CITY OF KEIZER MISSION STATEMENT
KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY PROVIDING CITY SERVICES TO THE COMMUNITY IN A COORDINATED, EFFICIENT AND LEAST COST FASHION

A G E N D A

KEIZER CITY COUNCIL
EXECUTIVE SESSION

Monday, June 20, 2005
6:00 p.m.
Keizer City Hall
Keizer, Oregon 97303

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **DISCUSSION**

   a. **Pursuant to ORS 192.660(2)(e) – To conduct deliberations with persons designated by the governing body to negotiate real property transactions.**

4. **ADJOURN**

[redacted]

The Oregon Public Meeting Law authorizes governing bodies to meet in executive session in certain limited situations. An executive session is defined as any meeting or part of a meeting of a governing body which is closed to certain persons for deliberations on certain matters as defined by ORS 192.660. These sessions are closed to the public. The media may attend the session, unless the Oregon State Statutes specifically prohibits media attendance. The governing body is not allowed to take any final action or make any final decisions during the executive sessions. Any final action or decision must be made after returning or at the next regularly scheduled meeting.

CITY OF KEIZER MISSION STATEMENT
KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY PROVIDING CITY SERVICES TO THE COMMUNITY IN A COORDINATED, EFFICIENT AND LEAST COST FASHION

A G E N D A

URBAN RENEWAL AGENCY OF THE CITY OF KEIZER

Monday, June 20, 2005
6:30 p.m.
Robert L. Simon Council Chambers
Keizer, Oregon

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC TESTIMONY

This time is provided for citizens to address the Urban Renewal Agency on any matter not scheduled for public hearing.

4. PUBLIC HEARING

a. RESOLUTION – Adoption of 2005-2006 Urban Renewal Agency Budget and Making Appropriations

5. ADMINISTRATIVE ACTION

a. RESOLUTION – Supplemental Budget for 2004-2005

b. Approving Sidewalk Improvement Grant – Auto Zone/Dickerhoof

6. CONSENT CALENDAR

a. Approval of May 16, 2005 Agency Regular Session Minutes

7. OTHER BUSINESS

This time is provided to allow Urban Renewal Agency members the opportunity to bring matters before the Agency that are not on tonight's agenda.

8 AGENDA INPUT

9. ADJOURN

[redacted]

BOARD MEETING: June 20, 2005

AGENDA ITEM NUMBER: ________________

TO: CHAIR CHRISTOPHER AND BOARD MEMBERS

THROUGH: CHRIS EPPLEY
CITY MANAGER

FROM: SUSAN GAHLSDORF, CPA
FINANCE DIRECTOR

SUBJECT: RESOLUTION ADOPTING FISCAL YEAR 2005-2006 BUDGET, MAKING APPROPRIATIONS, AND DECLARING TAX INCREMENT

BACKGROUND:

On May 17, 2005, the Budget Committee convened, received the City Manager's Budget Message for Fiscal Year 2005-2006, took public testimony from interested parties, deliberated on the Urban Renewal Budget and approved the Manager's Recommended Budget, as amended (attached).

ISSUES AND FISCAL IMPACT:

Tonight the Agency has scheduled a public hearing to receive additional citizen input on the Fiscal Year 2005-2006 Committee Approved Budget. After the hearing, the Board may adjust the approved budget as follows:

- Reduce the amount of taxes to be received
- Adjust estimates of resources and requirements
- Raise expenditures in any fund up to $5,000 or 10 percent, whichever is greater

By state law, the Board must adopt the upcoming fiscal year budget by June 30, 2005.

RECOMMENDATION:

Staff recommends the Board open the public hearing and receive testimony on the Fiscal Year 2005-2006 Urban Renewal Agency Budget. After all testimony has been received, staff recommends the Board close the public hearing and begin deliberations on the Fiscal Year 2005-2006 Budget. Finally, staff recommends that the Board adopt the attached Budget Resolution for Fiscal Year 2005-2006, with amendments if any.

SPECIAL REVENUE FUNDS

URBAN RENEWAL PROJECT FUND

RESOURCES

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	BOARD ADOPTED
1	$ 2,950,076	$ 2,028,650	$ 4,718,100	Beginning Fund Balance	$ 4,056,400	$ 4,056,400	
2	-	5,225,000	3,056,700	Loan Proceeds	-	-	
3	-	-	-	Land Sale Proceeds	-	-	
4	5,495	-	-	Donations	-	-	
5	41,855	36,097	23,700	Interest & Miscellaneous Revenue	37,200	37,200	
6	$ 2,997,426	$ 7,289,747	$ 7,798,500	**TOTAL RESOURCES**	$ 4,093,600	$ 4,093,600	

Notes:

2 By law, Tax Increment Fund moneys are restricted for debt service payments. Each year overnight debt is issued to bring cash into the Project Fund. The debt is then paid from the Tax Increment Fund. Under the current urban renewal plan, the district has reached its maximum indebtedness. Therefore, no loan proceeds are anticipated for fiscal year 2006.

3 The District anticipates the sale of property at 2805 and 2845 Chemawa Road NE to NW National LLC (Keizer Station Developer) at the price paid in FY04 plus legal fees.

5 Interest Revenue is based on half of FY04 earnings at 1/31/05 projected out to 6/30/05.

SPECIAL REVENUE FUNDS

URBAN RENEWAL PROJECT FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	BOARD ADOPTED
7							
8				**EXPENDITURES**			
9							
10				**PERSONAL SERVICES**			
11							
12	$ 41,760	$ 43,465	$ 45,600	City Manager	$ 48,000	$ 48,000	
13	13,056	17,612	17,900	Public Works Director	18,300	18,300	
14	2,972	3,093	3,300	Public Works Superintendent	3,600	3,600	
15	-	-	3,200	Public Works Permit Specialist	3,300	3,300	
16	-	1,326	3,600	Community Development Permit Specialist	3,800	3,800	
16	6,193	6,258	6,400	City Recorder	6,500	6,500	
17	-	20,104	27,800	Community Development Director	29,300	29,300	
18	25,448	-	-	Planning Director	-	-	
19	-	-	-	Associate Planner	2,900	2,900	
20	3,390	-	4,600	Senior Planner	4,500	4,500	
21	27,975	24,243	20,700	Administrative Support Staff	23,900	22,800	
22	-	870	1,300	Network Administrator	1,400	1,400	
23	1,488	2,324	2,400	Human Resources Director	2,500	2,500	
24	19,761	19,970	20,300	Finance Director	20,800	20,800	
25	2,968	3,092	3,200	Facility Maintenance Worker	3,400	3,400	
26	1,378	-	500	Overtime	500	500	
27	2,317	2,196	2,500	Medicare	2,600	2,600	
28	26,236	28,659	33,600	Retirement	37,600	37,400	
29	16,339	17,437	19,000	Insurance Benefits	22,300	22,300	
30	632	564	500	Workers Compensation	700	700	
31	$ 191,913	$ 191,213	$ 216,400	TOTAL PERSONAL SERVICES	$ 235,900	$ 234,600	

Notes:

29 Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY06 CPI-Medical increase is 4.93%. Beginning in FY06, the city will pay the full cost of life insurance premiums up to $60,000 in coverage per employee.

30 Workers Compensation costs are not expected to increase in FY06. Budget estimates changed in FY06 because actual costs in FY05 were below budget

URBAN RENEWAL PROJECT FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	BOARD ADOPTED
32							
33				**MATERIALS & SERVICES**			
34							
35	$ 1,636	$ 1,949	$ 2,600	Materials & Supplies	$ 2,600	$ 2,600	
36	1,574	816	1,200	Printing & Postage	1,200	1,200	
37	1,099	1,102	1,400	Membership Dues*	1,300	1,300	
38	3,903	4,725	6,900	Training & Travel	7,300	7,300	
39	-	155	200	Board Expenses*	200	200	
40	1,650	432	1,200	Advertising	1,200	1,200	
41	54,806	157,276	84,000	Legal Services	15,600	15,600	
42	30,080	9,884	47,500	Contractual Services*	36,700	36,700	
43	3,127	4,095	4,000	Audit*	6,900	6,900	
44	1,411	1,087	1,000	Janitorial*	1,100	1,100	
45	1,727	1,694	1,600	Telephone*	1,200	1,200	
46	360	370	300	Insurance*	300	300	
47	-	8	100	Gasoline	100	100	
48	900	1,258	3,100	Computer Software*	5,800	5,800	
49	1,254	532	1,300	Equipment Maintenance	1,300	1,300	
50	826	1,124	1,600	Facility Maintenance*	1,100	1,100	
51	39,123	69,963	81,500	Engineering	70,000	70,000	
52	-	393	300	Utilities	700	700	
53	-	6,985	9,200	Bond Issue Costs - overnight debt	-	-	
54	33	11	-	Miscellaneous	-	-	
55	$ 143,509	$ 263,859	$ 249,000	TOTAL MATERIALS & SERVICES	$ 154,600	$ 154,600	

Notes:

* Indicates a citywide shared cost based on a pre-established allocation. See Citywide Overhead Costs in the Supplemental Information section of the document for details.

39 Costs include travel & training; misc. office supplies; meetings during mealtimes. These costs were previously charged to the Training & Travel line-item.

40 Advertising costs are for legal notices for budget hearings and property improvement issues.

41 Legal Services are for basic and hourly services provided by the City Attorney and an estimated $15,000 for legal costs associated with revision of the urban renewal plan.

42 Contractual Services include citywide costs plus $15,000 for civic center consulting services, $10,000 for Recreation Center architectural services plus $10,000 for Recreation Center financial analysis.

43 The contract with the City's audit firm expires in FY05. Absent new estimates, this line-item is consistent with FY04. The change from the FY05 budget is a result in allocation changes. See the City wide Overhead Costs in the Supplemental Information section of the document.

46 The City's Insurance carrier projects a 5% increase in rates. Projections are based on FY05 actual costs which were below budget projections.

SPECIAL REVENUE FUNDS

URBAN RENEWAL PROJECT FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	BOARD ADOPTED
56				**CAPITAL OUTLAY**			
57							
58	$ -	$ 16,488	$ 2,500	Aerial Photos	$ -	$ -	
59	-	-	-	Master Plans	75,000	75,000	
60	-	228,146	1,300,000	Street Improvements	1,000,000	1,000,000	
61	288,833	-	-	River Road Overlay	-	-	
62	-	-	40,000	Gateway/Signage	-	-	
63	-	-	25,000	Crosswalks - ADA Standards	25,000	25,000	
64	-	2,202	-	Focal Point	-	-	
65	802	411	100	Office Furniture & Equipment*	400	400	
66	3,270	2,085	2,500	Computer Equipment*	7,500	7,500	
67	25,495	209,068	-	Traffic Signals	-	-	
68	51,236	-	200,000	Grant Programs - Improvements	100,000	100,000	
69	249,727	-	-	Water System Infrastructure	-	-	
70	-	877,593	280,000	Land Acquisition	-	-	
71	-	-	4,500,000	Keizer Station Improvements	1,994,400	1,994,400	
72	-	-	-	River Road Renaissance Projects	250,000	250,000	
73	12,405	53,357	-	Street Realignments	-	-	
74	1,870	-	-	Storm Drainage	-	-	
75	-	46,892	-	Property Improvement Program	-	-	
76	-	69,862	-	Trail Avenue Widening	-	-	
77	$ 633,638	$ 1,506,104	$ 6,350,100	TOTAL CAPITAL OUTLAY	$ 3,452,300	$ 3,452,300	

Notes:

* Indicates a citywide shared cost based on a pre-established allocation. See Citywide Overhead Costs in the Supplemental Information section of the document for

59 The Master Plan is for River Road Renaissance Projects.

60 The Street Improvement project is a carryover from FY05. Of the $1.3 million budgeted in FY05, the City anticipates spending $300,000 by June 30, 2005. The inmprovments are on Chemawa west of Rickman and are to be coupled with grant funds for improvements east of Rickman to Verda. See City of Keizer Street Fund Budget.

63 No funds were expended in FY05 for new crosswalk displays and crosswalk timers. Therefore, this project is carried over to FY06.

68 Grants include design grants, existing sidewalk relocation programs; fire-life safety grants.

70 Property north of City Hall and property on the corner of Rickman and Chemawa.

71 Of the $4.5 million budgeted in FY05, approximately $2.5 million was expendited in FY05. The amount budgeted for FY06 is carry over from the previous year. The total cost of the project is still $4.5 as specified in the development disposition agreement with Northwest National LLC.

72 The Rivier Road Renaissance project for FY06 is for acquisition and development of the Christmas Tree Plaza on River Road.

SPECIAL REVENUE FUNDS

URBAN RENEWAL PROJECT FUND

ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	BOARD ADOPTED
$ 969,060	$ 1,961,176	$ 6,815,500	TOTAL EXPENDITURES	$ 3,842,800	$ 3,841,500	
			FUND BALANCE			
-	-	200,000	Contingency	-	-	
2,028,366	5,328,571	783,000	Undesignated Fund Balance	250,800	252,100	
$ 2,997,426	$ 7,289,747	$ 7,798,500	**TOTAL EXPENDITURE & FUND BALANCE**	$ 4,093,600	$ 4,093,600	

SPECIAL REVENUE FUNDS

URBAN RENEWAL AGENCY

ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	BOARD ADOPTED
			RESOURCES			
$ 3,967,531	$ 5,379,793	$ 5,417,000	Beginning Fund Balance	$ 4,898,700	$ 4,898,700	
3,113,263	3,330,884	3,679,000	Tax Increment Revenue	3,812,800	3,812,800	
165,304	156,169	160,000	Prior Year Taxes	126,800	126,800	
-	5,225,000	3,056,700	Bond & Loan Proceeds	-	-	
5,495	-	-	Donations	-	-	
78,577	74,320	67,700	Interest	70,700	70,700	
$ 7,330,170	$ 14,166,166	$ 12,380,400	**TOTAL RESOURCES**	$ 8,909,000	$ 8,909,000	
			EXPENDITURES			
$ 191,913	$ 191,213	$ 216,400	Personal Services	$ 235,900	$ 234,600	
143,509	263,859	249,000	Materials & Services	154,600	154,600	
633,638	1,506,104	6,350,100	Capital Outlay	3,452,300	3,452,300	
981,600	6,189,631	3,996,700	Debt Service	933,400	933,400	
$ 1,950,660	$ 8,150,807	$ 10,812,200	TOTAL EXPENDITURES	$ 4,776,200	$ 4,774,900	
			FUND BALANCE			
-	-	585,200	Debt Service Reserves	585,200	585,200	
-	-	200,000	Contingency	-	3,296,800	
5,379,510	6,015,359	783,000	Undesignated Fund Balance	3,547,600	252,100	
$ 7,330,170	$ 14,166,166	$ 12,380,400	**TOTAL EXPENDITURE & FUND BALANCE**	$ 8,909,000	$ 8,909,000	

SPECIAL REVENUE FUNDS

URBAN RENEWAL TAX INCREMENT FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05	RESOURCES	MANAGER RECOMMENDED	COMMITTEE APPROVED	BOARD ADOPTED
1	$ 1,017,455	$ 3,351,143	$ 698,900	Beginning Fund Balance	$ 842,300	$ 842,300	
2	3,113,263	3,330,884	3,679,000	Tax Increment Revenue	3,812,800	3,812,800	
3	165,304	156,169	160,000	Prior Year Taxes	126,800	126,800	
4	36,722	38,223	44,000	Interest	33,500	33,500	
5	$ 4,332,744	$ 6,876,419	$ 4,581,900	**TOTAL RESOURCES**	$ 4,815,400	$ 4,815,400	

Notes:

2 FY06 estimates are based on FY05 actuals projected out to year-end plus 3% assessed value increases and 1% for growth.

3 Delinquent tax payments from property taxpayers increase each year with the amount of tax increment revenue apportioned to Urban Renewal. FY06 estimates are based on FY05 actuals plus 3% assessed value increases and 1% for growth.

4 Interest Revenue is based on FY05 earnings at 01/31/05 projected out to year-end.

URBAN RENEWAL TAX INCREMENT FUND

ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	BOARD ADOPTED
			EXPENDITURES			
			DEBT SERVICE			
$ 725,000	$ 740,000	$ 750,000	Principal	780,000	$ 780,000	
256,600	224,050	190,000	Interest	153,400	153,400	
-	5,225,581	3,056,700	Loan Payment	-	-	
$ 981,600	$ 6,189,631	$ 3,996,700	TOTAL DEBT SERVICE	$ 933,400	$ 933,400	
			FUND BALANCE			
$ -	$ -	$ -	Contingency	$ -	$ 3,296,800	
$ -	$ -	$ 585,200	TOTAL RESERVES	$ 585,200	$ 585,200	
3,351,144	686,788	-	ENDING FUND BALANCE	3,296,800	-	
$ 3,351,144	$ 686,788	$ 585,200	TOTAL FUND EQUITY	$ 3,882,000	$ 3,882,000	
$ 4,332,744	$ 6,876,419	$ 4,581,900	**TOTAL EXPENDITURE & FUND BALANCE**	$ 4,815,400	$ 4,815,400	

Notes:

13 By law, Tax Increment Fund moneys are restricted for debt service payments. Each year overnight debt is issued to bring cash into the Project Fund. The debt is then paid from the Tax Increment Fund. Under the exisitng plan, this Urban Renewal Agency has reached its maximum indebtedness in FY05. Therefore, the overnight lending transactions will not be made in FY06 unless the plan is ammended.

20 Reserve Requirements are provided for in the Bond Covenants and must comply with IRS regulations. The Reserve must be the lesser of 10% of the par amount of the Series, maximum annual debt service, or 125% of the average annual debt service.
Reserve requirements by series are as follows:

Series 2001 A Tax Exempt Bonds:	$358,713
Series 2001 B Taxable Bonds:	226,392
Total Reserve Requirement:	$585,105

KEIZER URBAN RENEWAL AGENCY, STATE OF OREGON

RESOLUTION UR05-______

ADOPTING THE FY05 BUDGET, MAKING APPROPRIATIONS, IMPOSING AND DECLAING TAX INCREMENT

BE IT RESOLVED, that the Board of Directors of the Keizer Urban Renewal Agency hereby adopts the budget for fiscal year 2005-2006 in the sum of $8,071,700 now on file at Keizer City Hall.

BE IT FURTHER RESOLVED that the amounts for the fiscal year beginning July 1, 2005 and for the purposes shown below are hereby appropriated:

Tax Increment Fund			
	Debt Service	$ 933,400	
	Contingency	3,296,800	
TOTAL TAX INCREMENT FUND			**$4,230,200**
Project Fund	Personal Services	$234,600	
	Materials & Services	154,600	
	Capital Outlay	3,452,300	
TOTAL PROJECT FUND			**$3,841,500**
TOTAL ALL FUNDS			**$8,071,700**

BE IT FURTHER RESOLVED that the Board of Directors of the Keizer Urban Renewal Agency hereby resolves to certify to the county assessor for the North River Road Plan Area a request for the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article XI, of the Oregon Constitution with no amount to be raised through the imposition of a special levy.

BE IT FURTHER RESOLVED that no taxes will be imposed from a Special Levy.

PASSED this _____ day of _________________________, 2005.

SIGNED this _____ day of _________________________, 2005.

____
Chair

____
City Recorder

BOARD MEETING: June 20, 2005

AGENDA ITEM NUMBER:______________

TO: **CHAIR CHRISTOPHER AND BOARD MEMBERS**

THROUGH: **CHRIS EPPLEY**
CITY MANAGER

FROM: **SUSAN GAHLSDORF, CPA**
FINANCE DIRECTOR

SUBJECT: APPROPRIATION TRANSFER

ISSUE:

Oregon Budget Law provides that a resolution or ordinance be passed to provide authority for a transfer of appropriation within a fund during the fiscal year (ORS 294.450).

1) Insurance Benefits – Resolution No. 1522 approved Employment Policy No. 30.600 which states that "Effective with the fiscal year ending June 30, 2004, unencumbered funds for the Insurance Benefit line item will be used in the next fiscal year to reduce the out of pocket expense for the employees by increasing the amount the city has to purchase insurance." This resolution passed after adoption of the FY05 budget. Consequently, the unencumbered savings of $1,900 needs to be appropriated. Staff recommends using contingency for this expenditure.
2) The Agency pays its employees bi-weekly, on every other Thursday. Typically, this equates to 26-payperiods each year. However, every 11 years there are 27-payperiods. Such is the case with fiscal year 2005. The fiscal year 2005 budget was based on annual salaries using 26-payperiods. The extra pay period needs to be appropriated for all operating funds, net savings from attrition. Staff recommends using Contingency this purpose. Staff will establish a permanent budget note to budget for 27-payperiods in budget year 2016.
3) In Fiscal Year 2005, $4,500,000 was budgeted for Radiant Drive and the entire amount was appropriated as Capital Outlay. Oregon Budget Law requires appropriation by major expenditure category (i.e. Personal Services, Materials & Services, Capital Outlay). After approval of the DDA, the City's contribution to the Keizer Station changed and a portion of the $4,500,000 is to pay for Materials & Services.

FISCAL IMPACT:

The attached resolution identifies the dollar amount and line item impacted in the 2005 budget. The above listed budget adjustments were anticipated in developing the fiscal year 2006 budget.

RECOMMENDATION:

Staff recommends the council adopt the attached resolution authorizing the expenditure of funds as described above.

KEIZER URBAN RENEWAL AGENCY, STATE OF OREGON

Resolution UR05-_____

AUTHORIZATION FOR APPROPRIATION TRANSFER

WHEREAS ORS 294.450 allows for the transfer of appropriation authority within a fund during the fiscal year;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Keizer Urban Renewal Agency, that the following appropriations be made for fiscal year ending June 30, 2005:

	Increase	Decrease
Urban Renewal Project Fund – Personal Services	**$10,900**	
Urban Renewal Project Fund – Contingency		**$ 10,900**

Funds are needed to pay employee insurance benefits in compliance with Employment Policy No. 30.600 and to cover the 27th pay period in fiscal year 2005 which was unanticipated when the budget was adopted.

	Increase	Decrease
Urban Renewal Project Fund – Materials & Services	**$ 800,000**	
Urban Renewal Project Fund – Capital Outlay		**$ 800,000**

The $4,500,000 budgeted for Radiant Drive was appropriated as Capital Outlay. After approval of the DDA, the City's contribution changed and a portion of the $4,500,000 is to pay for Materials & Services.

PASSED this _____ day of __________________, 2005

SIGNED this _____ day of __________________, 2005

____

Mayor

____

City Recorder

COUNCIL MEETING:____________________

AGENDA ITEM NUMBER:______________

TO: MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY
CITY MANAGER

FROM: NATE BROWN
COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: SIDEWALK IMPROVEMENT GRANT, AUTO ZONE

BACKGROUND:

Matt Dickerhoof, representing the property owner at 4080 River Road NE, developed with new construction, and occupied by the Auto Zone store, has requested a sidewalk improvement grant for consideration of moving the sidewalk onto private property in an easement. KURB met on the application on May 25, 2005 and unanimously recommended approval of the grant request at 100% of the costs of construction and landscaping for the frontage of the property. The request does not include landscaping on the rest of the site.

The Keizer Urban Renewal Board (KURB) had concerns with the fact that the project was already installed at the time of their deliberations. The contractor, however, is willing to facilitate and assist in extending the scope of the project to the three additional properties to the south. This and the fact that moving the sidewalk away from the street is a high priority of the district convinced the board that working with the applicant would be in the best interest of the district.

The applicant submitted three bids, the least cost being the amount being considered.

FISCAL IMPACT:

The total construction and landscaping cost of the project (frontage area only), including sprinkler system is: $11,516 (Attachment 1). The recommendation is to pay 100% of these costs, consistent with other sidewalk improvement grants.

RECOMMENDATION:

Approve sidewalk improvement grant to Dickerhoof Construction, LLC in the amount of $11,516.

Attachment 1

6-Jun-05

DICKERHOOF CONSTRUCTION, LLC
P.O. Box 1583
Corvallis, OR 97339

Contractor Lic # 151634

City of Keizer
930 Chemawa Road, NE
Keizer, Oregon 97307-1000

Re: AUTOZONE 4080 River Road North

Please reimburse Dickerhoof Construction, LLC for the following expenses associated with installing the City of Keizer sidewalk and landscaping.

CITY SIDEWALK

Labor to remove old sidewalk	$ 1,750.00	
Labor & equipment to prep sidewalk	$ 800.00	
Labor to pour concrete	$ 1,242.00	Barry Bray Construction
Concrete	$ 1,155.75	Quality Concrete
Gravel Base 3 loads 3/4" minus rock	$ 330.83	Keizer Sand and Gravel
	$ 5,278.58	

LANDSCAPER

Cascade Landscaping	$ 2,790.00

LANDSCAPING	$ 3,447.73

Breakdown:

		Each	Total
3 2" Chantaclear trees		$ 103.00	$ 309.00
16 Otto Luykens		$ 10.85	$ 173.60
25 Genistalydia		$ 7.85	$ 196.25
30 Red Berberis		$ 3.30	$ 99.00
			$ 777.85
Topsoil	49.34	$ 11.55	$ 569.88

Labor and materials for installation of sprinkler pipe, control valve boxes, conduit for control wires, grading and placing topsoil in planters and ordering and delivering plants. $ 2,100.00

Total Invoice Amount $ 11,516.31

MINUTES
KEIZER URBAN RENEWAL AGENCY
Tuesday, May 16, 2005
Keizer City Hall
Robert L. Simon Council Chambers
Keizer, Oregon

CALL TO ORDER

Agent Walsh called the session to order at 6:47. Roll Call was taken as follows:

Present:	**Staff:**
Richard Walsh	Chris Eppley, City Manager
Charles E. Lee	Shannon Johnson, City Attorney
Jacque Moir	Tracy Davis, City Recorder
David McKane	
Jim Taylor	
Absent:	
Lore Christopher, Chair	
Troy Nichols	

PUBLIC TESTIMONY

None

PUBLIC HEARING:
a. RESOLUTION ~ Authoirzing the City Manager to Enter Agreement for Sale of Real Property Located at 2805 Chemawa Road NE, Keizer

City Attorney, Shannon Johnson, reminded members of terms of the Development Disposition Agreement calling for resale of property to the developer and gave a brief history. He noted a change on the agreement: the Escrow company should be Ticor Title rather than Key Title.

Agent Walsh opened the public hearing.

Hearing no testimony, Agent Walsh closed the public hearing.

Brief deliberation followed regarding interest, appraisals, environmental and attorney fees.

Agent Moir moved to adopt Resolution UR2005 Authorizing the City Manager to enter into a transaction for the sale of Urban Renewal Agency owned property located at 2805 and 2845 Chemawa Road NE, Keizer, Oregon to Northwest National LLC (Herberger Property) as amended. Agent Taylor seconded. Motion passed as follows:

AYES: Walsh, Lee, Moir, McKane and Taylor (5)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: Christopher and Nichols (2)

ADMINISTRATIVE ACTION

a. RESOLUTION ~ Authorizing the Agency Chair to Sign First Amendment to Development and Disposition Agreement

City Attorney Shannon Johnson explained that some items have come to light that need to be changed. He did not review each item but noted that the LID cap and net assessment had been changed, park improvements will be done outside the LID, private loan conditions, expanded indemnification clause, bond adjustments, SDC clarification and modifications of the Non-Remonstrance agreement. He then fielded questions regarding debt reserve and the sports center. Agent Walsh questioned if "assessed" value could be changed to "actual" value on Page 4, Subsection 1 of Paragraph 10. Chris Eppley noted that this had not been discussed with the developer. Alan Roodhouse with Northwest National noted that this significantly changes the agreement. Following discussion Mr. Roodhouse agreed to this change.

<u>Agent Walsh moved to amend the Amendment to change "assessed" value to "actual" value on Page 4, Subsection 1 of Paragraph 10. Agent Taylor seconded. Motion passed as follows:</u>

AYES: Walsh, Lee, Moir, McKane and Taylor (5)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: Christopher and Nichols (2)

<u>Agent Moir moved to adopt Resolution UR2005 Authorizing the Agency Chair to Sign the First Amendment to Development and Disposition Agreement as amended. Agent Taylor seconded. Motion passed as follows:</u>

AYES: Walsh, Lee, Moir, McKane and Taylor (5)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: Christopher and Nichols (2)

CONSENT CALENDAR

a. Approval of February 22, 2005 Agency Regular Session Minutes
b. Approval of February 28, 2005 Agency Joint Work Session Minutes

<u>Agent Moir moved for approval of the Consent Calendar. Agent Taylor pulled Item b.</u>

<u>Agent Moir moved for approval of Item a. Agent McKane seconded.</u>

Motion passed as follows:

AYES: Walsh, Lee, Moir, McKane and Taylor (5)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: Christopher and Nichols (2)

Agent Moir moved for approval of Item b. Agent McKane seconded. Motion passed as follows:

AYES: Walsh, Moir and McKane (3)
NAYS: None (0)
ABSTENTIONS: Taylor and Lee (2)
ABSENT: Christopher and Nichols (2)

OTHER BUSINESS None

ADJOURNMENT The meeting was adjourned at 7:14 p.m.

APPROVED:

Debbie Lockhart, Deputy City Recorder

~ Absent ~
Lore Christopher, Chair

AGENCY MEMBERS

David McKane	Charles E. Lee
Jim Taylor	Jacque Moir
~ Absent ~ Troy Nichols	Richard Walsh

Minutes approved:

CITY OF KEIZER MISSION STATEMENT

KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY PROVIDING CITY SERVICES TO THE COMMUNITY IN A COORDINATED, EFFICIENT, AND LEAST COST FASHION

AGENDA

KEIZER CITY COUNCIL
REGULAR SESSION
Monday, June 20, 2005
7:00 p.m.
Robert L. Simon Council Chambers
Keizer, Oregon 97303

1. CALL TO ORDER

2. ROLL CALL

3. FLAG SALUTE

4. PUBLIC TESTIMONY

This time is provided for citizens to address the Council on any matters other than those on the agenda scheduled for public hearing

5. COMMITTEE REPORTS

a. Appointment to the Volunteer Coordinating Committee – Position #2

6. PUBLIC HEARINGS

a. RESOLUTION – Adopting City of Keizer 2005-06 Fiscal Year Budget and Making Appropriations

7. OTHER BUSINESS

This time is provided to allow the Mayor, City Council members, or staff an opportunity to bring new or old matters before the Council that are not on tonight's agenda.

a. New Business

b. Old Business

- **Peer Court Helmet Citation Update**

8. ADMINISTRATIVE ACTION

a. RESOLUTION - Intent to Declare Public Necessity for Nopp and Tiersma Properties

b. <u>RESOLUTION</u> – Authorization for Resolution Transfer – Supplemental Budget 2004-2005

c. <u>RESOLUTION</u> – Amending Updated Methodology (2000) for a Parks System Development Charge; amending R2000-1230
<u>RESOLUTION</u> – Amending Parks System Development Charge (2000); Amending R2000-1231; Repealing R2001-1239
<u>RESOLUTION</u> – Amending System Development Improvement Fee for Keizer Water Supply, Treatment, and Distribution System; Amending R2002-1364

9. <u>CONSENT CALENDAR</u>

a. <u>RESOLUTION</u> – Authorizing the City Manager to Sign Amendment to RPS Agreement

b. <u>RESOLUTION</u> – Declaring the City's Election to Receive State Shared Revenues

c. <u>RESOLUTION</u> – Certifying that the City of Keizer Provides Four or More Services

d. <u>El Buen Gusto/Angel Mare Italian Restaurant Liquor License - Approval of Change of Ownership/Trade Name</u>

e. <u>Bray's Hideaway Restaurant and Lounge – Approval of Change of Ownership</u>

f. Approval of May 16, 2005 Regular Session Minutes

10. <u>WRITTEN COMMUNICATIONS</u>

***To inform the Council of significant written communications*.**

11. <u>AGENDA INPUT</u>

<u>July 5, 2005 (Tuesday)</u>
<u>7:00 p.m. City Council Regular Session</u>

<u>July 11, 2005</u>
<u>5:30 p.m. City Council Work Session</u>

<u>July 18, 2005</u>
<u>7:00 p.m. City Council Regular Session</u>

12. <u>ADJOURN</u>

[redacted]

CITY COUNCIL MEETING: **June 20, 2005**

AGENDA ITEM NUMBER:______________

TO: **MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS**

THROUGH: **CHRIS EPPLEY**
CITY MANAGER

FROM: **TRACY L. DAVIS, CMC**
CITY RECORDER

SUBJECT: **VOLUNTEER COORDINATING COMMITTEE APPOINTMENT**

ISSUE:

The Resolution establishing the Volunteer Coordinating Committee states… The Volunteer Coordinating Committee shall consist of seven (7) members. Each of the seven (7) members shall be appointed by a member of the City Council. The members shall be appointed to a position corresponding with the position of the Council member responsible for their appointment.

Lois Anderson, who previously was appointed to serve in position number 2 – Councilor Nichols – has tendered her resignation from the Committee. Councilor Nichols will be appointing Brian Stephen to serve on the Committee.

Mr. Stephen has been invited to attend the meeting to receive a proclamation for his volunteer service.

CITY COUNCIL MEETING: June 20, 2005

AGENDA ITEM NUMBER: ________________

TO: MAYOR CHRISTOPHER AND COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY
CITY MANAGER

FROM: SUSAN GAHLSDORF, CPA
FINANCE DIRECTOR

SUBJECT: RESOLUTION ADOPTING FISCAL YEAR 2005-2006 BUDGET, MAKING APPROPRIATIONS, AND IMPOSING AND CATEGORIZING TAXES

BACKGROUND:

On May 10, 2005, the Budget Committee convened and received the City Manager's Budget Message for Fiscal Year 2005-2006, and took public testimony from interested parties. On May 11th and 13th, the Committee received public testimony and deliberated on the City Budget. The Budget Committee concluded its deliberations on May 17, 2005 and approved the Manager's Recommended Budget, as amended (attached).

