

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, January 15, 2020	STAFF LIAISON:
TIME:	6:00 PM	Josh Eggleston, Budget Officer
CHAIRPERSON:	Vacant	503-588-6130
		jeggleston@cityofsalem.net
PLACE:	Salem City Hall	Kali Leinenbach, Mgmt Analyst
	Council Chambers	503-588-6231
	555 Liberty Street SE, Rm 240	kleinenbach@cityofsalem.net

1. OPENING EXERCISES – Vice-chairperson Vanessa Nordyke
2. PUBLIC TESTIMONY
 - a. Comment on agenda items other than public hearings and deliberations
3. MINUTES
 - a. Minutes from May 8, 2019 City of Salem and Urban Renewal Agency Budget Committee Meeting
4. ACTION ITEMS
 - a. Election of Officers
 - Chairperson
 - Vice-chairperson
 - Secretary
5. INFORMATION ITEMS
 - a. FY 2019 Q4 Financial Report for the City of Salem (on member desks January 15, 2020)
 - b. FY 2019 Q4 Financial Report for the Urban Renewal Agency (on member desks January 15, 2020)
 - c. FY 2020 Q1 Financial Report for the City of Salem (on member desks January 15, 2020)
 - d. FY 2020 Q1 Financial Report for the Urban Renewal Agency (on member desks January 15, 2020)
 - e. FY 2021 – FY 2025 Five-Year Forecast
6. PUBLIC HEARINGS
None
7. SPECIAL ORDERS OF BUSINESS
 - a. Presentation of Five-Year Forecasts – General Fund, Transportation Services Fund, Utility Fund, and Willamette Valley Communications Center Fund
 - Presentation by Budget Officer Josh Eggleston
 - Discussion and review

- b. City Revenue Initiatives Update
 - Presentation by Chief Financial Officer Robert Barron
- c. Priority Based Budgeting Update
 - Presentation by Budget Officer Josh Eggleston

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 Budget Committee meeting will be Wednesday, April 15, 2020 at 6:00 pm in the City Council Chambers, 555 Liberty Street SE, Room 240 for presentation of the City Manager’s proposed FY 2021 budget.

Budget staff is available for your convenience to discuss the budget document and process. Please call the staff listed above or 503-588-6040 if you have any questions.

<p>The City of Salem budget information can be accessed on the internet at: www.cityofsalem.net/budget</p> <p>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.</p>	<p>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.</p>
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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 8, 2019
TIME: 6:00 PM
CHAIRPERSON: Sally Cook

STAFF LIAISON:
Kelley Jacobs, Budget Officer
503-588-6049
kjacobs@cityofsalem.net
Kali Leinenbach, Mgmt Analyst
503-588-6231
kleinenbach@cityofsalem.net

PLACE: Salem City Hall
Council Chambers
555 Liberty Street SE

- 1. OPENING EXERCISES – Chairperson Sally Cook called the meeting to order at 6:01 p.m.

Members present: Kaser, Tom Andersen, Nanke, Leung, Hoy, Cook, Lewis, Nordyke, Shirack, Moore-Green, Barker, William Andersen, and Sund

Members absent: Bennett, Ausec, Tigan, McCoid, and Milton

Pledge of Allegiance by Member Cook

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

Public Testimony by:
Ron Sterba, SEMCA Board member

Topic:
Sound wall and pedestrian improvements on Cordon Road and Highway 22

Linda Wallmark, Ward 3
350 Salem

Support for a climate action plan

Caroline O'Brien, Resident of Keizer

Support for a climate action plan

Questions or comments by: Member Lewis

Betsy Bellshaw, Ward 4
Minto Brown Park Patrol

Support for an additional park ranger in FY 2021 budget

E.M. Easterly, Ward 8

Proposed changes to Marine Drive project

Questions or comments by: Member Tom Andersen

Steve Anderson, 3240 Gehlar Rd NW

Proposed changes to Marine Drive project

Questions or comments by: Member Lewis

Phil Carver, 1007 Newport Road SE

Support for restoration of the long term planner position and climate action plan

Laurie Dougherty, Ward 2

Support for a climate action plan

Eddy Binford-Ross, 1000 Judson St. SE Support for a climate action plan

3. MINUTES

- a. Minutes from May 1, 2019 City of Salem and Urban Renewal Agency Budget Committee Meeting

Motion: Move to approve the meeting minutes as amended from the May 1, 2019 City of Salem Budget Committee and Urban Renewal Agency Budget Committee Meeting.

