, 328, 391, and 396-400 to correct a miscalculation in ARPA lost revenue.

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:

The photo red light revenue beginning in fiscal year 2020 was received in the Traffic Safety Fund. This change caused the ARPA lost revenue calculation to be overstated for the General Fund due to FY 2020 and FY 2021 showing zero photo red light revenue.

The original analysis included \$1,567,671 of lost photo red light revenue. The below table displays the revenue received in the Traffic Safety Fund which corrects the calculation to \$76,730 in lost revenue. This errata sheet will correct this miscalculation and budget the \$76,730 of lost revenue in the Traffic Safety Fund. The balance of \$1,490,940 will be reserved in the trust fund for future ARPA projects or programs. The reduction in General Fund revenue is split between Beginning Fund Balance and the US Treasury revenue account due to the timing of the when the funds are received.

	FY 2019	FY 2020	FY 2021 (Estimated)
General Fund	522,557	-	-
Traffic Safety Fund	-	445,827	697,155
Revenue Loss (FY 2019 Base)	-	(76,730)	-

The budget impacts are detailed by fund here:

	General Fund	Traffic Safety Fund	Federal Relief Trust Fund
Revenues	(1,567,680)	76,730	1,490,950
Expenditures			1,490,950

Josh Eggleston
Budget Officer

Attachments:

1. Errata 4 replacement pages - 40, 48-50, 67, 251-256, 328, 391, and 396-400

City of Salem Budget
RESULT AREA SUMMARY

All Funds
FY 2022

		Result Areas						
Fund No.	Fund Name	Good Governance	Natural Environment Stewardship	Safe Community	Safe, Reliable, and Efficient Infrastructure	Strong and Diverse Economy	Welcoming and Livable Community	Total
101	General	\$ 33,172,830	\$ 510	\$ 92,761,990	\$ 271,220	\$ 4,343,460	\$ 23,182,990	\$ 153,733,000
155	Transportation Services	-	-	-	17,236,640	-	-	17,236,640
156	Streetlight	-	-	-	2,082,060	-	-	2,082,060
160	Airport	-	-	-	-	2,277,290	-	2,277,290
165	Community Renewal	-	-	-	-	-	7,555,230	7,555,230
170	Downtown Parking	-	-	-	-	1,299,380	-	1,299,380
175	Cultural and Tourism	314,650	-	-	-	2,787,160	469,810	3,571,620
176	Public Art	-	-	-	-	-	42,370	42,370
177	Tourism Promotion Area	696,030	-	-	-	-	-	696,030
180	Leasehold	-	-	-	-	1,026,270	-	1,026,270
185	Building and Safety	772,350	-	5,456,390	-	173,920	-	6,402,660
190	Traffic Safety	-	-	1,379,120	-	-	-	1,379,120
210	General Debt Service	5,719,380	-	-	16,819,090	-	-	22,538,470
310	Utility	2,518,350	20,034,790	-	100,295,290	-	573,310	123,421,740
320	Emergency Services	-	-	2,415,350	-	-	-	2,415,350
330	Willamette Valley Comm. Center	-	-	14,486,770	-	-	-	14,486,770
335	Police Regional Records System	-	-	346,950	-	-	-	346,950
355	City Services	10,197,840	-	5,527,020	-	-	-	15,724,860
365	Self Insurance Benefits	37,966,260	-	-	-	-	-	37,966,260
366	Self Insurance Risk	11,946,330	-	-	-	-	-	11,946,330
388	Equipment Replacement Reserve	9,960,930	-	7,975,420	-	927,080	-	18,863,430
400	Trust (Special Revenue)	9,502,070	5,000	1,266,200	387,800	-	1,064,700	12,225,770
Total Operating		\$ 122,767,020	\$ 20,040,300	\$ 131,615,210	\$ 137,092,100	\$ 12,834,560	\$ 32,888,410	\$ 457,237,600
255	Capital Improvements	-	-	5,595,650	123,452,740	9,478,030	1,963,050	140,489,470
260	Extra Capacity Facilities	-	-	-	41,361,660	-	11,605,020	52,966,680
275	Development District	-	-	-	8,251,620	-	-	8,251,620
Total Construction		\$ -	\$ -	\$ 5,595,650	\$ 173,066,020	\$ 9,478,030	\$ 13,568,070	\$ 201,707,770
Total Budget		\$ 122,767,020	\$ 20,040,300	\$ 137,210,860	\$ 310,158,120	\$ 22,312,590	\$ 46,456,480	\$ 658,945,370

Good Governance FY 2022 Fund Overview

The City's financial activity is accounted for in various funds and are then grouped by the type of expenditure. The below table summarizes the result area expenditure budget by Fund, Department, and account group.

	Personal Services	Materials and Services	Capital	Interfund Transfers	Debt Service	Contingencies	Total
City Services Fund							
Fleet Services	\$ 1,856,130	\$ 4,599,230	\$ -	\$ 300,000	\$ -	\$ -	\$ 6,755,360
Facilities Services	-	173,900	-	-	-	-	173,900
Information Technology	507,770	883,810	18,000	-	-	-	1,409,580
Public Works	-	1,809,000	-	50,000	-	-	1,859,000
City Services Fund Total	\$ 2,363,900	\$ 7,465,940	\$ 18,000	\$ 350,000	\$ -	\$ -	\$ 10,197,840
Utility Fund							
Public Works	\$ 1,700,290	\$ 758,060	\$ 60,000	\$ -	\$ -	\$ -	\$ 2,518,350
Utility Fund Total	\$ 1,700,290	\$ 758,060	\$ 60,000	\$ -	\$ -	\$ -	\$ 2,518,350
Self Insurance Benefits Fund							
Human Resources	\$ 552,480	\$ 37,413,780	\$ -	\$ -	\$ -	\$ -	\$ 37,966,260
Self Insurance Benefits Fund Total	\$ 552,480	\$ 37,413,780	\$ -	\$ -	\$ -	\$ -	\$ 37,966,260
Self Insurance Risk Fund							
Human Resources	\$ 816,160	\$ 11,130,170	\$ -	\$ -	\$ -	\$ -	\$ 11,946,330
Self Insurance Risk Fund Total	\$ 816,160	\$ 11,130,170	\$ -	\$ -	\$ -	\$ -	\$ 11,946,330
Equipment Replacement Fund							
Equipment Replacement	\$ -	\$ 3,290	\$ 9,957,640	\$ -	\$ -	\$ -	\$ 9,960,930
Equipment Replacement Fund Total	\$ -	\$ 3,290	\$ 9,957,640	\$ -	\$ -	\$ -	\$ 9,960,930
Trust Fund							
Non Departmental	\$ -	\$ 9,502,070	\$ -	\$ -	\$ -	\$ -	\$ 9,502,070
Trust Fund Total	\$ -	\$ 9,502,070	\$ -	\$ -	\$ -	\$ -	\$ 9,502,070
Result Area Total	\$ 27,909,120	\$ 74,921,880	\$ 10,193,910	\$ 647,720	\$ 6,094,390	\$ 3,000,000	\$ 122,767,020

Good Governance FY 2022 Department Overview

The City's financial activity is accounted for in various funds and are then grouped by the type of expenditure. The below table summarizes the result area expenditure budget by department and account group.

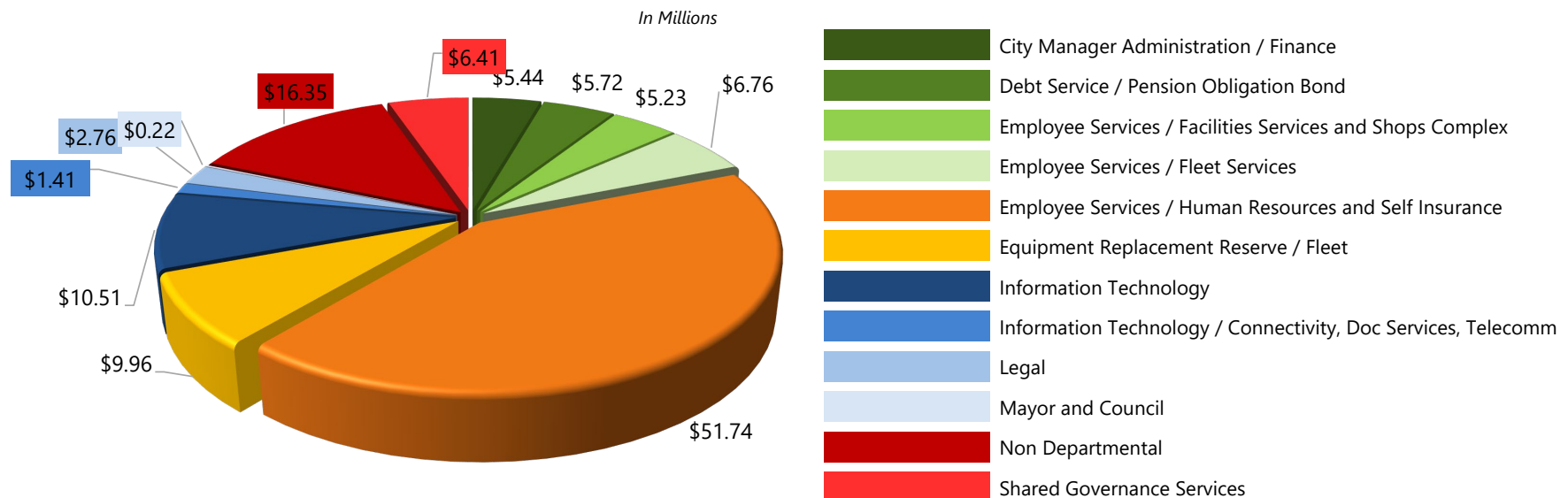
	Personal Services	Materials and Services	Capital	Interfund Transfers	Debt Service	Contingencies	Total
1. City Manager	\$ 1,061,300	\$ 90,180	\$ -	\$ -	\$ -	\$ -	\$ 1,151,480
2. Debt Service	-	-	-	-	5,719,380	-	5,719,380
3. Employee Services	8,132,620	55,119,210	10,000	415,260	-	-	63,677,090
4. Equipment Replacement	-	3,290	9,957,640	-	-	-	9,960,930
5. Finance	3,920,460	367,470	-	-	-	-	4,287,930
6. Information Technology	9,232,210	2,518,120	166,270	-	-	-	11,916,600
7. Legal	2,536,790	221,830	-	-	-	-	2,758,620
8. Mayor & Council	-	218,410	-	-	-	-	218,410
9. Non Departmental	95,000	13,012,910	-	182,460	375,010	3,000,000	16,665,380
10. Shared Governance	2,930,740	3,370,460	60,000	50,000	-	-	6,411,200
Result Area Total	\$ 27,909,120	\$ 74,921,880	\$ 10,193,910	\$ 647,720	\$ 6,094,390	\$ 3,000,000	\$ 122,767,020

Good Governance FY 2022 Budget Overview

The City is required to display all phases of the FY 2022 budget - the initial proposal from the City Manager, the recommendation of the Budget Committee, and the result adopted by the City Council. The columns in the numeric table will be populated with numbers when each phase of the budget process is completed. Capital projects appear in the Capital Improvements section of the budget document.

