

MINUTES

KEIZER BUDGET COMMITTEE

Monday, July 27, 1992

Robert L. Simon Council Chambers

Keizer City Hall

CALL TO ORDER

Mayor Andrew Orcutt called the meeting to order at 7:02 p.m. Roll call was taken as follows:

Present

Diane Hansen
Mark Caillier
Roy Duncan
Dick Inman
Carl Beach
Andrew J. Orcutt
Mike Hart
Dennis Koho
Jerry McGee
Joe Van Meter
Al Miller

Absent

Robert Simon, Chairman
JoAnne Beilke
Bob Newton

Staff

Donald H. Otterman, City Manager
John Morgan, Community Development Director
Wally Mull, Public Works Director
Charles Stull, Chief of Police
Paul Frykberg, Accountant
John Lien, City Attorney
Tracy Davis, City Recorder, pro tem

PUBLIC TESTIMONY

There was no Public Testimony for the Committee.

PUBLIC HEARING CITY OF KEIZER 1992-93 PROPOSED BUDGET

Mayor Orcutt opened the public hearing in the absence of chairman Robert Simon.

Don Otterman gave the staff report. Mr. Otterman stated that he had prepared a "status quo" as directed by the Council. A copy of the budget had been distributed to the Budget Committee prior to the meeting.

There being no testimony from the public, Mayor Orcutt closed the public hearing.

DISCUSSION CITY OF KEIZER 1992-93 PROPOSED BUDGET

Budget Committee Member Roy Duncan asked Mr. Otterman for summary of what is required for the City. Mr. Otterman explained that the City has until the 30th of July to submit a request for an operating levy for the September 15th ballot. The Budget that is being presented maintains existing staffing with a cost of living increase for union and non-union employees, a \$31,000 increase

in the medical insurance premiums due to inflationary costs, and a 17% increase in materials and services for the Police Department. The 23% or \$37,912 increase is due to 911 and dispatch services the City receives from the City of Salem. Mr. Otterman also indicated an increase in the Materials and Services area of the Parks Department. These increases are due to the addition of The Meadows Park, which increased the contractual services amount, and the lease of the vehicle used by the Parks Director. The Municipal Court also shows an increase of approximately \$12,000 over last years actuals, due to the increase in assessments on citations. The additional resource has been factored into the budget and the expenditure is simply a pass through of those funds. This budget would require \$1,017,971 from property taxes in order to balance the budget. After an adjustment for non collectibles, the total taxes necessary would be \$1,094,592. Therefore the City will be asking voter approval on \$495,320 over the City's current tax base. Based upon information received from the Marion County Tax Assessors Office during the week of July 13, the millage rate for the City's property tax, including the levy, would be approximately \$.07 less than the 1991-92 rate. This information was calculated by the Assessors Office using only the 5% index figure that will be applied county wide. The increase in value due to growth has not yet been computed. The result is that the actual rate will be somewhat less than \$1.77.

Roy Duncan inquired if the budget was the same as the 1991-92 budget. Don Otterman said that essentially this is the same budget and does not increase any staffing levels. It reflects inflationary increases and does not anticipate any additional programs. Mr. Duncan indicated then that the amount that is being asked for in the levy is less than the previous year due to the allowable tax base increase of six percent.

Mike Hart inquired of the patrol car and K-9 car included on the revenue sharing pages, indicating that he assumed they had been removed from the budget. Mr. Otterman stated that they would be removed if the levy failed. Mr. Hart also inquired of the net working capital amount, stating that the carry over was greater than he remembered. Mr. Otterman stated that due to cutting expenditures and salary savings, the carry over amount came up to \$363,220 through the end of June.

Jerry McGee inquired of the line item in Police Personnel for Hepatitis B Testing stating that it had not previously appeared on any budgets. Chief Stull explained to the committee that he was advised that a state requirement will be to provide the Hepatitis B vaccinations due to the nature of the work. The \$3000. or \$150. per employee amount listed is maximum and he is currently working with the insurance carrier to see if they will pick up all or a portion of these costs. Therefore it was added to this budget. Mr. McGee asked that the wording be changed to Hepatitis B Vaccinations rather than testing. Chief Stull also advised the committee that this will be a one time vaccination for the Department and then on an individual basis.