Motion by: Member Lewis

Seconded by: Member Sund

Action: Motion passes

Vote:

Aye: Unanimous

Nay:

Abstentions:

4. ACTION ITEMS

- a. Errata Sheet 2 – Correction to Scrivener Error

Motion: Move to approve staff recommendation for Errata Sheet 2

Motion by: Member Nordyke

Seconded by: Member Tom Andersen

Action: Motion passes

Vote:

Aye: Unanimous

Nay:

Abstentions:

5. INFORMATION ITEMS

- a. Staff Report: Summary of Budget Committee Actions Through May 1, 2019
b. Staff Report: Short-Term Rentals and Collection of Transient Occupancy Tax
c. Staff Report: Fire Response Time Maps
d. Correspondence: Casey Kopcho regarding capacity to maintain greenhouse gas inventory and development of climate action plan
e. Correspondence: Susann Kaltwasser regarding youth development program
f. Staff Presentation: *Our Salem* Initiatives Related to Climate Action, and Impact of Long Range Planner Position Elimination on *Our Salem*

Questions or comments by: Members Hoy, Cook, Lewis, Tom Andersen, William Andersen, Kaser

- g. Staff Presentation: Current Service and Funding Gap for School Resource Officers, and Police Response Time Comparison with Other Agencies

Questions or comments by: Members Cook, Tom Andersen, Lewis, Barker

- h. Correspondence: Manuel Marcos Gutierrez regarding the youth development program
- i. Correspondence: Joseluis Jimenez Maldonado regarding the youth development program
- j. Correspondence: Nam Le regarding the youth development program
- k. Correspondence: Angie Gunter regarding the youth development program
- l. Correspondence: Shannon Healy regarding the youth development program
- m. Correspondence: Sonny Saltalamachia regarding the youth development program
- n. Correspondence: Diana Marquez Guerrero regarding the youth development program
- o. Correspondence: Ron Sterba regarding sound reduction measures and pedestrian and biking improvements in the SEMCA neighborhood
- p. Correspondence: Anna Abramova regarding the youth development program
- q. Correspondence: Paul Tigan regarding the budget proposal and support for additional General Fund revenue
- r. Correspondence: Sonia Castaneda regarding the youth development program
- s. Correspondence: Tricia Ratliff regarding the youth development program
- t. Correspondence: Betsy Bristol regarding the youth development program
- u. Staff Report: Responses to Committee Member Emailed Questions
- v. Correspondence: Julie Conn-Johnson regarding the youth development program
- w. FY 2019 Q3 Financial Report for the City of Salem
- x. FY 2019 Q3 Financial Report for the Urban Renewal Agency

6. PUBLIC HEARINGS
None

7. SPECIAL ORDERS OF BUSINESS
a. City Manager comments

- b. Service Area Budget Review – Good Governance, pages 41 – 70
 - Overview by Budget Officer Kelley Jacobs
 - Questions of staff and committee discussion

Comments or questions by: Member Tom Andersen

- c. Approve FY 2020 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. McGilchrist	100%	\$0	\$ 856,950
2. Mill Creek	100%	\$0	1,130,210
3. North Gateway	100%	\$0	3,923,770

4. Riverfront Downtown	100%	Remainder	7,539,430
5. South Waterfront	100%	\$0	312,280
6. West Salem	100%	\$0	1,386,230
			\$15,148,870

- Discussion
- Motion to approve Salem Urban Renewal Agency FY 2020 ad valorem property taxes

Motion: Move to approve the FY 2020 Urban Renewal Agency ad valorem property taxes

Motion by: Member Nordyke
 Seconded by: Member Nanke

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

- d. Recommend FY 2020 Salem Urban Renewal Agency Budget
 Staff Report: Recommend FY 2020 Salem Urban Renewal Agency Budget
- Discussion
 - Motion to approve final recommendation of FY 2020 Salem Urban Renewal Agency Budget

Motion: Move to approve the final recommendation of the Urban Renewal Agency FY 2020 Budget