Expenditures	Mgr Rec FY 2022	BC Rec FY 2022	Adopted FY 2022	% of Total
Service Area - All Funds				
Personal Services	\$ 27,909,120			22.7%
Materials and Services	74,921,880			61.0%
Capital Outlay	10,193,910			8.3%
Debt Service	6,094,390			5.0%
Contingencies	3,000,000			2.4%
Transfers	647,720			0.5%
Total Expenditures - All Funds	\$ 122,767,020			
Total Number of Positions	218.19			

Good Governance Result Area Expenditures by Department / Program



	FY 2021 Program Budget	FY 2022 Program Budget	Staff	Alignment	CC	LC	RC	SS	SP
Cultural and Tourism Administration	275,140	-	0.00	Operating / technology transfers not scored					
Total Cultural and Tourism Fund	\$ 275,140	\$ -	0.00						
Unanticipated	500,000	-	0.00	Trust funds not scored					
American Rescue Plan Act - Reserve	-	9,502,070	0.00	Trust funds not scored					
Total Trust	\$ 500,000	\$ 9,502,070	0.00						
Total Non Departmental	\$ 7,360,550	\$ 16,350,730	0.00						

City of Salem Budget
RESULT AREA SUMMARY
(Including construction by fund)
All Funds
FY 2022

		Result Areas						
Fund No.	Fund Name	Good Governance	Natural Environment Stewardship	Safe Community	Safe, Reliable, and Efficient Infrastructure	Strong and Diverse Economy	Welcoming and Livable Community	Total
101	General	\$ 33,172,830	\$ 510	\$ 92,761,990	\$ 271,220	\$ 4,343,460	\$ 23,182,990	\$ 153,733,000
155	Transportation Services	-	-	-	17,236,640	-	-	17,236,640
156	Streetlight	-	-	-	2,082,060	-	-	2,082,060
160	Airport	-	-	-	-	2,277,290	-	2,277,290
165	Community Renewal	-	-	-	-	-	7,555,230	7,555,230
170	Downtown Parking	-	-	-	-	1,299,380	-	1,299,380
175	Cultural and Tourism	314,650	-	-	-	2,787,160	469,810	3,571,620
176	Public Art	-	-	-	-	-	42,370	42,370
177	Tourism Promotion Area	696,030	-	-	-	-	-	696,030
180	Leasehold	-	-	-	-	1,026,270	-	1,026,270
185	Building and Safety	772,350	-	5,456,390	-	173,920	-	6,402,660
190	Traffic Safety	-	-	1,379,120	-	-	-	1,379,120
210	General Debt Service	5,719,380	-	-	16,819,090	-	-	22,538,470
255	Capital Improvements	-	-	5,595,650	123,452,740	9,478,030	1,963,050	140,489,470
260	Extra Capacity Facilities	-	-	-	41,361,660	-	11,605,020	52,966,680
275	Development District	-	-	-	8,251,620	-	-	8,251,620
310	Utility	2,518,350	20,034,790	-	100,295,290	-	573,310	123,421,740
320	Emergency Services	-	-	2,415,350	-	-	-	2,415,350
330	Willamette Valley Comm. Center	-	-	14,486,770	-	-	-	14,486,770
335	Police Regional Records System	-	-	346,950	-	-	-	346,950
355	City Services	10,197,840	-	5,527,020	-	-	-	15,724,860
365	Self Insurance Benefits	37,966,260	-	-	-	-	-	37,966,260
366	Self Insurance Risk	11,946,330	-	-	-	-	-	11,946,330
388	Equipment Replacement Reserve	9,960,930	-	7,975,420	-	927,080	-	18,863,430
400	Trust (Special Revenue)	9,502,070	5,000	1,266,200	387,800	-	1,064,700	12,225,770
Total		\$ 122,767,020	\$ 20,040,300	\$ 137,210,860	\$ 310,158,120	\$ 22,312,590	\$ 46,456,480	\$ 658,945,370

City of Salem Budget
SUMMARY OF RESOURCES AND REQUIREMENTS

All Funds
FY 2022

Fund No.	Fund Name	Beginning Balance	Revenues	Expenditures	(Use) / Addition Fund Balance	Unappropriated Ending Balance
101	General	\$ 28,194,020	\$ 154,882,960	\$ 153,733,000	\$ 1,149,960	\$ 29,343,980
155	Transportation Services	4,059,390	16,803,090	17,236,640	(433,550)	3,625,840
156	Streetlight	1,159,640	1,963,190	2,082,060	(118,870)	1,040,770
160	Airport	988,120	1,289,170	2,277,290	(988,120)	-
165	Community Renewal	-	7,728,490	7,555,230	173,260	173,260
170	Downtown Parking	212,740	1,086,640	1,299,380	(212,740)	-
175	Cultural and Tourism	1,800,980	4,384,050	3,571,620	812,430	2,613,410
176	Public Art	42,070	300	42,370	(42,070)	-
177	Tourism Promotion Area	-	696,030	696,030	-	-
180	Leasehold	407,990	618,280	1,026,270	(407,990)	-
185	Building and Safety	13,180,810	6,710,340	6,402,660	307,680	13,488,490
190	Traffic Safety	76,730	1,379,120	1,379,120	-	76,730
210	General Debt Service	608,070	22,693,970	22,538,470	155,500	763,570
255	Capital Improvements	61,378,860	79,110,610	140,489,470	(61,378,860)	-
260	Extra Capacity Facilities	34,659,470	18,307,210	52,966,680	(34,659,470)	-
275	Development District	4,719,220	3,532,400	8,251,620	(4,719,220)	-
310	Utility	51,696,700	114,416,240	123,421,740	(9,005,500)	42,691,200
320	Emergency Services	3,254,130	862,270	2,415,350	(1,553,080)	1,701,050
330	Willamette Valley Comm. Center	1,493,300	13,224,180	14,486,770	(1,262,590)	230,710
335	Police Regional Records System	991,300	468,170	346,950	121,220	1,112,520
355	City Services	8,795,750	10,392,140	15,724,860	(5,332,720)	3,463,030
365	Self Insurance Benefits	10,928,210	27,038,050	37,966,260	(10,928,210)	-
366	Self Insurance Risk	8,280,510	3,665,820	11,946,330	(8,280,510)	-
388	Equipment Replacement Reserve	10,015,510	8,847,920	18,863,430	(10,015,510)	-
400	Trust	13,486,780	5,927,750	12,225,770	(6,298,020)	7,188,760
Total		\$ 260,430,300	\$ 506,028,390	\$ 658,945,370	\$ (152,916,980)	\$ 107,513,320

City of Salem Budget
RECAP OF EXPENDITURES

All Funds
FY 2021 and FY 2022

Fund No.	Fund Name	Adopted FY 2021	Proposed FY 2022	Increase (Decrease)	Percent Change
101	General	\$ 149,094,730	\$ 153,733,000	\$ 4,638,270	3.1%
155	Transportation Services	17,456,400	17,236,640	(219,760)	-1.3%
156	Streetlight	2,122,360	2,082,060	(40,300)	-1.9%
160	Airport	2,379,280	2,277,290	(101,990)	-4.3%
165	Community Renewal	8,468,270	7,555,230	(913,040)	-10.8%
170	Downtown Parking	1,135,190	1,299,380	164,190	14.5%
175	Cultural and Tourism	3,599,590	3,571,620	(27,970)	-0.8%
176	Public Art	67,910	42,370	(25,540)	-37.6%
177	Tourism Promotion Area	930,000	696,030	(233,970)	-25.2%
180	Leasehold	905,870	1,026,270	120,400	13.3%
185	Building and Safety	6,397,820	6,402,660	4,840	0.1%
190	Traffic Safety	1,168,950	1,379,120	210,170	18.0%
210	General Debt Service	21,830,260	22,538,470	708,210	3.2%
255	Capital Improvements	185,508,430	140,489,470	(45,018,960)	-24.3%
260	Extra Capacity Facilities	45,522,470	52,966,680	7,444,210	16.4%
275	Development District	5,781,460	8,251,620	2,470,160	42.7%
310	Utility	125,925,970	123,421,740	(2,504,230)	-2.0%
320	Emergency Services	1,061,170	2,415,350	1,354,180	127.6%
330	Willamette Valley Comm. Center	13,391,880	14,486,770	1,094,890	8.2%
335	Police Regional Records System	551,010	346,950	(204,060)	-37.0%
355	City Services	11,750,020	15,724,860	3,974,840	33.8%
365	Self Insurance Benefits	38,411,100	37,966,260	(444,840)	-1.2%
366	Self Insurance Risk	11,503,440	11,946,330	442,890	3.9%
388	Equipment Replacement Reserve	15,474,360	18,863,430	3,389,070	21.9%
400	Trust (Special Revenue)	3,450,990	12,225,770	8,774,780	254.3%
Total		\$ 673,888,930	\$ 658,945,370	\$ (14,943,560)	-2.2%

City of Salem Budget
REQUIREMENTS BY OBJECT CATEGORY

All Funds
FY 2022

Fund No	Fund Name	Personal Services	Materials and Services	Capital Outlay	Transfers	Debt	Contingencies	Total Expenditures
101	General	\$ 118,310,670	\$ 30,942,050	\$ 339,270	\$ 766,000	\$ 375,010	\$ 3,000,000	\$ 153,733,000
155	Transportation Services	7,278,980	8,796,690	54,000	606,970	-	500,000	17,236,640
156	Streetlight	-	1,170,140	-	500,000	211,920	200,000	2,082,060
160	Airport	527,760	896,880	-	-	44,410	808,240	2,277,290
165	Community Renewal	-	7,555,230	-	-	-	-	7,555,230
170	Downtown Parking	-	1,137,310	-	-	-	162,070	1,299,380
175	Cultural and Tourism	-	2,050,730	-	1,400,890	-	120,000	3,571,620
176	Public Art	-	42,370	-	-	-	-	42,370
177	Tourism Promotion Area	-	665,060	-	30,970	-	-	696,030
180	Leasehold	-	485,740	-	200,000	-	340,530	1,026,270
185	Building and Safety	4,008,370	1,594,290	-	500,000	-	300,000	6,402,660
190	Traffic Safety	-	779,970	-	599,150	-	-	1,379,120
210	General Debt Service	-	-	-	-	22,538,470	-	22,538,470
255	Capital Improvements	-	138,239,470	2,250,000	-	-	-	140,489,470
260	Extra Capacity Facilities	-	51,898,750	342,930	725,000	-	-	52,966,680
275	Development District	-	7,891,620	-	360,000	-	-	8,251,620
310	Utility	42,985,910	38,407,340	868,350	19,100,000	19,060,140	3,000,000	123,421,740
320	Emergency Services	442,490	512,860	1,400,000	-	-	60,000	2,415,350
330	Willamette Valley Comm. Center	10,521,140	2,030,630	35,000	1,400,000	-	500,000	14,486,770
335	Police Regional Records System	-	275,080	-	-	-	71,870	346,950
355	City Services	2,827,190	8,453,820	120,000	4,323,850	-	-	15,724,860
365	Self Insurance Benefits	552,480	37,413,780	-	-	-	-	37,966,260
366	Self Insurance Risk	816,160	11,130,170	-	-	-	-	11,946,330
388	Equipment Replacement Reserve	-	4,692,640	14,170,790	-	-	-	18,863,430
400	Trust (Special Revenue)	-	11,990,770	-	235,000	-	-	12,225,770
Total		\$ 188,271,150	\$ 369,053,390	\$ 19,580,340	\$ 30,747,830	\$ 42,229,950	\$ 9,062,710	\$ 658,945,370

