



Staff Report

File #: 18-414

Version: 1

Date: 9/10/2018

Item #: 3.2b.

TO: Mayor and City Council

THROUGH: Steve Powers, City Manager

FROM: Kacey Duncan, Deputy City Manager

SUBJECT:

FY 2019 Supplemental Budget 1 for additional appropriation authority in the Community Renewal Fund.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

ISSUE:

Shall City Council increase expenditure appropriation authority and revenues in the Community Renewal Fund by \$436,390?

RECOMMENDATION:

Approve Resolution No. 2018-77, adopting FY 2019 Supplemental Budget 1 for the Community Renewal Fund, increasing expenditure appropriation authority and revenues by \$436,390.

SUMMARY AND BACKGROUND:

The City of Salem receives an annual entitlement allocation from the U.S. Department of Housing and Urban Development (HUD) for Community Development Block Grant funds (CDBG) and HOME Investment Partnership Program funds (HOME) to assist low-to-moderate-income households.

The FY 2019 budget was prepared based on an estimated award from HUD. Subsequent to the annual budget process, HUD announced funding allocations that were greater than anticipated when the budget was adopted. In addition, unobligated funds from the prior-year grant award can be allocated to FY 2019 projects. To allow for expenditure of the unanticipated, additional funding, increasing appropriation authority through a supplemental budget is required.

FACTS AND FINDINGS:

ORS 294,471(1)(a) provides for the adoption of a supplemental budget when a condition not ascertained at the time of budget preparation requires a change in financial planning.

Supplemental Budget 1 for FY 2019 includes recommended expenditure appropriation and revenue adjustments to allow for the unanticipated additional revenue available to the City from HUD. Adoption of Resolution 2018-77 (attachment 1 to this staff report) will provide the needed budget authority.

Attachments:

1. Supplemental Budget 1 - Resolution 2018-77
2. Supplemental Budget 1 - Resolution 2018-77, Exhibit A
3. Supplemental Budget 1 - Resolution 2018-77, Exhibit B