



Staff Report

File #: 21-231

Version: 1

Date: 6/14/2021

Item #: 4.a.

TO: Mayor and City Council

THROUGH: Steve Powers, City Manager

FROM: Robert Barron, Chief Financial Officer

SUBJECT:

Public hearing on State Revenue Sharing funds

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Safe Community

ISSUE:

Shall the City Council adopt Resolution No. 2020-23 electing to receive a share of certain revenues from the State of Oregon general fund?

RECOMMENDATION:

Adopt Resolution No. 2020-23 electing to receive a share of certain revenues from the State of Oregon general fund.

SUMMARY:

The state revenue sharing program allocates 14 percent of state liquor revenues to cities. Local governments have discretion on the use of the liquor revenues.

The purpose of the public hearing is to provide residents an opportunity to comment on the Budget Committee's proposed uses of state revenue sharing funds in the Recommended FY 2022 City of Salem Budget.

FACTS AND FINDINGS:

Notice of this public hearing was published on June 1, 2021 in the Statesman Journal. Residents have had an opportunity to review the Budget Committee's proposed uses of state revenue sharing funds since notification.

The Budget Committee recommends that the FY 2022 budget fully allocate the estimated \$2,267,520 of state revenue sharing funds to offset the costs of police patrol. This is consistent with how these funds have been budgeted in past years.

To receive state revenue sharing funds in FY 2022, the City must certify to the State of Oregon before July 31, 2021 the following:

1. The two required public hearings on the *possible* and *proposed* uses of state revenue sharing funds have been held; and
2. The City elects by ordinance or resolution to receive state revenue sharing funds in FY 2022.

BACKGROUND:

To receive state revenue sharing funds in FY 2022, State of Oregon law (ORS 221.770) requires the City to certify by resolution or ordinance to the State of Oregon that two public hearings have been held on the uses of the funds. The first hearing must cover the *possible uses* of state revenue sharing funds. The Budget Committee held an initial public hearing on April 28, 2021. At that public hearing no one testified on the possible uses of revenue sharing funds in the FY 2022 budget.

The second hearing must cover the *proposed uses* of state revenue sharing funds (the hearing before the City Council tonight). This second hearing precedes City Council approval of the proposed uses of the funds through adoption of the FY 2022 City of Salem Budget on June 28, 2021.

Josh Eggleston
Budget Officer

Attachments:

1. Resolution No. 2020-23, State Revenue Sharing