City of Salem Budget
REVENUES BY OBJECT CATEGORY

All Funds
FY 2022

Fund No	Fund Name	Taxes	Sales, Fees, Licenses & Permits	Assessments	Rents	Internal & Intergov.	Other Revenue	Non/Operating Revenues	Transfers	Total Revenues
101	General	\$ 79,500,800	\$ 32,169,590	\$ 2,500	\$ 1,509,180	\$ 36,904,070	\$ 2,765,810	\$ -	\$ 2,031,010	\$ 154,882,960
155	Transportation Services	-	208,640	5,300	2,040	16,476,040	36,070	-	75,000	16,803,090
156	Streetlight	-	1,946,660	-	-	-	16,530	-	-	1,963,190
160	Airport	-	46,100	-	1,225,070	-	18,000	-	-	1,289,170
165	Community Renewal	-	-	-	-	7,033,930	694,560	-	-	7,728,490
170	Downtown Parking	-	24,830	-	846,790	211,590	3,430	-	-	1,086,640
175	Cultural and Tourism	3,132,120	-	-	-	1,237,430	14,500	-	-	4,384,050
176	Public Art	-	-	-	-	-	300	-	-	300
177	Tourism Promotion Area	-	-	696,030	-	-	-	-	-	696,030
180	Leasehold	-	-	-	611,280	-	7,000	-	-	618,280
185	Building and Safety	-	6,401,400	-	-	124,510	184,430	-	-	6,710,340
190	Traffic Safety	-	-	-	-	-	1,379,120	-	-	1,379,120
210	General Debt Service	16,954,420	-	-	-	5,719,550	20,000	-	-	22,693,970
255	Capital Improvements	-	-	-	-	43,308,550	319,470	12,841,770	22,640,820	79,110,610
260	Extra Capacity Facilities	-	11,473,090	-	-	6,474,120	-	-	360,000	18,307,210
275	Development District	-	3,472,400	-	-	-	60,000	-	-	3,532,400
310	Utility	-	102,618,050	7,440	21,000	6,968,120	1,405,030	2,686,200	710,400	114,416,240
320	Emergency Services	-	721,270	-	-	10,000	131,000	-	-	862,270
330	Willamette Valley Comm. Center	-	20,800	-	-	13,163,380	40,000	-	-	13,224,180
335	Police Regional Records System	-	-	-	-	458,980	9,190	-	-	468,170
355	City Services	-	-	-	1,225,150	9,044,390	122,600	-	-	10,392,140
365	Self Insurance Benefits	-	-	-	-	25,294,050	1,744,000	-	-	27,038,050
366	Self Insurance Risk	-	-	-	-	3,525,820	140,000	-	-	3,665,820
388	Equipment Replacement Reserve	-	-	-	679,750	2,923,030	150,780	181,260	4,913,100	8,847,920
400	Trust (Special Revenue)	-	150,000	-	-	4,357,850	1,402,400	-	17,500	5,927,750
Total		\$ 99,587,340	\$ 159,252,830	\$ 711,270	\$ 6,120,260	\$183,235,410	\$ 10,664,220	\$ 15,709,230	\$ 30,747,830	\$ 506,028,390

City of Salem
SUMMARY OF RESOURCES
General Fund
FY 2019 to FY 2022

Actual FY 2019	Actual FY 2020	Adopted FY 2021	Resources Category	Proposed FY 2022	Percent of Total	Percent Increase
\$ 25,024,409	\$ 22,198,336	\$ 23,407,760	Cash Balance	\$ 28,194,020	15.4%	20.4%
2,683,179	1,353,392	1,631,400	Previously Levied Taxes	1,140,500	0.6%	-30.1%
1,004,285	1,160,850	1,154,800	Local Sales Tax	1,532,730	0.8%	32.7%
18,003,359	18,091,467	17,835,360	Franchise Fees	18,284,150	10.0%	2.5%
3,934,664	7,122,188	12,000,380	Fees for Services / Other Fees	11,944,140	6.5%	-0.5%
1,520,311	1,404,942	1,881,860	Licenses and Permits	1,941,300	1.1%	3.2%
938,772	1,039,536	838,380	Other Revenue	748,480	0.4%	-10.7%
2,161,366	1,582,858	2,197,060	Rents	1,509,180	0.8%	-31.3%
6,797,043	6,795,935	8,237,920	Intra / Interfund Services	8,469,490	4.6%	2.8%
8,277,510	9,021,290	8,737,020	Allocated Overhead	9,251,620	5.1%	5.9%
6,240,284	6,800,456	7,093,610	State Shared Revenues	7,431,890	4.1%	4.8%
2,235,899	2,238,489	2,271,440	Other Agencies	1,768,930	1.0%	-22.1%
479,543	3,875,901	681,820	State / Federal Grants	9,982,140	5.5%	1364.0%
2,977,913	2,039,690	2,437,030	Fines, Penalties and Forfeitures	2,017,330	1.1%	-17.2%
1,320,470	1,625,201	1,936,070	Interfund Transfers	2,031,010	1.1%	4.9%
\$ 83,599,007	\$ 86,350,531	\$ 92,341,910	Sub-Total	\$ 106,246,910	58.0%	15.1%
\$ 67,345,574	\$ 69,793,377	\$ 72,506,700	Property Taxes-Current Year	\$ 76,827,570	42.0%	6.0%
\$ 150,944,580	\$ 156,143,908	\$ 164,848,610	Total Operations	\$ 183,074,480	100.0%	11.1%
\$ 150,944,580	\$ 156,143,908	\$ 164,848,610	Grand Total	\$ 183,074,480	100.0%	11.1%

City of Salem Budget
General Fund
FY 2022

General Fund Resources

Account	Description	Budget FY 2019	Actual FY 2019	Budget FY 2020	Actual FY 2020	Budget FY 2021	Estimate FY 2021	Mgr Rec FY 2022	BC Rec FY 2022	Adopted FY 2022	Difference from FY 2021	% Chg Difference
35510	STATE GRANTS	\$ 31,350	\$ 21,504	\$ 4,700	\$ -	\$ 242,700	\$ 5,000	\$ 4,750			\$ (250)	-5.0%
35516	STATE-ENERGY TRUST OF OREGON (OET)	-	-	-	-	-	-	-			-	-
35615	OTHER FEDERAL GRANTS	206,480	21,964	167,570	11,500	28,000	10,000	70,000			60,000	600.0%
35629	US ENVIRONMENTAL PROTECTION AGENCY	-	53,934	-	15,962	-	-	-			-	-
35633	US FEDERAL HIGHWAY TRANSPORTATION	102,600	48,645	58,750	38,840	29,000	42,500	29,000			(13,500)	-31.8%
35635	US DEPT OF HOMELAND SECURITY	17,290	161,179	147,700	117,722	152,300	120,800	171,060			50,260	41.6%
35640	US DEPT OF JUSTICE (OTHER)	224,120	165,761	124,120	524,441	229,820	174,120	150,000			(24,120)	-13.9%
35641	US DEPT OF THE TREASURY	-	-	-	3,140,536	-	9,925,329	9,557,330			(367,999)	-3.7%
35655	OTHER GRANTS	-	6,556	-	26,900	-	-	-			-	-
	Total Grants	\$ 581,840	\$ 479,543	\$ 502,840	\$ 3,875,901	\$ 681,820	\$ 10,277,749	\$ 9,982,140			\$ (295,609)	-2.9%
36110	PARKING FINES	\$ 839,990	\$ 916,241	\$ 884,020	\$ 692,508	\$ 892,860	\$ 450,933	\$ 714,290			\$ 263,357	58.4%
36115	COURT FINES	1,510,130	1,426,944	1,510,730	1,176,046	1,417,670	912,910	1,134,140			221,230	24.2%
36116	PHOTO RED LIGHT FINES	485,480	522,557	-	-	-	-	-			-	-
36125	FALSE ALARM	-	-	-	-	-	-	-			-	-
36130	CIVIL PENALTIES	-	25,836	150,000	72,025	35,000	-	70,000			70,000	-
36195	OTHER FINES AND FORFEITS	98,380	86,336	84,020	99,111	91,500	85,000	98,900			13,900	16.4%
36210	INTEREST	413,360	767,042	494,000	699,802	615,780	552,000	546,480			(5,520)	-1.0%
36310	LOAN PRINCIPAL	-	-	-	-	-	-	-			-	-
36315	LOAN INTEREST	12,000	(126)	-	302	-	300	-			(300)	-100.0%
36810	BAD DEBT RECOVERY	15,000	5,581	6,000	25,936	6,300	4,500	4,500			-	-
36815	WAGE RECOVERY	32,000	85	1,000	124,298	25,000	55,000	20,000			(35,000)	-63.6%
36820	DONATIONS	78,000	81,862	100,000	99,314	103,500	30,000	103,500			73,500	245.0%
36830	CORPORATE CARD REBATE	-	4,855	-	6,304	-	6,500	-			(6,500)	-100.0%
36825	ENERGY INCENTIVES	-	-	-	-	-	-	-			-	-
36895	OTHER REVENUE	124,060	79,473	85,000	83,579	87,800	80,000	74,000			(6,000)	-7.5%
	Total Other Revenue	\$ 3,608,400	\$ 3,916,686	\$ 3,314,770	\$ 3,079,226	\$ 3,275,410	\$ 2,177,143	\$ 2,765,810			\$ 588,667	27.0%
38715	LOAN PROCEEDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -	-
	Total Loan Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -	-
38755	SALE OF ASSETS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -	-
	Total Sale of Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -	-
39110	INTERFUND TRANSFERS	\$ 1,420,470	\$ 1,320,470	\$ 1,672,440	\$ 1,625,201	\$ 1,936,070	\$ 1,795,850	\$ 2,031,010			\$ 235,160	13.1%
	Total Interfund Transfers	\$ 1,420,470	\$ 1,320,470	\$ 1,672,440	\$ 1,625,201	\$ 1,936,070	\$ 1,795,850	\$ 2,031,010			\$ 235,160	13.1%
39910	BEGINNING WORKING CAPITAL	\$ 25,879,730	\$ 25,024,409	\$ 21,192,270	\$ 22,198,336	\$ 23,407,760	\$ 24,967,160	\$ 28,194,020			\$ 3,226,860	12.9%
	Total Beginning Balance	\$ 25,879,730	\$ 25,024,409	\$ 21,192,270	\$ 22,198,336	\$ 23,407,760	\$ 24,967,160	\$ 28,194,020			\$ 3,226,860	12.9%
	Total Resources	\$ 150,259,410	\$ 150,945,989	\$ 150,049,590	\$ 156,154,312	\$ 164,853,810	\$ 170,852,133	\$ 183,076,980			\$ 12,224,847	7.2%