ISSUES AND FISCAL IMPACT:

Tonight the City has scheduled a public hearing to receive additional citizen input on the Fiscal year 2005-2006 Committee Approved Budget. After the hearing, the Council may adjust the approved budget as follows:

- Reduce the tax rate or amount
- Adjust estimates of resources and requirements
- Raise expenditures in any fund up to $5,000 or 10 percent, whichever is greater

Since the Committee Approved Budget passed, new information has become available that affects the General Fund, the Street Fund and the Water Fund.

- Staff request approval to receive up to $5,000 in grant funds for participation with a multi-agency enforcement grant sponsored by the Oregon Department of Transportation. The goals of the grant are to reduce high-risk driving behavior, demonstrate to the community that law enforcement is working together, to make our roadways safer, and to provide overtime hours to police officers specializing in traffic enforcement.
- Staff request approval to receive up to $6,000 in matching grant funds for the purchase of $12,000 in police protective vests. The Committee Approved budget provides for $2,600 in the Revenue Sharing Fund. An additional $3,400 in general fund money is requested to provide the full $6,000 city match.
- Staff request approval to carry over $40,000 in the Water Fund for the purchase of a public works vehicle. The vehicle was budgeted in FY05, ordered, and then back

ordered. Staff has been notified that the vehicle is no longer available and will have to therefore purchase a new model in fiscal year 2006. Since the vehicle will not be received until fiscal year 2006, Oregon budget law requires council approval to "re-appropriate" this expense.

- Staff request approval to carry over $30,000 in the Street Fund for completion of the Labish Area Bridge. The full cost of construction was budgeted in FY05. However, Staff has learned that the completion of the bridge work will be performed in early fiscal year 2006. Since the work will not be performed until fiscal year 2006, Oregon budget law requires council approval to "re-appropriate" this expense. (Note: the $30,000 in the FY06 Committee Approved budget is for the drainage portion of this project. The total cost over two years is $180,000.)
- The Police Department was awarded $110,000 in federal grant funds for computer equipment. This grant was not known prior to the Committee Approved Budget. Such funds are exempted from supplemental budget requirements, however, Oregon Budget Law requires such funds to be budgeted in the year of expenditure.

RECOMMENDATION:

Staff recommends that the City Council open the public hearing and receive testimony on the Fiscal Year 2005-2006 Committee Approved Budget. After all testimony has been received, Staff recommends the Council close the public hearing and begins deliberations on the Fiscal Year 2005-2006 Budget. Staff requests the Council pass a motion to accept the budget changes identified in this staff report. Finally, Staff recommends that the City Council adopt the attached Budget Resolution for Fiscal Year 2005-2006.

ALL FUNDS COMBINED

ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
			RESOURCES			
$ 3,411,225	$ 4,723,250	$ 5,758,100	Beginning Fund Balance	$ 7,000,800	$ 7,000,800	
2,907,393	3,109,737	3,195,000	Taxes & Assessments	3,330,700	3,330,700	
2,160,052	2,355,015	2,146,900	Licenses & Fees	2,390,200	2,393,700	
2,348,186	2,546,251	3,396,500	Intergovernmental	3,535,300	4,800,300	
444,744	372,924	362,500	Fines & Forfeits	425,500	425,500	
5,282,101	6,171,486	7,033,000	Charges for Services	6,918,100	6,918,100	
-	-	3,447,500	Bond Proceeds	5,397,500	22,617,500	
197,430	319,739	249,100	Miscellaneous	362,800	362,800	
280,480	329,374	804,400	Transfers In	396,500	503,200	
$ 17,031,611	$ 19,927,776	$ 26,393,000	**TOTAL RESOURCES**	$ 29,757,400	$ 48,352,600	
			EXPENDITURES			
$ 5,073,932	$ 5,277,667	$ 5,814,700	Personal Services	$ 6,258,900	$ 6,244,700	
6,156,116	6,674,763	7,656,000	Materials & Services	7,411,200	8,115,930	
770,456	932,892	8,150,000	Capital Outlay	10,585,800	28,933,570	
12,563	11,538	146,300	Debt Service	135,700	135,700	
$ 12,013,068	$ 12,896,860	$ 21,767,000	**TOTAL EXPENDITURES**	$ 24,391,600	$ 43,429,900	
282,920	328,574	804,400	Transfers Out	396,500	503,200	
			FUND BALANCE			
-	-	170,300	Contingency	163,400	163,800	
-	-	463,500	Reserves	292,900	292,900	
4,735,623	6,702,342	3,187,800	Undesignated Ending Fund Balances	4,513,000	3,962,800	
$ 17,031,611	$ 19,927,776	$ 26,393,000	**TOTAL EXPENDITURES & FUND EQUITY**	$ 29,757,400	$ 48,352,600	

GENERAL FUND SUMMARY

ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
			RESOURCES			
$ 794,839	$ 1,093,153	$ 1,346,200	Working Capital Carryforward	$ 1,210,000	$ 1,210,000	
2,513,209	2,635,228	2,761,100	Taxes	2,822,700	2,822,700	
1,899,974	2,091,011	2,039,800	Licenses & Fees	2,087,100	2,090,600	
580,429	585,464	537,300	Intergovernmental	514,100	579,100	
444,744	372,924	362,500	Fines & Forfeits	425,500	425,500	
-	-	-	Transfers In	15,000	15,000	
108,741	178,888	126,300	Miscellaneous	114,400	114,400	
$ 6,341,936	$ 6,956,668	$ 7,173,200	**TOTAL RESOURCES**	$ 7,188,800	$ 7,257,300	
			EXPENDITURES			
$ 3,983,133	$ 4,114,746	$ 4,522,400	Personal Services	$ 4,819,300	$ 4,814,000	
1,182,724	1,226,427	1,344,900	Materials & Services	1,421,100	1,486,600	
-	-	10,500	Capital Outlay	31,600	31,600	
$ 5,165,857	$ 5,341,173	$ 5,877,800	**TOTAL EXPENDITURES**	$ 6,272,000	$ 6,332,200	
			TRANSFERS OUT			
$ 30,706	$ -	$ -	To PEG Fund	$ -	$ -	
-	-	-	City Hall Facility Fund	-	100,000	
-	-	33,400	To 9-1-1 Fund	-	-	
2,440	-	-	To Urban Renewal Fund	-	-	
49,774	78,574	246,000	To Revenue Sharing Fund	39,300	39,300	
$ 82,920	$ 78,574	$ 279,400	**TOTAL TRANSFERS**	$ 39,300	$ 139,300	
			FUND BALANCE			
$ -	$ -	$ 78,000	Contingency	$ 62,700	$ 63,300	
-	-	10,600	Reserve for park expenditures	-	-	
1,093,159	1,536,921	927,400	Undesignated Ending Fund Balance	814,800	722,500	
$ 6,341,936	$ 6,956,668	$ 7,173,200	**TOTAL GENERAL FUND**	$ 7,188,800	$ 7,257,300	

GENERAL FUND

GENERAL SUPPORT RESOURCES

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
1	$ 794,839	$ 1,093,153	$ 1,282,300	Working Capital Carryforward	$ 1,201,400	$ 1,201,400	
2							
3				**LICENSES & FEES**			
4							
5	$ 221,704	220,650	$ 221,700	Salem Electric	$ 225,500	$ 225,500	
6	524,542	498,600	491,800	PGE	518,200	518,200	
7	276,947	299,929	276,900	NWNG	342,900	342,900	
8	202,412	192,247	192,600	QWest	139,500	139,500	
9	258,216	274,793	266,100	Cable Television	274,000	274,000	
10	89,801	96,645	95,000	Loren's Sanitation	99,900	99,900	
11	59,946	65,952	65,600	Valley Garbage	67,800	67,800	
12	91,068	112,384	103,200	Water Sales Assessments	110,700	110,700	
13	68,884	200,442	215,400	Sewer License Fee	207,600	207,600	
14	7,999	8,160	8,000	Cell Tower Rent	8,000	8,000	
15	564	-	-	Systems Development Admin Fee - Sewer	-	-	
16	21,353	21,505	16,300	Systems Development Admin Fee - Parks	7,100	10,600	
17	2,875	2,005	1,700	Licenses/Permits	2,100	2,100	
18	7,925	13,655	26,500	Lien Search Fee	31,500	31,500	
19	$ 1,834,236	$ 2,006,967	$ 1,980,800	Total Licenses & Fees	$ 2,034,800	$ 2,038,300	

Notes:

19 Overall Licenses & Fees are stable over FY05 budget. FY06 projections are based on year-to-date actuals for FY05.

6 PGE Franchise Revenues are based on FY05 actuals projected to year end. Actual revenue is above budget projects. PGE representatives do not expect franchise revenues to change from FY05 to FY06. FY03 was an unusually high revenue year and revenues are down slightly from this time.

7 NWNG Franchise Revenues are based on FY05 actuals projected to year end. Actual revenue is approximately 14% above budget projections and are attributed primarily to rate increases.

8 Qwest revenues continue to decline. FY05 receipts are 27% below FY04 receipts. Qwest cites three reasons for the continuous decline 1) billing system improvements; fees were based on basic exchange and package price revenues and are now based on basic exchange revenues only. 2) Wireless & cable service substitutions and 3) competition from other telecommunication companies have taken revenues away from Qwest.

12 Water Sales Assessment is 5% of Water Sales (see Water Fund). The Cost of Services Analysis for Water Rates projects a 4% rate increase in FY06. The remaining portion of the revenue increase is from increased water sales.

13 Sewer License Fees increased from 2% to 5% on 7/1/03 by City Council resolution. The license fee applies to Salem Sewer Payments and Administrative Fee (See Utility Fund). The City of Salem's Cost of Service Analysis projected a 12% rate increase in FY05. However, rates adopted by the Salem City Council increase rates 3% in FY05 and 1% in FY06. Consequently, the budgeted FY05 revenue is higher than revenues actually received.

18 During FY04 the City implemented on-line lien searches to give Title companies access to the City's lien information as required by law. Title companies are charged $20 per hit to the City's database. Previously, Title companies were charged $5 for staff time in providing this information over the telephone.

GENERAL FUND

GENERAL SUPPORT RESOURCES

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
20				**INTERGOVERNMENTAL**			
22	$ 63,863	$ 61,721	$ 61,500	Cigarette Tax	$ 62,400	$ 62,400	
23	294,930	304,561	308,300	Liquor Tax	300,500	300,500	
24	-	-	5,000	Peer Court Grant	-	-	
25	$ 358,793	$ 366,282	$ 374,800	Total Intergovernmental	$ 362,900	$ 362,900	
27				**MISCELLANEOUS**			
29	$ 2,805	$ 2,340	$ 2,400	Rentals	2,400	2,400	
30	7,543	34,254	5,000	Peer Court Revenue	13,100	13,100	
31	18,046	20,733	18,000	Interest	20,800	20,800	
32	24,149	3,421	2,900	Misc. Revenue	9,300	9,300	
33	$ 52,543	$ 60,748	$ 28,300	Total Miscellaneous	$ 45,600	$ 45,600	
36	$ 3,040,411	$ 3,527,150	$ 3,666,200	TOTAL GENERAL SUPPORT RESOURCES	$ 3,644,700	$ 3,648,200	
38				**TAXES**			
40	$ 48,105	$ 50,528	$ 51,300	Hotel/Motel Tax	$ 50,500	$ 50,500	
41	125,585	119,853	131,100	Prior Year Taxes	120,200	120,200	
42	2,339,519	2,464,847	2,578,700	Tax Base	2,652,000	2,652,000	
43	$ 2,513,209	$ 2,635,228	$ 2,761,100	TOTAL TAXES	$ 2,822,700	$ 2,822,700	
45	$ 5,553,620	$ 6,162,378	$ 6,427,300	**TOTAL RESOURCES**	$ 6,467,400	$ 6,470,900	

Notes:

22 Cigarette Tax apportionments are expected to decline 1% from FY05 per the League of Oregon Cities.

23 Liquor Tax Revenues are expected to remain the same over FY05 per the League of Oregon Cities.

30 The City expects Marion County to contribute the funds for Peer Court.

31 Interest revenue is based on FY04 earnings at 11/31/04 projected out to 6/30/05.

32 Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions.

41 Delinquent taxes are estimated at 7% of amounts assessed. This ratio has been a consistent trend for the past three years.

42 Property Tax Revenues are expected to increase 3% for increases in valuation (the maximum allowed by Ballot Measure 50) and 1% for new development. A recent court ruling provided for a "tax refund" to Norpac, causing a $40,000 decline in property tax revenues in FY05. The City anticipates additional refunds to be awarded to other area businesses and estimates $40,000 in refunds in FY06.

GENERAL FUND

ADMINISTRATION

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
				RESOURCES			
1	$ 423,833	$ 552,556	$ 637,800	**GENERAL SUPPORT**	$ 692,600	$ 687,900	
2							
3				EXPENDITURES			
4							
5				**PERSONAL SERVICES**			
6							
7	$ 23,386	$ 24,340	$ 25,500	City Manager	$ 26,900	$ 26,900	
8	-	43,806	44,500	City Recorder	45,500	45,500	
9	33,415	54,645	70,300	Administrative Support Staff	80,600	76,100	
10	-	20,596	30,800	Network Administrator	32,600	32,600	
11	55,813	54,993	57,600	Human Resources Director	58,100	58,100	
12	15,809	15,976	16,200	Finance Director	16,600	16,600	
13	5,936	6,185	6,500	Facility Maintenance Worker	6,800	6,800	
14	84	-	500	Overtime	500	500	
15	2,063	3,392	3,900	Medicare	4,100	4,000	
16	24,297	39,874	46,300	Retirement	49,700	49,000	
17	7,375	24,098	36,400	Insurance Benefits	41,800	41,800	
18	-	389	-	Unemployment Insurance	-	-	
19	581	732	700	Workers Compensation	600	600	
20	$ 168,759	$ 289,026	$ 339,200	TOTAL PERSONAL SERVICES	$ 363,800	$ 358,500	

Notes:

8 & 9 Prior to FY04 the City Recorder and Recording Secretary were budgeted in the Municipal Court budget. The Recording Secretary position is included with other Administrative Support Staff.

17 Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY06 CPI-Medical increase is 4.93%. Beginning in FY06, the city will pay the full cost of life insurance premiums up to $60,000 in coverage per

18 Unemployment Insurance is no longer budgeted. Costs, if any, are paid from salary savings.

19 Workers Compensation costs are not expected to increase in FY06. Budget estimates changed in FY06 because actual costs in FY05 were below budget projections.

GENERAL FUND

ADMINISTRATION

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
21				**MATERIALS & SERVICES**			
22							
23	$ 5,361	$ 13,360	$ 10,500	Materials & Supplies	$ 9,000	$ 9,000	
24	211	-	-	Safety Committee	-	-	
25	-	270	100	KARE Expenses	700	700	
26	7,908	9,534	9,200	Postage & Printing	13,600	13,600	
27	24,251	25,030	32,500	Association Membership*	29,200	29,200	
28	6,223	6,460	10,100	Training & Travel	10,000	10,000	
29	-	3,668	5,000	City Council Expenses*	4,800	4,800	
30	5,610	2,110	3,400	Advertising	3,400	3,400	
31	63,639	54,335	51,800	Legal Services	55,000	55,000	
32	13,618	27,877	13,000	Contractual Services*	51,400	51,400	
33	5,128	6,715	6,600	Audit*	5,500	5,500	
34	5,982	6,214	5,200	Janitorial*	5,200	5,200	
35	2,673	4,573	4,300	Utilities	4,300	4,300	
36	15,863	13,330	12,600	Telephone*	12,700	12,700	
37	7,018	7,348	8,700	Insurance*	8,300	8,300	

Notes:

* Indicates a citywide shared cost based on a pre-established allocation. See Citywide Overhead Costs in the Supplemental Information section of the document for details.

26 Postage & Printing have increased to cover the cost of the annual citizen's survey.

29 City Council Expenses include travel & training; misc. office supplies; meetings during mealtimes. These costs were previously charged to Training & Travel.

30 Costs are for staff recruitments and public notices.

32 Contractual Services include citywide shared costs and $13,200 to provide Lien Search WEB access to title companies. The cost is offset by Lein Search Fee Revenues in General Fund.

33 The contract with the City's audit firm expires in FY05. Absent new estimates, this line-item is consistent with FY04. The change from the FY05 budget is a result in allocation changes. See the City wide Overhead Costs in the Supplemental Information section of the document.

37 The City's Insurance carrier projects a 5% increase in rates. Projections are based on FY05 actual costs which were below budget projections.

GENERAL FUND

ADMINISTRATION

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
38	-	16	100	Gasoline	100	100	
39	7,646	8,843	26,400	Computer Software*	40,400	40,400	
40	34,844	8,820	-	Computer Maintenance	-	-	
41	3,776	9,774	9,000	Equipment Maintenance	3,700	3,700	
42	20,090	26,130	42,900	Facility Maintenance*	26,300	26,300	
43	-	-	15,000	Peer Court	15,000	15,000	
44	9,621	10,106	10,300	Fire District - Hotel/Motel Tax	10,100	10,100	
45	9,621	10,106	10,300	KAVA - Hotel/Motel Tax	10,100	10,100	
46	(10)	50	1,000	Neighborhood Association Expense	1,000	1,500	
47	1,306	391	1,000	Volunteer Recognition	1,000	1,000	
48	-	-	2,000	Power - Salem Keizer School District	2,000	2,000	
49	-	-	800	Youth Compact	800	800	
50	1,320	3,213	1,500	Miscellaneous Expense	-	-	
51	3,375	5,257	5,300	Emergency Management Expense	5,300	5,300	
52	$ 255,074	$ 263,530	$ 298,600	TOTAL MATERIALS & SERVICES	$ 328,900	$ 329,400	
53							
54							
55	$ 423,833	$ 552,556	$ 637,800	**TOTAL EXPENDITURES**	$ 692,700	$ 687,900	

Notes:

41 Equipment Maintenance is primarily for photocopier maintenance and other office equipment.

43 Peer Court is a youth program where those charged voluntarily agree to have their case heard and decided by their peers. An increase in costs is anticipated due to an anticipated increase in donations to support the program.

44-45 Payments are based on 20% of the Hotel/Motel Tax Revenues by Council Resolution.

50 Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.

51 Emergency Management Expenses include:

Radios	$2,800
EOP Printing	500
Training	2,000
	$5,300

GENERAL FUND

PARK OPERATIONS

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05	RESOURCES	MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
1				***Working Capital Carryforward:***			
2	$ -	$ -	$ 3,000	Park Donations	$ 3,600	$ 3,600	
3	-	-	2,400	Recreation Donations	2,000	2,000	
4	-	-	1,500	Skate Park - Pepsi/Donations	-	-	
5							
6				**LICENSES & FEES**			
7							
8	1,435	1,490	1,400	Park Fees	1,400	1,400	
9	3,614	6,074	1,800	Park Donations	1,800	1,800	
10	-	-	400	Recreation Donations	400	400	
11	-	-	3,500	Skate Park - Pepsi/Donations	600	600	
12							
13	102,607	103,234	152,600	GENERAL SUPPORT	165,900	165,900	
14	$ 107,656	$ 110,798	$ 166,600	**TOTAL RESOURCES**	$ 175,700	$ 175,700	
15							

Notes:

1 Donations are dedicated revenues and are restricted for use in the parks operations and maintenance.

8 Fees are based on historical trends.

8-10 Donation Revenues are based on FY04 actuals projected out to 6/30/04.

13 General Support equals 2.5% of General Fund Expenditures, transfers-out and contingency plus $10,600 held in reserves in FY05 for capital improvements.

GENERAL FUND

PARK OPERATIONS

EXPENDITURES

#	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
16				**PERSONAL SERVICES**			
17							
18	$ -	$ -	$ 1,800	Public Works Director	$ 1,800	$ 1,800	
19	1,254	3,093	3,300	Public Works Superintendent	3,600	3,600	
20	36,207	38,282	39,000	Municipal Utility Worker	39,900	39,900	
21	5,249	2,457	3,000	Administrative Support Staff	3,300	3,300	
22	9,878	7,460	13,000	Seasonal Help	16,000	16,000	
23	-	536	-	Overtime	-	-	
24	798	787	900	Medicare	1,000	1,000	
25	7,358	7,060	8,200	Retirement	8,500	8,500	
26	7,724	7,196	8,900	Insurance Benefits	9,900	9,900	
27	17	-	1,300	Unemployment	-	-	
28	1,211	938	1,500	Workers Compensation	1,300	1,300	
29	$ 69,696	$ 67,809	$ 80,900	TOTAL PERSONAL SERVICES	$ 85,300	$ 85,300	

Notes:

19 Beginning in FY05, Public Works Superintendent salary is allocated to all programs where effort is expended.

26 Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY06 CPI-Medical increase is 4.93%. Beginning in FY06, the city will pay the full cost of life insurance premiums up to $60,000 in coverage per

28 Workers Compensation costs are not expected to increase in FY06. Budget estimates changed in FY06 because actual costs in FY05 were below budget projections.

GENERAL FUND

PARK OPERATIONS

Line	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
31				**MATERIALS & SERVICES**			
33				***Operations:***			
34	219	235	$ 400	Office Materials & Supplies	$ 400	$ 400	
35	10,817	10,048	11,000	Parks Materials & Supplies	12,500	12,500	
36	582	1,198	1,500	Printing	1,500	1,500	
37	153	98	300	Travel & Training	300	300	
38	1,256	4,650	1,000	Legal Services	3,000	3,000	
39	23,424	24,459	30,000	Contractual Services	27,000	27,000	
40	-	-	1,000	Utilities	1,000	1,000	
41	225	442	600	Telephone	600	600	
42	-	537	1,200	Gasoline	2,300	2,300	
43	103	444	500	Vehicle Maintenance	1,500	1,500	
44	1,181	878	1,500	Equipment Maintenance	1,500	1,500	
46				***Donation Program:***			
47	-	-	4,800	Park Projects	4,000	4,000	
48	-	-	5,000	Skate Park Projects	1,000	1,000	
49	-	-	2,800	Recreation	2,200	2,200	
51	$ 37,960	$ 42,989	$ 61,600	TOTAL MATERIALS & SERVICES	$ 58,800	$ 58,800	
53				**CAPITAL OUTLAY**			
55	$ -	$ -	$ 10,500	Capital Improvements	$ 31,600	$ 31,600	
57	-	-	3,000	Contingency	-	-	
58	-	-	10,600	Reserves	-	-	
60	$ 107,656	$ 110,798	$ 166,600	**TOTAL EXPENDITURES**	$ 175,700	$ 175,700	

Notes:

36 Printing costs are for promotion of the Parks & Rec Donation program.
38 Legal Services include union negotiations and basic and hourly services provided by the City Attorney.
55 Capital Improvements are for projects listed in the narrative preceding this page.

GENERAL FUND

COMMUNITY DEVELOPMENT

RESOURCES

#	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
				LICENSES & FEES			
1	$ 24,820	$ 25,770	$ 19,600	Land Use Application Fees	$ 24,600	$ 24,600	
2	15,501	21,239	21,200	Building Fees - Zoning	13,000	13,000	
3	19,169	27,834	14,700	Permit Fees	10,000	10,000	
4	4,813	7,711	2,100	Driveway Permits	3,300	3,300	
5	$ 64,303	$ 82,554	$ 57,600	Total Licenses & Fees	$ 50,900	$ 50,900	
7				**INTERGOVERNMENTAL**			
9	$ -	$ 54,187	$ -	Transportation Grants	$ -	$ 65,000	
10		2,500		Community Development Grant	-	-	
11	$ -	$ 56,687	$ -	Total Intergovernmental	$ -	$ 65,000	
13				**MISCELLANEOUS**			
15	$ 452	$ 1,097	$ 5,000	Nuisance Abatement	$ 5,000	$ 5,000	
18	$ 64,755	$ 140,338	$ 62,600	TOTAL ACTIVITY GENERATED	$ 55,900	$ 120,900	
20	198,756	196,986	269,700	GENERAL SUPPORT	330,200	330,200	
21	$ 263,511	$ 337,324	$ 332,300	**TOTAL RESOURCES**	$ 386,100	$ 451,100	

Notes:

1-3 Fees are based on FY05 actuals projected to year-end.

4 In FY04 staff recommended this revenue be split 70% to the Street Fund and 30% to the Community Development Fund to more accurately allocate revenue by effort given.

GENERAL FUND

COMMUNITY DEVELOPMENT

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
22							
23				EXPENDITURES			
24							
25	$ -	$ 33,315	$ 46,100	Community Development Director	$ 48,600	$ 48,600	
26	33,610	-	-	Planning Director	-	-	
27	39,611	47,883	-	Associate Planner	26,500	26,500	
28	29,734	35,298	15,200	Code Enforcement	16,100	16,100	
29	-	-	32,400	Zoning Technician	34,200	34,200	
30	3,493	-	41,800	Senior Planner	40,400	40,400	
31	8,749	12,668	8,000	Administrative Support Staff	8,900	8,900	
32	20,965	31,990	32,500	Permit Specialist	34,200	34,200	
33	-	151	2,000	Overtime	2,000	2,000	
34	2,047	2,481	2,700	Medicare	3,200	3,200	
35	20,422	24,694	30,700	Retirement	36,000	36,000	
36	20,228	23,605	30,200	Insurance Benefits	43,900	43,900	
37	672	622	600	Workers Compensation	1,700	1,700	
38	$ 179,531	$ 212,707	$ 242,200	TOTAL PERSONAL SERVICES	$ 295,700	$ 295,700	

Notes:

24 During FY04 the Community Development Department reorganized. The Code Enforcement/Zoning Technician position was split into a one FTE Zoning Technician and .5 FTE Code Enforcement Officer. The Permit Specialist position increased from .5 FTE to one FTE. During FY05 the City intended to reclassify the Associate Planner position to Senior Planner and eliminate the Associate Planner position. However, this did not occur and in FY06 the budget provides for a full-time Senior Planner and a half-time Associate Planner.

31 More administrative support was provided for the Community Development Department in FY04. However, with the increase in FTE for the Permit Specialist, the administrative support was transferred to the Human Resources Department.

36 Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY06 CPI-Medical increase is 4.93%. Beginning in FY06, the city will pay the full cost of life insurance premiums up to $60,000 in coverage per employee.

37 Workers Compensation costs are not expected to increase in FY06. Budget estimates changed in FY06 because actual costs in FY05 were below

COMMUNITY DEVELOPMENT

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
39							
40				**MATERIALS & SERVICES**			
41							
42	$ 3,723	$ 2,087	$ 3,900	Materials & Supplies	$ 4,300	$ 4,300	
43	385	397	600	Mapping Supplies & Services	700	700	
44	731	499	2,700	Printing	2,700	2,700	
45	3,167	4,096	5,800	Travel & Training*	5,100	5,100	
46	4,756	2,763	2,800	Legal Advertising	2,800	2,800	
47	49,997	45,201	51,100	Legal Services	51,100	51,100	
48	16,959	3,978	3,900	Contractual Services	3,900	3,900	
49	4,000	6,150	6,600	Hearings Officer	6,600	6,600	
50	-	3,790	6,300	Engineering Services	6,300	6,300	
51	-	622	700	Telephone	800	800	
52	-	394	400	Gasoline	800	800	
53	-	-	300	Computer Software	300	300	
54	262	175	5,000	Nuisance Abatement	5,000	5,000	
55	-	-	-	Transportation Systems Plan	-	65,000	
56	-	54,465	-	Grant Expenses	-	-	
57	$ 83,980	$ 124,617	$ 90,100	TOTAL MATERIALS & SERVICES	$ 90,400	$ 155,400	
58							
59	$ 263,511	$ 337,324	$ 332,300	**TOTAL EXPENDITURES**	$ 386,100	$ 451,100	

Notes:

42-43 Materials & Supplies were increased 10% in anticipation of adding a position to the Community Development Department.

45 Travel & Training costs decreased because the City does not anticipate paying tuition fees as it did in FY05. The decrease is mitigated by added training costs for the new Senior Planner position.

48 Contractual Services include GIS support, ordinance writing and land use review.

GENERAL FUND

MUNICIPAL COURT

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
				RESOURCES			
1	$ 274,167	$ 162,452	$ 191,700	**GENERAL SUPPORT**	$ 198,900	$ 198,900	
2							
3				EXPENDITURES			
4				**PERSONAL SERVICES**			
5							
6	$ 43,355	$ -	$ -	City Recorder	$ -	$ -	
7	22,306	11,502	13,700	Administrative Support Staff	17,200	17,200	
8	41,390	40,342	41,000	Court Clerk	34,100	34,100	
9	328	207	500	Overtime	-	-	
10	1,644	797	800	Medicare	800	800	
11	18,125	7,963	9,400	Retirement	8,700	8,700	
12	15,018	12,355	15,200	Insurance Benefits	12,700	12,700	
13	346	155	100	Workers Compensation	100	100	
14	$ 142,512	$ 73,321	$ 80,700	TOTAL PERSONAL SERVICES	$ 73,600	$ 73,600	

4 Changes in salaries from FY05 to FY06 is a result of staff turnover.

12 Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY06 CPI-Medical increase is 4.93%. Beginning in FY06, the city will pay the full cost of life insurance premiums up to $60,000 in coverage per employee.

13 Workers Compensation costs are not expected to increase in FY06. Budget estimates changed in FY06 because actual costs in FY05 were below budget projections.

GENERAL FUND

MUNICIPAL COURT

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
15							
16				**MATERIALS & SERVICES**			
17							
18	$ 3,165	$ 912	$ 2,000	Materials & Supplies	$ 2,500	$ 2,500	
19	3,389	1,365	1,800	Travel & Training	4,400	4,400	
20	1,960	865	1,400	Legal Services	700	700	
21	18,063	14,688	23,900	Professional Services - Judge	20,600	20,600	
22	3,027	2,672	3,500	Contractual Services	2,600	2,600	
23	-	-	2,400	Computer Software	-	-	
24	11,825	4,103	6,300	Collections Cost	10,100	10,100	
25	16,010	11,638	12,100	CC Assessments	14,700	14,700	
26	74,216	52,888	57,600	Unitary Assessment	69,700	69,700	
27	$ 131,655	$ 89,131	$ 111,000	TOTAL MATERIALS & SERVICES	$ 125,300	$ 125,300	
28							
29	$ 274,167	$ 162,452	$ 191,700	**TOTAL EXPENDITURES**	$ 198,900	$ 198,900	

Notes:

21 Costs for Judicial services have been reduced in FY06 to more accurately reflect costs incurred in FY05.

23 Software costs are for maintenance costs to support the Municipal Court system. See Citywide Overhead Costs in the Supplemental Information section of the document for details.

24 Prior HB 2055, the City's contract with its collection agency provided for a 25% fee on amounts collected. Our revised contract allows the collection agency to collect and retain its fee prior to turning the proceeds over to the City. The cost associated with the FY06 budget are for accounts at the collection agency under the old agreement. This cost is expected to decrease in future years and eventually go away all together.

25,26 CC and Unitary Assessments are 4% and 19% of Municipal Court Fine revenue (including past due fines), respectively. Since Municipal Court Fine revenue is up, associated costs are also up.

GENERAL FUND

POLICE

ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05	RESOURCES	MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
			Working Capital Carryforward:			
$ -	$ -	$ -	K-9 Donations	$ 3,000	$ 3,000	
			INTERGOVERNMENTAL			
$ 145,463	$ 162,495	$ 162,500	SRO Contract	$ 151,200	$ 151,200	
76,173	-	-	Grants	-	-	
$ 221,636	$ 162,495	$ 162,500	Total Intergovernmental	$ 151,200	$ 151,200	
			FINES & FORFEITS			
$ 330,427	$ 316,408	$ 300,900	Municipal Court Fines	$ 275,600	$ 275,600	
67,667	20,536	25,100	Collections - Past Due	91,000	91,000	
46,650	35,980	36,500	Impoundment Fees	58,900	58,900	
$ 444,744	$ 372,924	$ 362,500	Total Fines & Forfeits	$ 425,500	$ 425,500	
			MISCELLANEOUS			
$ -	$ 2,252	$ 2,000	Cadet Donations	$ -	$ -	
-	6,692	6,000	Reserve Officer Donations	-	-	
650	8,096	1,000	K-9 Donations	-	-	
4,775	7,362	3,000	Special Duty Officers	3,000	3,000	
2,040	20,720	20,300	Miscellaneous	6,300	6,300	
$ 7,465	$ 45,122	$ 32,300	Total Miscellaneous	$ 9,300	$ 9,300	
$ 673,845	$ 580,541	$ 557,300	TOTAL ACTIVITY GENERATED	$ 586,000	$ 586,000	
3,386,545	3,559,159	3,966,100	GENERAL SUPPORT	4,190,000	4,190,000	
$ 4,060,390	$ 4,139,700	$ 4,523,400	**TOTAL RESOURCES**	$ 4,776,000	$ 4,776,000	

Notes:

6 Funds from the Salem/Keizer School District which partially pay for School Resource Officers plus related overhead costs. The decrease from the FY05 budget is a result of lower overtime costs associated with School Resource Officers.

7 Grant funds in FY03 were to help fund a new School Resource Officer position.

10 Overall, Fines and Forfeit revenues have increased. This is attributed to the increase in staff efforts used to process citations in the Municipal Court office. The decrease in Municipal Court Fines and the increase in Past Due Collections is a result of the passage of HB2055. This legistation allows cities to fully recover municipal court fines & forfeits through collection agencies. This allows the city to turn delinquent accounts over to its collection agency much sooner which has resulted in quicker payoff on accounts. The increase in impound fees is a result of the increase in violations.

