



Staff Report

File #: 19-501

Version: 1

Date: 10/28/2019

Item #: 4.b.

TO: Mayor and City Council

THROUGH: Steve Powers, City Manager

FROM: Robert Barron, Chief Financial Officer

SUBJECT:

FY 2020 Supplemental Budget 1 for additional expense in the Trust and Agency Unanticipated Fund Budget.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Good Governance; Natural Environment Stewardship; Safe Community; Safe, Reliable and Efficient Infrastructure; Strong and Diverse Economy; Welcoming and Livable Community.

ISSUE:

Shall the City Council hold a public hearing on Supplemental Budget 1 and adopt Resolution No. 2019-81, thereby adopting City of Salem FY 2020 Supplemental Budget 1 for the Trust and Agency Unanticipated Fund, increasing expenditure appropriation authority and revenues in the amount of \$1,000,000?

RECOMMENDATION:

The City Council hold a public hearing on Supplemental Budget 1 and adopt Resolution No. 2019-81, thereby adopting City of Salem FY 2020 Supplemental Budget 1 for the Trust and Agency Unanticipated Fund, increasing expenditure appropriation authority and revenues in the amount of \$1,000,000.

SUMMARY:

The City of Salem and the Rotary Club of Salem are joint partners in a project to construct the Gerry Frank | Salem Rotary Amphitheater in Riverfront Park. In House Bill 5050 adopted during the 2019 Legislative session, the state of Oregon approved a \$1 million grant toward this project. The language of the appropriations bill directs the funds to the "City of Salem for the Gerry Frank/Salem Rotary Amphitheater." On October 9, 2019, a check from the Oregon State Department of

Administrative Services for \$1,000,000 was received by the City, paid to the order of City of Salem Public Works. In anticipation of receiving these funds, both the City and Rotary agreed the intent of the legislation is for the funds to be conveyed to the Salem Rotary Foundation for project construction. Attachment 4 is a Memorandum of Understanding to this effect dated September 8, 2019.

FACTS AND FINDINGS:

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

A supplemental budget that will change any fund's expenditures by more than 10 percent requires a public hearing and public comment taken before adoption of the supplemental budget.

Supplemental Budget 1 for FY 2020 includes recommended expenditure appropriation and revenue adjustments to allow for the unanticipated pass-through grant from the State of Oregon to the Salem Rotary for the Riverfront Amphitheater. Adoption of Resolution No. 2019-81 (attachment 1) will provide the needed budget authority.

BACKGROUND:

In celebration of its centennial in 2020, the Rotary Club of Salem is donating a new performance facility for Riverfront Park. The Gerry Frank | Salem Rotary Amphitheater will consist of a stage, cover, and related trusses, supports, and ancillary elements to support lighting, rigging, sound systems, and other features. Per the Council-adopted Salem Riverfront Park Master Plan (2018), the amphitheater will be situated within the four-acre property located in the southeast corner of the park. This is a joint project with the City and Rotary.

Josh Eggleston
Senior Fiscal Analyst

Attachments:

1. Resolution No. 2019-81
2. Resolution No. 2019-81, Exhibit A
3. Resolution No. 2019-81, Exhibit B
4. Memorandum of Understanding between the Rotary Club of Salem and the City of Salem dated September 8, 2019