City of Salem Budget
Traffic Safety Fund
FY 2022

Traffic Safety Fund Resources

Account	Description	Budget FY 2019	Actual FY 2019	Budget FY 2020	Actual FY 2020	Budget FY 2021	Mgr Rec FY 2022	BC Rec FY 2022	Adopted FY 2022	Difference from FY 2021	% Chg Difference
36116	PHOTO RED LIGHT FINES	\$ -	\$ -	\$ 844,710	\$ 445,827	\$ 642,900	\$ 853,070			\$ 210,170	32.7%
36117	SPEED-ON-GREEN FINES	-	-	1,268,010	131,247	526,050	526,050			-	-
	Total Sales, Fees, Licenses, and Permits	\$ -	\$ -	\$ 2,112,720	\$ 577,074	\$ 1,168,950	\$ 1,379,120			\$ 210,170	18.0%
36210	INTEREST	\$ -	\$ -	\$ -	\$ 1,211	\$ -	\$ -			\$ -	-
	Total Other Revenue	\$ -	\$ -	\$ -	\$ 1,211	\$ -	\$ -			\$ -	-
39910	BEGINNING WORKING CAPITAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,730			\$ 76,730	-
	Total Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,730			\$ 76,730	-
	Total Resources	\$ -	\$ -	\$ 2,112,720	\$ 578,284	\$ 1,168,950	\$ 1,455,850			\$ 286,900	24.5%

Traffic Safety Fund Expenditures

Account	Description	Budget FY 2019	Actual FY 2019	Budget FY 2020	Actual FY 2020	Budget FY 2021	Mgr Rec FY 2022	BC Rec FY 2022	Adopted FY 2022	Difference from FY 2021	% Chg Difference
52620	CONSTRUCTION CONTRACTS	\$ -	\$ -	\$ -	\$ 116	\$ -	\$ -			\$ -	-
52670	OTHER PROFESSIONAL SERVICES	-	-	567,520	209,247	420,000	420,000			-	-
53620	ELECTRIC	-	-	3,600	944	-	-			-	-
53767	BANKING AND INVESTMENT FEES	-	-	-	61	-	-			-	-
53813	INTRA CITY - BUDGETED TRANSFERS	-	-	324,480	113,730	430,340	359,970			(70,370)	-16.4%
	Total Materials and Services	\$ -	\$ -	\$ 895,600	\$ 324,098	\$ 850,340	\$ 779,970			\$ (70,370)	-8.3%
61110	CONTINGENCIES	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -			\$ -	-
	Total Contingencies	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -			\$ -	-
62110	TRANSFERS TO OTHER FUNDS	\$ -	\$ -	\$ 812,360	\$ 254,176	\$ 318,610	\$ 599,150			\$ 280,540	88.1%
	Total Interfund Transfers	\$ -	\$ -	\$ 812,360	\$ 254,176	\$ 318,610	\$ 599,150			\$ 280,540	88.1%
	Total Expenditures	\$ -	\$ -	\$ 1,907,960	\$ 578,274	\$ 1,168,950	\$ 1,379,120			\$ 210,170	18.0%

City of Salem Budget Trust Fund Assumptions and Trends FY 2022

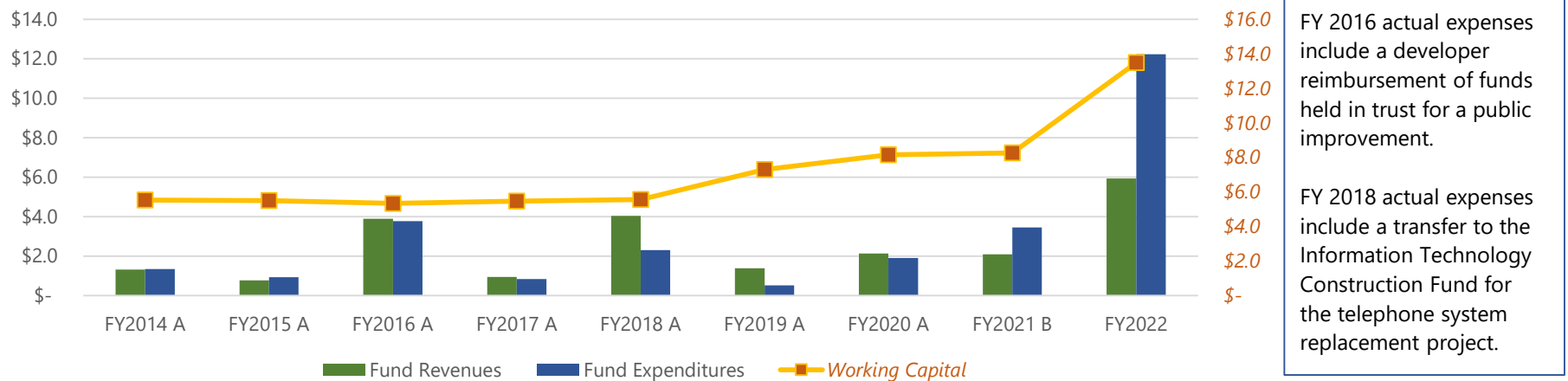
Account	Assumption	Amount	Account	Assumption	Amount
32345	Community Enforcement Fee: revenue derived from the remediation of blighted properties in Salem; estimating no change from the FY 2021 Budget	\$ 75,000	36895	Other Revenues: includes \$500,000 of appropriation authority for unanticipated revenues, also forfeited funds held in several trust accounts; estimating a 34.5% decrease over the FY 2021 Budget	\$ 928,580
32640	PW Service Fee: developer fees held in trust for Public Works projects; estimating a 31.8% decrease from the FY 2021 Budget	\$ 75,000	39110	Interfund Transfers: includes transfers for the senior center and historical residential toolbox grants; estimating no change over the FY 2021 Budget	\$ 17,500
35641	US Dept of the Treasury: grant revenue from the American Rescue Plan Act	\$ 4,357,850			

Not all revenues included on the next page are highlighted here.

See all six result areas and the Miscellaneous section of the budget document for more information about trust fund resources and expenses.

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

In millions



Trust Funds

FY 2022

Actual Cash Balance		Account Number	Trust Account Title	Estimated Cash Bal. 6/30/2021	Anticipated FY 2021-22			Projected Cash Bal. 6/30/2022
7/1/2019	7/1/2020				Receipts	Total Res	Disbursements	
\$ 565	\$ 565	401 10980400	Civic Center Trust	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	403 60981058	Independence Day Celebration	-	-	-	-	-
-	-	404 60981010	Federal Relief	5,144,220	4,357,850	9,502,070	9,502,070	-
-	-	420 59980500	Telephone System Replacement	-	-	-	-	-
18,938	19,343	421 20981700	Kingwood Tower	20,000	300	20,300	20,300	-
69,891	71,384	429 64989700	Enterprise Zone	-	-	-	-	-
29,429	30,108	430 25989800	Seismic Response	31,150	450	31,600	31,600	-
816	833	435 60982000	Youth Commission	-	-	-	-	-
12,811	6,475	436 58982600	Pioneer Cemetery Trust	17,520	14,200	31,720	15,000	16,720
48,664	69,518	440 21983500	Senior Center	73,250	164,700	237,950	179,000	58,950
3,335	3,155	445 25984000	SESNA Neighborhood Response	3,270	50	3,320	1,710	1,610
411,140	395,152	446 64989800	Railroad Bridge Maintenance	409,990	6,700	416,690	50,500	366,190
198,939	211,519	447 589831--	Parks Facilities Reserves	275,940	41,480	317,420	71,600	245,820
15,407	210,837	448 25985---	Neighborhood Enhancement	121,660	97,890	219,550	212,110	7,440
15,115	17,371	460 33982200	Friends of SPL	37,470	32,740	70,210	40,000	30,210
938,927	957,913	461 3398----	Library Gifts	930,400	125,070	1,055,470	197,130	858,340
13,827	14,122	462 33984200	Nora Anderson Estate	14,590	150	14,740	10	14,730
9,377	9,004	463 33985900	Dr. Helen Pearce Music Fund	8,750	100	8,850	1,010	7,840
23,023	21,826	464 33986400	Rise Estate	21,270	200	21,470	5,010	16,460
8,455	8,636	465 33986500	Rutter Bond Donation	8,920	100	9,020	10	9,010
238,052	317,413	467 35981700	Police Property Income	330,000	225,000	555,000	300,000	255,000
12,071	2,342	469 35981200	K-9 Trust	1,500	500	2,000	500	1,500
308,876	316,654	470 35981400	Police - Other Income	350,000	100,000	450,000	250,000	200,000
12,757	16,069	472 35982900	Police - Misc. Donations	28,000	100,000	128,000	50,000	78,000
6,179	288	473 35983800	Police Training	5,000	40,100	45,100	40,000	5,100
7,313	2,069	474 35983900	D.A.R.E. Program	-	-	-	-	-
2,982	3,402	475 35987100	Neighborhood Watch	4,000	1,000	5,000	5,000	-
2,500	2,856	477 37987500	Fire - Prevention / Education / Trauma	2,540	-	2,540	-	2,540
379,525	699,365	479 35983---	Federal and State Forfeitures	350,400	415,000	765,400	600,400	165,000
64,778	66,162	483 37987200	Antique Fire Apparatus	65,470	30,000	95,470	30,000	65,470
281,841	286,137	486 58981900	Street Right-of-Way	307,490	6,550	314,040	307,000	7,040
3,955,215	4,141,649	490 589887--	Future Public Works Projects	4,694,960	149,800	4,844,760	80,800	4,763,960
6,935	5,301	493 58982210	Environmental Program Donations	3,840	4,140	7,980	5,000	2,980
-	-	500 60989500	Unanticipated	-	-	-	-	-
3,246	3,315	551 10983100	Willard C. Marshall	-	-	-	-	-
185,631	240,345	560 58985100	Woodmansee Park	216,420	13,580	230,000	230,000	-
8,300	8,477	570 33984700	J. Wesley Sullivan Trust	8,760	100	8,860	10	8,850
\$ 7,294,859	\$ 8,159,606			\$ 13,486,780	\$ 5,927,750	19,414,530	\$ 12,225,770	\$ 7,188,760