23 Miscellaneous Revenue includes receipts for police report requests, surplus sales, and one-time revenues.

GENERAL FUND

POLICE

EXPENDITURES

PERSONAL SERVICES

Line	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
34	$ 36,097	$ 37,590	$ 37,600	Administrative Assistant	$ 36,200	$ 36,200	
35	5,936	6,184	6,500	Facility Maintenance Worker	6,800	6,800	
36	87,136	88,061	89,500	Chief of Police	91,500	91,500	
37	148,169	37,197	154,600	Captain(s)	158,200	158,200	
38	503,648	532,236	460,000	Sergeants	475,600	475,600	
39	232,002	216,373	225,200	Detectives	231,100	231,100	
40	957,634	1,008,935	1,067,700	Police Officers	1,150,300	1,150,300	
41	34,717	36,803	39,400	Community Service Officer	41,100	41,100	
42	195,211	198,834	208,300	Support Specialists	217,700	217,700	
43	151,625	156,038	163,200	School Resource Officers	161,500	161,500	
44	41,914	41,952	43,500	Investigative Services Specialist	44,000	44,000	
45	6,751	6,533	7,500	Reserve Officers	7,500	7,500	
46	-	-	5,000	Background Investigations Officer	5,000	5,000	
46	108,003	128,391	145,600	Overtime	156,700	156,700	
47	38,440	38,049	40,600	Medicare	42,700	42,700	
48	472,309	594,177	656,200	Retirement	704,400	704,400	
49	313,204	290,095	359,900	Insurance Benefits	397,300	397,300	
50	10,327	269	-	Unemployment Insurance	-	-	
51	79,512	54,166	69,100	Workers Compensation	73,300	73,300	
52	$ 3,422,635	$ 3,471,883	$ 3,779,400	TOTAL PERSONAL SERVICES	$ 4,000,900	$ 4,000,900	

Notes:

37-38 In FY04, the Police Department had one Captain position. This position was vacated during the year and two sergeants were promoted to Captain positions in FY05, when the Department reinstated the second Captain position and reduced the number of Sergeant positions from eight to seven. One

40 The FY06 Budget provides for reinstatement of a Police Officer position that was frozen in FY02 because of funding constraints.

46 The need for overtime depends on the number and complexity of crimes. Overtime costs are approximately 10% of sworn-represented staff salaries.

48 All sworn officers participate in PERS and non-sworn staff participate in private retirement 401(a) and 457 plans. The PERS employer contribution went from 7.96% in FY03 to 13.89% in FY04 and FY05. PERS contribution rates will increase in FY06 to 16.65%. 401(a) contribution rates are 12% for

49 Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY06 CPI-Medical increase is 4.93%. Beginning in FY06, the city will pay the full cost of life insurance premiums up to $60,000 in coverage per employee.

51 Workers Compensation costs are not expected to increase in FY06. Budget estimates changed in FY06 because actual costs in FY05 were below budget

GENERAL FUND

POLICE

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
53							
54				**MATERIALS & SERVICES**			
55							
56	$ 17,431	$ 13,970	$ 21,000	Materials & Supplies	$ 21,000	$ 21,000	
57	-	2,379	2,000	Cadet Program	2,000	2,000	
58	6,048	4,051	6,000	Reserve Officer Program	6,000	6,000	
59	22,349	21,258	27,000	Clothing	27,000	27,000	
60	5,086	12,184	6,000	K-9 Supplies	6,000	6,000	
61	8,265	9,037	14,000	Postage & Printing	14,000	14,000	
62	18,565	26,299	25,000	Travel & Training	30,100	30,100	
63	2,383	223	4,000	Tuition Reimbursement	4,000	4,000	
64	3,280	4,886	4,000	Testing	4,000	4,000	
65	777	2,260	3,000	Advertising - Employee Recruitments	3,000	3,000	
66	7,593	14,212	10,000	Legal	11,000	11,000	
67	8,872	2	-	Contractual	5,000	5,000	
68	11,709	12,812	19,800	Janitorial*	19,600	19,600	
69	18,077	15,393	16,000	Utilities	16,000	16,000	
70	25,966	20,418	24,000	Telephone	18,900	18,900	
71	63,056	66,055	79,200	Insurance*	75,200	75,200	
72	25,680	25,959	28,000	Vehicle Lease	28,000	28,000	
73	4,767	3,169	4,500	Vehicle & Equipment Rental	11,700	11,700	
74	33,693	37,841	42,000	Gasoline	50,000	50,000	
75	-	-	6,500	Computer Software	-	-	
76	33,717	30,792	30,000	Maintenance-Vehicles	30,000	30,000	
77	19,784	18,468	20,000	Maintenance-Equipment	20,000	20,000	
78	1,710	5,116	5,000	Community Services Unit	5,000	5,000	
79	22,896	29,819	28,000	Operating Materials	28,000	28,000	
80	9,686	5,485	9,600	Ammo/Weapons	10,000	10,000	

Notes:

* Indicates a citywide shared cost based on a pre-established allocation. See Citywide Overhead Costs in the Supplemental Information section of the

60 The FY04 budget includes the purchase of a new K-9 dog. The FY05 budget is for dog food, medical costs, and related supplies.

62 Travel & Training increased $5000 in FY06 for a required one-time Emergency Vehicle Operations Course.

66 Legal services are for union negotiations including dispute resolution. Costs are anticipated to increase 10% over FY05.

67 Contract with Crisis Chaplancy Services for emergency chaplancy servicefunded by all police agencies within Marion County.

71 The City's Insurance carrier projects a 5% increase in rates. Projections are based on FY05 actual costs which were below budget projections.

73 The FY06 budget includes $7200 for car rental for undercover cars. This allows for a change in cars which is necessary for undercover work.

74 The increase in gasoline over FY05 reflects an increase in prices.

78 Costs include community related activities such as National Night Out.

GENERAL FUND

POLICE

		ACTUAL 2002-03		ACTUAL 2003-04		ADOPTED 2004-05			MANAGER RECOMMENDED		COMMITTEE APPROVED	COUNCIL ADOPTED
81												
82	$	191,804	$	190,509	$	198,700	Salem Communications	$	212,600	$	212,600	
83		-		24,381		24,200	Radio & Mobile Systems Support		25,000		25,000	
84		59,009		63,013		68,000	RAIN/PRIORS		73,500		73,500	
85		7,143		5,699		13,000	Investigations		13,000		13,000	
86		2,735		-		-	Trading Cards/Badges		-		-	
87		3,482		1,912		4,000	Crime Prevention		4,000		4,000	
88		-		-		500	Medical Procedures		500		500	
89		2,192		215		1,000	Miscellaneous		1,000		1,000	
90	$	637,755	$	667,817	$	744,000	TOTAL MATERIALS AND SERVICES	$	775,100	$	775,100	
91												
92												
93		-		-		-	Reserve for K-9 Dog		3,000		3,000	
94												
95	$	4,060,390	$	4,139,700	$	4,523,400	**TOTAL EXPENDITURES**	$	4,776,000	$	4,776,000	

Notes:

82 Costs are shared with the 9-1-1 fund and represent 60% of the total costs for dispatch services from the Willamette Valley

83 Prior to FY04, costs for radio & mobile systems support were included in the Salem Communications line-item. Costs are separated in FY04 as a mechanism to better track these costs.

89 Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.

GENERAL FUND

STADIUM OPERATIONS

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
				RESOURCES			
				MISCELLANEOUS			
1	$ 44,667	$ 65,847	$ 55,000	Stadium Rent	$ 51,700	$ 51,700	
2	$ 44,667	$ 65,847	$ 55,000	**TOTAL RESOURCES**	$ 51,700	$ 51,700	
3							
4				EXPENDITURES			
5							
6				**MATERIALS & SERVICES**			
7							
8	$ 36,300	$ 38,343	$ 39,600	Property Tax	$ 42,600	$ 42,600	
9	$ 36,300	$ 38,343	$ 39,600	TOTAL MATERIALS & SERVICES	$ 42,600	$ 42,600	
10							
11	$ 8,367	$ 27,504	$ 15,400	**AVAILABLE FOR GENERAL SUPPORT**	$ 9,100	$ 9,100	
12	$ 44,667	$ 65,847	$ 55,000	**TOTAL EXPENDITURE & GENERAL SUPPORT**	$ 51,700	$ 51,700	

Notes:

1 The Volcanoes Ball Club attributed the decrease in ticket sales in FY03 to the economic downturn. Year-to-date actuals through April 2005 indicate revenues are slightly below budget projections. FY06 revenues are based on FY05 actuals projected out to year-end.

8 Property Taxes are paid on the parking lot as provided in the lease agreement with the Volcanoes Ball Club. The City anticipates a 3% increase in assessed value, which is the maximum allowed under ballot measure 50. Actual payment in FY05 was $40,610 less $1,250 paid by the stadium, per the lease agreement. FY06 is the last year the City will pay property taxes for the stadium property per the lease agreement.

SPECIAL REVENUE FUND

REVENUE SHARING

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
				RESOURCES			
1	$ 18,683	13,089	$ 14,300	Beginning Fund Balance	$ 33,500	$ 33,500	
2	164,886	180,751	169,100	State Revenue Sharing	191,300	191,300	
3	3,844	-	-	Federal Grants	-	-	
4	-	4,950	-	Police Misc Revenue	-	-	
5	49,774	78,574	246,000	Transfer from General Fund	39,300	39,300	
6	$ 237,187	$ 277,364	$ 429,400	**TOTAL RESOURCES**	$ 264,100	$ 264,100	

Notes:

2 The first 2 quarters of State Shared Revenue receipts were 8% above estimates in FY05. State Revenue Sharing projections are based on FY05 actuals projected out to year-end. The State of Oregon projects a 1% increase in these revenues statewide for FY06.

5 The City is working toward a program budget. Towards this end, Capital Outlay items used for general government purposes are tracked in the Revenue Sharing Fund. This transfer is needed because Revenue Sharing Funds are not sufficient in FY04 to cover the entire Capital Outlay needs of the City's general government programs.

SPECIAL REVENUE FUND

REVENUE SHARING

#	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
7				**EXPENDITURES**			
9				**CAPITAL OUTLAY**			
11	$ 1,359	$ 9,726	$ 2,000	Office Furniture & Equipment*	$ 9,500	$ 9,500	
12	-	-	-	Photocopier	3,600	3,600	
13	-	-	5,000	Aerial Photos	-	-	
14	-	-	79,200	Telephone System	-	-	
15	65,836	49,117	164,700	Computer Equipment*	89,500	89,500	
16	12,375	5,084	5,100	Com Dev Vehicle Lease to Purchase	-	-	
17	8,778	-	-	Mower	-	-	
18	-	-	1,500	Police Motorcycles/Equipment	-	-	
19	7,688	1,215	-	Police Protective Vests	2,600	2,600	
20	-	-	-	Police Officer Equipment	13,000	13,000	
21	2,204	8,953	1,500	Vehicle Equipment	-	-	
22	-	-	14,600	Radar Equipment	-	-	
23	93,236	123,457	155,800	Patrol Vehicles	145,900	145,900	
24	7,764	7,764	-	Radio Modems	-	-	
25	24,858	43,798	-	Police Mobile Computer Terminals	-	-	
26	$ 224,098	$ 249,114	$ 429,400	TOTAL CAPITAL OUTLAY	$ 264,100	$ 264,100	
28				**FUND BALANCE**			
30	13,089	28,250	-	Undesignated Ending Fund Balance	-	-	
32	$ 237,187	$ 277,364	$ 429,400	**TOTAL EXPENDITURE & FUND BALANCE**	$ 264,100	$ 264,100	

Notes:

* Indicates a citywide shared cost based on a pre-established allocation. See Citywide Overhead Costs in the Supplemental Information section of the document for

12 The photocopier is for the police department to replace the existing machine.

20 The Police Officer Equipment is the cost to replace officers' rain jackets, which are over 10 years old with new, all weather jackets.

23 Patrol Vehicle leases are as follows:

2 cars, lease expires 02/2006	12,213
9 cars, lease expires 03/2007	77,942
5 cars, lease expires 01/2008	50,205
2 cars, lease expires 04/2009	5,500
	145,860

SPECIAL REVENUE FUND

PUBLIC EDUCATION GOVERNMENT FUND

#	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
				RESOURCES			
1	$ -	$ 27,283	$ 44,800	Beginning Fund Balance	$ 19,200	$ 19,200	
2	77,465	82,438	78,600	PEG Fees	82,300	82,300	
3	125	232	200	Interest Earnings	200	200	
4	30,706	800	-	Transfer from General Fund	-	-	
5	$ 108,296	$ 110,753	$ 123,600	**TOTAL RESOURCES**	$ 101,700	$ 101,700	
7				EXPENDITURES			
9				**MATERIALS & SERVICES**			
11	$ 60,000	$ 60,745	$ 60,000	Broadcasting	$ 60,000	$ 60,000	
12	$ 60,000	$ 60,745	$ 60,000	TOTAL MATERIALS & SERVICES	$ 60,000	$ 60,000	
14				**CAPITAL OUTLAY**			
16	$ 21,013	$ 1,668	$ 63,600	Television Equipment	$ 15,000	$ 15,000	
17	$ 21,013	$ 1,668	$ 63,600	TOTAL CAPITAL OUTLAY	$ 15,000	$ 15,000	
19	$ 81,013	$ 62,413	$ 123,600	TOTAL EXPENDITURES	$ 75,000	$ 75,000	
21				FUND BALANCE			
23	27,283	48,340	-	Undesignated Ending Fund Balance	26,700	26,700	
25	$ 108,296	$ 110,753	$ 123,600	**TOTAL EXPENDITURE & FUND BALANCE**	$ 101,700	$ 101,700	

Notes:

2 Revenues are based on FY05 actuals projected to year-end.

3 The transfer amount in FY03 equals unspent PEG revenues at 6/30/02 when PEG activity was moved to a Special Revenue Fund.

11 Broadcasting costs are $5,000 per month.

16 The City entered into a lease agreement to purchase a Digital Server ($59500) and a Mobile Production Rack ($35500). $50000 was paid in FY05. The remaining $45500 will be paid in FY06, FY07 and FY08.

SPECIAL REVENUE FUND

9-1-1 FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
				RESOURCES			
1	$ 126,546	$ 88,066	$ 32,400	Beginning Fund Balance	$ 65,800	$ 65,800	
2	149,301	164,885	142,800	911 Excise Tax	166,600	166,600	
3	1,253	145	300	Interest	300	300	
4	-	-	33,400	Transfer from General Fund	-	-	
5	$ 277,100	$ 253,096	$ 208,900	**TOTAL RESOURCES**	$ 232,700	$ 232,700	
6							
7				**EXPENDITURES**			
8							
9				**MATERIALS & SERVICES**			
10							
11	$ -	$ 15,588	$ 16,000	Radio & Mobile Systems Support	$ -	$ -	
12	138,488	121,801	131,500	Emergency 9-1-1 and Dispatch Calls	145,700	145,700	
13	50,546	67,824	61,400	Distributions to 9-1-1 Agencies	71,600	71,600	
14	$ 189,034	$ 205,213	$ 208,900	TOTAL MATERIALS & SERVICES	$ 217,300	$ 217,300	
15							
16	$ 189,034	$ 205,213	$ 208,900	TOTAL EXPENDITURES	$ 217,300	$ 217,300	
17							
18	$ -	$ -	$ -	Transfer to General Fund	15,000	15,000	
19							
20				**FUND BALANCE**			
21							
22	88,066	47,883	-	Undesignated Ending Fund Balance	400	400	
23							
24	$ 277,100	$ 253,096	$ 208,900	**TOTAL EXPENDITURE & FUND BALANCE**	$ 232,700	$ 232,700	

Notes:

2 9-1-1 Tax Revenue projections are based FY05 actuals and adjusted for the League of Oregon Cities' projected1% increase for FY06.

3 Interest revenue is based on FY04 earnings at 11/31/04 projected out to 6/30/05.

11 Of the estimated $330,200 for the Salem Communications Center, Radio Fees and Mobile Data Terminal Fees, 40% is attributed to emergency phone service.

13 Of the estimated $142,829 to be received in 9-1-1 Excise Tax Revenues, 39% is to be remitted to the Keizer Fire District and 4% is to be remitted to the Marion County Fire District.

18 FY05 actual data indicates the transfer from the general fund was $15000 more than the amount needed. This will be transferred back in FY06 to meet general fund needs.

SPECIAL REVENUE FUND

HOUSING FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
				RESOURCES			
1	$ 80,943	$ 82,283	$ 83,300	Beginning Fund Balance	$ 110,000	$ 110,000	
2	-	26,650	80,000	Loan Proceeds	-	-	
3	1,340	1,044	1,000	Interest Revenue	1,800	1,800	
4	$ 82,283	$ 109,977	$ 164,300	**TOTAL RESOURCES**	$ 111,800	$ 111,800	
5							
6				**EXPENDITURES**			
7							
8	$ -	$ -	$ 16,400	Contractual Services	$ -	$ -	
9	-	-	147,900	Housing Rehabilitation Services	-	-	
10	$ -	$ -	$ 164,300	TOTAL MATERIALS & SERVICES	$ -	$ -	
11							
12							
13				**FUND BALANCE**			
14							
15	82,283	109,977	-	Undesignated Ending Fund Balance	111,800	111,800	
16							
17	$ 82,283	$ 109,977	$ 164,300	**TOTAL EXPENDITURE & FUND BALANCE**	$ 111,800	$ 111,800	

Notes:

1 The original source of funds were received through a federal grant. The Community Development Department is currently working toward "defederalizing" the Housing Rehabilitations funds so they may be used for new loans. Staff anticipate a new program will be available in FY06-07. Therefore, no funds have been appropriated for FY05-06.

SPECIAL REVENUE FUND

LAW ENFORCEMENT GRANT FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
				RESOURCES			
1	$ 12,168	$ -	$ 3,600	Beginning Fund Balance	$ -	$ -	
2	-	17,798	50,000	Police Grants	50,000	50,000	
3	-	-	1,000	Interest/Donations	-	-	
4	$ 12,168	$ 17,798	$ 54,600	**TOTAL RESOURCES**	$ 50,000	$ 50,000	
7				EXPENDITURES			
9				**MATERIALS & SERVICES**			
11	$ -	$ 21,638	$ 27,300	Materials & Supplies	$ 25,000	$ 25,000	
12	$ -	$ 21,638	$ 27,300	TOTAL MATERIALS & SERVICES	$ 25,000	$ 25,000	
14				**CAPITAL OUTLAY**			
16	$ -	$ -	$ 27,300	Equipment	$ 25,000	$ 25,000	
17	$ -	$ -	$ 27,300	TOTAL CAPITAL OUTLAY	$ 25,000	$ 25,000	
19	$ -	$ 21,638	$ 54,600	TOTAL EXPENDITURES	$ 50,000	$ 50,000	
21				FUND BALANCE			
23	12,168	(3,840)	-	BUDGETED FUND BALANCE	-	-	
25	$ 12,168	$ 17,798	$ 54,600	**TOTAL EXPENDITURE & FUND BALANCE**	$ 50,000	$ 50,000	

Notes:

2 Each year the Police Department applies for and receives various Federal Grants for one-time purchases of Materials and Capital Outlay items.

CAPITAL PROJECTS FUND

KEIZER STATION LOCAL IMPROVEMENT DISTRICT

ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
			RESOURCES			
$ -	$ -	$ -	Beginning Fund Balance	$ -	$ -	
-	-	-	Proceeds from Area D	-	1,200,000	
-	-	-	Loan Proceeds	-	17,220,000	
$ -	$ -	$ -	**TOTAL RESOURCES**	$ -	$ 18,420,000	
			EXPENDITURES			
			MATERIALS & SERVICES			
$ -	$ -	$ -	Administration Fee	$ -	$ 204,000	
-	-	-	Line of Credit Issuance Costs	-	30,230	
-	-	-	Interest on Line of Credit	-	400,000	
$ -	$ -	$ -	TOTAL MATERIALS & SERVICES	$ -	$ 634,230	
			CAPITAL OUTLAY			
$ -	$ -	$ -	Improvements	$ -	$ 17,785,770	
$ -	$ -	$ -	TOTAL CAPITAL OUTLAY	$ -	$ 17,785,770	
$ -	$ -	$ -	TOTAL EXPENDITURES	$ -	$ 18,420,000	
			FUND BALANCE			
-	-	-	Undesignated Ending Fund Balance	-	-	
$ -	$ -	$ -	**TOTAL EXPENDITURE & FUND BALANCE**	$ -	$ 18,420,000	

Notes:

The budget for the Keizer Station is based on the engineer's report dated April 2005

10 The City has contracted with RSP Development company as project manager for the Keizer Station

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05	RESOURCES	MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
1	$ 958,071	$ 1,361,256	$ 1,368,500	Beginning Fund Balance	$ 1,803,400	$ 1,803,400	
2	7,414	12,258	10,000	Planning Construction Fees	7,500	7,500	
3	-	-	4,800	Driveway Permit Fees	4,700	4,700	
4	2,344	1,207	-	Donations (Helmets)	600	600	
5	-	-	916,000	Grants	1,016,000	1,016,000	
6	32,042	-	-	Clearlake Bike Paths	-	-	
7	1,340,219	1,514,915	1,432,700	State Fuels Tax	1,515,000	1,515,000	
8	2,667	1,600	2,500	Orchard-Filmore Assessments	700	700	
9	763	199	200	Orchard-Filmore Assessment Interest	100	100	
10	19,428	18,462	10,300	Interest	28,700	28,700	
11	-	16,510	9,000	Rental Property	19,200	19,200	
12	-	1,265	-	Reimbursement Agreement Application Fee	-	-	
13	-	-	-	Bond Proceeds	1,950,000	1,950,000	
14	-	-	-	Property Sales	170,000	170,000	
15	930	16,175	-	Miscellaneous Revenue	-	-	
16	$ 2,363,878	$ 2,943,847	$ 3,754,000	**TOTAL RESOURCES**	$ 6,515,900	$ 6,515,900	

Notes:

3 In FY04 staff recommended this Revenue be split 70% to the Street Fund and 30% to the Community Development Fund to more accurately allocate Revenue by effort given. Permit Revenues offset staff costs for inspections.

5 Grants include a state transportation improvement grant for Chemawa Road Bridge and Dearborn NE

7 The Oregon Department of Transportation projects Fuel Tax Revenue to be 1% below FY05. FY06 projections are based on FY05 actual revenues project to year end with a slight decrease as estimated by ODOT.

10 Interest revenue is based on FY04 earnings at 11/31/04 projected out to 6/30/05.

13 Bond proceeds will be used to construct and acquire right-of-way for the Chemawa Road realignment in the Keizer Station Area C.

14 Home and property sale at 1505 Rockledge

15 Miscellaneous Revenues are one-time Revenues that are not characterized by line-item descriptions.

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
17							
18				**EXPENDITURES**			
19							
20				**PERSONAL SERVICES**			
21							
22	$ 8,352	$ 8,693	$ 9,100	City Manager	$ 9,600	$ 9,600	
23	30,464	39,627	38,500	Public Works Director	39,300	39,300	
24	21,494	21,654	23,400	Public Works Superintendent	25,100	25,100	
25	6,194	6,258	6,400	City Recorder	6,500	6,500	
26	36,207	49,646	53,200	Municipal Utility Worker	53,300	53,300	
27	-	2,872	4,000	Community Development Director	4,200	4,200	
28	3,636	-	-	Planning Director	-	-	
29	3,304	3,922	5,300	Code Enforcement	1,800	1,800	
30	-	-	-	Zoning Technician	3,800	3,800	
31	3,390	-	-	Senior Planner	-	-	
32	17,955	13,023	10,200	Administrative Support Staff	12,300	11,000	
33	-	5,303	12,700	Public Works Permit Specialist	13,400	13,400	
34	-	1,450	2,200	Network Administrator	1,900	1,900	
35	2,977	3,873	4,100	Human Resources Director	3,300	3,300	
36	3,952	3,994	4,100	Finance Director	4,200	4,200	
37	5,936	6,184	6,500	Facility Maintenance Worker	6,800	6,800	
38	1,188	850	3,000	Overtime	3,000	3,000	
39	2,213	2,561	2,800	Medicare	2,900	2,900	
40	24,865	31,450	35,700	Retirement	37,700	37,500	
41	21,611	23,849	26,400	Insurance Benefits	30,100	30,100	
42	2,381	2,010	2,200	Workers Compensation	3,000	3,000	
43	$ 196,119	$ 227,219	$ 249,800	TOTAL PERSONAL SERVICES	$ 262,200	$ 260,700	

Notes:

29 In FY04 this position was split into 1 FTE Zoning Technician and one .5 FTE Code Enforcement Officer.

33 Administrative Support Staff had been reduced in FY05 as part of the citywide reorganization. The Public Works Permit Specialist helps cover some of this

41 Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY06 CPI-Medical increase is 4.93%. Beginning in FY06, the city will pay the full cost of life insurance premiums up to $60,000 in coverage per employee.

42 Workers Compensation costs are not expected to increase in FY06. Budget estimates changed in FY06 because actual costs in FY05 were below budget

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
44							
45				**MATERIALS & SERVICES**			
46							
47	$ 1,755	$ 1,880	$ 1,800	Office Materials & Supplies	$ 1,800	$ 1,800	
48	1,836	860	-	Helmets	-	-	
49	1,884	1,177	2,400	Postage & Printing	2,400	2,400	
50	1,695	1,918	1,800	Membership Dues*	1,300	1,300	
51	-	1,350	3,000	Travel & Training - Public Works	4,000	4,000	
52	5,718	1,440	2,000	Travel & Training - Administrative Staff	2,000	2,000	
53	-	259	300	City Council Expenses*	200	200	
54	613	693	700	Advertising	700	700	
55	16,799	20,637	28,000	Legal Services	30,000	30,000	
56	4,336	3,533	4,000	Contractual Services	95,000	95,000	
57	1,688	2,210	2,200	Audit*	1,000	1,000	
58	54,503	83,448	75,000	Engineering Services	75,000	75,000	
59	7,470	6,417	6,000	Traffic Engineering SDC Review	15,000	15,000	
60	1,608	1,811	1,400	Janitorial*	1,100	1,100	
61	512	576	5,900	Utilities	1,100	1,100	
62	1,835	2,935	2,300	Telephone*	2,000	2,000	
63	12,137	12,712	15,300	Insurance*	14,500	14,500	
64	-	16	-	Gasoline/Diesel	1,000	1,000	
65	2,402	1,396	3,200	Computer Software*	2,000	2,000	
66	2,985	4,418	4,000	Equipment Maintenance	4,000	4,000	
67	1,316	3,094	2,200	Facility Maintenance*	1,100	1,100	

Notes:

* Indicates a citywide shared cost based on a pre-established allocation. See Citywide Overhead Costs in the Supplemental Information section of the document

54 Costs are for recruitments and public notices.

56 Contractual services include $45000 for a storm water plan implementation and $45000 for citywide traffic counts. The remain $5000 includes citywide contracts allocated to the Street Fund.

57 The contract with the City's audit firm expires in FY05. Absent new estimates, this line-item is consistent with FY04. The change from the FY05 budget is a result in allocation changes. See the City wide Overhead Costs in the Supplemental Information section of the document.

63 The City's Insurance carrier projects a 5% increase in rates. Projections are based on FY05 actual costs which were below budget projections.

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
68	-	-	-	Field Materials and Supplies	3,500	3,500	
69	4,510	8,688	10,000	Sidewalk Maintenance	10,000	10,000	
70	30,469	14,434	20,000	Storm Drain Maintenance	20,000	20,000	
71	69,409	69,636	88,000	Street Sweeping	130,000	130,000	
72	66,895	7,819	-	Street Resurfacing	-	-	
73	85,454	127,180	110,000	Street Maintenance & Repair	170,000	170,000	
74	43,131	42,728	50,000	Street Light Utilities	50,000	50,000	
75	21,416	12,507	18,000	Traffic Light Utilities	30,000	30,000	
76	-	1,146	-	Rental Property Expenses	3,100	3,100	
77	-	-	5,100	MPO Support/ SKATS	5,100	5,100	
78	40	-	4,800	Contingency	6,400	6,400	
79	40	49	-	Miscellaneous Expenses	-	-	
80	3,537	1,066	5,000	Flood & Drainage Services	5,000	10,000	
81	$ 445,993	$ 438,033	$ 472,400	TOTAL MATERIALS & SERVICES	$ 688,300	$ 693,300	
82							
83				**CAPITAL OUTLAY**			
84							
85	-	-	5,000	Aerial Photos	-	-	
86	-	-	4,400	Telephone System	-	-	
87	696	555	100	Office Equipment & Furniture	400	400	
88	4,702	3,470	4,100	Computer Equipment	2,600	2,600	
89	5,594	62,541	33,000	Master Plans	50,000	50,000	
90	4,145	28,576	25,000	Bike Paths	25,000	25,000	
91	32,772	3,461	1,200,000	Street Improvements	2,100,000	2,100,000	
92	-	24,064	25,000	Infill Sidewalk Completions	25,000	25,000	
93	7,879	20,640	10,000	Storm Drains	25,000	25,000	
94	135,000	-	-	Alder Drive Connection East of Schools	-	-	

Notes:

71 Street sweeping is a contracted service. Costs are expected to increase significantly in FY06.

73 Street maintenance and repairs on Lockhaven Drive are estimated at $50000

78 A one-percent Materials & Services contingency has been set aside for FY06.

89 Master Plans costs include an update to the 1982 Storm Water Master Plan

91 Street improvements include Chemawa NE $1,000000, Dearborn NE $650000, Chemawa Area C $450000

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
95	137,691	134,092	-	Property & Easement Acquisition	1,500,000	1,500,000	
96	30,570	2,366	-	Neighborhood Traffic Management Plans	-	-	
97	-	-	150,000	Labish Area Bridge and Drainage	30,000	30,000	
98	-	9,872	-	Heavy Equipment	28,000	28,000	
99	-	37,046	-	Traffic Signal LED Upgrade	-	-	
100	-	-	-	Citywide Traffic Count Update	45,000	45,000	
101	-	-	300,000	Street Resurfacing	300,000	300,000	
102	-		916,000	Chemawa Road Bridge	916,000	916,000	
103				Signage	600	600	
104	1,500	721	5,800	Field Equipment	5,200	5,200	
105				Shop Addition	80,000	80,000	
106	-		135,600	Contingency	250,000	250,000	
107	$ 360,549	$ 327,404	$ 2,809,000	TOTAL CAPITAL OUTLAY	$ 5,382,800	$ 5,382,800	

Notes:

95 Property Acquisition in Area C of the Keizer Station development

98 Heavy Equipment is for the Street Fund's share of the cost to replace the Public Works Dump Truck purchased in 1978. The balance of the cost is allocated to the Water Fund.

101 Street Resurfacing line-item has been relocated from Materials and Services section of the Budget.

102 Chemawa Road Bridge construction did not begin in FY05 as anticipated. The full amount has been carried over to FY06.

105 The total cost of the Shop Building Addition is $250,000 of which $170,000 is paid from the Water Fund.

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
108							
109	$ 1,002,661	$ 992,656	$ 3,531,200	TOTAL EXPENDITURES	$ 6,333,300	$ 6,336,800	
110							
111							
112				**FUND BALANCE**			
113							
114	-	-	60,000	Reserve for Shop Addition	-	-	
115	1,361,217	1,951,191	162,800	Undesignated Ending Fund Balance	182,600	179,100	
116							
117	$ 2,363,878	$ 2,943,847	$ 3,754,000	**TOTAL EXPENDITURE & FUND BALANCE**	$ 6,515,900	$ 6,515,900	

Notes:

106 Capital Outlay contingency is 5% of Capital Outlay expenditures.

109 Put light in a Verda and Chemawa if funds become available from savings in other areas or if revenues come in over budget.

CAPITAL PROJECTS FUND

TRANSPORTATION IMPROVEMENT FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
				RESOURCES			
1	$ -	$ -	$ -	Working Capital Carryforward	$ 109,800	$ 109,800	
2	-	-	-	Interest	2,200	2,200	
3	-	-	-	System Development Fees	150,000	150,000	
4	$ -	$ -	$ -	**TOTAL RESOURCES**	$ 262,000	$ 262,000	
5							
6				**EXPENDITURES**			
7							
8				**CAPITAL OUTLAY**			
9							
10	-	-	-	Improvements	-	-	
11	-	-	-	Contingency	-	262,000	
12	$ -	$ -	$ -	TOTAL CAPITAL OUTLAY	$ -	$ 262,000	
13							
14				**FUND BALANCE**			
15							
16	-	-	-	Undesignated Ending Fund Balance	262,000	-	
17	$ -	$ -	$ -	**TOTAL EXPENDITURE & FUND BALANCE**	$ 262,000	$ 262,000	

Notes:

3 Most of the revenue in FY06 is expected to be from commercial development.

10 The City began charging a system development fee of $1046 per dwelling unit in FY05 to help cover the cost of transportation improvements resulting from development.

12 The City began charging a system development fee of $1046 per dwelling unit in FY05 to help cover the cost of transportation improvements resulting from development.

CAPITAL PROJECTS FUND

PARK IMPROVEMENT FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
				RESOURCES			
1	$ 473,628	$ 683,897	$ 857,600	Working Capital Carryforward	$ 941,700	$ 941,700	
2	9,497	9,769	9,500	Interest	15,000	15,000	
3	194,950	193,070	50,500	System Development Fees	95,000	95,000	
4	8,419	22,299	-	Miscellaneous Revenue	-	-	
5	$ 686,494	$ 909,035	$ 917,600	**TOTAL RESOURCES**	$ 1,051,700	$ 1,051,700	
6							
7				**EXPENDITURES**			
8							
9				**CAPITAL OUTLAY**			
10							
11	$ 1,722	$ -	$ 300,000	Land Acquisition	$ 300,000	$ 300,000	
12	875	332	24,900	Improvements	63,500	63,500	
13	-	-	100,000	Contingency	100,000	300,000	
14	$ 2,597	$ 332	$ 424,900	TOTAL CAPITAL OUTLAY	$ 463,500	$ 663,500	
15							
16				**FUND BALANCE**			
17							
18	683,897	908,703	492,700	Undesignated Ending Fund Balance	588,200	388,200	
19	$ 686,494	$ 909,035	$ 917,600	**TOTAL EXPENDITURE & FUND BALANCE**	$ 1,051,700	$ 1,051,700	

Notes:

11 Land purchase in West Keizer for community park

12 Improvements include $50,000 for wetlands enhancement project at Country Glen and Hidden Creek Park. See also the list of projects in the narrative preceeding this page.

