



MINUTES
KEIZER BUDGET COMMITTEE MEETING
May 2, 2017
Keizer Civic Center, Council Chambers

Call To Order

Meeting was called to order at 6:00 pm by Marlene Parsons. Roll Call was taken as follows:

Present:

Bruce Anderson, Councilor
Allen Barker
Ron Bersin
Cathy Clark, Mayor
Charlotte Clark
Kim Freeman, Councilor
Joseph Gillis (7:00)
Roland Herrera, Councilor
Jerry McGee
Marlene Parsons, Councilor
Laura Reid, Councilor
Amy Ryan, Councilor
Nelson Sossaman
Jonathan Thompson

Staff:

Chris Eppley, City Manager
Tim Wood, Finance Director
Machell DePina, Human Resources Director
Shannon Johnson, City Attorney
John Teague, Police Chief
Nate Brown, Community Development Director
Bill Lawyer, Public Works Director
Tracy Davis, City Recorder

Election of Budget Committee Chair/Vice Chair

Cathy Clark nominated Jonathan Thompson and Bruce Anderson as Chair and Vice Chair respectively. Kim Freeman seconded. **Nomination approved as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Herrera, McGee, Parsons, Reid, Ryan, Sossaman and Thompson in favor with Gillis absent at time of vote. (13-0-1)

Approval of Budget Calendar

Marlene Parsons moved to approve the Budget Calendar. Bruce Anderson seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Herrera, McGee, Parsons, Reid, Ryan, Sossaman and Thompson in favor with Gillis absent at time of vote. (13-0-1)

Approval of FY16-17 Budget Committee Minutes

Bruce Anderson moved for approval of the FY16-17 Budget Committee Minutes. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Herrera, McGee, Parsons, Reid, Ryan, Sossaman and Thompson in favor with Gillis absent at time of vote. (13-0-1)

City Manager Budget Message

City Manager Chris Eppley read his Budget Message from the Manager's Recommended Budget.

Finance Director Tim Wood pointed out that this budget is built on a status quo basis maintaining the existing service levels. He referred committee members to a summary of outside budget requests many of which are included in the proposed budget and reviewed same.

Responding to inquiry regarding the business water rate gap Mr. Eppley explained that the existing Water Master Plan is based on a Cost Of Service Analysis (COSA) and Council adopted this structure of rates. To change the structure the City would need to do a new COSA and Council would have to adopt a new rate structure. This could be done when review of the current Master Plan takes place.

Public Testimony

Gary Blake, President of West Keizer Neighborhood Association, provided information about the Association and thanked the Budget Committee for including their \$500 request in the budget.

Karina Lee, Executive Director of Salem-Keizer Education Foundation, provided information about the foundation and how the dollars are being spent, and thanked the Budget Committee for including the \$6000 request in the budget. Discussion followed regarding various programs and grants.

Carol Doerfler, Keizer, voiced concern regarding the dangerous pedestrian conditions at Cummings Elementary School and requested that funding be set aside for a sidewalk on Delight. Public Works Director Bill Lawyer reviewed problems related to this improvement and explained that he has been considering various options that will work and will need to work with the School District on property and parking.

Meredith Mooney, representing Keizer United, shared information about the organization noting that it helps fund Keizer Peer Court, Southeast Keizer Neighborhood Association, the Mid-Valley Literacy Center and others and requested \$2,000 to support these efforts.

Paula Guilles, President of the Board of Keizer Community Library, thanked the Committee for including the Library in the budget and shared information about the library and the programs being provided.

Cathy Clark, Keizer, speaking as one of the Co-Chairs of the Mid-Willamette Valley Homeless Initiative, explained the purpose of the group, and provided information about homelessness in the area, the complexity of the issue, and the need for a program to remedy the situation. She explained that the recommendation of the Initiative was to have a coordinator to oversee the implementation of the strategic plan and coordinate collaboration of participating agencies. She requested \$5,000 from the General Fund for Keizer's share of paying for the coordinator. Subsequent years would be funded through the dues paid by member organizations. Dialog followed regarding Council of Governments, the

duties of the coordinator, accountability, leveraging funds to get grants for services, measurable goals, education of community partners, and reporting of results.

BUDGET PRESENTATIONS AND DELIBERATION

Administrative Services Fund Finance Director Tim Wood thanked everyone for their participation and touched on a few things that would be seen throughout the entire budget. He noted that personnel is the greatest expense in the budget at 76% and reviewed staffing changes, employee benefits, pay increases mandated by union contracts, and retirement and insurance costs. Human Resources Director Machell DePina provided information regarding Workers Comp rates and the Wellness Program and how it impacts insurance costs, employee morale and productivity.