City of Salem Budget
Trust Fund
FY 2022

Trust Fund Resources

Account	Description	Budget FY 2019	Actual FY 2019	Budget FY 2020	Actual FY 2020	Budget FY 2021	Mgr Rec FY 2022	BC Rec FY 2022	Adopted FY 2022	Difference from FY 2021	% Chg Difference
32242	SHARED CONSTRUCTION COST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -	-
32310	ACCIDENT AND FIRE RECOVERY	-	1,298	-	-	-	-			-	-
32315	COMMUNITY EVENTS	-	-	-	-	-	-			-	-
32345	COMMUNITY ENFORCEMENT FEES	-	80,824	100,000	186,598	75,000	75,000			-	-
32610	SENIOR CENTER FEE	-	14,545	-	13,472	-	-			-	-
32633	LIBRARY - DAMAGED AND LOST MATERIALS	25,000	34,776	-	10,678	-	-			-	-
32640	PW SERVICE FEE	180,000	113,000	135,000	61,000	110,000	75,000			(35,000)	-31.8%
	Total Sales, Fees, Licenses, Permits	\$ 205,000	\$ 244,443	\$ 235,000	\$ 271,748	\$ 185,000	\$ 150,000			\$ (35,000)	-18.9%
35510	STATE GRANTS	\$ 30,000	\$ 26,177	\$ 30,000	\$ 29,187	\$ 30,000	\$ -			\$ (30,000)	-100.0%
35515	STATE-DEPT OF ADMIN SERVICES (DAS)	-	-	1,000,000	1,000,000	-	-			-	-
35518	STATE-PARKS & REC DEPT (OPRD)	-	-	-	-	-	-			-	-
35615	OTHER FEDERAL GRANTS	-	-	-	-	-	-			-	-
35640	US DEPT OF JUSTICE (OTHER)	-	50,423	-	19,683	-	-			-	-
35655	OTHER GRANTS	-	-	-	-	-	-			-	-
	Total Internal / Intergovernmental	\$ 30,000	\$ 76,600	\$ 1,030,000	\$ 1,048,870	\$ 30,000	\$ -			\$ (30,000)	-100.0%
33115	ASSESSMENT - INTEREST	\$ -	\$ 8,302	\$ -	\$ 32,841	\$ -	\$ -			\$ -	-
34110	LAND / BUILDING RENT	-	2,187	-	2,116	-	-			-	-
35641	US DEPT OF THE TREASURY	-	-	-	-	-	4,357,850			4,357,850	-
36106	TREE CODE VIOLATION	7,000	3,985	3,660	34,453	4,000	10,000			6,000	150.0%
36130	CIVIL PENALTIES	-	(750)	-	1,050	-	-			-	-
36210	INTEREST	117,620	181,870	136,260	190,708	218,410	203,180			(15,230)	-7.0%
36310	LOAN PRINCIPAL	-	-	-	-	-	-			-	-
36315	LOAN INTEREST	-	2,586	3,000	-	-	-			-	-
36820	DONATIONS	257,180	72,913	296,700	120,303	222,500	260,640			38,140	17.1%
36830	CORPORATE CARD REBATE	-	277	-	448	-	-			-	-
36895	OTHER REVENUE	1,301,150	632,383	1,139,800	407,983	1,417,500	928,580			(488,920)	-34.5%
	Total Other Revenue	\$ 1,682,950	\$ 903,753	\$ 1,579,420	\$ 789,902	\$ 1,862,410	\$ 5,760,250			\$ (460,010)	209.3%
38755	SALE OF ASSETS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -	-
	Total Non / Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -	-
39110	INTERFUND TRANSFERS	\$ 162,500	\$ 162,500	\$ 12,500	\$ 12,500	\$ 17,500	\$ 17,500			\$ -	-
39111	TRANSFER OF ASSET DISPOSAL PROCEEDS	-	-	-	-	-	-			-	-
39115	INTRAFUND TRANSFERS IN	-	-	-	3,967	-	-			-	-
	Total Interfund Transfers	\$ 162,500	\$ 162,500	\$ 12,500	\$ 16,467	\$ 17,500	\$ 17,500			\$ -	-
39910	BEGINNING WORKING CAPITAL	\$ 7,156,980	\$ 7,294,859	\$ 8,031,860	\$ 8,159,606	\$ 8,257,180	\$ 13,486,780			\$ 5,229,600	63.3%
	Total Beginning Balance	\$ 7,156,980	\$ 7,294,859	\$ 8,031,860	\$ 8,159,606	\$ 8,257,180	\$ 13,486,780			\$ 5,229,600	63.3%
	Total Resources	\$ 9,237,430	\$ 8,682,156	\$ 10,888,780	\$ 10,286,593	\$ 10,352,090	\$ 19,414,530			\$ 4,704,590	87.5%

City of Salem Budget
Trust Fund
FY 2022

Trust Fund Expenditures

Account	Description	Budget FY 2019	Actual FY 2019	Budget FY 2020	Actual FY 2020	Budget FY 2021	Mgr Rec FY 2022	BC Rec FY 2022	Adopted FY 2022	Difference from FY 2021	% Chg Difference
52110	SUBSCRIPTIONS AND BOOKS	\$ 25,000	\$ 71,249	\$ -	\$ 53,345	\$ -	\$ -			\$ -	-
52120	MAIL	-	245	-	221	-	-			-	-
52130	SUPPLIES	80,000	28,597	15,000	23,889	15,000	-			(15,000)	-100.0%
52140	PRINTING AND DUPLICATION	-	789	-	-	-	-			-	-
52320	ADVERTISING	-	1,240	-	717	-	-			-	-
52340	EMPLOYEE RECOGNITION	-	134	-	213	-	-			-	-
52510	TRAINING	-	15,615	-	7,435	-	-			-	-
52520	TRAVEL	-	1,674	-	-	-	-			-	-
52540	MEALS	-	298	-	561	-	-			-	-
52550	MILEAGE	-	43	-	-	-	-			-	-
52560	REGISTRATION	-	-	-	1,625	-	-			-	-
52620	CONSTRUCTION CONTRACTS	-	-	-	-	-	-			-	-
52670	OTHER PROFESSIONAL SERVICES	117,000	49,864	145,000	33,009	260,250	264,000			3,750	1.4%
52720	LICENSES / CERTIFICATIONS	-	-	-	-	-	-			-	-
52740	PERMITS	-	-	-	-	-	-			-	-
52810	SMALL TOOLS	-	742	-	-	-	-			-	-
52815	CONTROLLED EQUIPMENT	56,140	93,115	-	30,238	-	-			-	-
52820	SMALL EQUIPMENT AND SUPPLIES	-	5,539	-	17,481	55,250	59,000			3,750	6.8%
52830	COMPUTER SOFTWARE AND LICENSES	7,460	85,033	33,000	66,565	-	-			-	-
52865	OTHER TECHNICAL SUPPLIES	-	3,352	-	-	-	-			-	-
52910	DIESEL FUEL	-	204	-	-	-	-			-	-
52930	GASOLINE	-	(448)	-	105	-	-			-	-
53310	VEHICLE MAINTENANCE	-	195	-	-	-	-			-	-
53320	EQUIPMENT MAINTENANCE	-	2,495	4,270	-	-	-			-	-
53375	CHEMICALS	-	-	-	-	-	-			-	-
53380	OTHER MAINTENANCE AND REPAIRS	-	29,414	-	4,309	-	-			-	-
53530	OUTSIDE RENTAL	-	-	-	-	-	-			-	-
53733	CLOTHING - UNIFORMS (TAX-EXEMPT)	-	200	-	-	-	-			-	-
53734	SAFETY CLOTHING AND EQUIPMENT	-	7,600	-	1,271	-	-			-	-
53765	INTEREST - SHORT TERM	-	-	-	-	-	-			-	-
53767	BANKING AND INVESTMENT FEES	7,560	4,922	7,560	5,080	6,590	6,760			170	2.6%
53768	DIRECT BANKING FEES	-	14	-	13	-	-			-	-
53769	CARD PROCESSING FEES	-	1,233	-	1,266	-	-			-	-
53770	BAD DEBT - WRITE OFF	-	499	-	324	-	-			-	-
53799	OTHER EXPENSES	1,166,880	49,065	2,480,820	33,715	2,313,130	2,010,940			(302,190)	-13.1%
53812	INTRA CITY - DIRECT CHG (LABOR)	33,000	21,925	5,000	11,061	5,000	5,000			-	-
53815	INTRA CITY - INTERDEPARTMENTAL BILLINGS	-	-	-	-	-	143,000			143,000	-
53840	MOTOR POOL RENTAL	-	-	-	-	-	-			-	-
53841	EQUIPMENT REPLACEMENT CHARGE	-	-	-	-	-	-			-	-
53851	COPY	-	2,128	-	3,108	-	-			-	-
53860	BUILDING SERVICES	-	-	-	-	-	-			-	-
54811	SPECIAL PAYMENTS - PERMANENT EASEMENT	-	1,000	-	-	-	-			-	-
54850	OTHER SPECIAL PAYMENTS	-	29,577	1,000,000	1,067,476	-	9,502,070			9,502,070	-
Total Materials and Services		\$ 1,493,040	\$ 507,550	\$ 3,690,650	\$ 1,363,026	\$ 2,655,220	\$11,990,770			\$ 9,335,550	351.6%

City of Salem Budget
Trust Fund
FY 2022

Trust Fund Expenditures

Account	Description	Budget FY 2019	Actual FY 2019	Budget FY 2020	Actual FY 2020	Budget FY 2021	Mgr Rec FY 2022	BC Rec FY 2022	Adopted FY 2022	Difference from FY 2021	% Chg Difference
55130	EQUIPMENT AND MACHINERY	\$ 1,086,000	\$ 10,000	\$ 918,500	\$ 432,932	\$ 500,000	\$ -			\$ (500,000)	-100.0%
	Total Capital Outlay	\$ 1,086,000	\$ 10,000	\$ 918,500	\$ 432,932	\$ 500,000	\$ -			\$ (500,000)	-100.0%
62110	TRANSFERS TO OTHER FUNDS	\$ 105,000	\$ 5,000	\$ 105,570	\$ 105,565	\$ 295,770	\$ 235,000			\$ (60,770)	-20.5%
62115	INTRAFUND TRANSFERS OUT	-	-	-	3,967	-	-			-	-
	Total Interfund Transfers	\$ 105,000	\$ 5,000	\$ 105,570	\$ 109,532	\$ 295,770	\$ 235,000			\$ (60,770)	-20.5%
	Total Expenditures	\$ 2,684,040	\$ 522,550	\$ 4,714,720	\$ 1,905,489	\$ 3,450,990	\$12,225,770			\$ 8,774,780	254.3%

TO: Budget Committee
FROM: Steve Powers, City Manager
SUBJECT: Errata Sheet 5 – Police Department Program Allocations
ISSUE:

To inform the Budget Committee about errors and corrections, or updated information regarding the Proposed FY 2022 City of Salem Budget

RECOMMENDATION:

1. Accept a change to the proposed Police Department program allocation display on pages 119-120.

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:

In review of the printed budget document, an error was found in the Police Department program allocations on pages 119 and 120 of budget book 1. During budget development, the expenses in many Police Department cost centers were allocated evenly between all programs by mistake. The result was an inaccurate display of the program cost data, but there is no change to the Police Department's overall budget total. Approving this recommendation will reflect an accurate display of program expenses.