SPECIAL REVENUE FUND

CITY HALL FACILITY FUND

ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
			RESOURCES			
$ -	$ -	$ -	Beginning Fund Balance	$ -	$ -	
-	-	-	Interest	-	-	
-	-	-	Transfer in from General Fund	-	100,000	
$ -	$ -	$ -	**TOTAL RESOURCES**	$ -	$ 100,000	
			EXPENDITURES			
$ -	$ -	$ -	Improvements	$ -	$ 100,000	
$ -	$ -	$ -	TOTAL EXPENDITURES	$ -	$ 100,000	
			FUND BALANCE			
-	-	-	Undesignated Ending Fund Balance	-	-	
$ -	$ -	$ -	**TOTAL EXPENDITURE & FUND BALANCE**	$ -	$ 100,000	

Notes:

3 The City anticipates applying for and receiving Oregon State Lottery funds for improvements at the Police Department

ENTERPRISE FUNDS

SEWER FUND

RESOURCES

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
1	$ 19,313	$ 25,362	$ 50,900	Beginning Fund Balance	$ 48,600	$ 48,600	
2							
3	903	1,273	1,000	Planning/Construction Fees	1,000	1,000	
4	3,177,378	3,622,250	4,054,600	Salem Sewer Billing	3,725,900	3,725,900	
5	215,426	254,996	254,300	Sewer Administration Fee	263,600	263,600	
6	4,641	12,022	6,000	Oakwood Assessment	-	-	
7							
8				**MISCELLANEOUS**			
9	$ 2,269	$ 1,584	$ 1,900	Oakwood Interest	-	-	
10	9,572	8,003	-	Miscellaneous	-	-	
11	$ 11,841	$ 9,587	$ 1,900	TOTAL MISCELLANEOUS	$ -	$ -	
12							
13							
14	$ 3,429,502	$ 3,925,490	$ 4,368,700	**TOTAL RESOURCES**	$ 4,039,100	$ 4,039,100	

Notes:

4 The City of Salem's Cost of Service Analysis projected a 12% rate increase in FY05. However, rates adopted by the Salem City Council increase rates 3% in FY05 and 1% in FY06. Consequently, the budgeted FY05 revenue is higher than revenues actually received.

5 Projections are based on approximately 9,400 sewer customers billed bi-monthly at $4.50 per bill.

10 Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions.

SEWER FUND

EXPENDITURES

PERSONAL SERVICES

ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
$ 835	$ 869	$ 900	City Manager	$ 1,000	$ 1,000	
13,056	2,642	2,700	Public Works Director	2,700	2,700	
5,945	3,093	3,300	Public Works Superintendent	3,600	3,600	
1,454	-	-	Planning Director	-	-	
63,047	80,057	84,300	Administrative Support Staff	89,900	88,600	
-	1,326	3,200	Public Works Permit Specialist	3,300	3,300	
-	1,160	1,700	Network Administrator	1,900	1,900	
2,232	3,098	3,200	Human Resources Director	3,300	3,300	
15,809	15,976	16,200	Finance Director	16,600	16,600	
1,431	1,546	1,600	Facility Maintenance Worker	1,700	1,700	
270	384	1,000	Overtime	1,000	1,000	
1,587	1,695	1,800	Medicare	1,900	1,900	
17,174	17,949	20,600	Retirement	21,700	21,500	
17,567	18,792	23,300	Insurance Benefits	26,500	26,500	
497	413	400	Workers Compensation	300	300	
$ 140,904	$ 149,000	$ 164,200	TOTAL PERSONAL SERVICES	$ 175,400	$ 173,900	

Notes:

33 Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY06 CPI-Medical increase is 4.93%. Beginning in FY06, the city will pay the full cost of life insurance premiums up to $60,000 in coverage per employee.

34 Workers Compensation costs are not expected to increase in FY06. Budget estimates changed in FY06 because actual costs in FY05 were below budget projections.

SEWER FUND

Line	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
37				**MATERIALS & SERVICES**			
38							
39	$ 2,123	$ 1,897	$ 2,300	Materials & Supplies	$ 2,300	$ 2,300	
40	18,470	20,561	20,600	Postage & Printing	20,600	20,600	
41	1,097	1,438	1,800	Membership Dues*	1,700	1,700	
42	2,191	2,341	4,100	Travel & Training	6,300	6,300	
43	-	207	300	City Council Expenses*	300	300	
44	1,228	235	200	Advertising	200	200	
45	3,103	4,448	4,000	Legal Services	4,000	4,000	
46	1,543	2,418	1,500	Contractual Services*	2,200	2,200	
47	2,963	3,879	3,800	Audit*	3,900	3,900	
48	17,615	13,858	17,100	Engineering Services	17,100	17,100	
49	1,394	1,449	1,400	Janitorial*	1,400	1,400	
50	493	468	400	Utilities	400	400	
51	1,731	1,363	1,100	Telephone*	1,100	1,100	
52	10,916	11,435	13,400	Insurance*	12,700	12,700	
53	-	4	-	Gasoline	-	-	
54	3,356	5,149	7,300	Computer Software*	6,400	6,400	
55	1,543	497	-	Computer Maintenance	-	-	
56	1,254	678	600	Equipment Maintenance	600	600	
57	816	1,439	2,200	Facility Maintenance*	1,500	1,500	
58	3,174,028	3,591,160	4,054,600	Salem Sewer Payments	3,725,900	3,725,900	
59	-	175	300	Collection Costs	-	-	
60	$ 3,245,864	$ 3,665,099	$ 4,137,000	TOTAL MATERIALS & SERVICES	$ 3,808,600	$ 3,808,600	
61							

Notes:

* Indicates a citywide shared cost based on a pre-established allocation. See Citywide Overhead Costs in the Supplemental Information section of the document for details.

43 Costs include travel & training; misc. office supplies; meetings during mealtimes. These costs were previously charged to the Training & Travel line-item.

44 Advertising is for staff recruitments.

47 The contract with the City's audit firm expires in FY05. Absent new estimates, this line-item is consistent with FY04. The change from the FY05 budget is a result in allocation changes. See the City wide Overhead Costs in the Supplemental Information section of the document.

52 The City's Insurance carrier projects a 5% increase in rates. Projections are based on FY05 actual costs which were below budget

58 This is a pass through expense and equals Salem Sewer Billing revenues on line 6 above.

ENTERPRISE FUNDS

SEWER FUND

ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
			CAPITAL OUTLAY			
$ 5	$ 548	$ 100	Office Furniture & Equipment*	$ 500	$ 500	
-	-	6,500	Telephone System	2,500	2,500	
4,804	2,783	3,300	Computer Equipment*	4,700	4,700	
$ 4,809	$ 3,331	$ 9,900	TOTAL CAPITAL OUTLAY	$ 7,700	$ 7,700	
			DEBT SERVICE			
$ 10,000	$ 10,000	$ 10,000	Oakwood Principal	$ -	$ -	
2,563	1,538	600	Oakwood Interest	-	-	
$ 12,563	$ 11,538	$ 10,600	TOTAL DEBT SERVICE	$ -	$ -	
$ 3,404,140	$ 3,828,968	$ 4,321,700	TOTAL EXPENSES	$ 3,991,700	$ 3,990,200	
			FUND BALANCE			
-	-	13,400	Contingency	13,400	13,400	
25,362	96,522	33,600	Undesignated Ending Fund Balance	34,000	35,500	
$ 3,429,502	$ 3,925,490	$ 4,368,700	**TOTAL EXPENSES & FUND BALANCE**	$ 4,039,100	$ 4,039,100	

Notes:

65 The telephone system upgrade is an automated calling system that notifies customers, with deliquent account balances, of a potential disconnection of water service.

ENTERPRISE FUNDS

WATER FUND

RESOURCES

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
1	$ 473,432	$ 598,157	$ 844,800	Beginning Fund Balance	$ 800,800	$ 800,800	
2	3,593	9,096	4,500	Planning & Construction Fees	5,000	5,000	
3	1,708,511	2,041,223	2,064,900	Water Sales	2,181,800	2,181,800	
4	47,001	38,938	32,300	Service Fees	33,400	33,400	
5	-	5,203	-	Assessments	-	-	
6	-	174	-	Assessment Interest	-	-	
7	7,554	8,513	5,700	Interest	16,500	16,500	
8	-	632	-	Reimbursement Agreement Application Fee	-	-	
9	18,918	11,037	2,000	Miscellaneous	-	-	
10	7,120	8,745	5,000	Live Tap Reimbursement	7,500	7,500	
11	$ 2,266,129	$ 2,721,718	$ 2,959,200	**TOTAL RESOURCES**	$ 3,045,000	$ 3,045,000	

Notes:

3 Water Sales Revenues reflect an increase in consumption plus a 4% increase in rates as provided for in the cost of service rate model.

7 Interest revenue is based on FY04 earnings at 11/31/04 projected out to 6/30/05.

9 Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions.

ENTERPRISE FUNDS

WATER FUND

EXPENDITURES

PERSONAL SERVICES

ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
$ 8,352	$ 8,693	$ 9,100	City Manager	$ 9,600	$ 9,600	
21,760	23,776	24,200	Public Works Director	24,700	24,700	
24,810	27,840	30,100	Public Works Superintendent	32,300	32,300	
290,226	310,317	332,100	Municipal Utility Workers	415,100	415,100	
-	1,149	1,600	Community Development Director	1,700	1,700	
1,454		-	Planning Director	-	-	
97,584	89,991	97,800	Administrative Support Staff	107,500	102,800	
-	3,977	9,500	Public Works Permit Specialist	10,000	10,000	
-	4,641	6,900	Network Administrator	8,400	8,400	
11,907	12,393	13,000	Human Resources Director	14,900	14,900	
19,761	19,970	20,300	Finance Director	20,800	20,800	
5,989	6,184	6,500	Facility Maintenance Worker	6,800	6,800	
19,542	17,919	24,000	Seasonal Help	-	-	
22,379	20,761	16,000	Overtime - Public Works	20,000	20,000	
209	385	2,500	Overtime - Utility Billing	2,500	2,500	
10,400	10,400	10,400	Duty Pay	10,400	10,400	
8,123	8,534	9,300	Medicare	10,500	10,500	
82,864	87,773	102,200	Retirement	115,500	114,700	
80,587	83,782	103,400	Insurance Benefits	134,000	134,000	
1,314	758	8,000	Unemployment Insurance	-	-	
7,484	8,668	9,200	Workers Compensation	12,300	12,200	
$ 714,745	$ 747,911	$ 836,100	TOTAL PERSONAL SERVICES	$ 957,000	$ 951,400	

Notes:

19 The FY06 budget provides for two additional municipal utility workers.

28 With the proposed addition of two municipal utility workers, the seasonal help line item has been eliminated for FY06.

34 Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY06 CPI-Medical increase is 4.93%. Beginning in FY06, the city will pay the full cost of life insurance premiums up to $60,000 in coverage per employee.

37 Workers Compensation costs are not expected to increase in FY06. Budget estimates changed in FY06 because actual costs in FY05 were below budget projections.

WATER FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
39				**MATERIALS & SERVICES**			
40							
41	$ 7,940	$ 6,347	$ 7,500	Materials & Supplies	$ 7,500	$ 7,500	
42	24,535	24,206	28,000	Postage & Printing	25,000	25,000	
43	8,613	5,214	5,000	Concrete	5,000	5,000	
44	8,635	6,373	6,000	Rock & Backfill	6,000	6,000	
45	11,295	6,281	10,000	Paving	10,000	10,000	
46	46,240	31,790	45,000	Sequestering Agent	45,000	45,000	
47	6,963	8,495	12,000	Fluoride	12,000	12,000	
48	5,726	7,599	7,200	Membership Dues*	8,500	8,500	
49	-	10,548	13,500	Travel & Training - Public Works	13,500	13,500	
50	15,582	3,721	6,000	Travel & Training - Administrative Staff	8,000	8,000	
51	-	826	1,100	City Council Expenses*	1,400	1,400	
52	2,582	760	1,000	Advertising	1,000	1,000	
53	11,272	11,381	11,000	Legal Services*	11,000	11,000	
54	31,048	81,849	80,000	Contractual Services	80,000	80,000	
55	1,661	1,943	2,200	Audit*	1,600	1,600	
56	143	482	2,000	Flagging	2,000	2,000	
57	23,739	22,938	26,600	Engineering Services	28,000	28,000	
58	6,671	7,560	5,500	Janitorial*	7,100	7,100	
59	2,529	2,846	3,500	Clothing	4,000	4,000	
60	145,135	153,722	143,000	Utilities	150,000	150,000	
61	7,961	8,191	7,500	Natural Gas	8,000	8,000	
62	25,737	25,988	26,000	Telephone*	24,200	24,200	
63	10,190	8,620	10,000	Telemetry	10,000	10,000	
64	43,458	45,520	54,700	Insurance*	51,900	51,900	
65	8,750	7,632	11,000	Gasoline	11,000	11,000	
66	2,683	5,421	6,000	Diesel Fuel	6,500	6,500	
67	4,451	6,589	11,300	Computer Software*	11,800	11,800	

Notes:

* Indicates a citywide shared cost based on a pre-established allocation. See Citywide Overhead Costs in the Supplemental Information section of the document for

51 Costs include travel & training; misc. office supplies; meetings during mealtimes. These costs were previously charged to the Training & Travel line-item.

54 FY05 includes cost for citywide costs plus $50,000 for a Source Water Assessment and Geo Probe Investigations, a copier lease at City Shops, an annual update of the water rate cost of service analysis.

55 The contract with the City's audit firm expires in FY05. Absent new estimates, this line-item is consistent with FY04. The change from the FY05 budget is a result in allocation changes. See the City wide Overhead Costs in the Supplemental Information section of the document.

60 Utility costs are expected to increase for industrial users by 5% in FY06.

64 The City's Insurance carrier projects a 5% increase in rates. Projections are based on FY05 actual costs which were below budget projections.

WATER FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
68	8,381	2,015	$ 14,700	Computer Maintenance	$ -	$ -	
69	9,135	10,653	12,000	Vehicle Maintenance	13,000	13,000	
70	8,937	8,019	9,500	Equipment Maintenance	10,000	10,000	
71	4,015	6,365	8,600	Facility Maintenance*	7,600	7,600	
72	51,716	39,257	35,000	Plant Maintenance	35,000	35,000	
73	9,340	9,865	5,000	Live Taps	5,000	5,000	
74	10,208	15,748	15,000	Pump house Maintenance	15,000	15,000	
75	24,324	10,610	30,000	Pump Maintenance	30,000	30,000	
76	38,586	27,562	32,000	Operating Materials & Supplies	32,000	32,000	
77		6,182	65,000	Watermains	40,000	40,000	
78	3,816	3,816	3,800	Well Property Lease	3,800	3,800	
79	35,666	36,748	35,000	Lab Tests	60,000	60,000	
80	20,593	22,547	21,800	Contract Meter Reading	30,000	30,000	
81	6,175	10,250	7,500	Consumer Confidence Report/ Public Education	10,000	10,000	
82	279	260	-	Miscellaneous	-	-	
83	$ 694,710	$ 712,739	$ 837,500	TOTAL MATERIALS & SERVICES	$ 841,400	$ 841,400	
84							
85				**CAPITAL OUTLAY**			
86							
87	$ -	$ -	$ 2,500	Aerial Photos	$ -	$ -	
88	-	-	19,700	Telephone System	2,500	2,500	
89	135	2,431	2,000	Office Furniture & Equipment*	2,700	2,700	
90	9,999	10,936	13,400	Field Equipment	24,300	24,300	
91	12,578	11,084	14,700	Computer Equipment*	18,000	18,000	
92	-	30,000	40,000	Public Works Vehicle	-	-	
93	28,425	19,067	25,000	Water Meters	25,000	25,000	
94	-	39,486	-	Heavy Equipment	82,000	82,000	
95	7,380	11,174	18,600	Telemetry System	-	-	
96	-	-	-	Shop Building Addition	170,000	170,000	
97	$ 58,517	$ 124,178	$ 135,900	TOTAL CAPITAL OUTLAY	$ 324,500	$ 324,500	

Notes:

79 Lab Tests include monthly monitoring for VOC's, lead and copper testing and secondary organic chemical testing.

80 The increase in contract meter reading reflects the cost of a new contractor. The previous contractor retired.

82 Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.

88 The telephone system upgrade is an automated calling system that notifies customers, with delinquent account balances, of a potential disconnection of water service.

94 Heavy Equipment is for the Water Fund's share of the cost to replace the Public Works Dump Truck purchased in 1978. The balance of the cost is allocated to the

WATER FUND

ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
			DEBT SERVICE			
$ -	$ -	$ 135,700	Debt Service	$ 135,700	$ 135,700	
$ 1,467,973	$ 1,584,828	$ 1,945,200	TOTAL EXPENSES	$ 2,258,600	$ 2,253,000	
			TRANSFERS OUT			
$ 200,000	$ 250,000	$ 525,000	Transfer to Water Facility Replacement Reserve	$ 342,200	$ 348,900	
-	-	100,000	Shop Reserve	-	-	
$ 200,000	$ 250,000	$ 625,000	TOTAL TRANSFERS	$ 342,200	$ 348,900	
			FUND BALANCE			
$ -	-	$ 60,000	Contingency	$ 67,800	$ 67,600	
598,156	886,890	329,000	Undesignated Fund Balance	376,400	375,500	
$ 2,266,129	$ 2,721,718	$ 2,959,200	**TOTAL EXPENSES & BUDGETED FUND BALANCE**	$ 3,045,000	$ 3,045,000	

Notes:

96 The total cost of the Shop Building Addition is $250,000 of which $80,000 is paid from the Street Fund.

114 The Ending Fund Balance provides for a 60-day cash supply as provided for in the Cost of Service analysis adopted by the City Council.

ENTERPRISE FUNDS

STREET LIGHTING DISTRICT FUND

RESOURCES

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
1	$ (13,068)	$ (5,332)	$ 69,900	Beginning Fund Balance	$ 65,100	65,100	
2	385,455	455,684	422,800	Lighting District Assessments	505,700	505,700	
3	2,500	-	-	Performance Deposit	-	-	
4	$ 374,887	$ 450,352	$ 492,700	**TOTAL RESOURCES**	$ 570,800	$ 570,800	

Notes:

2 The Street Lighting District Fund operates on a reimbursement basis. Electricity is paid in Year One and assessed on the tax roles in Year Two. In times of rising costs, the fund has operated in a deficit as is the case with FY03. To remedy this situation, in FY04 the City assessed an additional 14% on the tax roles to provide Working Capital for this fund. FY06 is expected to be the last year this additional assessment will be needed.

ENTERPRISE FUNDS

STREET LIGHTING DISTRICT FUND

EXPENDITURES

PERSONAL SERVICES

ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
$ 835	$ 869	$ 900	City Manager	$ 1,000	$ 1,000	
8,704	4,403	4,500	Public Works Director	4,600	4,600	
2,972	3,093	3,300	Public Works Superintendent	3,600	3,600	
6,194	6,258	6,400	City Recorder	6,500	6,500	
5,258	6,552	5,900	Administrative Support Staff	6,600	6,400	
-	1,326	3,200	Public Works Permit Specialist	3,300	3,300	
-	290	400	Network Administrator	500	500	
-	775	800	Human Resources Director	800	800	
3,952	3,994	4,100	Finance Director	4,200	4,200	
1,484	1,546	1,600	Facility Maintenance Worker	1,700	1,700	
14	-	-	Overtime	-	-	
449	445	500	Medicare	500	500	
5,281	5,242	5,900	Retirement	6,400	6,300	
3,673	3,837	4,500	Insurance Benefits	5,100	5,100	
215	161	200	Workers Compensation	200	200	
$ 39,031	$ 38,791	$ 42,200	TOTAL PERSONAL SERVICES	$ 45,000	$ 44,700	

Notes:

23 Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY06 CPI-Medical increase is 4.93%. Beginning in FY06, the city will pay the full cost of life insurance premiums up to $60,000 in coverage per employee.

24 Workers Compensation costs are not expected to increase in FY06. Budget estimates changed in FY06 because actual costs in FY05 were below budget projections.

ENTERPRISE FUNDS

STREET LIGHTING DISTRICT FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
27				**MATERIALS & SERVICES**			
28							
29	$ 340	$ 470	$ 400	Materials & Supplies	$ 300	$ 300	
30	305	210	200	Postage & Printing	300	300	
31	223	365	500	Membership Dues*	400	400	
32	509	443	800	Travel & Training	1,000	1,000	
33	-	52	100	City Council Expenses*	100	100	
34	16	966	1,400	Advertising	1,000	1,000	
35	113	105	100	Legal Services	200	200	
36	178	355	500	Contractual Services*	600	600	
37	282	370	400	Audit*	400	400	
38	265	362	300	Janitorial*	400	400	
39	107	108	100	Utilities	200	200	
40	349	373	300	Telephone*	400	400	
41	203	212	300	Insurance*	300	300	
42	-	4	-	Gasoline	-	-	
43	179	395	1,600	Software Maintenance Agreements*	1,200	1,200	
44	289	124	-	Computer Maintenance	-	-	
45	298	165	200	Equipment Maintenance	300	300	
46	162	372	500	Facilities Maintenance*	400	400	
47	4,188	3,772	3,700	Engineering costs	4,500	4,500	
48	329,785	330,654	322,300	Lighting Costs	332,300	332,300	
49	$ 337,791	$ 339,877	$ 333,700	TOTAL MATERIALS & SERVICES	$ 344,300	$ 344,300	

Notes:

* Indicates a citywide shared cost based on a pre-established allocation. See Citywide Overhead Costs in the Supplemental Information section of the document for details.

33 Costs include travel & training; misc. office supplies; meetings during mealtimes. These costs were previously charged to the Training & Travel line-item.

34 Advertising costs are for street lighting district assessment public notices.

37 The contract with the City's audit firm expires in FY05. Absent new estimates, this line-item is consistent with FY04. The change from the FY05 budget is a result in allocation changes. See the City wide Overhead Costs in the Supplemental Information section of the document.

41 The City's Insurance carrier projects a 5% increase in rates. Projections are based on FY05 actual costs which were below budget projections.

ENTERPRISE FUNDS

STREET LIGHTING DISTRICT FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
51				**CAPITAL OUTLAY**			
53	$ -	$ -	$ 1,100	Telephone System	$ -	$ -	
54	2	137	-	Office Furniture & Equipment*	100	100	
55	656	692	800	Computer Equipment*	1,500	1,500	
56	2,500	-	-	Performance Bond Reimbursement	-	-	
57	$ 3,158	$ 829	$ 1,900	TOTAL CAPITAL OUTLAY	$ 1,600	$ 1,600	
59	$ 379,980	$ 379,497	$ 377,800	TOTAL EXPENSES	$ 390,900	$ 390,600	
61				FUND BALANCE			
63	-	-	18,900	Contingency	19,500	19,500	
64	(5,093)	70,855	96,000	Undesignated Ending Fund Balance	160,400	160,700	
66	$ 374,887	$ 450,352	$ 492,700	**TOTAL EXPENSES & BUDGETED FUND BALANCE**	$ 570,800	$ 570,800	

Notes:

63 Contingency is 5% of total expenses.

64 The SLD fund is a reimbursement fund where costs are incurred in Year One and paid in Year Two. In FY04 the City increased assessments to provide a Working Capital balance so that the fund could operate without short-term borrowing. Short-term borrowing is a more expensive method of funding in the long term.

ENTERPRISE FUNDS

WATER FACILITY FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
				RESOURCES			
1	$ 110,820	$ 368,193	$ 554,100	Beginning Fund Balance	$ 1,163,300	$ 1,163,300	
2	1,421	-	2,600	Marks Drive Assessments	1,600	1,600	
3	4,128	8,430	6,000	Interest	10,700	10,700	
4	91,909	121,013	99,300	Systems Development Fees	101,000	101,000	
5	-	-	9,900	Oversized Reimbursement Fees	11,000	11,000	
6	200,000	250,000	525,000	Transfer from Water Fund	342,200	348,900	
7	-	-	3,447,500	Bond Proceeds	3,447,500	3,447,500	
8	$ 408,278	$ 747,636	$ 4,644,400	**TOTAL RESOURCES**	$ 5,077,300	$ 5,084,000	
9							
10				**EXPENDITURES**			
11							
12				**MATERIALS & SERVICES**			
13							
14	$ -	$ 392	$ -	Contractual Services	$ 200	$ 200	
15							
16				**CAPITAL OUTLAY**			
17							
18	-	12,931	-	Repayment on Oversized Water Mains	$ 5,000	$ 5,000	
19	40,085	163,184	595,000	Supply/Treatment	675,000	675,000	
20	-	49,243	682,600	Transmission & Distribution Mains	735,000	735,000	
21	-	-	140,000	General Plant	160,000	160,000	
22	-	-	2,275,000	Storage	1,750,000	1,750,000	
23	-	-	100,000	Contingency	300,000	300,000	
24	$ 40,085	$ 225,358	$ 3,792,600	TOTAL CAPITAL OUTLAY	$ 3,625,000	$ 3,625,000	
25							
26	$ 40,085	$ 225,750	$ 3,792,600	TOTAL EXPENSES	$ 3,625,200	$ 3,625,200	
27							
28				**FUND BALANCE**			
29							
30	-	-	292,900	Debt Reserve Requirements	292,900	292,900	
31	368,193	521,886	558,900	Undesignated Ending Fund Balance	1,159,200	1,165,900	
32							
33	$ 408,278	$ 747,636	$ 4,644,400	**TOTAL EXPENSES & BUDGETED FUND BALANCE**	$ 5,077,300	$ 5,084,000	

Notes:

3 Interest revenue is based on FY04 earnings at 11/31/04 projected out to 6/30/05.

4 System Development Fees are based on 105 new dwellings and 5- 2" meters at Keizer Station

31 The Ending Fund Balance will be used in future years to pay for projects provided for in the Capital Improvement Program

SEWER RESERVE FUND

	ACTUAL 2002-03	ACTUAL 2003-04	ADOPTED 2004-05		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
				RESOURCES			
1	$ 355,850	$ 387,843	$ 487,700	Beginning Fund Balance	$ 629,600	$ 629,600	
2	31,739	111,332	540,000	Sanitary Sewer Acreage Fee	614,600	614,600	
3	53,735	2,889	-	Storm Sewer Acreage Fee	-	-	
4	-	-	70,000	Intergovernmental Agreement with City of Salem	-	-	
5	2,149	1,978	4,700	Interest	2,300	2,300	
6	$ 443,473	$ 504,042	$ 1,102,400	**TOTAL RESOURCES**	$ 1,246,500	$ 1,246,500	
7							
8				**EXPENDITURES**			
9							
10				**MATERIALS & SERVICES**			
11							
12	$ -	$ 4,600	$ 70,000	Contractual Services	$ 5,000	$ 5,000	
13							
14				**CAPITAL OUTLAY**			
15							
16	$ 1,895	$ 678	$ 375,000	Sewer Line Extensions	$ 375,000	$ 375,000	
17	53,735	-	-	Storm Drain Reimbursement	-	-	
18	-	-	70,000	Contingency	70,000	70,000	
19	$ 55,630	$ 678	$ 445,000	TOTAL CAPITAL OUTLAY	$ 445,000	$ 445,000	
20							
21	$ 55,630	$ 5,278	$ 515,000	TOTAL EXPENSES	$ 450,000	$ 450,000	
22							
23				**FUND BALANCE**			
24							
25	387,843	498,764	587,400	Undesignated Ending Fund Balance	796,500	796,500	
26							
27	$ 443,473	$ 504,042	$ 1,102,400	**TOTAL EXPENSES & BUDGETED FUND BALANCE**	$ 1,246,500	$ 1,246,500	

Notes:

2 The City anticipates $100,000 from citywide development and $440,000 from the Keizer Station development for sanitary sewer acreage fees.

5 Interest revenue is based on FY04 earnings at 11/31/04 projected out to 6/30/05.

CITY OF KEIZER, STATE OF OREGON

RESOLUTION R2005-______

ADOPTING THE FY'05 BUDGET, MAKING APPROPRIATIONS AND IMPOSING AND CATEGORIZING TAXES

BE IT RESOLVED, that the City Council of the City of Keizer hereby adopts a budget for fiscal year 2005-06 in the sum of $44,289,700 now on file at City Hall.

BE IT FURTHER RESOLVED that the amounts for the fiscal year beginning July 1, 2005 and for the purposes shown below are hereby appropriated:

General Fund				
	Administration	$ 687,900		
	Parks	175,700		
	Community Development	451,100		
	Municipal Court	198,900		
	Police	4,776,000		
	Stadium Operations	42,600		
	Transfers	142,700		**Deleted:** 139,300
	Contingency	63,300		
TOTAL GENERAL FUND			**6,538,200**	**Deleted:** 6,534,800
Revenue Sharing				
	Capital Outlay	273,500		**Deleted:** 264,100
TOTAL REVENUE SHARING			**273,500**	**Deleted:** 264,100
PEG				
	Materials & Services	60,000		
	Capital Outlay	15,000		
TOTAL PEG			**75,000**	
Street				
	Personal Services	260,700		
	Materials & Services	693,300		
	Capital Outlay	5,412,800		**Deleted:** 5,382,800
TOTAL STREET			**6,366,800**	**Deleted:** 6,336,800
911 Communications				
	Materials & Services	217,300		
	Transfers	15,000		
TOTAL 911 COMMUNICATIONS			**232,300**	
Law Enforcement Grant Fund				
	Materials & Services	25,000		
	Capital Outlay	135,000		**Deleted:** 25,000

TOTAL GRANT FUND			160,000
Keizer Station LID	Materials & Services	634,230	
	Capital Outlay	17,785,770	
TOTAL KEIZER STATION LID			**18,420,000**
Transportation Improvement	Capital Outlay	262,000	
TOTAL TRANSPORTATION IMPROVEMENT			**262,000**
City Hall Facility	Capital Outlay	100,000	
TOTAL CITY HALL FACILITY			**100,000**
Parks Improvement	Capital Outlay	663,500	
TOTAL PARKS IMPROVEMENT			**663,500**
Sewer			
	Personal Services	173,900	
	Materials & Services	3,808,600	
	Capital Outlay	7,700	
	Contingency	13,400	
TOTAL SEWER			**4,003,600**
Street Lighting Districts			
	Personal Services	44,700	
	Materials & Services	344,300	
	Capital Outlay	1,600	
	Contingency	19,500	
TOTAL STREET LIGHTING			**410,100**
Water			
	Personal Services	951,400	
	Materials & Services	841,400	
	Capital Outlay	364,500	
	Debt Service	135,700	
	Transfers	348,900	

Deleted: 50,000

Deleted: 324,500

TOTAL WATER	Contingency	67,600		
			2,709,500	Deleted: 2,669,500
Water Facility Replacement Reserve				
	Materials & Services	200		
TOTAL WATER FACILITY	Capital Outlay	3,625,000		
REPLACEMENT RESERVE			**3,625,200**	
Sewer Reserve				
	Materials & Services	5,000		
	Capital Outlay	445,000		
TOTAL SEWER RESERVE			**450,000**	
TOTAL ALL FUNDS			**44,289,700**	Deleted: 44,096,900

BE IT FURTHER RESOLVED that the City Council of the City of Keizer hereby imposes the taxes provided for in the adopted budget at the rate of $2.0838 per $1,000 of assessed value for operations; and that these taxes are hereby imposed and categorized for tax year 2005-06 upon the assessed value of all taxable property within the district.

	General Government
General Fund	$2.0838/$1000

PASSED this _____ day of ________________________, 2005.

SIGNED this _____ day of ________________________, 2005.

____
Mayor

____
City Recorder

CITY OF KEIZER, STATE OF OREGON

RESOLUTION R2005-______

ADOPTING THE FY'05 BUDGET, MAKING APPROPRIATIONS AND IMPOSING AND CATEGORIZING TAXES

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	Municipal Court	198,900	
	Police	4,776,000	
	Stadium Operations	42,600	
	Transfers	142,700	
	Contingency	63,300	
TOTAL GENERAL FUND			**6,538,200**
Revenue Sharing			
	Capital Outlay	273,500	
TOTAL REVENUE SHARING			**273,500**
PEG			
	Materials & Services	60,000	
	Capital Outlay	15,000	
TOTAL PEG			**75,000**
Street			
	Personal Services	260,700	
	Materials & Services	693,300	
	Capital Outlay	5,412,800	
TOTAL STREET			**6,366,800**
911 Communications			
	Materials & Services	217,300	
	Transfers	15,000	
TOTAL 911 COMMUNICATIONS			**232,300**
Law Enforcement Grant Fund			
	Materials & Services	25,000	
	Capital Outlay	135,000	
TOTAL GRANT FUND			**160,000**

Keizer Station LID	Materials & Services	634,230	
	Capital Outlay	17,785,770	
TOTAL KEIZER STATION LID			**18,420,000**
Transportation Improvement	Capital Outlay	262,000	
TOTAL TRANSPORTATION IMPROVEMENT			**262,000**
City Hall Facility	Capital Outlay	100,000	
TOTAL CITY HALL FACILITY			**100,000**
Parks Improvement	Capital Outlay	663,500	
TOTAL PARKS IMPROVEMENT			**663,500**
Sewer			
	Personal Services	173,900	
	Materials & Services	3,808,600	
	Capital Outlay	7,700	
	Contingency	13,400	
TOTAL SEWER			**4,003,600**
Street Lighting Districts			
	Personal Services	44,700	
	Materials & Services	344,300	
	Capital Outlay	1,600	
	Contingency	19,500	
TOTAL STREET LIGHTING			**410,100**
Water			
	Personal Services	951,400	
	Materials & Services	841,400	
	Capital Outlay	364,500	
	Debt Service	135,700	
	Transfers	348,900	
TOTAL WATER	Contingency	67,600	
			2,709,500

Water Facility Replacement Reserve			
	Materials & Services	200	
TOTAL WATER FACILITY	Capital Outlay	3,625,000	
REPLACEMENT RESERVE			**3,625,200**
Sewer Reserve			
	Materials & Services	5,000	
	Capital Outlay	445,000	
TOTAL SEWER RESERVE			**450,000**
TOTAL ALL FUNDS			**44,289,700**

BE IT FURTHER RESOLVED that the City Council of the City of Keizer hereby imposes the taxes provided for in the adopted budget at the rate of $2.0838 per $1,000 of assessed value for operations; and that these taxes are hereby imposed and categorized for tax year 2005-06 upon the assessed value of all taxable property within the district.