Motion by: Member Hoy
 Seconded by: Member Kaser

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

- e. Approve FY 2020 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 \$15,522,440
 - Discussion

- Motion to approve City of Salem FY 2020 ad valorem property taxes

Motion: Move to approve the City of Salem FY 2020 ad valorem property taxes

Motion by: Member Nordyke
Seconded by: Member Nanke

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

- f. Recommend FY 2020 City of Salem Budget
Staff Report: Recommend FY 2020 City of Salem Budget

Good Governance

- Expenditures: \$110,916,620
- Summary of position and other changes:
 - Elimination of the budget officer position, 2.0 full-time equivalent Information Technology Department positions – a business analyst and a network analyst, and a 1.0 full-time equivalent staff assistant position in the Legal Department; all changes in the General Fund.
- Discussion
- Motion to approve final recommendation of the City of Salem FY 2020 Good Governance Result Area Budget

Motion: Move to reduce general fund contingencies from \$3M to \$2.5M

Motion by: Member Tom Andersen
Seconded by: Member William Andersen

Comments or questions by: Members Nanke, Hoy, Cook, Tom Andersen, Moore-Green, and Kaser

Action: Motion withdrawn

Comments or questions by: Members Nanke, Cook, and Lewis

Motion: Move to recommend City Council pursue the Sustainable Services Revenue Task Force recommendations

Motion by: Member William Andersen
Seconded by: Member Barker

Comments or questions by: Members Nanke, Sund, and Kaser

Action: Motion withdrawn

Questions or comments by: Members Lewis, Moore-Green, Tom Andersen, Shirack, Sund, Barker, Nordyke, Kaser, William Andersen, Lewis, Hoy, Nanke, and Cook

Motion: Move to amend the City Manager's proposed FY 2020 budget to continue the youth development program and not eliminate the 1.0 FTE Outreach/Education Coordinator

Motion by: Member Nordyke
Seconded by: Member William Andersen

Comments or questions by: Member Moore-Green

Action: Motion fails

Vote:
Aye: 9
Nay: 4
Abstentions:

Motion: Move to amend the City Manager's proposed FY 2020 budget to include up to \$50,000 for a climate action plan

Motion by: Member Tom Andersen
Seconded by: Member Hoy

Comments or questions by: Member Tom Andersen

Substitute Motion: Move to amend the City Manager's proposed FY 2020 budget to add \$50,000 to the Community Development Department for implementation of a climate action plan

Motion by: Member Tom Andersen
Seconded by: Member Nordyke

Comments or questions by: Members Tom Andersen, Kaser, and Cook

Action: Motion fails

Vote:
Aye: 9
Nay: 4
Abstentions:

Motion: Move to amend the City Manager's proposed FY 2020 budget to include \$50,000 for measuring greenhouse gas emissions

Motion by: Member Lewis

Seconded by: Member Hoy

Action: Motion fails

Vote:

Aye: 8

Nay: 5

Abstentions:

Motion: Move to amend the City Manager's proposed FY 2020 budget to add back the 1.0 FTE long range planner position in Community Development

Motion by: Member Hoy

Seconded by: Member Kaser

Comments or questions by: Members Kaser, Tom Andersen, Hoy, Sund, and Cook

Amendment: Move to add \$108,560 to the original motion

Action: Amendment passes

Vote:

Aye: 10

Nay: 3

Abstentions:

Amended Motion: Move to amend the City Manager's proposed FY 2020 budget to add back \$108,560 for the 1.0 FTE long range planner position in Community Development

Motion by: Member Hoy

Seconded by: Member Kaser

Comments or questions by: Members William Andersen and Hoy

Action: Amended motion fails

Vote:

Aye: 9

Nay: 3

Abstentions: 1

Motion: Move to amend the City Manager's proposed FY 2020 budget to fund the Homeless Rental Assistance Program at \$1.4M

Motion by: Member Kaser

Seconded by: Member Leung

Questions or comments by: Members Kaser, Tom Andersen, Nordyke, Hoy, and William Andersen

Action: Motion fails
Vote:
Aye: 1
Nay: 12
Abstentions:

Questions or comments by: Member Sund

Motion: Move to amend the City Manager's proposed FY 2020 budget to include 1.0 FTE Outreach / Education Coordinator for the youth development program in the amount of \$125,000