Josh Eggleston
Budget Officer

Attachments:

1. Errata 5 replacement pages – 119, 120






6. Police Department Summary of Services and Programs

General Fund Programs and FTE

	FY 2021 Program Budget	FY 2022 Program Budget	Staff	Alignment					
Accreditation	114,000	169,120	0.93	Less		✓		✓	✓
Behavioral Health Team	781,080	845,480	4.25	More		✓		✓	✓
Community Service Officers	304,290	355,390	4.80	More	✓	✓		✓	✓
Computer Forensics Lab	461,490	488,160	2.00	Less		✓		✓	✓
Crime Analysis	318,500	163,980	0.93	Less		✓		✓	✓
Crime Lab	445,550	473,360	2.50	Less		✓		✓	✓
Custody and Transport	71,230	75,460	0.00	Least		✓			✓
Domestic Violence Response	174,360	187,380	1.60	Less		✓			✓
Downtown Enforcement	1,391,370	1,491,810	7.25	Most	✓	✓	✓	✓	✓
Drug Enforcement Unit	873,360	910,080	3.92	More	✓	✓		✓	✓
Fleet Management	252,560	162,780	0.93	Less		✓			✓
Graffiti Removal	144,570	141,360	2.00	Less	✓	✓		✓	✓
Internal Affairs	319,340	411,620	1.93	Less		✓			✓
Operational and Technology Transfers	3,674,910	6,839,420	0.00	Operating / technology transfers not scored					
Patrol	23,784,920	21,376,990	118.18	More		✓		✓	✓
Person Crime Investigations	2,432,480	2,553,690	12.25	More		✓		✓	✓
Photo Redlight	260,400	270,590	0.00	Less		✓	✓		✓
Police K9	1,270,310	1,306,010	6.00	Less		✓		✓	✓
Police Reception and Customer Service	2,140,590	2,129,360	19.00	Less		✓		✓	✓
Problem Oriented Policing	583,880	620,410	3.00	More	✓	✓		✓	✓
Property and Evidence	773,630	936,100	6.93	Less	✓	✓			✓
Property Crime Investigations	1,851,340	1,945,080	9.25	More		✓		✓	✓
Public Relations and Crime Prevention	519,460	688,250	3.93	Less		✓		✓	✓
Special Teams	283,160	250,120	0.00	Less		✓		✓	✓
Street Crimes Unit	1,906,550	1,902,680	8.92	Less		✓		✓	✓

6. Police Department Summary of Services and Programs

General Fund Programs and FTE

	FY 2021 Program Budget	FY 2022 Program Budget	Staff	Alignment					
Telephone Reporting - Non-Emergency Crimes	280,130	291,530	3.00	Least		✓		✓	✓
Traffic Enforcement	1,643,060	1,674,350	7.25	More	✓	✓	✓	✓	✓
Volunteer Coordination - Police	149,170	158,420	1.00	Less		✓		✓	✓
Youth Services	1,687,820	1,694,680	9.67	Less		✓		✓	✓
Total General Fund	\$ 48,893,510	\$ 50,513,660	241.42						

Regional Records System Fund Programs

Contingencies	71,870	71,870	0.00	Contingencies not scored					
Operational and Technology Transfers	-	139,380	0.00	Operating / technology transfers not scored					
Police Regional Records Management System	479,140	135,700	0.00	More		✓	✓		✓
Total Regional Records System	\$ 551,010	\$ 346,950	0.00						

Total Police Department \$ 49,444,520 \$ 50,860,610 241.42

TO: Budget Committee Members
FROM: Steve Powers, City Manager
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.

1. What does the auditor do when auditing federal awards? – Kathy Wilson, Grove, Mueller, Swank, P.C. (City's auditor)

Generally, each federal program has a related compliance supplement which details the applicable requirements for the program and suggested procedures to apply. If there is no compliance supplement or suggested procedures, we fall back on Federal Uniform Guidance rules and the grant agreement itself in determining applicable requirements and procedures necessary. Testing involves selecting an appropriate sample from a given population of items and examining the underlying support for each selection to determine whether it is in compliance as it relates to the specific requirement being tested.

The attached supplement (attachment 1) is what we used as guidance for the CRF program. We tested compliance related to the activities and costs charged to the program, as well as the time period during which the costs were incurred. We also tested requests for reimbursement, since reimbursement reporting was the only reporting applicable at the City's level. The City didn't pass any funds through to other entities, so we didn't perform subrecipient testing since it wasn't applicable.

The Federal Grant Compliance Report includes our auditor's report (pages 3-4) regarding the City's compliance related to major programs tested.

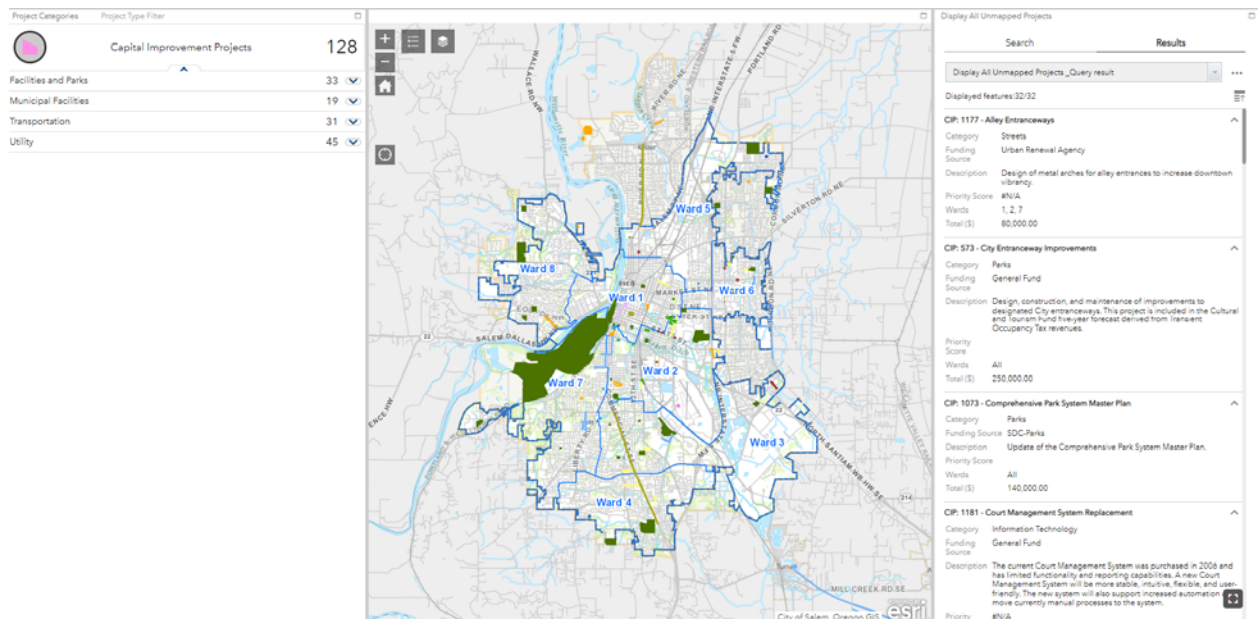
2. What is the current guidance for American Rescue Plan Act (ARPA) funds? – Robert Barron, Chief Financial Officer

- a. U.S. Treasury's summary of ARPA program: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-fund>
- b. League of Oregon Cities uses of ARPA funds: <https://www.orcities.org/resources/reference/arp/spending-guidance>
 - i. What can ARPA funds be used for?
 1. To respond to the public health emergency or its negative economic impacts, including assistance to households, small

- businesses, and nonprofits, or aid to impacted industries such as tourism, travel and hospitality.
2. To respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers of the city that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work.
 3. For the provision of government services to the extent of the reduction in revenue of the city due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency.
 4. To make necessary investments in water, sewer, or broadband infrastructure.
 5. What uses are not allowed for the funds?
 - a. Reducing taxes by legislation, regulation or administration.
 - b. Deposits into pension funds.
- c. National League of Cities provided the following five principals for ARPA implementation: <https://www.nlc.org/article/2021/04/05/local-recovery-five-principles-for-arp-implementation/>
- i. Assess government operations AND community needs to develop a plan for recovery.
 - ii. Use each revenue source strategically.
 - iii. Prioritize fiscal stability and returning to work.
 1. The intent of this legislation is to shore up business and government stability, preserve jobs, and get people back to work; plan your spending with this in mind. Stay up to date on the latest guidance from Treasury about allowable uses for American Rescue Plan dollars and think about how you will tell the story of your investments meeting these goals.
 - iv. Maintain records and document impact.
 - v. Your Congressional Delegation is part of your success.