	General Government
General Fund	$2.0838/$1000

PASSED this _____ day of _________________________, 2005.

SIGNED this _____ day of __________________________, 2005.

____
Mayor

____
City Recorder

CITY COUNCIL MEETING: June 20, 2005

AGENDA ITEM NUMBER:____________

TO: **MAYOR CHRISTOPHER AND COUNCIL MEMBERS**

THROUGH: **CHRISTOPHER C. EPPLEY, CITY MANAGER**

FROM: **JOHN A. LIEN, CITY ATTORNEY**

SUBJECT: ***DECLARING THE PUBLIC NECESSITY AND PURPOSE FOR OBTAINING PROPERTY IN THE KEIZER STATION PLAN AREA (NOPP AND TIERSMA PROPERTY)***

Under the terms of the ground lease between the City and Salem-Keizer Sports Enterprises, LLC for the Volcano Stadium, the City is under an obligation to provide an improved roadway to the stadium from the Chemawa/Lockhaven arterial. In addition, under the Development and Disposition Agreement between the Urban Renewal Agency and Northwest National LLC for development of the Keizer Station Plan Area, provisions are made for the City/Urban Renewal Agency to acquire property as necessary for the development.

Patricia Nopp and the Louie Tiersma and Flora J. Tiersma Trust own real property in the Keizer Station Plan Area. Portions of their properties are required for Keizer Station Boulevard right-of-way and also easements for slope and construction as well as public utilities. The enclosed resolution formally initiates the process of acquiring the described property. The resolution requests condemnation of only the necessary right-of-way and easement portions of the Nopp and Tiersma property.

Upon adoption of the resolution, the statutory procedure for acquisition of the necessary property will begin. That process begins with negotiations with the property owners. However, should negotiations fail, the resolution authorizes the filing of a condemnation suit to acquire the property.

RECOMMENDATION:

Adopt the attached Resolution.

Please contact me if you have any questions in this regard. Thank you.

JAL/tmh
attachment

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2005-_____

DECLARING THE PUBLIC NECESSITY AND PURPOSE FOR OBTAINING A PORTION OF THE PROPERTY COMMONLY KNOWN AS 2335 CHEMAWA ROAD NORTHEAST (TIERSMA) AND VACANT LAND IN THE 2200 BLOCK OF LOCKHAVEN DRIVE NORTHEAST (NOPP), KEIZER, OREGON FOR THE PURPOSE OF IMPROVING KEIZER STATION BOULEVARD AND CONSTRUCTING THE KEIZER STATION PLAN PUBLIC IMPROVEMENTS

WHEREAS, under and by virtue of the laws of the State of Oregon, the City of Keizer is duly authorized and empowered to purchase, acquire, enter upon and appropriate private real property or rights in real property for the purpose of establishing, laying out, widening, enlarging or extending roads, streets or highways as well as land and property immediately adjoining the proposed boundaries of such roads, streets or highways and for the rights-of-way for drains, sewers or aqueducts and for any public or municipal use for the general benefit and use of the people of the City;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer as follows:

1. The City of Keizer does hereby find and declare that the rights in real property and real property more particularly set forth and described in Exhibit “A”, attached hereto and by this reference incorporated herein, are needed and required for the purpose of improving Keizer Station Boulevard as required under the terms of the ground lease between the City of Keizer and Salem-Keizer Sports Enterprises, LLC.

Lien & Johnson
Attorneys at Law
4855 River Road N
Keizer, Oregon 97303
(503) 390-1635

These rights in real property and the real property are also needed and required for the purpose of implementing the plan adopted by the City of Keizer to provide public improvements to the Interstate 5 interchange area known as Keizer Station. The City of Keizer's plans include streets to serve this area and public utilities such as water lines, sewer lines, storm drains, electrical lines and communication lines for the area.

2. The City of Keizer hereby finds that the appropriation of the real property and rights in real property set forth and described in Exhibit "A" is reasonably necessary for the general benefit and use of the people of the City of Keizer to improve traffic safety and vehicle and pedestrian traffic flow to and from the Salem-Keizer Volcanoes' Stadium facility served by Keizer Station Boulevard and to enhance and provide improved street access to the land in the Keizer Station area as well as public utilities to property in this area as set forth in the City of Keizer's area plans.

3. The City of Keizer hereby finds that the improvement of Keizer Station Boulevard and the establishment of utilities on the property identified herein are planned and located in a manner that will be most compatible with the greatest public good and the least private injury.

4. The City of Keizer and its agents and attorneys be and they are hereby authorized to attempt to agree with the owner and other persons with interest in the real property described in Exhibit "A" attached hereto as to the just compensation to be paid for the appropriation of the property and rights therein, and, in the event that no satisfactory agreement can be reached, then the attorneys for the City of Keizer be and

Lien & Johnson
Attorneys at Law
4855 River Road N
Keizer, Oregon 97303
(503) 390-1635

the same hereby are authorized and directed to commence and prosecute to final determination such proceedings as may be necessary, including condemnation of the property, to acquire the real property and the rights in real property set forth in Exhibit "A" and that, upon the filing of such proceeding, they may seek immediate possession of the rights and real property described in Exhibit "A" in order to complete construction of the public improvements planned in a timely and efficient manner.

PASSED this __________ day of _________________, 2005.

SIGNED this __________ day of _________________, 2005.

____
Mayor

____
City Recorder

Lien & Johnson
Attorneys at Law
4855 River Road N
Keizer, Oregon 97303
(503) 390-1635

EXHIBIT "A"

The City of Keizer seeks fee title to the real property described as parcels 3 and 8 herein free and clear of all liens and encumbrances.

The City seeks easements on parcels 2, 4, 7 and 9 as described herein for the purposes of placing public utilities such as water lines, sewer lines, storm drains, electrical lines and communication lines among others in the easement and a construction and slope easement for the protection and maintenance of the abutting highway.

Parcel 3

Beginning at the Northwest corner of Parcel Two as described in deed recorded in Reel 1556, Page 24, Deed Records for Marion County, Oregon, which point is recorded as being 776.24 feet North 89°45' East and 2120.52 feet South and 663.62 feet North 89°50' East from the Northwest corner of the Silas G. Pugh Donation Land Claim in Section 36, Township 6 South, Range 3 West Willamette Meridian in Marion County, Oregon;

thence South 89°51'30" East along the North line of said Parcel Two, a distance of 77.23 feet to the Northeast corner thereof;

thence South 38°52'22" East along the Easterly line of said Parcel Two, a distance of 214.52 feet to the **TRUE POINT OF BEGINNING**;

thence South 38°52'22" East along the Easterly line of said parcel two, a distance of 94.71 feet;

thence Southwesterly along the arc of a 460.00 foot radius curve to the left (the chord of which bears South 43°09'12" West 60.51 feet) a distance of 60.55 feet to a point on the Westerly line of said Parcel Two;

thence North 38°53'10" West along the Westerly line of said Parcel Two, a distance of 96.16 feet;

thence Northeasterly along the arc of a 554.50 foot radius curve to the right (the chord of which bears North 44°31'20" East 60.34 feet) a distance of 60.37 feet to the **TRUE POINT OF BEGINNING;**

Contains 5,713 square feet of land, more or less.

Parcel 8

Beginning at the most Northerly corner of that Tract of Land conveyed to Patricia Ann Nopp by deed recorded in Volume 759, Page 817, Deed Records for Marion County, Oregon, which point is recorded as being 52.27 chains West and 51.90 chains South 45°15' West and 169.39 feet South 45°15' West and 528.71 feet North 46°13' West and North 45°08' East 311.17 feet from the Southeast corner of the Silas Pugh Donation Land Claim in Section 36, Township 6 South, Range 3 West, Willamette Meridian in Marion County, Oregon;

thence South 38°53'10" East along the Easterly line of said Nopp Tract, a distance of 140.10 feet to the **TRUE POINT OF BEGINNING;**

thence South 38°53'10" East along said Easterly line, a distance of 96.16 feet;

thence Southwesterly along the arc of a 460.00 foot radius curve to the left (the chord of which bears South 28°07'44" West 179.53 feet) a distance of 180.69 feet;

thence Southerly along the arc of a 25.00 foot radius curve to the left (the chord of which bears South 30°13'57" East 36.66 feet) a distance of 41.15 feet to a point on the Northerly right-of-way line of Lockhaven Drive N.E.;

thence Northwesterly along said right-of-way line on the arc of a spiral curve to the left (the chord of which bears North 76°13'59" West 48.04 feet) a distance of 48.05 feet to a point opposite Engineers Centerline Station 48+10.78 P.C.S.;

thence Northwesterly along said right-of-way line on the arc of a 883.51 foot radius curve to the left (the chord of which bears North 80°42'28" West 94.39 feet) a distance of 94.43 feet;

thence Northeasterly along the arc of a 25.00 foot radius curve to the left (the chord of which bears North 55°47'21" East 32.43 feet) a distance of 35.29 feet;

thence Northeasterly along the arc of a 554.50 foot radius curve to the right (the chord of which bears North 28°22'33" East 249.98 feet) a distance of 252.15 feet to the **TRUE POINT OF BEGINNING.**

Contains 22,869 square feet of land, more or less.

Parcel 2

Beginning at the Northwest corner of Parcel Two as described in deed recorded in Reel 1556, Page 24, Deed Records for Marion County, Oregon, which point is recorded as being 776.24 feet North 89°45' East and 2120.52 feet South and 663.62 feet North 89°50' East from the Northwest corner of the Silas G. Pugh Donation Land Claim in Section 36, Township 6 South, Range 3 West Willamette Meridian in Marion County, Oregon;

thence South 89°51'30" East along the North line of said Parcel Two, a distance of 77.23 feet to the Northeast corner thereof;

thence South 38°52'22" East along the Easterly line of said Parcel Two, a distance of 214.52 feet to the **TRUE POINT OF BEGINNING;**

thence Southwesterly along the arc of a 554.50 foot radius curve to the left (the chord of which bears South 44°31'20" West 60.34 feet) a distance of 60.37 feet to a point on the Westerly line of said Parcel Two;

thence North 38°53'10" West along said Westerly line, a distance of 10.14 feet ;

thence Northeasterly along the arc of a 564.50 foot radius curve to the right (the chord of which bears North 44°38'24" East 60.33 feet) a distance of 60.36 feet to a point on the Easterly line of said Parcel Two;

thence South 38°52'22" East 10.02 feet to the **TRUE POINT OF BEGINNING.**

Contains 604 square feet of land, more or less.

Parcel 4

Beginning at the Northwest corner of Parcel Two as described in deed recorded in Reel 1556, Page 24, Deed Records for Marion County, Oregon, which point is recorded as being 776.24 feet North 89°45' East and 2120.52 feet South and 663.62 feet North 89°50' East from the Northwest corner of the Silas G. Pugh Donation Land Claim in Section 36, Township 6 South, Range 3 West Willamette Meridian in Marion County, Oregon;

thence South 89°51'30" East along the North line of said Parcel Two, a distance of 77.23 feet to the Northeast corner thereof;

thence South 38°52'22" East along the Easterly line of said Parcel Two, a distance of 309.23 feet to the **TRUE POINT OF BEGINNING;**

thence South 38°52'22" East along said Easterly line, a distance of 10.03 feet;

thence Southwesterly along the arc of a 450.00 foot radius curve to the left (the chord of which bears South 42°58'27" West 60.53 feet) a distance of 60.58 feet to a point on the Westerly line of said Parcel Two;

thence North 38°53'10" West along said Westerly line, a distance of 10.22 feet;

thence Northeasterly along the arc of a 460.00 foot radius curve to the right (the chord of which bears North 43°09'12" East 60.51 feet) a distance of 60.55 feet to the **TRUE POINT OF BEGINNING.**

Contains 606 square feet of land, more of less.

City of Keizer

Parcel 7

Beginning at the most Northerly corner of that Tract of Land conveyed to Patricia Ann Nopp by deed recorded in Volume 759, Page 817, Deed Records for Marion County, Oregon, which point is recorded as being 52.27 chains West and 51.90 chains South 45°15' West and 169.39 feet South 45°15' West and 528.71 feet North 46°13' West and North 45°08' East 311.17 feet from the Southeast corner of the Silas Pugh Donation Land Claim in Section 36, Township 6 South, Range 3 West, Willamette Meridian in Marion County, Oregon;

thence South 38°53'10" East along the Easterly line of said Nopp Tract, a distance of 236.26 feet to the **TRUE POINT OF BEGINNING;**

thence South 38°53'10" East along said Easterly line, a distance of 10.22 feet;

thence Southwesterly along the arc of a 450.00 foot radius curve to the left (the chord of which bears South 32°26'02" West 104.75 feet) a distance of 104.99 feet to a point on the boundary line of said Nopp Tract;

thence South 45°12'45" West along said boundary line, a distance of 1.50 feet to an angle corner in said boundary line;

thence South 45°20'13" East along the Easterly line of said Nopp Tract, a distance of 0.53 feet;

thence Southwesterly along the arc of a 450.00 foot radius curve to the left (the chord of which bears South 21°12'43" West 68.05 feet) a distance of 68.11 feet;

thence Southerly along the arc of a 15.00 foot radius curve to the left (the chord of which bears South 30°12'57" East 22.00 feet) a distance of 24.70 feet;

thence Southeasterly parallel with the Northerly right-of-way line of Lockhaven Drive N.E. on the arc of a spiral curve to the right (the chord of which bears South 73°16'40" East 108.76 feet) a distance of 108.80 feet, more or less;

thence South 77°25'13" East 32.39 feet to a point on the Easterly line of said Nopp Tract;

thence South 45°20'13" East along said Easterly line, a distance of 18.76 feet to a point on the Northerly right-of-way line of Lockhaven Drive N.E.;

thence North 77°25'13" West along said right-of-way line, a distance of 49.15 feet to a point opposite Engineers Centerline Sation 49+60.78 P.T.);

thence Northwesterly along said right-of-way line on the arc of a spiral curve to the left (the chord of which bears North 73°15'53" West 107.90 feet) a distance of 108.0 feet, more or less;

thence Northwesterly along the arc of a 25.00 foot radius curve to the right (the chord of which bears North 30°13'57" West 36.66 feet) a distance of 41.15 feet;

thence Northeasterly along the arc of a 460.00 foot radius curve to the right (the chord of which bears North 28°07'44" East 179.53 feet) a distance of 180.69 feet to the **TRUE POINT OF BEGINNING.**

Contains 3,594 square feet of land, more or less.

Parcel 9

Beginning at the most Northerly corner of that Tract of Land conveyed to Patricia Ann Nopp by deed recorded in Volume 759, Page 817, Deed Records for Marion County, Oregon, which point is recorded as being 52.27 chains West and 51.90 chains South 45°15' West and 169.39 feet South 45°15' West and 528.71 feet North 46°13' West and North 45°08' East 311.17 feet from the Southeast corner of the Silas Pugh Donation Land Claim in Section 36, Township 6 South, Range 3 West, Willamette Meridian in Marion County, Oregon;

thence South 38°53'10" East along the Easterly line of said Nopp Tract, a distance of 140.10 feet to the **TRUE POINT OF BEGINNING;**

thence Southwesterly along the arc of a 554.50 foot radius curve to the left (the chord of which bears South 28°22'33" West 249.98 feet) a distance of 252.15 feet;

thence Southwesterly along the arc of a 25.00 foot radius curve to the right (the chord of which bears South 55°47'21" West 32.43 feet) a distance of 35.29 feet to a point on the Northerly right-of-way line of Lockhaven Drive N.E.;

thence Westerly along said right-of-way line on the arc of a 883.51 foot radius curve to the left (the chord of which bears North 88°41'51" West 151.78 feet) a distance of 151.97 feet to a point on the Southwesterly line of said Nopp tract;

thence North 42°54'45" West along said Southwesterly line, a distance of 12.87 feet;

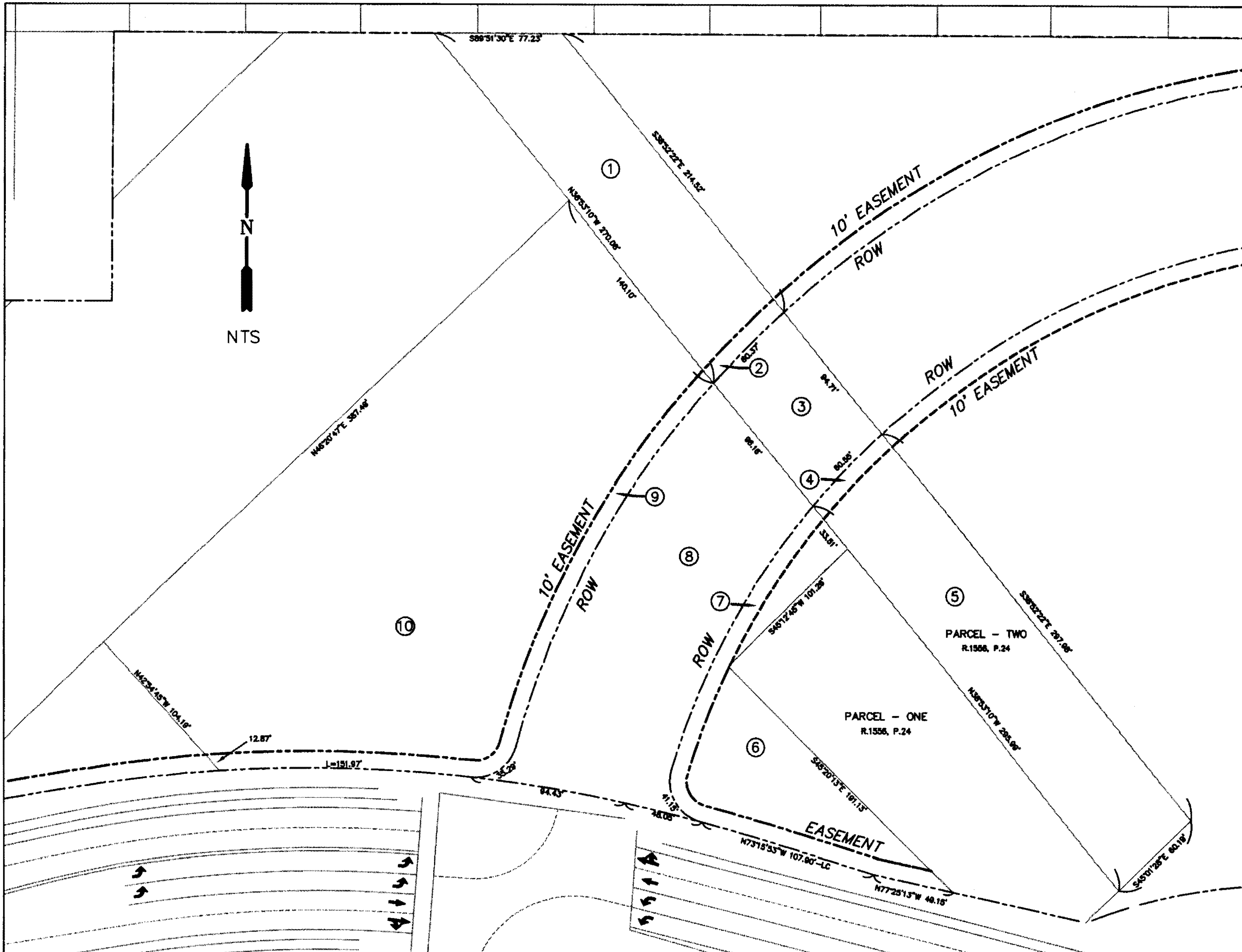
thence Easterly along the arc of a 893.51 foot radius curve to the right (the chord of which bears South 88°57'32" East 161.62 feet) a distance of 161.84 feet;

thence Northeasterly along the arc of a 15.00 foot radius curve to the left (the chord of which bears North 55°57'21" Eaast 19.46 feet) a distance of 21.17 feet;

thence Northeasterly along the arc of a 564.50 foot radius curve to the right (the chord of which bears North 28°27'45" East 256.16 feet) a distance of 258.41 feet to a point on the Easterly line of said Nopp Tract;

thence South 38°53'10" East 10.14 feet to the **TRUE POINT OF BEGINNING.**

Contains 4,404 square feet of land, more or less.



N
NTS
S89°51'30"E 77.23'
S38°52'22"E 214.52'
N38°53'10"W 270.08'
140.10'
N46°20'47"E 387.48'
10' EASEMENT
ROW
60.37'
94.71'
86.16'
60.56'
33.81'
S45°12'45"W 101.26'
PARCEL - TWO
R.1556, P.24
S38°52'22"E 297.98'
PARCEL - ONE
R.1556, P.24
N38°53'10"W 285.98'
S45°20'13"E 191.13'
S45°01'28"E 60.19'
N42°34'45"W 104.19'
12.87'
L=151.97'
35.29'
84.43'
41.15'
48.05'
EASEMENT
N73°15'53"W 107.90'-LC
N77°25'13"W 49.15'

COUNCIL MEETING: June 20, 2005

AGENDA ITEM NUMBER:______________

TO: **MAYOR CHRISTOPHER AND COUNCIL MEMBERS**

THROUGH: **CHRIS EPPLEY**
CITY MANAGER

FROM: **SUSAN GAHLSDORF, CPA**
FINANCE DIRECTOR

SUBJECT: Authorization of Expenditures

ISSUE:

Oregon Budget Law allows for a supplemental budget under the following circumstances:

1) Transfer of appropriations within a fund during the fiscal year (ORS 294.450).
2) Expenditure in the year of receipt of grants, gifts, bequests or devises transferred to the local government in trust of a specific purpose (ORS 294.326(3)).

Oregon Budget Law further provides that a resolution or ordinance be passed to provide authority for the expenditure of these funds.

1) Insurance Benefits – Resolution No. 1522 approved Employment Policy No. 30.600 which states that "Effective with the fiscal year ending June 30, 2004, unencumbered funds for the Insurance Benefit line item will be used in the next fiscal year to reduce the out of pocket expense for the employees by increasing the amount the city has to purchase insurance." This resolution passed after adoption of the FY05 budget. Consequently, the unencumbered savings of $49,100 needs to be appropriated. Staff recommends using contingency for this expenditure.
2) The City of Keizer pays its employees bi-weekly, on every other Thursday. Typically, this equates to 26-payperiods each year. However, every 11 years there are 27-payperiods. Such is the case with fiscal year 2005. The fiscal year 2005 budget was based on annual salaries using 26-payperiods. The extra pay period needs to be appropriated for all operating funds, net savings from attrition. Staff recommends using working capital carryforward for the General Fund expenditures. The General Fund working capital carryforward on July 1, 2004 was $300,000 above the amount projected; $200,000 of this amount was from Personal Services savings in fiscal year 2004. Staff recommends using Contingency for the other operating funds as sufficient Contingency is available for this purpose. Staff will establish a permanent budget note to budget for 27-payperiods in budget year 2016.

3) Staff projects Contractual Services costs in the General Fund Administration to be $14,000 more than budgeted by June 30, 2005. The increase relates to an increase in revenue for Lien Search fees over the budgeted amount. The City contracts with Net Assets to provide on-line lien search information to title companies. The title companies pay Net Assets for each "hit" to the Web site. Net Assets remits the money to the City of Keizer and, per our agreement, bills the City for its share of the proceeds. Staff recommends appropriating the additional revenue in the Lien Search line item to cover the additional cost.

4) Property Tax payments in the Baseball Stadium fund came in $1,100 higher than projected in the FY05 budget. Staff recommends using General Fund contingency for this unanticipated expense. Next fiscal year, 2006, will be the last year the City will be required to pay property taxes on this property.

5) The Community Development Department temporarily increased the Code Enforcement position from .5 FTE to full-time beginning in March 2005. The increase was to dedicate staff time to special projects. Staff recommends appropriating savings from the Municipal Court Personal Services budget to cover the additional $4,700 Community Development Department expenditure.

6) The FY04 budget included $75,000 in revenue for a transportation grant and a corresponding $75,000 for expenditure of these funds. Approximately $24,000 of this grant was received in fiscal year 2005. Staff recommends appropriating $24,000 of Transportation Grant revenue to Transportation Grant expenses.

7) Staff projects Collection costs in the General Fund Municipal Court to be $23,000 more than budgeted by June 30, 2005. The increase relates to an increase in Collections revenue over the budgeted amount. The City contracts with Valley Credit Services to collect debt on past due Court fines. Valley Credit Services remits the money to the City of Keizer and, per our agreement, bills the City for its share of the proceeds. Staff recommends appropriating the additional revenue in the Collections line item to cover the additional cost.

8) Staff projects Distribution to 9-1-1 Agencies expenditures in the 9-1-1 Fund to be $25,000 more than budgeted by June 30, 2005. The increase relates to an increase in 9-1-1 Tax revenue over the budgeted amount. Per the City's agreement with the Keizer Fire District and Marion County Rural Fire District, the City passes on 43% of its revenue to these two agencies for their portion of 9-1-1 related emergencies. Staff recommends appropriating the additional revenue in the 9-1-1 Excise Tax line item to cover the additional cost.

9) Staff projects Lighting Costs in the Street Lighting District Fund to be $17,000 more than budgeted by June 30, 2005. The increase likely results from an increase in industrial user rates not anticipated in the FY05 budget. Staff recommends appropriating contingency to cover the additional cost.

FISCAL IMPACT:

The fiscal impact on each Fund is identified on the attached resolution. The above listed budget adjustments were anticipated in developing the fiscal year 2006 budget.

RECOMMENDATION:

Staff recommends the council adopt the attached resolution authorizing the expenditure of funds as described above.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2005-_____

AUTHORIZATION FOR RESOLUTION TRANSFER

WHEREAS ORS 294.450 allows for the transfer of appropriation authority within a fund during the fiscal year;

WHEREAS ORS 294.480 allows a supplemental budget to be prepared when an occurrence or condition that was not known at the time the adopted budget was prepared which requires a change in financial planning;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Keizer, that the following appropriations be made for fiscal year ending June 30, 2005:

	Increase	Decrease
General Fund		
Administration	**$ 20,200**	
Parks	**700**	
Community Development	**15,400**	
Police	**128,000**	
Municipal Court	**1,200**	
Working Capital Carryforward	**129,200**	
Contingency		**$36,300**
Street Fund – Personal Services	**$ 6,600**	
Street Fund – Capital Outlay Contingency		**$6,600**
Utility Fund – Personal Services	**$1,900**	
Utility Fund – Contingency		**$1,900**
Water Fund – Personal Services	**$24,300**	
Water Fund – Contingency		**$24,300**
Street Lighting District Fund – Personal Services	**$1,900**	
Street Lighting District Fund – Contingency		**$1,900**

Funds are needed to pay employee insurance benefits in compliance with Employment Policy No. 30.600 and to cover the 27th pay period in fiscal year 2005 which was unanticipated when the budget was adopted.

General Fund	**<u>Increase</u>**	**<u>Decrease</u>**
Baseball Stadium	**$ 1,100**	
Contingency		**$ 1,100**

Funds are needed for the property tax payment on the Volcano Stadium property as provided for in the lease agreement. The expenditure was underestimated when the budget was adopted.

General Fund	**<u>Increase</u>**	**<u>Increase</u>**
Administration	**$ 14,000**	
Lien Search Fees		**$14,000**

Funds are needed for contractual service payments per the City's agreement with Net Assets to provide on-line lien search information to title companies. Revenues were underestimated when the budget was adopted and consequently, Net Assets' share of the fees was underestimated.

General Fund	**<u>Increase</u>**	**<u>Decrease</u>**
Community Development	**$ 4,700**	
Municipal Court		**$ 4,700**

The Municipal Court office held a half-time position open during fiscal year 2005 while the office transitioned into the Finance Department. Personal Services savings need to be transferred to the Community Development Department to pay for additional staffing for work on special projects.

General Fund	**<u>Increase</u>**	**<u>Increase</u>**
Community Development	**$ 24,000**	
Federal Grants		**$ 24,000**

A $75,000 grant was awarded to the City in fiscal year 2004. Approximately $24,000 is to be received and expended in fiscal year 2005. The appropriation is needed to carryover the unexpended portion of this grant from fiscal year 2004.

General Fund	**<u>Increase</u>**	**<u>Increase</u>**
Municipal Court	**$ 23,000**	
Past Due Collections		**$23,000**

Funds are needed for contractual service payments per the City's agreement with Valley Credit Services to provide collection services on past due accounts with the City. Revenues were underestimated when the budget was adopted and consequently, Valley Credit Services' share of the fees was underestimated.

9-1-1 Fund	**<u>Increase</u>**	**<u>Increase</u>**
Materials & Services	**$25,000**	
9-1-1 Excise Tax		**$25,000**

Forty-three percent of the 9-1-1 Excise Tax Revenues are to be distributed to the Marion County Rural Fire District and the Keizer Fire District, collectively. These Revenues were underestimated in the budget; consequently the distribution to the two fire districts was also underestimated.

Street Lighting District Fund	**Increase**	**Decrease**
Materials & Services	**$17,000**	
Contingency		**$17,000**

Electricity costs were higher than anticipated in fiscal year 2005. Contingency funds are needed to cover the additional cost.

PASSED this _____ day of __________________, 2005

SIGNED this _____ day of __________________, 2005

____
Mayor

____
City Recorder

COUNCIL MEETING: **June 20, 2005**

AGENDA ITEM NUMBER: ______________

TO: **MAYOR CHRISTOPHER AND COUNCIL MEMBERS**

THROUGH: **CHRIS EPPLEY**
CITY MANAGER

FROM: **SUSAN GAHLSDORF, CPA**
FINANCE DIRECTOR

SUBJECT: **Amendment to Resolution No. 2002-1367 regarding water system development charges, Resolution No. 2000-1230 and No. 2000-1231 regarding parks system development charges, and repealing Resolution No. 2001-1239 regarding parks system development charges.**

BACKGROUND AND ISSUES:

The attached resolutions pertain to systems development charges (SDC's) for City water and park improvements. The resolutions provide that the SDC fees shall be adjusted each year to account for changes in the costs of improvements using an average of two indices:

1) The increase in undeveloped land average market value according to the records of the Marion County Tax Assessor, and
2) The increase in construction costs according to the Engineering News Record (ENR) Northwest Construction Cost Index.

Staff has identified the following issues with the existing resolutions:

- Resolution No. 2002-1367 Exhibit "B" states that fee changes for water SDC's shall be adjusted on January 1 of each year. Resolution No. 2001-1239 states that park SDC's shall be adjusted July 1 each year. Since water and park SDC's are typically assessed together, the different dates require adjustments twice a year.
- Indexing each year creates cumbersome fee rates. For example, in FY 2005 the water SDC rate was $781.43 and the Park SDC rate was $1,014.45.

In 2004, the City Council remedied a similar situation with Driveway permit fees. Council approved a change in the fee adjustment date from October 1 to July 1 of each year. The Council also adopted a "rounding" methodology to adjust the fee in $5.00 increments.

FISCAL IMPACT:

As the attached indexing methodology shows, there is no material fiscal impact over the long run to adjusting the fees in $5.00 increments. Staff recommends amending the fees for water and park SDCs effective August 1, 2005 and annually adjusted on July 1, 2005 as shown on the attached Schedule #1.

RECOMMENDATION:

Staff recommends the Council approve the attached amendments to Resolution 2002-1367, Resolution 2000-1230, Resolution 2000-1231 and repeal Resolution 2001-1239.

If you have any questions please contact Susan Gahlsdorf at 503.390.3700.

CITY OF KEIZER
Water and Park SDC's

Indexing Methodology:

Increase fee in $5.00 increments.

When index brings fee half way between the preceding fee and the next increment, increase fee to the next increment.

For example: When the index brings a $735.00 fee up to $781.43, increase fee to $780.

This methodology will keep the revenue within 1% of the annual indexing.