Department Heads reviewed their budgets as follows:

City Manager: Status quo except for the 1.5% COLA increase and PERS and insurance benefits increases. Information provided regarding the allocation of City Manager's time to the different departments and vehicle compensation.

City Attorney: Status quo except for the 1.5% COLA increase and PERS and insurance benefits increases.

City Recorder: Status quo except for the 1.5% COLA increase and PERS and insurance benefits increases.

Human Resources: Status quo except for the 1.5% COLA increase and PERS and insurance benefits increases. The only difference will be a higher increase in personnel services for merit step increases of 3%. Information provided regarding the allocation of time to the different departments; contract negotiations; salary increases, ranges, and surveys; City participation with the Portland State University study and employment data.

Non-Departmental Finance: Proposed budget is just \$2000 over what it was 2 years ago. Staff turnovers explained.

Information Technology: For personal services: no changes other than typical increases. The increase is due to anticipated replacement of the City's telephone system, phasing in a few Toughbook laptops, social media software and GIS systems for stormwater.

Utility Billing: FTEs dropped from 3.9 to 3; one employee transitioned to Accounting Technician in the Finance Non-Departmental area. Information provided regarding overtime, contractual services, on-line billing, postage costs, credit card fees, and incentives to encourage customers to go paperless.

Non-Departmental Public Works: Status quo. No significant changes.

Civic Center Facilities: No significant changes other than some capital improvements.

City-Wide Administration: Status quo. No significant changes other than a decrease in postage and increase in liability insurance.

Bruce Anderson moved to approve the Administrative Services Fund. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Reid, Ryan, Sossaman and Thompson in favor. (14-0-0)

General Services Fund

Community Development: Basically status quo; some changes due to staffing and reformatting of the Community Development Department. Information provided on important projects planned for the upcoming year, staffing productivity, and urban growth boundary planning.

Public Works Funds

The following funds were reviewed by Bill Lawyer or Tim Wood. Discussion and clarification took place in each.

Street Fund: (Revenues from gas tax) There is partial funding for an additional entry level employee who will be shared between the water fund and storm fund. The other changes include an interfund loan for the Dearborn bridge project, funding for paving, a portion of the cost for a new traffic signal at the transit center, and improvements at Area B in Keizer Station.

Bruce Anderson moved to approve the Street Fund. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Reid, Ryan, Sossaman and Thompson in favor. (14-0-0)

Street Lighting District Fund: Status quo.

Bruce Anderson moved to approve the Street Lighting District Fund. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Reid, Ryan, Sossaman and Thompson in favor. (14-0-0)

Transportation Improvement Fund: (Revenues from System Development Charges) This fund reflects funds allocated for improvement of Exit 260 I-5 on-ramp when ODOT is ready.

Bruce Anderson moved to approve the Transportation Improvement Fund. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Reid, Ryan, Sossaman and Thompson in favor. (14-0-0)

Off-Site Transportation: Created for future transportation projects in connection with Keizer Station Areas B and C. Design and acquisition of a right turn lane at Lockhaven at 14th will be done this year with building

anticipated in 2018-19.

Bruce Anderson moved to approve the Off-Site Transportation Fund. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Reid, Ryan, Sossaman and Thompson in favor. (14-0-0)

Stormwater: Status quo. A percentage of the cost of an additional employee is included as well as funding to replace an old vehicle and a set aside for a dump truck.

Bruce Anderson moved to approve the Stormwater Fund. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Reid, Ryan, Sossaman and Thompson in favor. (14-0-0)

Sewer: This is a pass-through fund to Salem. Salem is reviewing their rate structure and has indicated that the increase to Keizer will be 3%.

Bruce Anderson moved to approve the Sewer Fund. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Reid, Ryan, Sossaman and Thompson in favor. (14-0-0)

Sewer Reserve: Revenues are generated through development. A sanitary sewer acreage fee is charged for properties outside the original Keizer Sewer District. There is one project left to build as well as reimbursements in Area C for extending a line for the city.

Bruce Anderson moved to approve the Sewer Reserve Fund. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Reid, Ryan, Sossaman and Thompson in favor. (14-0-0)

**Other
Business**

Next Meetings:

- ✓ Thursday, May 4, 2017, 6:00 pm
- ✓ Tuesday, May 9, 2017, 6:00 pm

Adjournment Meeting was adjourned at 9:28 p.m.