Motion by: Member Sund
Seconded by: Member Kaser

Questions or comments by: Members Hoy, Sund, Leung, Tom Andersen, Cook, and Kaser

Action: Motion fails
Vote:
Aye: 9
Nay: 4
Abstentions:

Questions or comments by: Members Kaser and Nordyke

Motion: Move to approve the City Manager's proposed FY 2020 budget

Motion by: Member Tom Andersen
Seconded by: Member Nanke

Questions or comments by: Members Tom Andersen, Sund, William Andersen, Barker, Cook, and Nordyke

Action: Motion fails
Vote:
Aye: 9
Nay: 4
Abstentions:

Motion: Move to extend the meeting by 30 minutes

Motion by: Member Tom Andersen
Seconded by: Member Nordyke

Action: Motion passes

Vote:

Aye: 11

Nay: 2

Abstentions:

Natural Environment Stewardship

- Expenditures: \$17,998,730
- Summary of position and other changes:
 - Addition of 1.0 full-time equivalent wastewater treatment facility maintenance operator in the Utility Fund.
- Discussion
- Motion to approve final recommendation of the FY 2020 City of Salem Natural Environment Stewardship Result Area Budget

Safe Community

- Expenditures: \$113,394,670
- Summary of position and other changes:
 - Discontinuation of the DARE Program and reduction of 1.0 FTE police officer position in the General Fund; and
 - Addition of two full-time positions in the Building and Safety Fund – a plans examiner and permit technician.
- Discussion
- Motion to approve final recommendation of the FY 2020 City of Salem Safe Community Result Area Budget

Safe, Reliable, and Efficient Infrastructure and Capital Improvements

- Expenditures: \$129,242,650 for the result area and \$216,135,140 for capital improvement projects
- Summary of position and other changes:
 - A total of 4.20 full-time equivalent positions added to the Utility Fund since July 2018; and
 - Addition of 1.0 full-time equivalent maintenance operator in the Transportation Services Fund.
- Discussion
- Motion to approve final recommendation of the FY 2020 City of Salem Safe, Reliable, and Efficient Infrastructure Result Area and Capital Improvements Budgets

Strong and Diverse Economy

- Expenditures: \$12,973,260
- Summary of position and other changes:
 - Elimination of a .50 full-time equivalent real property specialist position in the General Fund.
- Discussion
- Motion to approve final recommendation of the FY 2020 City of Salem Strong and Diverse Economy Result Area Budget

Welcoming and Livable Community

- Expenditures: \$26,773,400
- Summary of position and other changes:
 - Discontinuation of the Youth Development Program and the elimination of a 1.0 full-time equivalent outreach / education coordinator position in the General Fund;
 - Elimination of a vacant 1.0 full-time equivalent planner 2 position and 1.25 full-time equivalent library assistant positions in the General Fund;
 - Reassignment of a vacant staff assistant position in the Community Development Department to Municipal Court in the General Fund; and
 - Reduction of the Homeless Rental Assistance Program from \$1.4 million annually to \$700,000.
- Discussion
- Motion to approve final recommendation of the FY 2020 City of Salem Welcoming and Livable Community Result Area Budget

Comments or questions by: Members Nordyke, Nanke, Cook, Kaser, Hoy, Leung, and Sund

Motion: Move to reconsider the approval of the City Manager’s proposed FY 2020 budget

Motion by: Member Hoy
Seconded by: Member Tom Andersen

Questions or comments by: Members William Andersen, Hoy, Sund, Nanke, Kaser, Cook, and Tom Andersen

Action: Motion passes
Vote:
Aye: 13
Nay:
Abstentions:

Motion: Move to approve the City Manager’s proposed FY 2020 budget

Motion by: Member Tom Andersen
Seconded by: Member Hoy

Questions or comments by: Member Nordyke

Action: Motion passes
Vote:
Aye: 13
Nay:
Abstentions:

8. PUBLIC TESTIMONY FOR FUTURE BUDGET ISSUES

Public Testimony by:
Ron Sterba, SEMCA

Topic:
Sound wall and earthen berm to reduce noise in neighborhood

9. ADJOURNMENT

The meeting was adjourned at 10:10 p.m.

Respectfully Submitted,

Kali Leinenbach
Minutes Recorder

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