	Assessor's Index	ENR Index	Average	# of SDC's	$5.00 Increments Fee	$5.00 Increments Revenue	Annual Index Fee	Annual Index Revenue	Variance $	Variance %
Actual Data:										
2003				237	$ 710	$ 168,270	$ 712.00	$ 168,744.00	$ (474.00)	-0.28%
2004	5.00%	1.30%	3.15%	171	$ 735	$ 125,685	$ 734.43	$ 125,587.19	$ 97.81	0.08%
2005	5.00%	7.80%	6.40%	100	$ 780	$ 78,000	$ 781.43	$ 78,143.14	$ (143.14)	-0.18%
Estimated Data:										
Based on averages				169						
2006	5.00%	5.20%	5.10%	169	$ 820	$ 138,580	$ 821.28	$ 138,797.06	$ (217.06)	-0.16%
2007	5.00%	5.20%	5.10%	169	$ 860	$ 145,340	$ 862.35	$ 145,736.92	$ (396.92)	-0.27%
2008	5.00%	5.20%	5.10%	169	$ 905	$ 152,945	$ 905.47	$ 153,023.76	$ (78.76)	-0.05%
2009	5.00%	5.20%	5.10%	169	$ 950	$ 160,550	$ 950.74	$ 160,674.95	$ (124.95)	-0.08%
2010	5.00%	5.20%	5.10%	169	$ 1,000	$ 169,000	$ 998.28	$ 168,708.70	$ 291.30	0.17%
2011	5.00%	5.20%	5.10%	169	$ 1,050	$ 177,450	$ 1,048.19	$ 177,144.13	$ 305.87	0.17%
Ten year total						$ 1,315,820		$ 1,316,559.84	$ (739.84)	-0.07%

CITY OF KEIZER
Water and Park SDC's

July 1, 2005 Proposed Rate Increases

Water	Meter Size	Assessor's Index	ENR Index	Average	Existing Rate		New Rate		Rounded
	5/8"	2.50%	1.45%	1.98%	781.43	$	796.86	$	795
	3/4"	2.50%	1.45%	1.98%	781.43	$	796.86	$	795
	1"	2.50%	1.45%	1.98%	1,953.58	$	1,992.16	$	1,990
	1 1/2"	2.50%	1.45%	1.98%	3,907.16	$	3,984.33	$	3,985
	2"	2.50%	1.45%	1.98%	6,251.45	$	6,374.92	$	6,375
	3"	2.50%	1.45%	1.98%	12,502.90	$	12,749.83	$	12,750
	4"	2.50%	1.45%	1.98%	19,536.88	$	19,922.73	$	19,925
	6"	2.50%	1.45%	1.98%	39,072.67	$	39,844.36	$	39,845
	8"	2.50%	1.45%	1.98%	62,516.70	$	63,751.40	$	63,750
	10"	2.50%	1.45%	1.98%	89,866.80	$	91,641.67	$	91,640
Parks									
Single Family		2.50%	1.45%	1.98%	1,014.45	$	1,034.49	$	1,035
Multi - Unit per unit		2.50%	1.45%	1.98%	719.34	$	733.55	$	735

CITY OF KEIZER
Construction Cost Index

1990							4680	4685	4691	4693	4707	4732		
1991	4734	4752	4774	4771	4787	4777	4777	4773	4772	4766	4801	4818	4775	
1992	4854	4892	4891	4892	4896	4889	4888	4884	4927	4946	4965	4973	4908	1.032
1993	4992	5032	5042	5052	5058	5059	5071	5070	5106	5167	5262	5260	5098	1.058
1994	5252	5230	5255	5264	5278	5310	5336	5371	5381	5405	5405	5408	5325	1.028
1995	5409	5424	5437	5437	5439	5439	5443	5444	5435	5432	5433	5432	5434	1.004
1996	5484	5506	5491	5511	5519	5524	5523	5532	5537	5550	5572	5597	5529	1.030
1997	5617	5652	5683	5719	5740	5744	5765	5769	5759	5799	5837	5860	5745	1.047
1998	5863	5854	5851	5848	5838	5858	5852	5874	5875	5883	5881	5895	5864	1.006
1999	5921	5929	5963	5986	5995	5991	6000	5992	5986	6008	6006	6039	5985	1.024
2000	6076	6091	6128	6134	6127	6127	6130	6160	6202	6201	6233	6238	6154	1.033
2001	6225	6233	6224	6259	6266	6283	6281	6272	6279	6286	6288	6318	6268	1.013
2002	6404	6389	6391	6397	6410	6390	6462	6462	6502	6480	6512	6532	6444	1.034
2003	6605	6592	6589	6579	6578	6563	6581	6640	6627	6635	6642	6694	6610	1.025
2004	6695	6733	6741	6771	6794	6782	6825	6862	**6957***	7017	7065			0
							Base: 1913=100							
***= Revised**														12.335

Source: www.enr.construction.com

CITY OF KEIZER
Driveway Permits

Indexing Methodology:

Increase fee in $5.00 increments.

When index brings fee between the preceding fee and the next increment, increase fee to the next increment.

For example: When the index brings a $50.00 fee up to $52.50, increase fee to $55.00. When the index brings the fee to $57.50 increase the fee to $60.00.

This methodology will keep the revenue within 1% of the annual indexing.

	CPI-W	# of Permits	$5.00 Increments Fee	$5.00 Increments Fixed	Annual Index Fee	Annual Index CPI-W	Variance
Acutal Data:							
FY00-01	na	88	50	$ 4,400.00	$ 50.00	$ 4,400.00	$ -
FY01-02	3.15%	154	50	$ 7,700.00	$ 51.58	$ 7,942.55	$ (242.55)
FY02-03	2.45%	97	55	$ 5,335.00	$ 52.84	$ 5,125.34	$ 209.66
FY03-04	0.85%	140	55	$ 7,700.00	$ 53.29	$ 7,460.28	$ 239.72
Estimated Data:							
Average Number of Permits		120					
FY04-05	1.60%	120	55	$ 6,600.00	$ 54.14	$ 6,496.84	$ 103.16
FY05-06	3.00%	120	55	$ 6,600.00	$ 55.76	$ 6,691.74	$ (91.74)
FY06-07	3.00%	120	60	$ 7,200.00	$ 57.44	$ 6,892.50	$ 307.50
FY07-08	3.00%	120	60	$ 7,200.00	$ 59.16	$ 7,099.27	$ 100.73
FY08-09	3.00%	120	60	$ 7,200.00	$ 60.94	$ 7,312.25	$ (112.25)
FY09-10	3.00%	120	65	$ 7,800.00	$ 62.76	$ 7,531.62	$ 268.38
Ten year total				$ 67,735.00		$ 66,952.39	$ 782.61

variance is 1% of total revenue

			Even	Actual
88	$	50.00	4,400	4400
154	$	51.48	7700	7927.15
97				
140				

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2005-_____

A RESOLUTION AMENDING THE UPDATE METHODOLOGY (2000) FOR A PARKS SYSTEM DEVELOPMENT CHARGE; **AMENDING RESOLUTION R2000-1230**

WHEREAS, Ordinance 92-231 sets forth that the methodology used to establish parks system development charges may be established by resolution;

WHEREAS, Resolution R2000-1230 adopts the methodology for determining the maximum parks system development charge;

WHEREAS, amendment of Resolution R2000-1230 is needed to amend the methodology set forth therein;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that Resolution R2000-1230 is hereby amended by replacing Exhibit 1 with Appendix A - Adjustment Factor (2005) attached hereto and by this reference incorporated herein.

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Lien & Johnson
Attorneys at Law
4855 River Road N
Keizer, Oregon 97303
(503) 390-1635

BE IT FURTHER RESOLVED by the City Council of the City of Keizer that the attached Appendix A - Adjustment Factor (2005) is hereby adopted as the methodology used to determine the parks system development charge and therefore replaces the methodology adopted under R2000-1230.

PASSED this __________ day of _________________, 2005.

SIGNED this __________ day of _________________, 2005.

____
Mayor

____
City Recorder

Lien & Johnson
Attorneys at Law
4855 River Road N
Keizer, Oregon 97303
(503) 390-1635

APPENDIX A - ADJUSTMENT FACTOR (2005)

Notwithstanding any other provision, the dollar amounts of the SDC set forth in the SDC Methodology Report shall on July 1 of each year be adjusted to account for changes in the costs of acquiring and constructing parks facilities. The adjustment factor shall be based on the change in average market value of undeveloped land in the City, according to the records of the County Tax Assessor, and the change in construction costs according to the Engineering News Record (ENR) Northwest (Seattle, Washington) Construction Cost Index; and shall be determined as follows:

	Change in Average Market Value X 0.50
+	Change in Construction Cost Index X 0.50
=	Parks System Development Charge Adjustment Factor

Indexing Methodology:

Increase fee in $5.00 increments.
When index brings fee half way between the preceding fee and the next increment, increase fee to the next increment.
For example: When the index brings a $735.00 fee up to $781.43, increase fee to $780.00.
This methodology will keep the revenue within 1% of the annual indexing.

The Parks System Development Charge Adjustment Factor shall be used to adjust the Parks System Development Charge, unless it is otherwise adjusted by the City Council based on a review of revenues and rates or adoption of an updated methodology.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2005-_____

A RESOLUTION AMENDING THE PARKS SYSTEM DEVELOPMENT CHARGE (2000); **AMENDING RESOLUTION R2000-1231; REPEALING R2001-1239**

WHEREAS, Ordinance 92-231 sets forth that the amount of the parks system development charge may be established by resolution;

WHEREAS, Resolution R2000-1230 as amended by Resolution R2005-____ adopts the methodology for determining the maximum parks system development charge;

WHEREAS, Resolution R2000-1231 sets forth the amount of the parks system development charge;

WHEREAS, Resolution R2001-1239 amended the parks system development charge outlined in Resolution R2000-1231;

WHEREAS, further amendment of Resolution R2000-1231 is needed to amend the parks system development charges set forth therein;

WHEREAS, Resolution R2001-1239 should be repealed;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that Resolution R2000-1231 is hereby amended at Lines 12 through 16 inclusive to read as follows:

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Keizer, Oregon 97303
(503) 390-1635

"$1,035.00 per dwelling unit for the following types of structures: single-family dwellings, duplexes, condominiums, developed manufactured home park spaces, and manufactured homes placed on lots not within a manufactured home park."

"$735.00 per dwelling unit for the following types of structures: multi-family dwellings consisting of three or more dwelling units in a single building."

BE IT FURTHER RESOLVED by the City Council of the City of Keizer that Resolution R2000-1231 is hereby amended on Page 2 by inserting the following sentence at the end of Line 2:

"Any adjustment that increases the system development charge shall be increased in $5.00 increments pursuant to Appendix A - Adjustment Factor (2005) attached to Resolution R2005-____ as amended."

BE IT FURTHER RESOLVED by the City Council of the City of Keizer that Resolution R2001-1239 is hereby repealed in its entirety.

BE IT FURTHER RESOLVED that the new system development charge set forth herein shall be applied to all building permit applications applied for after the date of August 1, 2005 and shall be adjusted annually on July 1 of each year.

PASSED this __________ day of _________________, 2005.

SIGNED this __________ day of _________________, 2005.

____
Mayor

____
City Recorder

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(503) 390-1635

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2005-_____

A RESOLUTION AMENDING THE SYSTEM DEVELOPMENT CHARGE IMPROVEMENT FEE FOR THE KEIZER WATER SUPPLY, TREATMENT AND DISTRIBUTION SYSTEM; **AMENDING RESOLUTION R2002-1367**

WHEREAS, the City has adopted an ordinance imposing a Keizer water supply, treatment and distribution system development charge;

WHEREAS, the City has adopted a resolution establishing the methodology for determining the system development charge improvement fee;

WHEREAS, Resolution R2002-1367 sets forth the amount of the water system development charge;

WHEREAS, amendment of Resolution R2002-1367 is needed to amend the water system development charges set forth therein;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that Resolution R2002-1367 is hereby amended by replacing Exhibit A with Exhibit 1 attached hereto and by this reference incorporated herein.

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BE IT FURTHER RESOLVED by the City Council of the City of Keizer that Resolution R2002-1367 is hereby amended by replacing Exhibit B with Exhibit 2 attached hereto and by this reference incorporated herein.

BE IT FURTHER RESOLVED by the City Council of the City of Keizer that the charges established herein shall be effective August 1, 2005 and shall be adjusted annually on July 1 of each year.

PASSED this __________ day of _________________, 2005.

SIGNED this __________ day of _________________, 2005.

____
Mayor

____
City Recorder

Lien & Johnson
Attorneys at Law
4855 River Road N
Keizer, Oregon 97303
(503) 390-1635

EXHIBIT 1

SYSTEM DEVELOPMENT CHARGE BY METER SIZE

Meter Size	Meter Capacity Ratio (a)	Existing SDC	Proposed SDC (b)
5/8-3/4	1.00	$ 781.43	$ 795
1	2.50	1,953.58	1,990
1 ½	5.00	3,907.16	3,985
2	8.00	6,251.45	6,375
3	16.00	12,502.90	12,750
4	25.00	19,536.88	19,925
6	50.00	39,072.67	39,845
8	80.00	62,516.70	63,750
10	115.00	89,866.80	91,640

(a) AWWA Manual M6

(b) Improvement Fee

EXHIBIT 2

ADJUSTMENT FACTOR (2005)

Notwithstanding any other provision, the dollar amounts of the SDC shall be adjusted on July 1 of each year (beginning July 1, 2006) to account for changes in the costs of acquiring and constructing water facilities. The adjustment factor shall be based on the change in average market value of undeveloped land in the City, according to the records of the County Tax Assessor, and the change in construction costs according to the Engineering News Record (ENR) Northwest (Seattle, Washington) Construction Cost Index; and shall be determined as follows:

	Change in Average Market Value X 0.50
+	Change in Construction Cost Index X 0.50
=	System Development Charge Adjustment Factor

Indexing Methodology:

Increase fee in $5.00 increments.
When index brings fee half way between the preceding fee and the next increment, increase fee to the next increment.
For example: When the index brings a $735.00 fee up to $781.43, increase fee to $780.00.
This methodology will keep the revenue within 1% of the annual indexing.

The System Development Charge Adjustment Factor shall be used to adjust the Water System Development Charge, unless it is otherwise adjusted by the City Council based on a review of revenues and rates or adoption of an updated methodology.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2000-1230

A RESOLUTION ESTABLISHING THE UPDATE METHODOLOGY (2000) FOR A PARKS SYSTEM DEVELOPMENT CHARGE

WHEREAS, the City of Keizer accepted the Comprehensive Park System Development Plan dated May 7, 1992; and

WHEREAS, such Plan sets forth a methodology for determining an equitable systems development charge; and

WHEREAS, the Council has accepted the Parks and Recreation Facility Systems Development Charges Update Methodology Report (July 17, 2000) which sets forth needed facility improvements and an updated methodology for determining appropriate parks system development charges; and

WHEREAS, on November 20, 2000 the City Council held the public hearing to consider amending the parks system development charges; and

WHEREAS, pursuant to Ordinance 92-231, the methodology used to establish the parks system development charge may be established by resolution;

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FMAGIC INTEGRA

Lien & Johnson
Attorneys at Law
4855 River Road N.
Keizer, Oregon 97303
(503) 390-1635

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that the attached methodology marked Exhibit 1 attached hereto (including Appendix A - Adjustment Factor) and by this reference incorporated herein is hereby adopted as the methodology used to determine the parks system development charge.

BE IT FURTHER RESOLVED by the City Council of the City of Keizer that the attached update methodology (2000) replaces the methodology adopted under Resolution R92-563.

PASSED this 18th day of December, 2000.

SIGNED this 18th day of December, 2000.

Mayor

City Recorder

824H.032

Lien & Johnson
Attorneys at Law
4855 River Road N.
Keizer, Oregon 97303
(503) 390-1635

APPENDIX A
(ADJUSTMENT FACTOR)

Notwithstanding any other provision, the dollar amounts of the SDC set forth in the SDC Methodology Report shall on January 1st of each year be adjusted to account for changes in the costs of acquiring and constructing parks facilities. The adjustment factor shall be based on the change in average market value of undeveloped land in the City, according to the records of the County Tax Assessor, and the change in construction costs according to the Engineering News Record (ENR) Northwest (Seattle, Washington) Construction Cost Index; and shall be determined as follows:

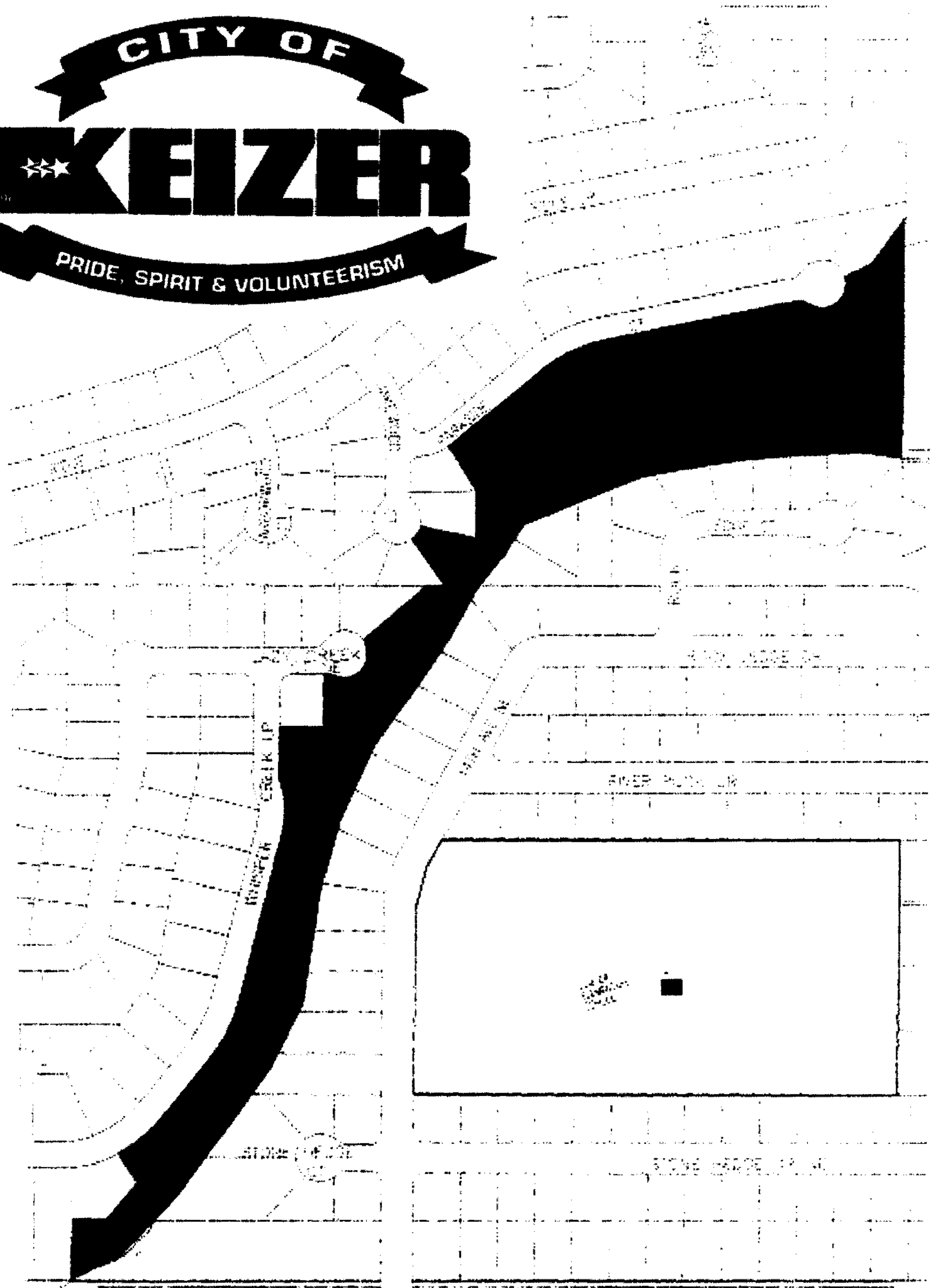
Change in Average Market Value X 0.50
\+ Change in Construction Cost Index X 0.50
= Parks System Development Charge Adjustment Factor

The Parks System Development Charge Adjustment Factor shall be used to adjust the Parks System Development Charge, unless it is otherwise adjusted by the City Council based on a review of revenues and rates or adoption of an updated methodology.

Exhibit "A"

CITY OF KEIZER

PRIDE, SPIRIT & VOLUNTEERISM



PARKS AND RECREATION FACILITIES
SYSTEM DEVELOPMENT CHARGES
UPDATE METHODOLOGY REPORT
July 17, 2000

15418 NW White Fox Dr. • Beaverton, Oregon 97006 • (503) 690-8981

Don Ganer & Associates

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CITY OF KEIZER

Parks and Recreation Facilities
System Development Charges Update
Methodology Report

1.0 INTRODUCTION

System Development Charges are fees charged to new development to help pay a portion of the costs associated with acquiring and/or building capital facilities to meet the needs of growth. The 1989 Oregon Systems Development Act (ORS 223.297 - 223.314) authorizes the collection of SDC's for certain types of facilities including:

- transportation,
- water,
- wastewater (sewer),
- stormwater, and
- parks and recreation.

The purpose of the SDC Act was to "...provide a uniform framework for the imposition of system development charges...". The Act requires local governments to:

- enact SDC's by ordinance or resolution,
- develop a methodology outlining how each SDC is developed,
- adopt a capital improvement program (CIP) designating the estimated cost and timing of each project that may be funded with SDC revenues,
- provide credits against SDC's for "qualified public improvements",
- separately account for SDC revenues and expenditures, and
- adopt procedures for public challenges of expenditures.

The City of Keizer implemented a Parks SDC in 1992. Since that time, cost increases, changes in population estimates, and the U.S. Supreme Court decision in *Dolan v. City of Tigard* have caused the Parks SDC to become outdated. In January 2000, the City engaged Don Ganer & Associates to update the Parks SDC methodology and rates, and provide guidelines for the expenditure of SDC revenues.

2.0 SDC BACKGROUND AND DATA

This section presents background information and data used to develop the SDC. In particular, this section of the report:

A. Discusses guiding concepts used in developing SDC's,

B. Explains what is meant by the terms "reimbursement fee" and "improvement fee" SDC's,

C. Presents the methodology approach used to update the Parks and Recreation SDC,

D. Analyzes credits,

E. Presents growth projections and summarizes census data regarding persons per dwelling unit,

F. Identifies current Levels of Service (LOS), and

G. Presents growth required facility needs.

A Guiding Concepts

In addition to the requirements of the ORS 223.297 - 223.314, court cases from Oregon and other states provide additional guidance for the methodology used in developing SDC's.

(1) "Essential Nexus" Requirement

In a 1987 case, *Nollan v. California Coastal Commission*, the U.S. Supreme Court established that government agencies must show that an "essential nexus" (e.g. reasonable connection) exists between a project's impacts and any dedication requirements. For SDC's the "essential nexus" requirement means there must be a reasonable connection between the nature of the development and the facilities being funded with the SDC revenues. If, for example, parks and recreation facilities are required to meet the needs of new development, an SDC methodology designed to fund the new capacity needed to serve new development meets the "essential nexus" requirement.

(2) "Rough Proportionality" Requirement

In its landmark 1994 decision in *Dolan v. City of Tigard*, the U.S. Supreme Court cited the need for "rough proportionality" between requirements placed on a developer by government and the impacts of the development. This concept of rough proportionality is applied in SDC's by insuring that new growth is not required to pay to upgrade existing deficiencies or provide new facilities beyond a level "roughly proportionate" with the extent of new development's impact; SDC's can be charged only for the portion of capital facilities costs that are attributable to growth.

ORS 223.307(2) also requires that "the portion of improvements funded by improvement fees must be related [e.g., roughly proportionate] to current or projected development." The City's adopted Comprehensive Park System Development Plan and SDC methodology includes improvements that serve both growth and non-growth needs, and it does not identify which or what portion of the improvements is "related to current or projected development". This SDC methodology update includes SDC rates which are roughly proportionate to the impacts created by new development, and provides SDC revenue expenditure guidelines to promote compliance with ORS 223.307(2).

B "Reimbursement fee" and "Improvement fee" SDC's

The Oregon SDC Act provides for the imposition of two types of SDC's: (1) "improvement" fees, and (2) "reimbursement" fees. "Improvement fee" SDC's may be charged to fund acquisition and/or construction of new capital facilities that will be needed in the future, or to make improvements to existing capital facilities (i.e., additional tennis courts, expansion of playgrounds, etc.) which provide new "capacity" to accommodate growth. In order to maintain facilities at current levels of service (i.e., 1.2 acre per 1,000 persons for developed community parks, etc.), the City will need to add acres and develop parks to serve new development, and the City may charge improvement fee SDC's to fund all or a portion of the costs of these facilities.

If "excess capacity" is available to accommodate future growth, a "reimbursement fee" SDC may be charged to recoup the costs (including bonded indebtedness) associated with improvements which have already been acquired/constructed. The City does not currently have sufficient facilities to meet adopted standards; therefore, no excess capacity exists and a reimbursement fee SDC is not warranted.

C. SDC Methodology Approach

The three basic approaches used in developing SDC's are (1) Capital Projects-Driven, (2) Level of Service (LOS)-Driven, and (3) Combination.

(1) "Capital Projects-Driven" SDC's

Capital Projects-Driven SDC's are based on a specific list of planned capital improvements. The amount of the SDC is determined by allocating a portion of the cost of the planned improvements (the "fair share" that can be attributed to growth) among the projected developments that will be paying SDC's. This approach works best when individual public facilities can be allocated between current and future users on the basis of objective data, and when standards do not adequately allocate costs between these groups. Costs which are attributable to growth may be funded through SDC's, and remaining costs must be funded from non-SDC sources.

(2) "LOS-Driven" SDC's

LOS-Driven SDC's work best when individual facilities cannot be allocated between current and future users on the basis of objective data, and instead are provided on the basis of a levels of service. The SDC is determined by multiplying the LOS standard for each type of facility by the estimated cost per unit of facility. SDC's cannot be used to pay for eliminating deficiencies in the current LOS, or for providing a higher LOS than that which currently exists unless either (1) alternative revenue sources are identified to pay for eliminating existing deficiencies, or (2) the primary recipients of the higher LOS will be future residents.

(3) "Combination" SDC's

A "combination" approach uses elements of both the LOS-Driven approach and the Capital Projects-Driven approach. LOS standards are used to determine facility needs, identify deficiencies and excess capacity, and develop a list of capital improvement projects. The project costs then serve as the basis for calculating the SDC rates.

The Keizer Parks and Recreation SDC update was developed using the "LOS-Driven" approach. LOS standards were developed based on the current LOS, and the costs of maintaining this LOS were then used to determine SDC rates.

D. Credits

A credit is a reduction in the amount of the SDC which a development is required to pay, and must be calculated to account for (1) "qualified public improvements" and (2) other payments new development may make through property taxes or other means.

(1) "Qualified Public Improvement"

A credit must be given for the donation of a "qualified public improvement" which (1) is required as a condition of development approval, (2) is identified in the CIP, and (3) either is not located on or contiguous to property that is the subject of development approval, or is required to be built larger or with greater capacity than is necessary for the particular development project to which the improvement fee is related. The credit for a qualified public improvement may only be applied against an SDC for the same type of improvement (i.e., parks and recreation, etc.), and must be granted only for the cost of that portion of an improvement which exceeds the minimum standard facility size or capacity (LOS standard) needed to serve the particular project. For multi-phase projects, any excess credit may be applied against SDC's that accrue in subsequent phases of the original development project.

In addition to these required credits, the City may, if it so chooses, provide a greater credit, establish a system providing for the transferability of credits, provide a credit for a capital improvement not identified in the capital improvement plan, or provide a share of the cost of an improvement by other means. Any provisions for such credits must be applied uniformly to all new development.

In order for the City to charge growth an improvement fee SDC for 100% of the costs of new facilities required to serve growth, a credit must also be given for any costs that will be paid by growth in the future for existing capital facilities (included in the LOS standards) or future facilities needed to repair deficiencies. The City has no outstanding debt for existing parks and recreation capital facilities and the SDC is designed only to maintain the current LOS; therefore, no credit against the SDC for repayment of debt is required.

E. Population Growth and Persons per Dwelling Unit

The Parks and Recreation SDC is based on projected growth-required capital facility costs per "capita" (person). Estimated population growth from 2000 through 2010 is shown in Table 2.1, below.

TABLE 2.1

ESTIMATED POPULATION INCREASE

(2000 - 2010)

Projected 2010 Population		Estimated 2000 Population		Est. Increase in Population
37,000	-	30,276	=	6,724

The Parks and Recreation SDC is based on estimated capital facility costs per capita , with the SDC rates based on the number of persons per dwelling unit. Dwelling units typically house different numbers of persons depending on the type of unit (e.g., single family or multi-family). To determine the appropriate number of persons per dwelling unit, 1990 census data for the City of Keizer maintained by the Center for Population Research and Census at Portland State University was analyzed, and the resulting calculations are presented in Table 2.2, below.

TABLE 2.2

AVERAGE PERSONS PER DWELLING UNIT

Type of Dwelling Unit	1990 Census Avg. Persons Per Dwelling Unit
Single Family	2.82
Multi-Family	2.00

F. Facilities Inventory and Levels of Service

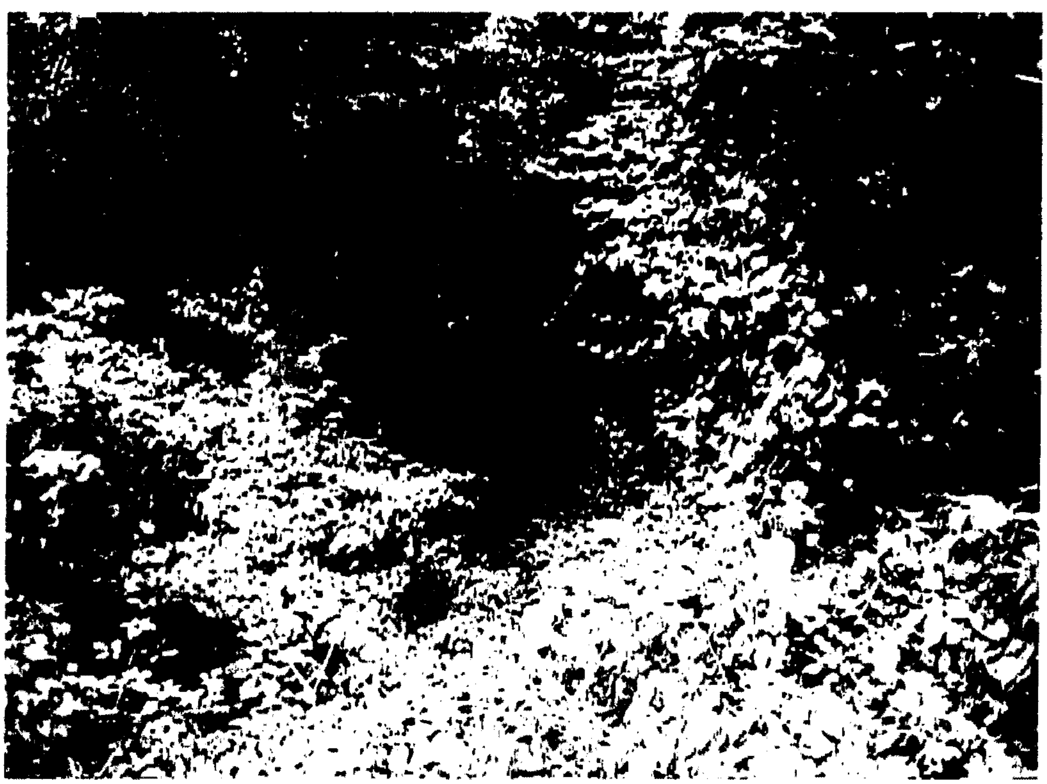
The City provides a total of 97.1 acres of parks and recreation facilities, resulting in a total Level of Service (LOS) of 3.2 acres per 1,000 persons. Included in this total are 36.20 acres of developed Community Parks (1.2 acres per 1,000 persons), 16.10 acres of developed Neighborhood Parks (0.5 acres per 1,000 persons), and 22.90 of undeveloped/partially developed parks (0.8 acres per 1,000 persons). Following are photographs showing examples of these facilities in the City.

Developed Community Park

Developed Neighborhood Park

Undeveloped Park

In addition to these developed and undeveloped parks, the City also has 21.90 acres of Natural Area Parks (0.7 acres per 1,000 persons).



Natural Area Park

The City's parks and recreation facilities inventory and levels of service are shown in Table 2.3, below.

TABLE 2.3

PARKS AND RECREATION FACILITIES
CURRENT INVENTORY AND LEVELS OF SERVICE (LOS)

Developed Community Parks	Acres	LOS/1,000 persons
Claggett Park	10.80	
Keizer Little League Park	16.70	
City Hall Complex/Chalmer-Jones Park	8.70	
sub-total	**36.20**	**1.2**
Developed Neighborhood Parks		
Wilark Park	8.40	
Willamette Manor Park	2.10	
Northview Park	2.10	
The Meadows Park	3.50	
sub-total	**16.10**	**0.5**
Undeveloped/Partially Developed Parks		
Mike Whitman Park	5.00	
Fernwook Park	0.90	
Pleasantview Park	2.50	
Clear Lake Park	5.00	
Country Glen Park	5.00	
Bair Park	2.00	
Hidden Creek Park	2.50	
sub-total	**22.90**	**0.8**
Natural Area Parks		
Palma Cia Park	0.80	
Sunset Park	1.20	
Rivers Edge Park	10.30	
North Ridge Park	9.60	
sub-total	**21.90**	**0.7**
Combined Total	**97.10**	**3.2**

The City's Comprehensive Park System Development Plan includes recommended standards[1] for parks acreages of 2.2 acres of developed Community Parks, 1.3 acres of developed Neighborhood Parks, and 5.8 acres of Natural Area Parks per 1,000 persons. In order for the City to charge SDC's at rates required to meet the adopted standards, the City must either already provide facilities at standard or have a viable plan for how it will remedy the deficiency using a funding source not associated with growth. To meet these standards, the City would need to acquire/develop an additional 34.61 acres of Community Parks, 23.26 acres of Neighborhood Parks, and 153.70 acres of Natural Area Parks *just to correct current deficiencies in parks acreages.*

As an alternative to using the standards included in the Plan, the current Levels of Service (LOS) identified in Table 2.1 (page 6) may serve as alternative LOS standards by which growth-related facility needs may be determined.

G. Facilities Needed to Serve Growth

To determine the City's growth-required needs, the current LOS for each type of facility (i.e., Developed Community Park acres, Developed Neighborhood Park acres, etc.) was applied to the projected 2010 population of the City. The City's population is expected to grow by 6,724 residents by the year 2010, when it is expected to reach 37,000[2]. Table 2.4, below, presents a summary of *additional* needed facilities resulting from application of these LOS standards.