5-1-18

Approved: (Date)

Debbie Lockhart, Deputy City Recorder



MINUTES
KEIZER BUDGET COMMITTEE MEETING
May 4, 2017
Keizer Civic Center, Council Chambers

Call To Order

Meeting was called to order at 6:00 pm by Chair Jonathan Thompson. Roll Call was taken as follows:

Present:

Bruce Anderson, Councilor
Allen Barker
Ron Bersin
Cathy Clark, Mayor
Charlotte Clark
Kim Freeman, Councilor
Joseph Gillis
Jerry McGee
Marlene Parsons, Councilor
Nelson Sossaman
Jonathan Thompson

Staff:

Chris Eppley, City Manager
Tim Wood, Finance Director
Machell DePina, Human Resources Director
John Teague, Police Chief
Bill Lawyer, Public Works Director
Tracy Davis, City Recorder

Absent (excused):

Roland Herrera, Councilor
Amy Ryan, Councilor

Public Testimony

Richard Palmer and *Marlene Parsons*, Keizer Parks Foundation, provided information about the Total Eclipse event planned for August and requested \$8000 to offset the startup costs. The proceeds from this event will benefit the City.

Danielle Bethel, Executive Director of the Chamber of Commerce, provided a handout with information detailing the budget request from the Chamber and provided clarification.

Cari Emery, Peer Court Coordinator, explained that Peer Court has been a part of the community for thirteen years. She provided details and statistics on the success of the program and requested continued City support. Chief Teague voiced support for the program.

BUDGET PRESENTATIONS AND DELIBERATION

General Services Fund

Mr. Wood provided detailed explanation of the rate structure and explained that the model was done in 2002 and cost about \$43,000. He agreed that it should be updated but added that there would likely not be funds to do so in the 17-18 fiscal year. Lengthy discussion followed regarding removing the different rate structure for commercial water users so that

they pay the same as residential consumers.

The following funds were reviewed with additional information and clarification provided as needed:

Water: Status quo except for a 4% rate increase. It includes a percentage of an additional employee, a percentage of the cost of replacing one vehicle and a reserve for future equipment purchase.

Bruce Anderson moved to approve the Water Fund. Marlene Parsons seconded. Motion passed as follows: Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

Water Facility Replacement: Revenue comes from a combination of system development fees and new connections to the water system; the majority of the fund is transferred directly from the Water Fund. Improvements outlined in the master plan are on schedule.

Bruce Anderson moved to approve the Water Facility Replacement Fund. Marlene Parsons seconded. Motion passed as follows: Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

Park Improvements: Revenues come solely from System Development Charges which have strict guidelines for how they are spent. A replacement page was distributed and explained. Proposed improvements at Keizer Rapids Park were reviewed.

Bruce Anderson moved to approve the Park Improvements Fund. Marlene Parsons seconded. Motion passed as follows: Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

General Services Fund: Most budget requests will come from this fund. Attention was directed to a handout which was related to the Long Range Planning Task Force and detailed explanation provided.

Non-Departmental Resources: This is a listing of General Fund Income received every year. There are a range of things that are being worked on to resolve the service levels in Police and Parks. First quarterly payment on Marijuana Tax will be seen on August 2017. It will likely take three years to project a solid number. Revenue changes were reviewed.

Non Departmental Requirements: Explanation provided on the impact of hiring additional police officers (layoffs of multiple employees in Administration resulting in one-person departments). Changed line items reviewed with remaining line items status quo.

Park Operations: Rent revenues are included in this fund, cost of temporary help increased, Parks Grant Program suspended to fund skate park repairs.

Municipal Court: Revenues have increased. It is anticipated that both Court Clerks will be able to attend one of the available conferences.

Police Operations: This is a current service level budget. Many agencies are having to cut theirs. 2018 budget is close to 2017. Line items reviewed and explained.

Revenue Sharing: Change: purchase of police vehicle and radios.

Bruce Anderson moved to approve the General Services Fund. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

Community Center: Information provided on the Community Center revenues, expenses, room schedules, personnel costs, and marketing.

Bruce Anderson moved to approve the Community Center Fund. Marlene Parsons seconded.

Cathy Clark offered a friendly amendment to add the Keizer Parks Foundation request for \$8,000 for the Solar Eclipse event noting that the amount would be refunded to the fund when the revenues from that event are submitted to the City from the Parks Foundation. Anderson and Parsons accepted the amendment.