3. Can CIP investments be displayed by Ward? – Josh Eggleston, Budget Officer

Each of the Capital Improvement Plan (CIP) projects include the details regarding ward and neighborhoods. There isn't a chart or display in the document that totals the projects by ward or neighborhood. This wouldn't be a precise display since many projects cover multiple wards or neighborhoods. The City does have an interactive Geographic Information System (GIS) map that shows projects (that are mappable) by ward and neighborhood. <https://www.cityofsalem.net/Pages/Capital-Improvement-Project-Map.aspx>



4. Where is the Travel Salem budget in the prior year? – Josh Eggleston, Budget Officer

Member Shirack noted that the prior year amount for the City Tourism Promotion program was blank. This prior year (FY 2021) amount should have been \$795,090. There was a formula error that caused this cell to be blank. The error will be corrected in the adopted version of the budget. **There is no budgetary impact of this correction.**

5. What are other cities Transient Occupancy Tax (TOT) percentages? – Finance / Community Development

During the April 21, 2021 Budget Committee meeting, staff was asked about the local transient occupancy tax (also called transient lodging tax) currently in place in other cities. Many other municipalities in Oregon collect a lodging tax. Below is a table of lodging rates for some cities comparable to Salem:

<u>Jurisdiction</u>	<u>Lodging Rate</u>
Ashland	10.0%
Bend	10.4%
Corvallis	9.0%
Eugene	4.5%
Gresham	8.0%
Keizer	6.0%
Lincoln City	9.5%
Medford	11.0%
Newport	9.5%
Salem	9.0%
Springfield	4.5%

It is important to note that the Oregon Legislature has recently limited the ways in which local jurisdictions can spend increases in lodging tax revenue. ORS 320.250 outlines that any new or increased local transient occupancy tax must be split with 70% of net revenues being used for either tourism promotion / tourism – related facilities or to finance or refinance tourism-related debt. Only 30% of net revenues can be used to fund city services. The Salem City Charter further limits how transient occupancy taxes can be expended to the areas of:

- Enhancement and beautification of vehicular and pedestrian entrance-ways to the City;
- Urban beautification generally;
- Improvements to or operation of major tourist attraction or cultural facilities;
- Activities performed directly by the City or through contracts which promote use of Salem for conventions, conferences, seminars or for general tourism.

Changes to the designated uses would mean a change to the City Charter which requires approval by a vote of Salem residents.

6. Can you walk us through the Photo Red Light lost revenue line for the ARPA funding? – Josh Eggleston, Budget Officer

The photo red light revenue beginning in fiscal year 2020 was received in the Traffic Safety Fund. This change caused the ARPA lost revenue calculation to be overstated for the General Fund due to FY 2020 and FY 2021 showing zero photo red light revenue.

The original analysis included \$1,567,671 of lost photo red light revenue. The below table displays the revenue received in the Traffic Safety Fund which corrects the calculation to \$76,730 in lost revenue. An errata sheet will be presented to the committee to correct this miscalculation and budget the \$76,730 of lost revenue to the Traffic Safety Fund and the balance of \$1,490,940 to be reserved for future ARPA projects or programs.

	FY 2019	FY 2020	FY 2021 (Estimated)
General Fund	522,557	-	-
Traffic Safety Fund	-	445,827	697,155
Revenue Loss (FY 2019 Base)	-	(76,730)	-

The revised ARPA distribution by fund is as follows:

	Original Distribution	Errata 4	Revised Distribution
General Fund	16,998,460	(1,567,680)	15,430,780
Downtown Parking	1,616,990		1,616,990
Cultural and Tourism	490,550		490,550
Utility	3,186,090		3,186,090
Transportation	2,572,910		2,572,910
Traffic Safety	-	76,730	76,730
Reserved for future programs	8,011,120	1,490,950	9,502,070
Total Distribution	32,876,120	-	32,876,120

7. Does the City use an equity lens? – Steve Power, City Manager

Per City Council direction, the City's Human Rights Commission is developing an equity lens for use by the City for policy and resource decisions. The HRC will be reviewing for approval on May 12. The equity lens is one part of City Council's request to the HRC for recommendations to strengthen the City's commitment to diversity.

8. Are Urban Renewal Agency (URA) fund available for security and lighting? – Finance / Urban Development

Page 6

Urban renewal is a financial tool that funds projects and activities in an urban renewal area which have been identified in an urban renewal plan. The purpose of urban renewal is to make public investments in designated geographic areas to remove blight, to improve property values, and to leverage private investment. Public investments spur redevelopment in areas where it might not otherwise occur. Improvements would need to be part of the URA Plan. In the case of Riverfront Downtown URA, there is a strategic grant program specifically for lighting, camera, and security to address homelessness. The other URAs do not have similar programs and the plans would need to be amended to include them.

9. There are several questions still pending that will be addressed before or at the May 5th Budget Committee meeting:

- What would the cost be to staff the library for Monday hours?
- What would the cost be to simul-cast the Council Meetings in Spanish and / or ASL?
- What is the split of street CIP projects by mode of transportation (car, bike, pedestrian)?

Attachments:

1. Coronavirus Relief Fund Compliance Supplement

DEPARTMENT OF THE TREASURY

CFDA 21.019 CORONAVIRUS RELIEF FUND

I. PROGRAM OBJECTIVES

Note: Compliance supplement downloaded by auditor from the OMB website. Workpaper has been used to provide guidance over compliance requirements as they relate to the CRF Program.

The purpose of the Coronavirus Relief Fund (the Fund) is to provide direct payments to state, territorial, tribal, and certain eligible local governments to cover:

1. Necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19);
2. Costs that were not accounted for in the government's most recently approved budget as of March 27, 2020; and
3. Costs that were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020, per section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

For more information on the limitation for use of payments from the Fund, please reference US Department of the Treasury's (Treasury) guidance located in the section below titled "Availability of Other Program Information."

Auditors should use Treasury's guidance and FAQs as the criteria when testing for the Fund, as well as when reporting findings.

II. PROGRAM PROCEDURES

A. Overview

The Treasury provided assistance of \$150 billion from the Fund in direct payments to state, territorial, tribal, and eligible local governments with \$3 billion reserved for payments to the District of Columbia, Puerto Rico, US Virgin Islands, Guam, Northern Mariana Islands, and American Samoa and \$8 billion reserved for payments to tribal governments. The remaining \$139 billion were allocated for payments to the 50 states and eligible local governments with each state receiving a minimum payment no less than \$1.25 billion for fiscal year 2020. Payments to states were subject to reduction based on payments to eligible local governments. Amounts paid to states and eligible local governments were based on 2019 population data from the US Census Bureau.

Units of local government eligible for direct payment include counties, municipalities, towns, townships, villages, parishes, boroughs, or other units of general government below the state level with a population that exceeds 500,000. Eligible units of local government had to provide a certification to receive direct payment from the Fund. The secretary of the Treasury made a determination to allocate payments to tribal governments based on population, employment, and expenditure data.

State, territorial, tribal, and eligible local governments are required to use payments from the Fund to cover:

1. Necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. Costs that were not accounted for in the governments' most recently approved budget as of March 27, 2020; and
3. Costs that were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020 per section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

Governments otherwise have broad discretion to utilize payments for expenditures ranging from COVID-19 testing including, but not limited to, reimbursing small businesses for the costs of business interruption caused by required closures.

The CARES Act statutory criteria on use of payments from the Fund stated in section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act and as interpreted in Treasury's guidance and FAQs, applies to prime recipients, subrecipients, and beneficiaries, as detailed in Section M. on Subrecipient Monitoring below and Treasury's FAQ No. B.13. Please note that beneficiaries are not subject to audit per 2 CFR Part 200, Subpart F.

B. Subprograms/Program Elements

Not Applicable

Source of Governing Requirements

The Fund is authorized by the CARES Act, Pub. L. No. 116-136, Division A, Title V (2020) (codified as 42 USC 801 et seq.).

Availability of Other Program Information

Additional information on the Fund is available on the Treasury website at <https://home.treasury.gov/policy-issues/cares/state-and-local-governments>.

Treasury's guidance on the Fund can be found at: <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>.

Treasury's FAQs can be found at: <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf>.

Treasury's Office of the Inspector General guidance on reporting and record retention can be found at <https://www.treasury.gov/about/organizational-structure/ig/Pages/cares-overview.aspx>

and <https://www.treasury.gov/about/organizational-structure/ig/Pages/CARES-Act-Reporting-and-Record-Keeping-Information.aspx>.

Treasury's Office of the Inspector General Frequently Asked Questions (FAQs) can be found at <https://www.treasury.gov/about/organizational-structure/ig/Audit%20Reports%20and%20Testimonies/OIG-CA-20-028.pdf>.

If there are specific questions regarding the Fund, the CARES Program Office may be contacted via telephone at (202) 622-6415 or by e-mail at CoronaVirusReliefFund@treasury.gov.

III. COMPLIANCE REQUIREMENTS

In developing the audit procedures to test compliance with the requirements for this federal program, the auditor must determine, from the following summary (also included in Part 2, "Matrix of Compliance Requirements"), which of the 12 types of compliance requirements have been identified as subject to the audit (noted with a "Y" in the summary matrix below), and then determine which of the compliance requirements that are subject to the audit are likely to have a direct and material effect on the federal program at the auditee. For each such compliance requirement subject to the audit, the auditor must use Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and this program supplement (which includes any program-specific requirements) to perform the audit. When a compliance requirement is shown in the summary below as "N," it has been identified as not being subject to the audit. Auditors are not expected to test requirements that have been noted with an "N." See the Safe Harbor Status discussion in Part 1 for additional information.

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment/Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement, Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	N	N	N	N	Y	N	N	Y	Y	N

A. Activities Allowed or Unallowed

The Fund is designed to provide ready funding to address unforeseen financial needs and risks created by the COVID-19 public health emergency. Governments may use Fund payments for eligible expenses subject to the restrictions set forth in section 601(d) of the Social Security Act. Payments must be used to cover costs that are:

1. Necessary expenditures incurred due to the public health emergency with respect to COVID-19;
2. Not accounted for in the governments' most recently approved as of March 27, 2020; and
3. Incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

A cost meets the requirement of "costs not accounted for in the budget most recently approved as of March 27, 2020" if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget or (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

Please see Treasury's guidance on "Costs not accounted for in the budget most recently approved as of March 27, 2020" at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf> for additional details.

Fund payments are not required to be used as the source of funding of last resort. However, recipients may not use payments from the Fund to cover expenditures for which they will receive reimbursement from other sources. Governments are responsible for making determinations as to what expenditures are necessary due to the public health emergency with respect to COVID-19.

Please see Treasury's FAQs at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf>, for more information related to the expenditures that may or may not be covered with payments from the Fund.

B. Allowable Cost/Cost Principles

As a direct payment for specified use, these funds are considered federal financial assistance, but not a grant. In accordance with 2 CFR section 200.101(b) regarding applicability only certain provisions of the *Code of Federal Regulations*, Title 2, Subtitle A, Chapter II, Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"– 2 CFR Part 200) apply to the Fund and these provisions include the following:

- a. Subpart A-Definitions;
- b. Subpart B-General provisions except for 2 CFR sections 200.111–113;

- c. 2 CFR section 200.303 regarding internal controls;
- d. 2 CFR sections 200.330–332 regarding subrecipient monitoring and management;
and
- e. Subpart F – Audit Requirements

All other provisions of 2 CFR Part 200 are not applicable to the Fund.