TABLE 2.4

ADDITIONAL FACILITIES NEEDED TO SERVE GROWTH

(2000 - 2010)

Facility Type	Current LOS	Growth-Required Units
Developed Community Parks (acres)	1.2	8.04
Developed Neighborhood Parks (acres)	0.5	3.58
Undeveloped/Partially Developed Parks (acres)	0.8	5.09
Natural Area Parks (acres)	0.7	4.86
Total City Parks System (acres)	3.2	21.56

[1] Comprehensive Park System Development Plan, *otak*, May 7, 1992, Tab 1

[2] City staff projection estimate.

3.0 CALCULATION OF PARKS AND RECREATION SDC

The updated Keizer Parks and Recreation SDC was calculated using a series of sequential formulas which, when completed, yields the SDC rate for each new dwelling unit in the City. The formulas identify:

A. the total growth-required parks and recreation facilities costs (Formula 1, below),
B. the facilities cost per new resident (Formula 2, page 12),
C. the compliance and administrative cost per new resident (Formula 3, page 12),
D. the total facilities cost per new resident (Formula 4, page 13), and
E. the SDC rate per dwelling unit (Formula 5, page 13).

A. Formula 1: Total Growth-Required Facilities Costs

The total growth-required parks and recreation facilities costs are determined by adding the products resulting from multiplying the number of units required to meet growth needs (from Table 2.2, page 6) by the cost per unit of facility.

1. Growth-Required Units X Cost Per Unit = Growth-Required Facilities Costs

Table 3.1, below, presents the calculation of the growth-required facilities costs.

TABLE 3.1

GROWTH-REQUIRED FACILITIES COSTS

Facility Type	Growth-Required Units	X	Cost Per Unit[3]	=	Growth-Required Facilities Costs
Developed Community Parks (acres)	8.04		$ 95,000		$ 763,800
Developed Neighborhood Parks (acres)	3.58		125,000		447,500
Undeveloped/Natural Area Parks (acres)	9.95		70,000		696,500
Total Growth-Required Units (acres)	21.57				$ 1,907,800

[3] Undeveloped/Natural Area land acquisition cost estimate is $70,000 per acre. Developed Community Parks cost estimate is based on undeveloped land cost plus $25,000 per acre for development. Developed Neighborhood Parks cost estimate is based on undeveloped land cost plus $55,000 per acre for development. Cost estimates provided by City staff.

B. Formula 2: Facilities Cost Per New Resident

The facilities cost per new resident is calculated by dividing the growth-required facilities costs (from Table 3.1, page 11) by the expected increase in the City's population during the planning period (from Table 2.1, page 6).

2. Growth-Required Facilities Cost	÷	Population Increase	=	Facilities Cost Per New Resident

Table 3.2, below, presents the calculation of the facilities cost per new resident.

TABLE 3.2

FACILITIES COST PER NEW RESIDENT

Growth-Required Facilities Costs		Population Increase		Facilities Cost Per New Resident
$ 1,907,800	÷	6,724	=	$ 284

C. Formula 3: Compliance/Administration Cost Per New Resident

ORS 223.307(5) allows the City to recoup the direct costs of complying with Oregon law regarding SDC's. Recoupable costs include consulting, engineering, and legal fees as well as the cost of collecting and accounting for revenues and expenditures. The compliance/administration cost is estimated to total 10% of collected SDC revenues. The compliance/administration cost per new resident is determined by multiplying the facilities cost per new resident by this cost factor (10%):

3. Facilities Cost Per New Resident	X	Compliance/Admin. Cost Factor	=	Compliance/Admin. Cost Per New Resident

Table 3.3, page 14, presents the calculation of the compliance cost per new resident.

TABLE 3.3

COMPLIANCE/ADMINISTRATION COST PER NEW RESIDENT

Facilities Cost Per New Resident	X	Compliance/Admin. Cost Factor	=	Compliance/Admin Cost Per New Resident
$ 284		10%		$ 28

D. Formula 4: SDC Per New Resident

The SDC Per New Resident represents the amount of revenue required for each new resident in order to pay the growth-required costs. The calculation is completed by adding the facilities cost per new resident (from Table 3.2, page 12) and the compliance/administration cost per new resident (from Table 3.3, above).

4.	Facilities Cost Per New Resident	+	Compliance/Admin. Cost Per New Resident	=	SDC Per New Resident

The result of this calculation is presented in Table 3.4, below.

TABLE 3.4

SDC PER NEW RESIDENT

Facilities Cost Per New Resident	+	Compliance/Admin Cost Per New Resident	=	SDC Per New Resident
$ 284		$ 28		$ 312

E. Formula 5: SDC Per Dwelling Unit

The SDC Per Dwelling Unit is calculated by multiplying the average number of persons per dwelling unit (from Table 2.2, page 6) by the SDC Per New Resident (from Table 3.4, above).

5.	Persons Per Dwelling Unit	X	SDC Per New Resident	=	SDC Per Dwelling Unit

The result of this calculation is presented in Table 3.5, page 15.

TABLE 3.5

SDC PER DWELLING UNIT

Type of Dwelling Unit	Persons Per Dwelling Unit	X	SDC Per New Resident	=	SDC Per Dwelling Unit	
Single Family:	2.82		$ 312		$ 880	290
Multi-Family:	2.00		$ 312		$ 624	250

The SDC rates identified in Table 3.5, above, are the maximum dollar amounts (in year 2000 dollars) that may be collected from new development for costs related to growth-required parks capital improvements. These costs are based on the expected number of "growth-required units" needed for each type of facility (i.e., community parks, neighborhood parks, etc.) during the period 2000 through 2010. For comparison, the parks SDC rates[4] currently charged by a selection of other area Oregon cities are presented in Table 3.6, below.

TABLE 3.6

PARKS SDC RATES FOR OTHER AREA CITIES

City	Single-Family Rate	Multi-Family Rate
Salem	2,275	1,487
Wilsonville	2,025	1,533
Albany	1,832	916
Portland	1,479	953
Tualatin	1,400	1,400
Canby	1,348	694
Tigard	1,050	540
McMinnville	1,000	1,000
Oregon City	955	670
Sherwood	841	841
Woodburn	762	1,109

[4] Current as of November 1999

4.0 SDC EXPENDITURE GUIDELINES

ORS 223.307(2) requires that improvement fee SDC's "be spent only on capacity increasing capital improvements, including expenditures relating to repayment of debt for such improvements. An increase in system capacity may be established if a capital improvement increases the level of performance or service provided by existing facilities or provides new facilities."

ORS 223.307(2) also requires that "the portion of improvements funded by improvement fees must be related to current or projected development." This means that revenues from improvement fee SDC's may be used only for the portion of capital improvements that are needed for growth.

The City's adopted Comprehensive Park System Development Plan includes improvements that serve both growth and non-growth needs, but it does not identify which of the improvements is "related to current or projected development". Community Parks and Undeveloped/Natural Area Parks are considered to serve the entire City population, so SDC revenues collected for these facilities may be used to acquire and/or develop Community Parks and Undeveloped/Natural Area Parks anywhere within the City. Neighborhood Parks are generally considered to serve only the population living within approximately 1/2 mile of each park, and most of the City's neighborhood parks serve a combination of residences, including those which were in place when the City's parks SDC was adopted in 1992, and those which have been constructed since that time. To ensure that SDC expenditures are "related to current or projected development" in compliance with ORS 223.307(2), the portion of improvements that will primarily benefit growth must be determined.

A review of mapping data provided by City staff indicates that the percentages of growth (1992 - 2010) and non-growth (pre-1992) needs served by each neighborhood park are approximately as shown in Table 4.1 (page 17). Copies of the maps are included as an appendix to this report.

TABLE 4.1

NEIGHBORHOOD PARK PERCENTAGES OF GROWTH-REQUIRED AND NON-GROWTH NEEDS

Neighborhood Park	Growth-Required	Non-Growth
Bair Park	80%	20%
Clear Lake Park	80%	20%
Country Glen Park	50%	50%
Fernwood Park	0%	100%
Hidden Creek Park	50%	50%
The Meadows Park	75%	25%
Mike Whitman Park	35%	65%
Northview Park	30%	70%
Pleasantview Park	35%	65%
Wilark Park	40%	60%
Willamette Manor Park	50%	50%

These percentages should be used as guidelines for the portion of total acquisition and development costs (adjusted for inflation) that may be paid with SDC revenues. These guidelines should be applied whenever the City updates the parks capital improvements project list. The Oregon SDC Act requires that this project list include the estimated cost and timing for each project on which SDC revenues are to be used.

The City may chose to use SDC revenues for any combination of acquisition and development costs, so long as the percentage of total costs paid with SDC's and development-required donations does not exceed the estimated growth-required portion. For example, suppose that ten years ago the City received a donation of land (unrelated to development), made initial improvements for a park, and plans to make additional improvements during the next ten years. If the land and improvements are valued (today) at $100,000, and the City plans to spend an additional $100,000 on development, the total acquisition and development cost for the park is $200,000. If the growth-required percentage for this park was 50% or more, the entire $100,000 in planned additional development costs could be paid from SDC revenues ($200,000 X 50% = $100,000). If the growth percentage was less than 50%, the amount payable from SDC's would be determined by multiplying the total costs ($200,000) by the growth percentage.

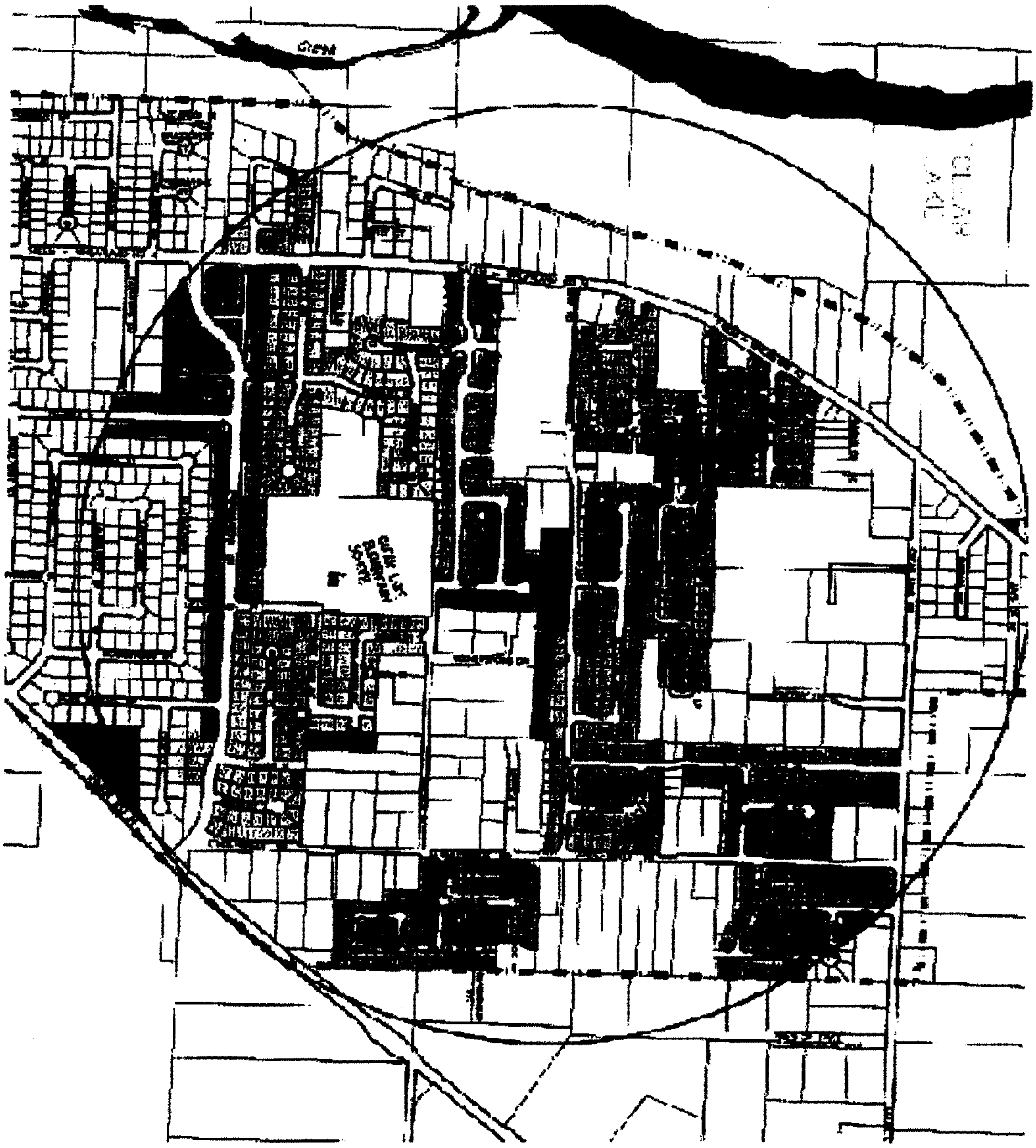
APPENDIX

NEIGHBORHOOD PARK SERVICE AREA MAPS

1. Bair Park
2. Clear Lake Park
3. The Meadows Park
4. Country Glen/Hidden Park
5. Wilark Park
6. Mike Whitman Park
7. North View Park
8. Pleasantview Park
9. Willamette Manor Park

Note: No map is provided for Fernwood Park because the service area was developed prior to 1992, and no further development is planned.

1. Bair Park

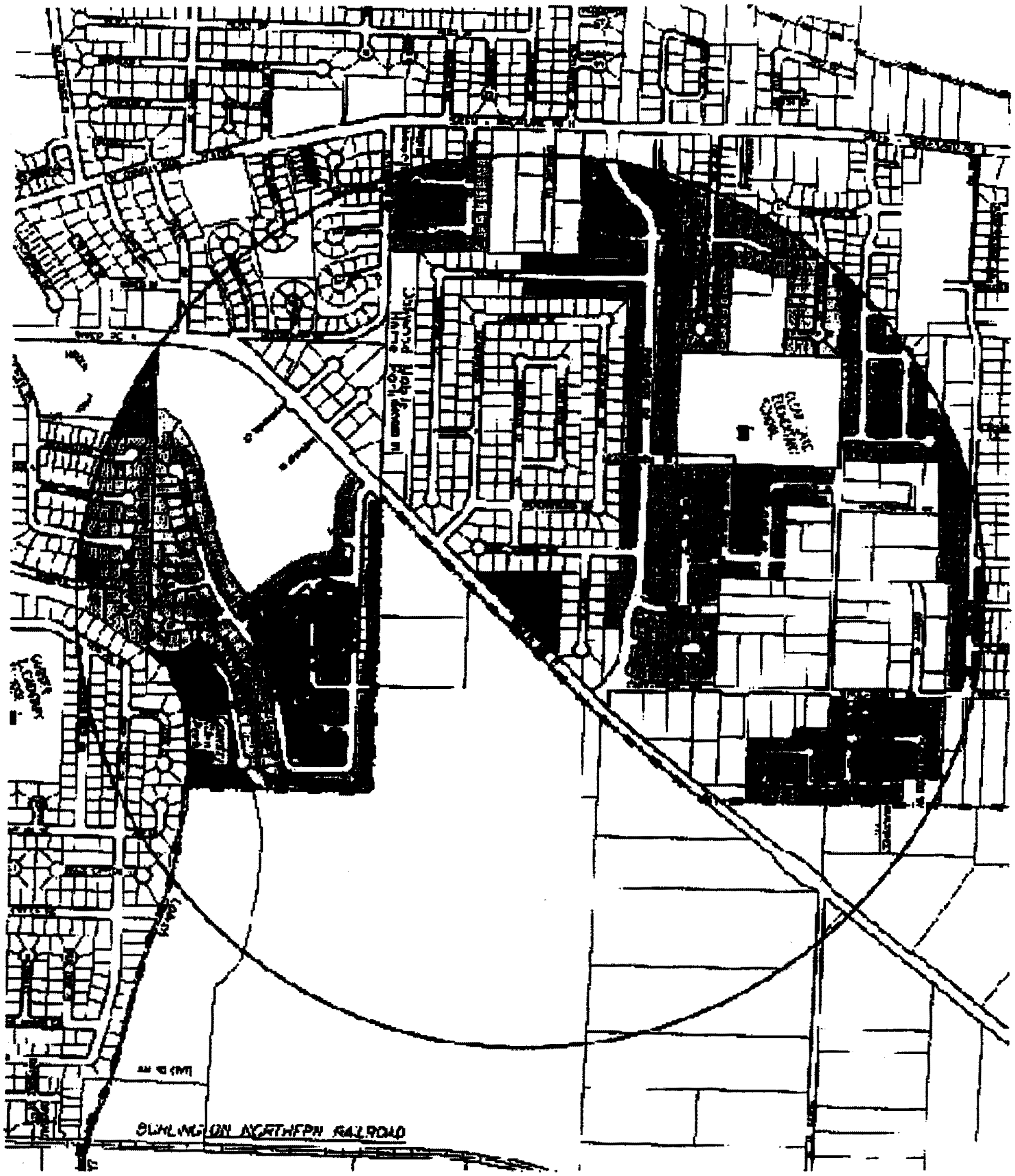


Guide: Pink = developed between 1992 and 2000
Yellow = undeveloped with potential for development between 2000 and 2010
White = developed before 1992 or not planned for further development

2. Clear Lake Park

Guide: Pink = developed between 1992 and 2000
Yellow = undeveloped with potential for development between 2000 and 2010
White = developed before 1992 or not planned for further development

3. The Meadows Park

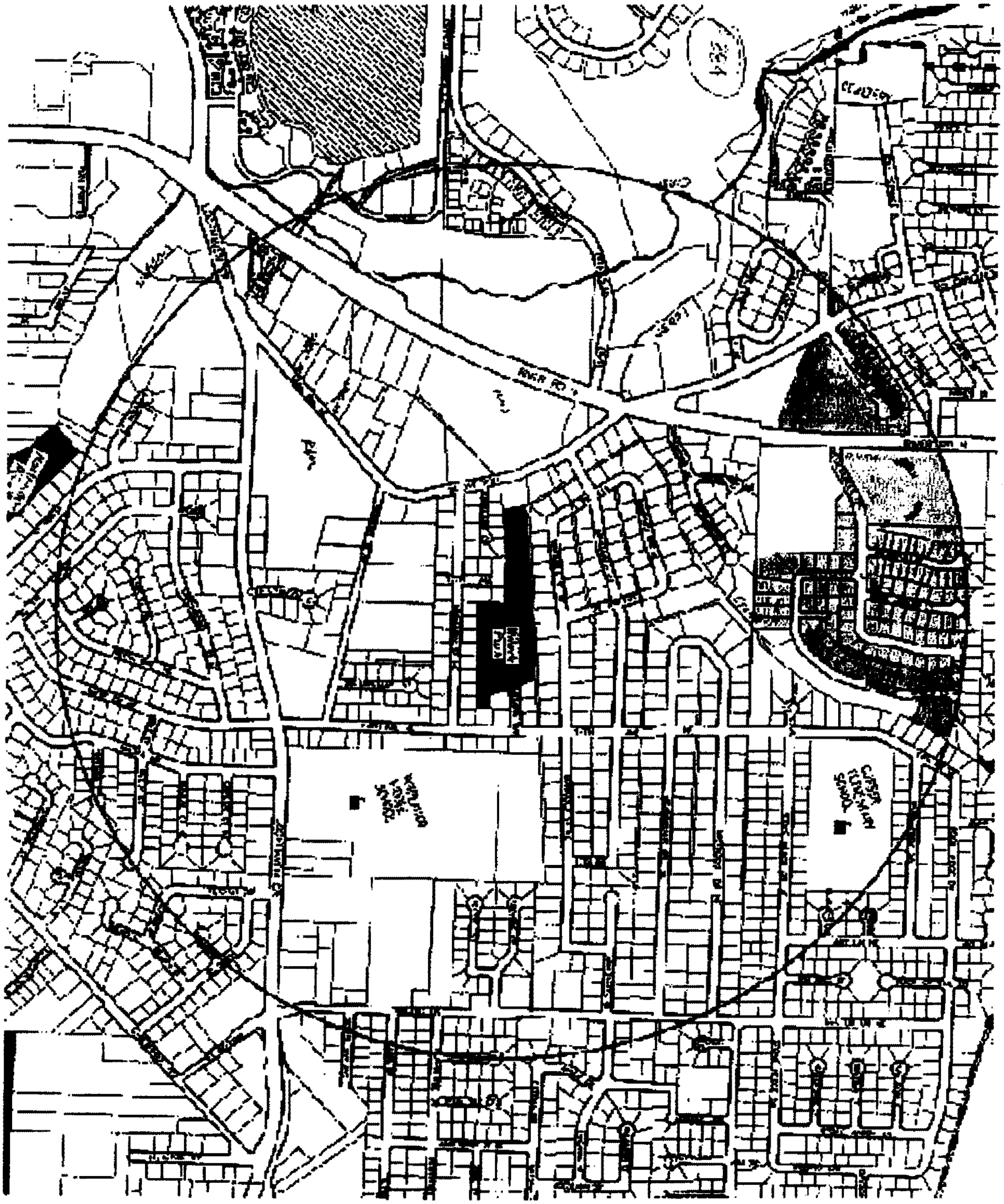


Guide: Pink = developed between 1992 and 2000
Yellow = undeveloped with potential for development between 2000 and 2010
White = developed before 1992 or not planned for further development

4. Country Glen/Hidden Park

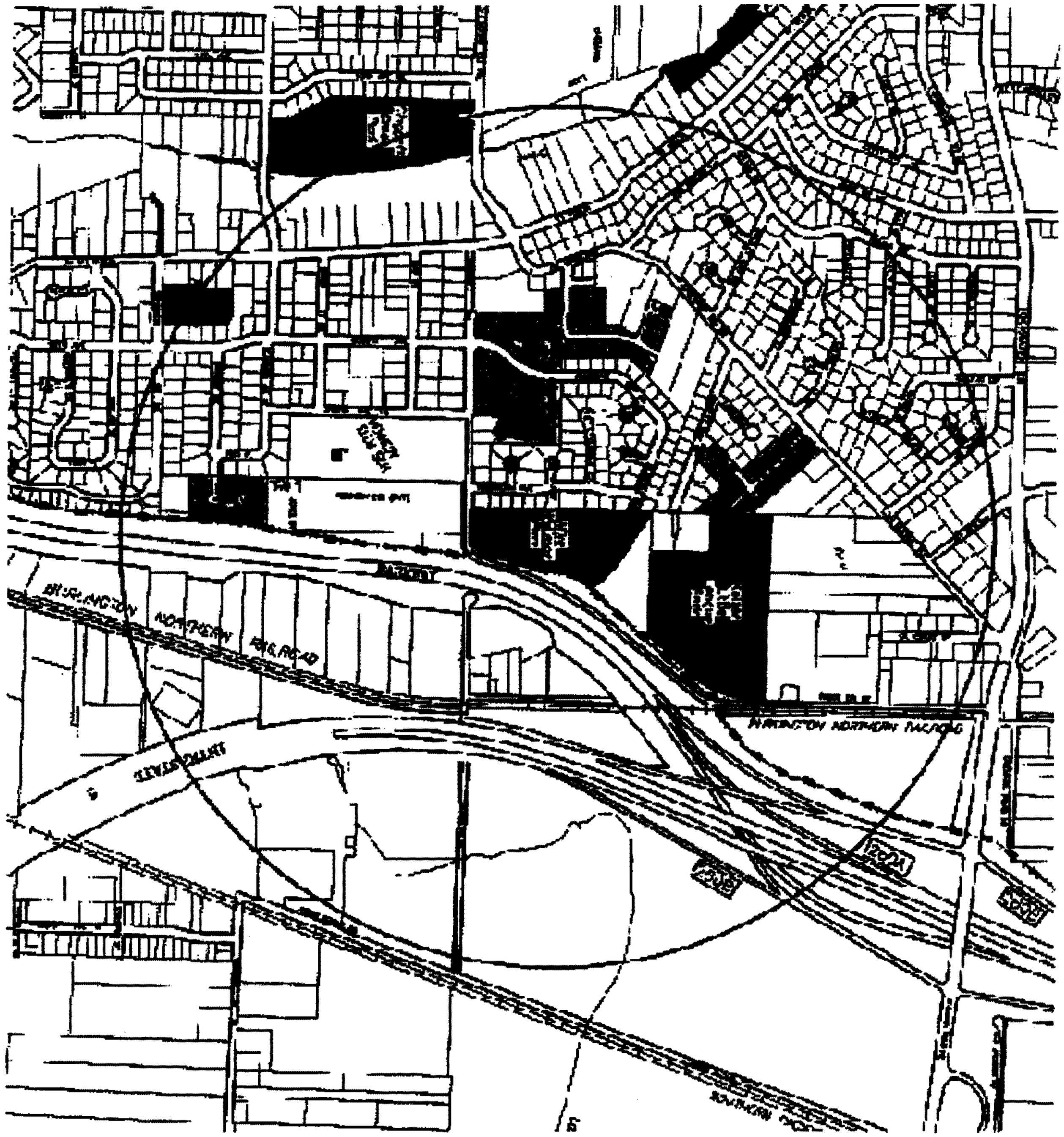
Guide: Pink = developed between 1992 and 2000
Yellow = undeveloped with potential for development between 2000 and 2010
White = developed before 1992 or not planned for further development

5. Wilark Park



Guide: Pink = developed between 1992 and 2000
Yellow = undeveloped with potential for development between 2000 and 2010
White = developed before 1992 or not planned for further development

6. Mike Whitman Park

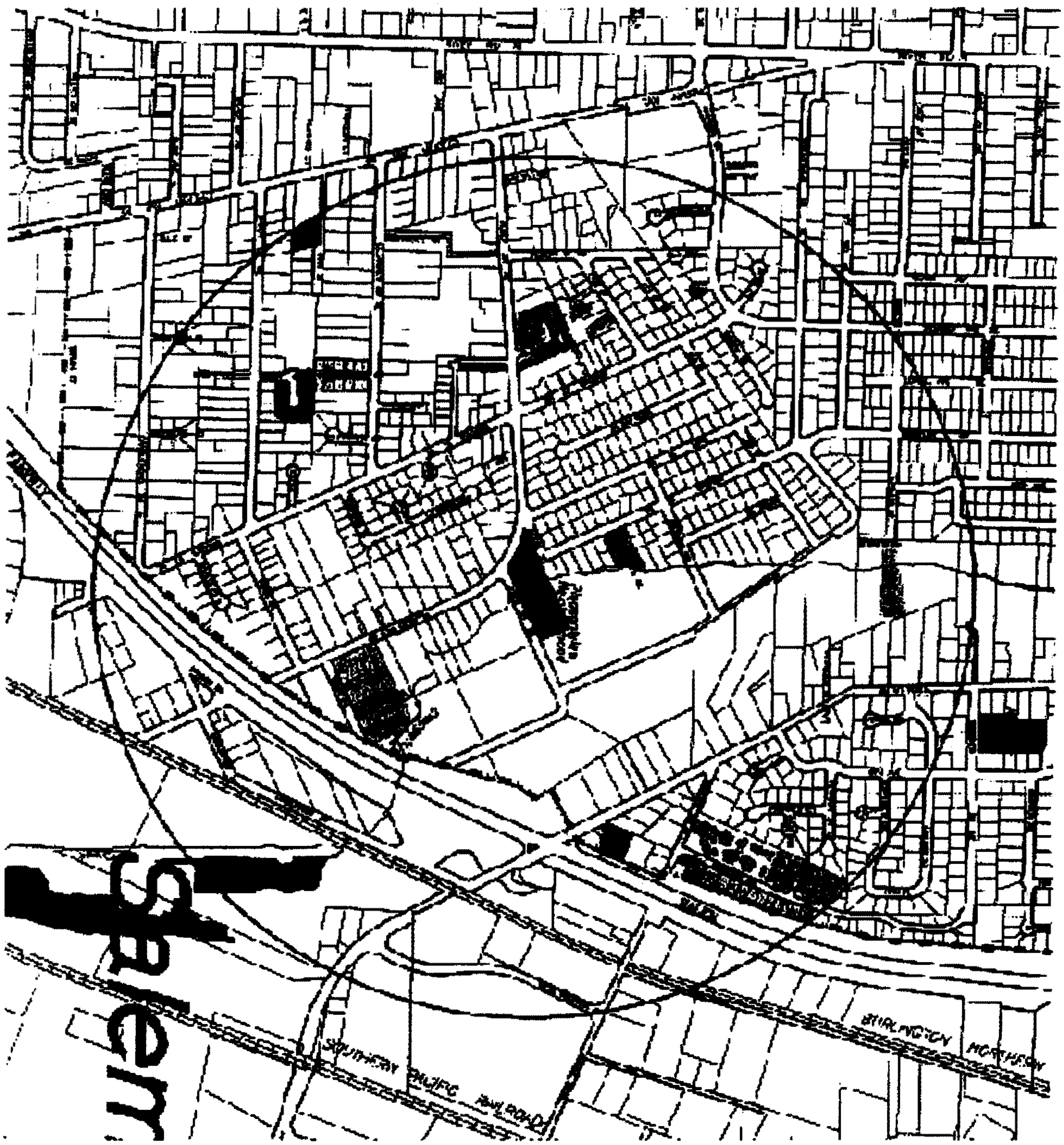


Guide: Pink = developed between 1992 and 2000
Yellow = undeveloped with potential for development between 2000 and 2010
White = developed before 1992 or not planned for further development

7. Northview Park

Guide: Pink = developed between 1992 and 2000
Yellow = undeveloped with potential for development between 2000 and 2010
White = developed before 1992 or not planned for further development

8. Pleasantview Park



Guide: Pink = developed between 1992 and 2000
Yellow = undeveloped with potential for development between 2000 and 2010
White = developed before 1992 or not planned for further development

9. Willamette Manor Park

Guide: Pink = developed between 1992 and 2000
Yellow = undeveloped with potential for development between 2000 and 2010
White = developed before 1992 or not planned for further development

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2000-1231

A RESOLUTION ESTABLISHING THE AMOUNT OF THE PARKS SYSTEM DEVELOPMENT CHARGE (2000)

WHEREAS, the City of Keizer has adopted an update methodology for determining the parks system development charge pursuant to Resolution R2000-1230; and

WHEREAS, pursuant to Ordinance 92-231, the amount of the parks system development charge may be established by resolution;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that the parks system development charges authorized by Ordinance 92-231 shall be as follows:

$650.00 per dwelling unit for the following types of structures: single-family dwellings, duplexes, condominiums, developed manufactured home park spaces, and manufactured homes placed on lots not within a manufactured home park.

$435.00 per dwelling unit for the following types of structures: multi-family dwellings consisting of three or more dwelling units in a single building.

The above fees shall be adjusted on July 1 each year by calculating a percentage increase based on the average of the two following indices: (1) increase in undeveloped land average market value according to the records of the Marion County Tax Assessor, and (2) the increase in construction costs according to the Engineering News Record (ENR) Northwest

FMAGIC

INTEGRA

Lien & Johnson
Attorneys at Law
4855 River Road N.
Keizer, Oregon 97303
(503) 390-1635

Construction Cost Index. If the ENR Construction Cost Index is not available, a similar index shall be used in conjunction with the Marion County Tax Assessor Index.

These fees are improvement fees only.

All system development charges collected hereunder shall be used as set forth in the methodology report (Section 4.0 SDC Expenditure Guidelines), along with administrative costs as allowed under Oregon law.

BE IT FURTHER RESOLVED by the City Council of the City of Keizer that the charges established herein shall become effective January 1, 2001. The previous systems development charge established by Resolution R92-564 as clarified by Resolution R93-683 shall be in effect for all building permit applications submitted prior to this effective date.

PASSED this 18th day of December, 2000.

SIGNED this 18th day of December, 2000.

Mayor

City Recorder

824H.033

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CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2001-1239

A RESOLUTION AMENDING THE PARKS SYSTEM DEVELOPMENT CHARGE (2000); **AMENDING RESOLUTION R2000-1231**

WHEREAS, Ordinance 92-231 sets forth that the amount of the parks system development charge may be established by resolution;

WHEREAS, Resolution R2000-1230 adopts the methodology for determining the maximum parks system development charge;

WHEREAS, Resolution R2000-1231 sets forth the amount of the parks system development charge;

WHEREAS, amendment of Resolution R2000-1231 is needed to amend the parks system development charges set forth therein;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that Resolution R2000-1231 is hereby amended at Lines 12 through 16 inclusive to read as follows:

> "$880.00 per dwelling unit for the following types of structures: single-family dwellings, duplexes, condominiums, developed manufactured home park spaces, and manufactured homes placed on lots not within a manufactured home park.

///

///

Lien & Johnson
Attorneys at Law
4855 River Road N.
Keizer, Oregon 97303
(503) 390-1635

"$624.00 per dwelling unit for the following types of structures: multi-family dwellings consisting of three or more dwelling units in a single building."

BE IT FURTHER RESOLVED that the new system development charge set forth herein shall be applied to all building permit applications applied for after the date of passage of this Resolution.

PASSED this 5th day of February, 2001.

SIGNED this 5th day of February, 2001.

Mayor

City Recorder

824H.038

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CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2002-1367

ESTABLISHING THE SYSTEM DEVELOPMENT CHARGE IMPROVEMENT FEE FOR THE KEIZER WATER SUPPLY, TREATMENT AND DISTRIBUTION SYSTEM; **REPEALING RESOLUTION R91-520**

WHEREAS, the City has adopted an ordinance imposing a Keizer water supply, treatment and distribution system development charge and has adopted a resolution establishing the methodology for determining the system development charge improvement fee; NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that based upon adopted methodology, the system development charge improvement fee for the Keizer water supply, treatment and distribution system shall be determined by a meter equivalency index as set forth in Exhibit "A" attached and by this reference incorporated herein. The charges shall be adjusted annually as set forth in Exhibit "B" attached and by this reference incorporated herein.