Motion passed as follows: Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

Public Education Government: Supports K-23 administrative costs, camera operators and equipment replacement. Budget similar to previous years.

Bruce Anderson moved to approve the Public Education Government Fund. Marlene Parsons seconded.

Ron Bersin offered a friendly amendment to add \$6000 to this fund in order to televise Traffic Safety/Bikeways/Pedestrian Committee meetings. Anderson and Parsons accepted the amendment.

Motion passed as follows: Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Herrera, Parsons, Sossaman and Thompson in favor with McGee and Gillis opposed and Herrera and Ryan absent. (12-0-2)

Law Enforcement Grant: A place holder for any grants received.

Bruce Anderson moved to approve the Law Enforcement Grant Fund.

Special Purpose Funds

Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

Housing Rehabilitation: A place holder for housing rehabilitation loans. Discussion held regarding administration costs and the program.

Bruce Anderson moved to approve the Housing Rehabilitation Fund. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

Energy Efficiency Revolving Loan: A place holder for energy efficiency projects.

Bruce Anderson moved to approve the Energy Efficiency Revolving Loan Fund. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

Keizer Station LID: Restricted to improvements in the Keizer Station area. Assessments received are used to pay down the debt.

Bruce Anderson moved to approve the Keizer Station LID Fund. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

BUDGET REQUESTS

Neighborhood Associations: Chair Thompson suggested each Association receive \$500. Discussion followed.

Cathy Clark moved to amend the General Fund Budget for the Southeast Keizer Neighborhood Association to increase their budget allocation from \$200 to \$400 and to reduce the Greater Gubser Neighborhood Association budget allocation from \$500 to \$200. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

Keizer Community Library: Additional library needs were noted.

Marlene Parsons moved to amend the General Fund Budget for Keizer Community Library and increase their budget allocation to \$10,000. Cathy Clark seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

Chamber of Commerce Request: Discussion followed regarding the commendable job that the Chamber had done over the past year with community outreach, bringing in new businesses, and partnering with the City.

Cathy Clark moved to amend the General Fund Budget to increase the direct financial support for the Chamber of Commerce allocation from \$1500 to \$3700. Bruce Anderson seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

Peer Court: Bruce Anderson moved to amend the General Fund Budget to increase the budget allocation for Peer Court by \$250 to the requested \$10,750 amount. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

Mid-Willamette Homeless Initiative Transition Team: Cathy Clark moved to amend the General Fund Budget to fund the Mid-Willamette Homeless Initiative Transition Team for \$5,000. Kim Freeman seconded.

Concern was expressed that this was a questionable expenditure of funds to solve a very large complicated problem and that allocating funds without a requirement of results was irresponsible. Cathy Clark explained that funds will not be released without a clear understanding of contractual obligations, accountability and deliverables.

Jerry McGee offered a friendly amendment that the money not be released until the City has seen a contract with Council of Governments. Amendment was accepted by Clark and Freeman.

Motion passed as follows: Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, Parsons, Sossaman and Thompson in favor with McGee opposed and Herrera and Ryan absent. (11-1-2)

Keizer United: No action.

Budget Committee Motions

Ron Bersin declared a potential conflict of interest due to the Ethics Commission fee of \$600.

Bruce Anderson moved to approve the City of Keizer Budget for Fiscal Year 2017-2018 as amended by the Budget Committee. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera, McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

Bruce Anderson moved to impose the full permanent rate of \$2.0838 per 1,000 of assessed value on the tax rolls of the City of Keizer for 2017-2018. Marlene Parsons seconded. **Motion passed as follows:** Anderson, Barker, Bersin, Cathy Clark, Charlotte Clark, Freeman, Gillis, Herrera,

McGee, Parsons, Sossaman and Thompson in favor with Herrera and Ryan absent. (12-0-2)

**Other
Business**

Bruce Anderson thanked all committee members and staff for their efforts. Jonathan Thompson thanked staff for their work on the previous Budgets. Chris Eppley thanked the Budget Committee noting that their input is important for democracy in Keizer. He thanked Tim Wood and all Department Heads for holding the line on expenses and spending money entrusted to them as if it was their own. Tim Wood thanked everyone for their efforts noting that putting the Budget document together is truly a group effort.

Adjournment Meeting was adjourned at 9:17 p.m.

May 1st, 2018

Approved: (Date)

Debbie Lockhart, Deputy City Recorder