While 2 CFR Part 200, Subpart E, cost principles do not apply to the Fund, auditors should use Treasury’s guidance and FAQs as the criteria when testing the allowability of costs under the Fund. For example, while not exhaustive, in the context of real property improvements and acquisitions and equipment acquisitions (which includes vehicles) this means that the acquisition itself must be necessary due to the COVID-19 public health emergency. In particular, a government must (i) determine that it is not able to meet the need arising from the public health emergency in a cost-effective manner by leasing property or equipment or by improving property already owned and (ii) maintain documentation to support this determination. Likewise, an improvement, such as the installation of modifications to permit social distancing, would need to be determined to be necessary to address the COVID-19 public health emergency (see Treasury’s FAQ No. A.58 for more detail on real property improvements and acquisitions and equipment acquisitions).

H. Period of Performance

Governments must use the direct payments for necessary expenditures incurred between March 1, 2020 and December 30, 2020, due to the COVID-19 public health emergency. Please see Treasury’s guidance on “Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020” for more detail at: <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>.

L. Reporting

1. Financial Reporting

- a. *SF-270, Request for Advance or Reimbursement* – Not Applicable
- b. *SF-271, Outlay Report and Request for Reimbursement for Construction Programs* – Not Applicable
- c. *SF-425, Federal Financial Report* – Not Applicable

2. Special Reporting

- a. Each prime recipient of the Fund shall provide a quarterly Financial Progress Report that contains COVID-19 related costs incurred during the covered period (the period beginning on March 1, 2020 and ending on December 30, 2020) to Treasury's Office of Inspector General. Each prime recipient shall report this quarterly information mentioned above into the GrantSolutions portal. The Prime recipient's quarterly Financial Progress Report submissions should be supported by the data in the prime recipient's accounting system. Data required to be reported includes, but is not limited to, the following:
 - (1) The total amount of payments from the Fund received from Treasury;
 - (2) The amount of funds received that were expended or obligated for each project or activity;
 - (3) A detailed list of all projects or activities for which funds were expended or obligated, including:
 - (a) The name of the project or activity (please refer to Treasury OIG guidance at <https://www.treasury.gov/about/organizational-structure/ig/Audit%20Reports%20and%20Testimonies/OIG-CA-20-028.pdf>)
 - (b) A description of the project or activity; and
 - (4) Detailed information on any loans issued; contracts and grants awarded; transfers made to other government entities; and direct payments made by the prime recipient that are greater than \$50,000. For amounts less than \$50,000, the prime recipient must report in the aggregate for these expenditure categories. For direct payments to individuals, aggregate reporting is required to be reported regardless of the amount.
- b. By no later than September 21, 2020, prime recipients shall submit via the GrantSolutions portal the first detailed quarterly report, which shall cover the period March 1 through June 30, 2020 (with exception to the September 21 first quarter deadline and the October 13 second quarter reporting deadlines for those prime recipients using the GrantSolutions' upload feature, which was available December 1, 2020). Thereafter, quarterly reporting will be due no later than ten days after each calendar quarter. If the 10th calendar day falls on a weekend or a federal holiday, the due date will be the next working day. Reporting shall end with either the calendar quarter after the COVID-19 related costs and expenditures

have been liquidated and paid or the calendar quarter ending September 30, 2021, whichever comes first. The prime recipient's quarterly Financial Progress Report submission should be supported by the data in the prime recipient's accounting system.

Please reference OIG's guidance for more information at <https://www.treasury.gov/about/organizational-structure/ig/Pages/CARES-Act-Reporting-and-Record-Keeping-Information.aspx>.

M. Subrecipient Monitoring

Applicable

For additional information on subrecipient monitoring, please reference Part 3 of the 2020 Compliance Supplement available at:

https://www.whitehouse.gov/wp-content/uploads/2020/08/2020-Compliance-Supplement_FINAL_08.06.20.pdf and the pertinent section is also available at: <https://www.aicpa.org/content/dam/aicpa/interestareas/governmentauditquality/resources/singleaudit/uniformguidanceforfederalrewards/downloadabledocuments/2020-omb-comp-supp/2020cspart3.pdf>.

DEPARTMENT OF THE TREASURY

CFDA 21.019 CORONAVIRUS RELIEF FUND

I. PROGRAM OBJECTIVES

Note: Compliance supplement downloaded by auditor from the OMB website. Workpaper has been used to provide guidance over compliance requirements as they relate to the CRF Program.

The purpose of the Coronavirus Relief Fund (the Fund) is to provide direct payments to state, territorial, tribal, and certain eligible local governments to cover:

1. Necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19);
2. Costs that were not accounted for in the government's most recently approved budget as of March 27, 2020; and
3. Costs that were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020, per section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

For more information on the limitation for use of payments from the Fund, please reference US Department of the Treasury's (Treasury) guidance located in the section below titled "Availability of Other Program Information."

Auditors should use Treasury's guidance and FAQs as the criteria when testing for the Fund, as well as when reporting findings.

II. PROGRAM PROCEDURES

A. Overview

The Treasury provided assistance of \$150 billion from the Fund in direct payments to state, territorial, tribal, and eligible local governments with \$3 billion reserved for payments to the District of Columbia, Puerto Rico, US Virgin Islands, Guam, Northern Mariana Islands, and American Samoa and \$8 billion reserved for payments to tribal governments. The remaining \$139 billion were allocated for payments to the 50 states and eligible local governments with each state receiving a minimum payment no less than \$1.25 billion for fiscal year 2020. Payments to states were subject to reduction based on payments to eligible local governments. Amounts paid to states and eligible local governments were based on 2019 population data from the US Census Bureau.

Units of local government eligible for direct payment include counties, municipalities, towns, townships, villages, parishes, boroughs, or other units of general government below the state level with a population that exceeds 500,000. Eligible units of local government had to provide a certification to receive direct payment from the Fund. The secretary of the Treasury made a determination to allocate payments to tribal governments based on population, employment, and expenditure data.

State, territorial, tribal, and eligible local governments are required to use payments from the Fund to cover:

1. Necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. Costs that were not accounted for in the governments' most recently approved budget as of March 27, 2020; and
3. Costs that were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020 per section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

Governments otherwise have broad discretion to utilize payments for expenditures ranging from COVID-19 testing including, but not limited to, reimbursing small businesses for the costs of business interruption caused by required closures.

The CARES Act statutory criteria on use of payments from the Fund stated in section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act and as interpreted in Treasury's guidance and FAQs, applies to prime recipients, subrecipients, and beneficiaries, as detailed in Section M. on Subrecipient Monitoring below and Treasury's FAQ No. B.13. Please note that beneficiaries are not subject to audit per 2 CFR Part 200, Subpart F.

B. Subprograms/Program Elements

Not Applicable

Source of Governing Requirements

The Fund is authorized by the CARES Act, Pub. L. No. 116-136, Division A, Title V (2020) (codified as 42 USC 801 et seq.).

Availability of Other Program Information

Additional information on the Fund is available on the Treasury website at <https://home.treasury.gov/policy-issues/cares/state-and-local-governments>.

Treasury's guidance on the Fund can be found at: <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>.

Treasury's FAQs can be found at: <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf>.

Treasury's Office of the Inspector General guidance on reporting and record retention can be found at <https://www.treasury.gov/about/organizational-structure/ig/Pages/cares-overview.aspx>

and <https://www.treasury.gov/about/organizational-structure/ig/Pages/CARES-Act-Reporting-and-Record-Keeping-Information.aspx>.

Treasury's Office of the Inspector General Frequently Asked Questions (FAQs) can be found at <https://www.treasury.gov/about/organizational-structure/ig/Audit%20Reports%20and%20Testimonies/OIG-CA-20-028.pdf>.

If there are specific questions regarding the Fund, the CARES Program Office may be contacted via telephone at (202) 622-6415 or by e-mail at CoronaVirusReliefFund@treasury.gov.

III. COMPLIANCE REQUIREMENTS

In developing the audit procedures to test compliance with the requirements for this federal program, the auditor must determine, from the following summary (also included in Part 2, "Matrix of Compliance Requirements"), which of the 12 types of compliance requirements have been identified as subject to the audit (noted with a "Y" in the summary matrix below), and then determine which of the compliance requirements that are subject to the audit are likely to have a direct and material effect on the federal program at the auditee. For each such compliance requirement subject to the audit, the auditor must use Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and this program supplement (which includes any program-specific requirements) to perform the audit. When a compliance requirement is shown in the summary below as "N," it has been identified as not being subject to the audit. Auditors are not expected to test requirements that have been noted with an "N." See the Safe Harbor Status discussion in Part 1 for additional information.

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment/Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement, Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	N	N	N	N	Y	N	N	Y	Y	N

A. Activities Allowed or Unallowed

The Fund is designed to provide ready funding to address unforeseen financial needs and risks created by the COVID-19 public health emergency. Governments may use Fund payments for eligible expenses subject to the restrictions set forth in section 601(d) of the Social Security Act. Payments must be used to cover costs that are:

1. Necessary expenditures incurred due to the public health emergency with respect to COVID-19;
2. Not accounted for in the governments' most recently approved as of March 27, 2020; and
3. Incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

A cost meets the requirement of "costs not accounted for in the budget most recently approved as of March 27, 2020" if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget or (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

Please see Treasury's guidance on "Costs not accounted for in the budget most recently approved as of March 27, 2020" at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf> for additional details.

Fund payments are not required to be used as the source of funding of last resort. However, recipients may not use payments from the Fund to cover expenditures for which they will receive reimbursement from other sources. Governments are responsible for making determinations as to what expenditures are necessary due to the public health emergency with respect to COVID-19.

Please see Treasury's FAQs at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf>, for more information related to the expenditures that may or may not be covered with payments from the Fund.

B. Allowable Cost/Cost Principles

As a direct payment for specified use, these funds are considered federal financial assistance, but not a grant. In accordance with 2 CFR section 200.101(b) regarding applicability only certain provisions of the *Code of Federal Regulations*, Title 2, Subtitle A, Chapter II, Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"– 2 CFR Part 200) apply to the Fund and these provisions include the following:

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All other provisions of 2 CFR Part 200 are not applicable to the Fund.

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 - (b) A description of the project or activity; and
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M. Subrecipient Monitoring

Applicable

For additional information on subrecipient monitoring, please reference Part 3 of the 2020 Compliance Supplement available at:

https://www.whitehouse.gov/wp-content/uploads/2020/08/2020-Compliance-Supplement_FINAL_08.06.20.pdf and the pertinent section is also available at: <https://www.aicpa.org/content/dam/aicpa/interestareas/governmentauditquality/resources/singleaudit/uniformguidanceforfederalrewards/downloadabledocuments/2020-omb-comp-supp/2020cspart3.pdf>.