Dennis Koho asked Mr. Otterman if he felt the memo submitted by Bob Newton prior to the meeting, was agreeing to the budget as presented. Mr. Otterman stated that interpreted the memo to state that.

Joe Van Meter moved that the Budget Committee pass to the City Council a levy in the amount of \$495,320. placing a one-year fixed dollar amount operating levy on the September 15, 1992 ballot. Mike Hart seconded the motion.

Roy Duncan stated that he was hesitant to go out for another vote because of the previous defeat and the letters that have been sent to the Editor. He was disappointed that nobody had showed up to say that personally. Therefore he will vote for proposal.

Jerry McGee asked for clarification on the Maintenance Fund in the amount of \$20,000. Mr. Otterman stated that \$20,000 had been transferred to City Hall replacement fund and \$20,000 transferred to City facilities maintenance was \$20,000. Mr. McGee stated in that case, there is an additional \$30,372 also transferred to maintenance fund, making that fund \$50,372. Mr. Otterman responded that \$45,000 was proposed at one time and then it was reduced by the City Council to 30,372. Mr. Otterman explained that there is \$30,000. in revenue sharing and \$20,000 that was transferred. Discussion followed on this subject. Mr. McGee also asked for clarification on the Revenue Sharing Transfer to General Fund \$34,430. Mr. Otterman stated that those funds were transferred to pay back the water fund for the acquisition of the property on Bailey and to cover the extension of staff.

Mark Callier expressed his concern with using revenue sharing money to pay personnel costs. Don Otterman stated that the total transfer to the General Fund is \$63,079 to the water fund. Part of this is for the purchase of the house on Bailey and the remainder is for the overpay on the PERS. Dennis Koho stated that the \$34,000 transfer from the revenue sharing to the general fund is just an added resource. It has been justified to be a one time transfer and won't be on a continuing basis.

The motion passed with the following votes:

AYES: Callier, Hansen, Duncan, Inman, Beach, Orcutt, Hart, Koho, McGee, Van Meter, Miller (11)

NAYS: None

ABSTENTIONS:

ABSENT: Simon, Newhart, Beilke (3)

APPROVAL OF PAST
MINUTES

Joe Van Meter made a motion that the Budget Committee Minutes from November 6, 1991, November 25, 1991, February 10, 1992, February 11, 1992, February 12, 1992, February 20, 1992, May 11, 1992, and May 20, 1992 be approved. Roy Duncan seconded the motion.

Dennis Koho inquired if members of the committee would be able to vote on the approval of the minutes if they were absent at the meeting. It was determined that the group could vote on the minutes even if they were absent and the record would show who was present at each of the meetings.

Jerry McGee stated that there was a few minor changes that he had to the minutes. On Wednesday, February 12, 1992, Mr. McGee voted aye to the motion on page 3 of the minutes. Another change on February 20, 1992, on page 4 the management overtime should read police overtime. With those changes, Mayor Orcutt moved that the minutes be approved.

The motion passed with the following votes:

AYES: Callier, Hansen, Duncan, Inman, Beach, Orcutt, Hart, Koho, McGee, Van Meter, Miller (11)

NAYS: None

ABSTENTIONS:

ABSENT: Simon, Newhart, Beilke (3)

OTHER BUSINESS

Don Otterman stated that Chairman Bob Simon was not present at the meeting this evening due to an accident. Anyone wishing to sign a card or needing the address to send one should contact Mr. Otterman.

Bob French asked if there would be a group to support the budget. He stated that there will be a Town Hall meeting at McNary Golf Course on Wednesday, August

27, 1992. Mr. French hoped that the Budget Committee would be playing an active role in this meeting.

ADJOURNMENT

Mayor Orcutt adjourned the meeting at 7:46 p.m.

Tracy L. Davis, City Recorder pro tem