BE IT FURTHER RESOLVED by the City Council of the City of Keizer that this resolution shall be effective forty-five (45) days after passage.

PASSED this 4th day of November, 2002.

SIGNED this 4th day of November, 2002.

Mayor

City Recorder

Lien & Johnson
Attorneys at Law
4855 River Road N
Keizer, Oregon 97303
(503) 390-1635

EXHIBIT "A"

SYSTEM DEVELOPMENT CHARGE BY METER SIZE

Meter Size	Meter Capacity Ratio (a)	Existing SDC	Proposed SDC (b)
5/8-3/4	1.00	$300	$712
1	2.50	750	1,780
1 1/2	5.00	1,500	3,560
2	8.00	2,400	5,696
3	16.00	4,800	11,392
4	25.00	7,500	17,801
6	50.00	15,000	35,601
8	80.00	24,000	56,962
10	115.00	34,500	81,882

(a) AWWA Manual M6

b) Improvement Fee

EXHIBIT "B"
(ADJUSTMENT FACTOR)

Notwithstanding any other provision, the dollar amounts of the SDC shall be adjusted on January 1st of each year (beginning January 1, 2004) to account for changes in the costs of acquiring and constructing water facilities. The adjustment factor shall be based on the change in average market value of undeveloped land in the City, according to the records of the County Tax Assessor, and the change in construction costs according to the Engineering News Record (ENR) Northwest (Seattle, Washington) Construction Cost Index; and shall be determined as follows:

	Change in Average Market Value X 0.50
+	Change in Construction Cost Index X 0.50
=	System Development Charge Adjustment Factor

The System Development Charge Adjustment Factor shall be used to adjust the Water System Development Charge, unless it is otherwise adjusted by the City Council based on a review of revenues and rates or adoption of an updated methodology.

CITY COUNCIL MEETING:____________________

AGENDA ITEM NUMBER: ____________________

TO: MAYOR AND CITY COUNCIL

FROM: CHRISTOPHER C. EPPLEY
CITY MANAGER

SUBJECT: CONTRACT AMENDMENT WITH RPS DEVELOPMENT FOR CEM SERVICES ON THE PUBLIC IMPROVEMENTS FOR THE KEIZER STATION PROJECT

BACKGROUND

The City of Keizer currently has Alan Roodhouse, RPS Development under contract as the City's CEM for the public improvements at the Keizer Station project. The contract envisioned that work would begin on public improvements once the LID was in place and that Mr. Roodhouse would be paid out of LID funds for his services at a certain rate schedule beginning with the adoption of the LID. The City chose to begin construction on the project several months ahead of the finalization of the LID due to unusually good weather in the spring and thus began to incur expenses from RPS Development at the same advanced schedule.

The contract amendment before you alters the original contract with RPS Development to more accurately reflect the work schedule that has taken place and as we see it unfolding from this point forward. There are no changes to the contract amount, only the timing, and there is, therefore, no fiscal impact to the City for making this contract amendment. So as to keep the flow of work progressing, I approved the contract amendment as City Manager and am now asking that the City Council ratify the agreement as amended.

RECOMMENDATION

I recommend that the City Council ratifies the contract amendment with RPS Development for CEM services on the public improvements for the Keizer Station project as presented.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2005-_____

AUTHORIZING THE CITY MANAGER TO SIGN THE AMENDMENT TO CONSTRUCTION MANAGEMENT SERVICES AGREEMENT

WHEREAS, RPS Development Company, Inc. entered into a Construction Management Services Agreement dated January 1, 2005;

WHEREAS, RPS Development Company, Inc. has requested an amendment to the existing Construction Management Services Agreement to amend the payment schedule under the terms of the agreement;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that the City Manager is authorized to execute the attached Amendment to Construction Management Services Agreement on behalf of the City.

PASSED this __________ day of _________________, 2005.

SIGNED this __________ day of _________________, 2005.

____
Mayor

____
City Recorder

Lien & Johnson
Attorneys at Law
4855 River Road N
Keizer, Oregon 97303
(503) 390-1635

AMENDMENT TO
CONSTRUCTION MANAGEMENT SERVICES AGREEMENT

This Amendment to Construction Management Services Agreement (the "Amendment") is made and entered into as of the 9th day of June, 2005, by and between RPS Development Company, Inc., an Oregon corporation ("RPS") and the City of Keizer, an Oregon municipal corporation ("City").

RECITALS:

City and Developer are parties to that certain Construction Management Services Agreement dated as of January 1, 2005, which agreement is in full force and effect (the "Agreement").

Owner and Developer have agreed to ratify and clarify certain payment sequences under the Agreement.

AGREEMENT:

NOW, THEREFORE, the parties ratify, acknowledge and approve the following payment schedule under the terms of Paragraph 5(a) of the Agreement:

1. RPS has been paid half payments of $8,075.00 per month for services rendered for the months of January, February, March and April of 2005. Such work was anticipated to be done following initiation of the Local Improvement District, but was done earlier to keep the project on schedule.

2. RPS shall be paid a full payment of $16,150.00 for the month of May, plus the remaining half payments for January through April totaling $32,300.00, for a combined total of $48,450.00. Payment shall be made within three days of the execution of this Amendment by both parties.

3. Pursuant to the Agreement, RPS shall receive full payments of $16,150.00 per month for the months June 2005 through December 2006, unless otherwise provided for in the Agreement.

In all other respects, including payment of the 5% holdback, the Agreement remains in full force and effect.

CITY OF KEIZER, an Oregon municipal corporation

By: ______________________
Christopher C. Eppley,
City Manager

RPS DEVELOPMENT COMPANY, INC.
an Oregon corporation

By: ______________________
Alan M. Roodhouse,
President

COUNCIL MEETING:__June 20, 2005___

AGENDA ITEM NUMBER:____________

TO: **MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS**

FROM: **SUSAN GAHLSDORF, CPA**
FINANCE DIRECTOR

THROUGH: **CHRISTOPHER EPPLEY**
CITY MANAGER

SUBJECT: **DECLARATION OF THE CITY'S ELECTION TO RECEIVE STATE REVENUES AND CERTIFYING THE CITY PROVIDES FOUR OR MORE MUNICIPAL SERVICES**

ISSUE:

Oregon law requires cities to annually pass a resolution requesting state revenue sharing money. State law also provides that a city located within a county having more than 100,000 inhabitants must provide four or more municipal services to be eligible to receive state-shared revenue. This fact must be certified by the Oregon Office of Business Administration and supported by a city resolution.

FISCAL IMPACT:

Approximately $191,300 in State Shared Revenues is anticipated in FY06.

RECOMMENDATION:

Staff recommends the Council adopt the attached resolutions so that the City may receive State Shared Revenues.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2005-______

DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUES

The City Council of the City of Keizer resolves as follows:

Pursuant to ORS 221.770, The City Council of the City of Keizer hereby elects to receive state revenues for fiscal year 2005-2006.

PASSED this ______ day of ______________________, 2005.

SIGNED this ______ day of ______________________, 2005.

____
Mayor

____
City Recorder

I certify that a public hearing before the Budget Committee was held on May 10, 2005 and a public hearing before the City Council was held on June 20, 2005, giving citizens opportunity to comment on use of State Revenue Sharing.

____
City Recorder

COUNCIL MEETING: June 20, 2005

AGENDA ITEM NUMBER:____________

TO: **MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS**

FROM: **SUSAN GAHLSDORF, CPA**
FINANCE DIRECTOR

THROUGH: **CHRISTOPHER EPPLEY**
CITY MANAGER

SUBJECT: **DECLARATION OF THE CITY'S ELECTION TO RECEIVE STATE REVENUES AND CERTIFYING THE CITY PROVIDES FOUR OR MORE MUNICIPAL SERVICES**

ISSUE:

Oregon law requires cities to annually pass a resolution requesting state revenue sharing money. State law also provides that a city located within a county having more than 100,000 inhabitants must provide four or more municipal services to be eligible to receive state-shared revenue. This fact must be certified by the Oregon Office of Business Administration and supported by a city resolution.

FISCAL IMPACT:

Approximately $191,300 in State Shared Revenues is anticipated in FY06.

RECOMMENDATION:

Staff recommends the Council adopt the attached resolutions so that the City may receive State Shared Revenues.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2005-______

CERTIFYING THAT THE CITY OF KEIZER PROVIDES FOUR OR MORE MUNICIPAL SERVICES

WHEREAS, ORS 221.760 provides as follows:

Section 1. The officer responsible for disbursing funds to cities under ORS 323.455, 366.785 to 366.820 and 471.805 shall, in the case of a city located within a county having more than 100,000 inhabitants according to the most recent federal decennial census, disburse such funds only if the city provides four or more of the following services:

1) Police protection

2) Fire protection

3) Street construction, maintenance and lighting

4) Sanitary sewer

5) Storm sewers

6) Planning, zoning and subdivision control

7) One or more utility services

WHEREAS, city officials recognize the desirability of assisting the state officer responsible for determining the eligibility of cities to receive such funds in accordance with ORS 221.760; NOW THEREFORE,

BE IT RESOLVED that the City of Keizer hereby certifies that it provides the following four or more municipal services enumerated in Section 1, ORS 221.760:

1) Police protection

2) Street construction, maintenance and lighting

3) Planning, zoning and subdivision control

4) One or more utility services

PASSED this ______ day of ________________________, 2005.

SIGNED this ______ day of ________________________, 2005.

____
Mayor

____
City Recorder

CITY COUNCIL MEETING: June 20, 2005

TO: MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY
CITY MANAGER

FROM: TRACY L. DAVIS, CMC
CITY RECORDER

SUBJECT: EL BUEN GUSTO/ANGEL MARE ITALIAN RESTAURANT
CHANGE OF OWNERSHIP/TRADE NAME
NEW NAME: LA PRIMAVERA MEXICAN RESTAURANT

BACKGROUND:

On June 1 2005 an application for a change of ownership/trade name was received from Hector Bermudez requesting approval of a change of ownership/trade name for El Buen Gusto/Angel Mare Italian Restaurant located at 5033 River Road N, Keizer (Schoolhouse Square). The City of Keizer Ordinance indicates the Council must approve the requested change; however no public hearing is required.

On June 3, 2005 a request was sent to the Keizer Police Department for background check on the applicant and a call for service report at the location. The report from the Keizer Police Department is attached.

Please note: In regards to the concern raised in the Keizer Police Department Report, Oregon Liquor Control Commission was contacted. The Oregon Liquor Control Commission reported the applicant was questioned regarding the conviction, however he noted that the conviction resulted in a fine of $35.00. This did not meet the fine criteria listed in the question, therefore he answered "no". Oregon Liquor Control Commission feels comfortable with the applicant's background check

RECOMMENDATION:

It is recommended the City Council approve and forward a recommendation to the Oregon Liquor Control Commission for the change of ownership/trade name for the full-on premises liquor license for El Buen Gusto/Angel Mare Italian Restaurant.

CITY COUNCIL MEETING: June 20, 2005

TO: **MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS**

THROUGH: **CHRIS EPPLEY**
CITY MANAGER

FROM: **TRACY L. DAVIS, CMC**
CITY RECORDER

SUBJECT: **EL BUEN GUSTO/ANGEL MARE ITALIAN RESTAURANT**
CHANGE OF OWNERSHIP/TRADE NAME
NEW NAME: LA PRIMAVERA MEXICAN RESTAURANT

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RECOMMENDATION:

It is recommended the City Council approve and forward a recommendation to the Oregon Liquor Control Commission for the change of ownership/trade name for the full-on premises liquor license for El Buen Gusto/Angel Mare Italian Restaurant.

Keizer Police Department

Phone: (503) 390-3713 • Fax: (503) 390-8295
930 Chemawa Rd. N.E. • P.O. Box 21000 • Keizer, OR 97307-1000

City Council Meeting of________________________

Agenda Item No.________________________

To: Mayor and City Council

Thru: Chris Eppley, City Manager

From: Marc Adams, Chief of Police
Rita Powers, Police Support Supervisor

Subject: Liquor License Application —Change of Ownership:
From: El Buen Gusto/Angel Mare Italian Restaurant
To: La Primavera Mexican Restaurant

Issue: Shall the City Council approve the liquor license application of La Primavera Mexican Restaurant 5033 River Rd. N., Keizer, Oregon 97303.

Background

There were 2 (two) calls for service at the address of 5033 River Rd N., between June 1, 2004 and May 31, 2005. None were in conflict with City of Keizer Ordinance 95-318.

Question # 9 of the OLCC Individual History Form asked the applicant, Hector A. Bermudez, whether or not he had ever been convicted of any violation, misdemeanor or felony within the past twelve years. The applicant checked "no" to this question.

The background check reveals that the applicant, Hector Alexander Bermudez does have a September, 2002 conviction of ORS 471.410 for providing Liquor to a person under 21 or to intoxicated person; allowing consumption by minor on property. Dallas, Oregon Circuit Court Docket#02P50700.

Recommendation
The Keizer Police Department recommends that OLCC be contacted for a response pertaining to the above discrepancy before the City Council moves forward with the application process for La Primavera Mexican Restaurant, 5033 River Rd. N., Keizer, Oregon 97303.

PL " 21813 5/31/05

OREGON LIQUOR CONTROL COMMISSION
LIQUOR LICENSE APPLICATION

PLEASE PRINT OR TYPE

Application is being made for:

LICENSE TYPES
- ☒ Full On-Premises Sales ($402.60/yr)
  - ☒ Commercial Establishment
  - ☐ Caterer
  - ☐ Passenger Carrier
  - ☐ Other Public Location
  - ☐ Private Club
- ☐ Limited On-Premises Sales ($202.60/yr)
- ☐ Off-Premises Sales ($100/yr)
  - ☐ with Fuel Pumps
- ☐ Brewery Public House ($252.60)
- ☐ Winery ($250/yr)
- ☐ Other: ______

ACTIONS
- ☒ Change Ownership
- ☐ New Outlet
- ☐ Greater Privilege
- ☐ Additional Privilege
- ☐ Other ______

Applying as:
☒ Individuals ☐ Limited Partnership ☐ Corporation ☐ Limited Liability Company

FOR CITY AND COUNTY USE ONLY
The city council or county commission:
______
(name of city or county)
recommends that this license be:
Granted ☐ Denied ☐
By: ______
(signature) (date)
Name: ______
Title: ______

OLCC USE ONLY
Application Rec'd by: [signature]
Date: 5/31/05
90-day authority: ☐ Yes ☐ No

1. Applicant(s): [See SECTION 1 of the Guide]
① HECTOR A BERMUDEZ ③ ______
② ______ ④ ______

2. Trade Name (dba): LA PRIMAVERA MEXICAN RESTAURANT

3. Business Location: 5033 RIVER RD N. KEIZER MARION OR 97303
(number, street, rural route) (city) (county) (state) (ZIP code)

4. Business Mailing Address: 5033 RIVER RD N KEIZER OR 97303
(PO box, number, street, rural route) (city) (state) (ZIP code)

5. Business Numbers: 503-393-3578 N/A
(phone) (fax)

6. Is the business at this location currently licensed by OLCC? ☒ Yes ☐ No

7. If yes to whom: EL BUEN GUSTO RESTAURANT INC dba ANGELI MARE ITALIAN RESTAURANT Type of License: FULL ON PREMISES SALES

8. Former Business Name: ______

9. Will you have a manager? ☐ Yes ☒ No Name: ______
(manager must fill out an individual history form)

10. What is the local governing body where your business is located? KEIZER
(name of city or county)

11. Contact person for this application: HECTOR A BERMUDEZ 503 362-0522 503-463-6323
(name) (phone number(s))
4865 MANNING DR NE SALEM, OR 97305 N/A N/A
(address) (fax number) (e-mail address)

I understand that if my answers are not true and complete, the OLCC may deny my license application.
Applicant(s) Signature(s) and Date:
① Hector Bermudez Date 5/31/05 ③ ______ Date ______
② ______ Date ______ ④ ______ Date ______

1-800-452-OLCC (6522)
www.olcc.state.or.us

CITY COUNCIL MEETING: June 20, 2005

TO: MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY
CITY MANAGER

FROM: TRACY L. DAVIS, CMC
CITY RECORDER

SUBJECT: BRAY'S HIDEAWAY RESTAURANT AND LOUNGE
CHANGE OF OWNERSHIP

BACKGROUND:

On May 23, 2005 an application for a change of ownership was received from Rong Liang Mei requesting approval of a change of ownership for Bray's Hideaway Restaurant and Lounge located at 5048 River Road N, Keizer. The City of Keizer Ordinance indicates the Council must approve the requested change; however no public hearing is required.

On June 3, 2005 a request was sent to the Keizer Police Department for background check on the applicant and a call for service report at the location. The Keizer Police Department recommends approval of the request.

RECOMMENDATION:

It is recommended the City Council approve and forward a recommendation to the Oregon Liquor Control Commission for the change of ownership for the full-on premises liquor license for Bray's Hideaway Restaurant and Lounge.

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Keizer Police Department

Phone: (503) 390-3713 • Fax: (503) 390-8295
930 Chemawa Rd. N.E. • P.O. Box 21000 • Keizer, OR 97307-1000

City Council Meeting of______________________

Agenda Item No.____________________

To: Mayor and City Council

Thru: Chris Eppley, City Manager

From: Marc Adams, Chief of Police
Rita Powers, Police Support Supervisor RP

Subject: Liquor License Application —Change of Ownership: Bray's Restaurant

Issue: Shall the City Council approve the liquor license application of Bray's Restaurant 5048 River Rd. N., Keizer, Oregon 97303.

Background

There were 10 (ten) calls for service at the address of 5048 River Rd N., between June 1, 2004 and May 31, 2005. 6 (six) were in conflict with City of Keizer Ordinance 95-318. The applicant, Bing Y. Liang has no Oregon Criminal history on record at this time.

Thus, the background investigation did not reveal any criminal history or location events that would be in conflict with the City of Keizer City Ordinance 95-318.

Recommendation
The Keizer Police Department recommends approval of the liquor license for Bray's Restaurant, 5048 River Rd. N., Keizer, Oregon 97303.

5/23/05
pr
#21578

OREGON LIQUOR CONTROL COMMISSION

LIQUOR LICENSE APPLICATION

PLEASE PRINT OR TYPE

Application is being made for:

LICENSE TYPES

- ☒ Full On-Premises Sales ($402.60/yr)
  - ☐ Commercial Establishment
  - ☐ Caterer
  - ☐ Passenger Carrier
  - ☐ Other Public Location
  - ☐ Private Club
- ☐ Limited On-Premises Sales ($202.60/yr)
- ☐ Off-Premises Sales ($100/yr)
  - ☐ with Fuel Pumps
- ☐ Brewery Public House ($252.60)
- ☐ Winery ($250/yr)
- ☐ Other:

ACTIONS

- ☒ Change Ownership
- ☐ New Outlet
- ☐ Greater Privilege
- ☐ Additional Privilege
- ☐ Other

Applying as:

☐ Individuals ☐ Limited Partnership ☒ Corporation ☐ Limited Liability Company

FOR CITY AND COUNTY USE ONLY

The city council or county commission:

(name of city or county)

recommends that this license be:

Granted ☐ Denied ☐

By: (signature) (date)

Name:

Title:

OLCC USE ONLY

Application Rec'd by:

Date: OLCC PENDING

90-day authority: ☐ Yes ☐ No

1. Applicant(s): [See SECTION 1 of the Guide]

① LX WIN INC ③

② ④

2. Trade Name (dba): Brays Hideaway Rest & Lounge

3. Business Location: 5048 River Rd Keizer Marion OR 97303
(number, street, rural route) (city) (county) (state) (ZIP code)

4. Business Mailing Address: 4101 SE Lee Anna Way Portland, OR 97236
(PO box, number, street, rural route) (city) (state) (ZIP code)

5. Business Numbers: 503-393-1250
(phone) (fax)

6. Is the business at this location currently licensed by OLCC? ☒ Yes ☐ No

7. If yes to whom: Brays Family Rest, Inc Type of License: FOP

8. Former Business Name: Brays Hideaway Rest & Lounge

9. Will you have a manager? ☒ Yes ☐ No Name: Rong Liange Mei
(manager must fill out an individual history form)

10. What is the local governing body where your business is located? Keizer / Marion
(name of city or county)

11. Contact person for this application: Rong Liange Mei
(name) (phone number(s))

4101 SE Lee Anna Way, Portland, OR 97236
(address) (fax number) (e-mail address)

I understand that if my answers are not true and complete, the OLCC may deny my license application.

Applicant(s) Signature(s) and Date:

① Rong Date 5-21-05 ③ Date

② Date ④ Date

MINUTES
KEIZER CITY COUNCIL
Monday, May 16, 2005
Keizer City Hall
Robert L. Simon Council Chambers
Keizer, Oregon

CALL TO ORDER

Council President Richard Walsh called the regular meeting to order at 7:18 pm. Roll Call was taken as follows:

Present:	**Staff:**
Lore Christopher, Mayor (7:36)	Shannon Johnson, City Attorney
Richard Walsh, Council President	Rob Kissler, Public Works
Jacque Moir, Councilor	Marc Adams, Police Chief
Troy Nichols, Councilor (7:33)	Nate Brown, Community Development
Chuck Lee, Councilor	Chris Eppley, City Manager
Jim Taylor, Councilor	Tracy Davis, City Recorder
David McKane, Councilor	
Delilah Calhoun, Youth Councilor	

FLAG SALUTE

Councilor Lee noted that Don Porter, a great civic leader, had passed away over the weekend and requested a moment of silence in honor of him before the flag salute. Flag salute followed.

PUBLIC TESTIMONY

Tony Bray, Brays Family Restaurant, Keizer, noted that he was getting noise complaints from A-Storage as was the man who sweeps the parking lot. He noted that zoning was changed in this area to accommodate a live-in manager at the A-Storage facility but the problems caused by this person are becoming difficult to deal with. He has tried to meet with the complainant to address this issue but she is unresponsive to these efforts.

Chief Adams noted that Mr. Bray's report was accurate, this is a commercial area and there have been no citations issued. Dialogue followed regarding noise issues inherent to vertical mixed housing and investigating ordinances from other cities which may address this issue.

Robert Rapin, R & R Airsweep, reported that Wittenberg plaza is one of his clients and that one business in this plaza rents out the upper level as a residence and on Saturday the residents complain about the noise.

Councilor Walsh thanked both parties for bringing this issue to the attention of City Council. Additional discussion followed. Shannon Johnson noted that he would compare the noise ordinance to the zone code provisions adding that it is not zoned residential in that spot but that an allowance was made in the code specifically to address this.

Jack Lowery, River Road Renaissance Advisory Committee, requested that Council consider expanding or raising the bonding limits on the urban renewal district in order to increase funds for projects recommended by the River Road Renaissance Advisory Committee, specifically the Wittenberg/45th Parallel parcel and the Christmas Tree triangle. Mr. Lowery then fielded questions from Councilors.

Terry Key, Attorney for the Rawlins Family, addressed Council regarding Item 8a on the Agenda noting that he wished to negotiate with the city on the matter of the LID assessment and to inform the city that because council appears to plan on adopting the resolution he will be compelled to go to court and file a writ of review and possibly go to LUBA. He reiterated his concerns and reviewed laws which will be referenced in the proceedings, specifically, notice issues, bond requirements and improvement limitations. He noted that he had a letter to submit for record addressing all these issues.

COMMITTEE REPORTS

a. Marion County Children and Family Services Presentation

Marion County Commissioner Janet Carlson gave a presentation on the Children and Family Services website which is: http://cfc.co.marion.or.us or www.co.marion.or.us and click on "Children and Families" under "Departments" to reach the website. She explained that the Children and Families Commission is responsible for the entire social service and education integration in the county boundary adding that the website is a wealth of information covering a wide spectrum of subjects and highlighting some areas of the website. In conclusion she encouraged everyone to attend the Marion County Fair and highlighted some of the events planned.

b. River Road Renaissance Advisory Committee Recommendations

Nate Brown distributed a list of prioritized projects developed by the Advisory Committee and explained how they were compiled. He added that the Advisory Committee is requesting council "general concept" approval for the top three projects planned for the next fiscal year. Mayor Christopher added that the Advisory Committee has been charged with the task of justification of the purchase of the two properties showing how they would be used throughout the year and how these uses would benefit the citizens of Keizer. Lengthy dialogue took place.

Councilor McKane moved that Council approve the top three projects on the priority list but direct the River Road Renaissance Advisory Committee to flush out the details and return to Council with them. Mayor Christopher seconded.

Councilor Walsh offered a friendly amendment to also include the 45th parallel improvements. McKane and Christopher accepted this. The motion passed unanimously as follows:

AYES: Christopher, Nichols, Lee, Moir, McKane, Taylor and Walsh (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

PUBLIC HEARINGS

a. ORDINANCE ~ Vacating a Portion of Radiant Drive Within the Keizer Station Village Center Area A

City Attorney, Shannon Johnson, explained that this matter has been duly noticed and explained that because of traffic issues, should the ordinance be adopted, it would be contingent upon the plat for Keizer Village Center being ready for recording and would be recorded simultaneously with said plat. Additionally, he requested that staff be given direction to attach the exact legal description to the ordinance prior to recordation. Discussion followed regarding traffic patterns for the baseball games, use and location of the temporary road.

Councilor Walsh opened the public hearing.

Hearing no testimony, Councilor Walsh closed the public hearing.

Councilor Moir moved to adopt a bill for an ordinance vacating a portion of Radiant Drive within the Keizer Station Village Center Area A in the city of Keizer, state of Oregon, and delegate to staff the delineation of the area north of Keizer Station Boulevard as per the exhibit on the wall. Councilor Taylor seconded. The motion passed unanimously as follows:

AYES: Christopher, Nichols, Lee, Moir, McKane, Taylor and Walsh (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

b. Comp Plan/Zone Change Case No. 2005-06 (Teets)

City Attorney, Shannon Johnson, suggested that the reading of the exact list of criteria set forth in the staff report be waived and asked if anyone objected. There were no objections. He added that any questions could be brought up during testimony and that testimony, arguments and evidence must be directed toward the criteria in the Comprehensive Plan or land use regulations believed to apply to this decision. Failure to raise an issue accompanied by statements or evidence sufficient to afford the Council and the parties an opportunity to respond to the issue precludes appeal to the Board based on that issue. He noted that if anyone had any objection as to conflict of interest, bias, jurisdiction, notice and opportunity to be heard, it should be brought up at the time of testimony and any Council members wanting to disclose conflict of interest, bias or prejudice on this case should do so at this time.

Councilor Walsh opened the public hearing.

Nate Brown explained that the request is for a Comprehensive Plan map amendment from low-density residential (LDR) to medium-density residential (MHDR) and a zone change from (RS) Residential Single-Family to (RM) Medium Density Residential for the properties indicated at 800 and 840 Chemawa Road NE in order to develop an apartment or condominium complex. Mr. Brown referred to the findings and recommendations of the Hearings Examiner and to the Supplemental Finding written by city staff and recommended adoption of the map amendment and zone change.

Troy Plumb, PacWest Engineering, commended staff for work on this project and explained that the location of the property makes it ideal for the use planned should this map/zone change be adopted. He then explained the concept plan for the development, property lines, economics, road access, storm drain and sidewalk issues.

Ken Perkins, Independence, a partner in the project, explained general plans for the improvements adding that nothing is definite pending approval of the zone change.

Stan Teets, Salem and Foster City, California, explained that he has a vested interest in the City of Keizer and that this project will add beautification to the city.

Councilor Walsh closed the public hearing.

Lore Christopher moved to direct staff to come back with an ordinance pursuant to the staff report. Troy Nichols seconded. The motion passed unanimously as follows:

AYES: Christopher, Nichols, Lee, Moir, McKane, Taylor and Walsh (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

OTHER BUSINESS

Mayor Christopher thanked Councilor Walsh for filling in and explained that she was late because she was at the National Honor Society induction at McNary High School and read the 25 names (including her son) of those who received this honor.

Rob Kissler reported that staff had worked hard on the Public Works open house which was very successful and attended by many people. He listed and thanked the sponsors, vendors and staff.

Councilor Walsh reported that the joint RIVERR/Parks Board meeting was so successful that the second planned joint meeting has been postponed. The Library Task Force will meet with the CCRLS to present a proposal for the Keizer library. He briefly described a re-calibration on fees which will be presented for council approval. Council offered consensus.

Delilah Calhoun reported on FBLA students at McNary who will be volunteering at the Iris parade and Iris festival.

ADMINISTRATIVE ACTION

a. RESOLUTION ~ Acknowledging Insufficient Remonstrances Received

City Attorney, Shannon Johnson, reminded council that they had passed the resolution forming the district and the ordinance was passed with a 5-2 vote. Upon further study it was determined that the ordinance would be more properly passed upon conclusion of the construction when the final assessments are made. Consequently this ordinance will not be passed tonight. Instead the subject resolution is being presented. He explained that remonstrances received amount to less than 19% by area, reviewed other issues in the Resolution and recommended adoption.

Discussion followed regarding the Rawlins issue, the second reading which is referred to in this Resolution and recommendation of Bond Counsel. Councilor Walsh requested that the words "Such ordinance shall therefore not be adopted" be added to Section 7 on the last page of the resolution. Mr. Johnson agreed to do this.

Councilor Walsh moved to adopt Resolution R2005 Acknowledging Insufficient Remonstrances were Received Regarding the Keizer Station Area A Local Improvement District – Authorizing City Staff to Proceed with the Improvements, Spreading Estimated Assessments and Authorizing a Line of Credit to Provide Interim Financing for the District as amended. Councilor Moir seconded. The motion passed unanimously as follows:

AYES: Christopher, Nichols, Lee, Moir, McKane, Taylor and Walsh (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

b. ORDINANCE ~ Relating to the Amendment of the Electric Utility License Fee Ordinance

City Attorney Shannon Johnson explained that it was hoped that in the past year a master right-of-way regulation and ordinance could be developed. However, since that has not occurred, these ordinances are being recommended for adoption covering a 5-year period, but they can be modified prior to that time with appropriate notice.

Councilor Walsh moved for adoption of Ordinance 2005 Relating to the Amendment of the Electric Utility License Fee Ordinance; Declaring an Emergency (Amending Ordinance No. 94-286). Councilor Lee seconded. The motion passed unanimously as follows:

AYES: Christopher, Nichols, Lee, Moir, McKane, Taylor and Walsh (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

ORDINANCE ~ Relating to the Amendment of the Gas Utility License Fee Ordinance

Councilor Walsh moved for adoption of Ordinance 2005 Relating to the Amendment of the Gas Utility License Fee Ordinance; Declaring an Emergency (Amending Ordinance No. 94-285). Councilor Moir seconded. The motion passed unanimously as follows:

AYES: Christopher, Nichols, Lee, Moir, McKane, Taylor and Walsh (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

c. RESOLUTION ~ Authorizing City Manager to Enter Into Development Agreement and Easements with Chemawa Station LLC for Keizer Station Area D

City Attorney Shannon Johnson stated that he did not recommend passing this resolution because the package was incomplete due to lack of technical exhibits and easements. He explained the interconnectedness of the project and details of the development agreement which is on the table with the developers.

Discussion followed regarding proposed use of the property and the timing. Rob Kissler pointed out that the proposed water tower will take one year to build and that having water on the site for fire prevention was important. He noted that some building improvements may be delayed until the water tank is in service so it is important to expedite this matter.

d. ORDINANCE ~ Comp Plan/Zone Change Case No. 2004-31

Shannon Johnson reminded Council members that this matter was before them at the Public Hearing held during the last Council meeting and he had been directed to prepare the ordinance for adoption of the comp plan changes. The ordinance is ready for adoption.

Councilor Walsh moved for adoption of Ordinance 2005 in the matter of the Comprehensive Plan Map Amendment from Limited Density Residential (LDR) to Medium Density Residential (MDR) for Property located at 4060, 4120-4124 and 4140-4144 Gary Street NE and 4115-

4125, 4157 and 4187 Arnold Street NE In Keizer, Oregon (Case No. 2004-31). Councilor Taylor seconded. Motion passed unanimously as follows:

AYES: Christopher, Nichols, Lee, Moir, McKane, Taylor and Walsh (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

CONSENT CALENDAR

a. **RESOLUTION – Declaring Surplus Property**
b. **RESOLUTION – Extension of Gas and Electric Franchise Agreements**
c. **Approval of April 4, 2005 Regular Session Minutes**
d. **Approval of April 18, 2005 Regular Session Minutes**
e. **Approval of April 25, 2005 Work Session Minutes**
f. **Approval of May 2, 2005 Regular Session Minutes**

Councilor Walsh moved to approve all items on the Consent Calendar. Councilor Moir seconded. The motion passed unanimously as follows:

AYES: Christopher, Nichols, Lee, Moir, McKane, Taylor and Walsh (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

WRITTEN COMMUNICATIONS

Mayor Christopher welcomed Councilor McKane's new baby, Evan Thomas McKane. Councilor McKane offered details: Born May 12, 7lbs. 4oz, 20 inches long, will be a boxer, a basketball player or both. Councilor Walsh presented Mr. McKane with several gifts.

Mayor Christopher reminded everyone of the Iris Festival and related events.

National Society of the Daughters of the American Revolution awarded Ann Losner (Keizer citizen) the medal for Historic Preservation for her outstanding work in publishing books documenting the people who were the original settlers of Keizer, Oregon.

An open house fundraiser is underway for the Celtic Celebration which is the all night graduation party for the senior class.

AGENDA INPUT

May 17, 2005
5:30 p.m. Budget Committee Meetings
- 2005-2006 Fiscal Year Budgets

June 6, 2005
7:00 p.m. City Council Regular Session

June 13, 2005
5:30 p.m. City Council Work Session

June 20, 2005
7:00 p.m. City Council Regular Session

ADJOURNMENT Mayor Christopher adjourned the meeting at 9:50 p.m.

APPROVED:

MAYOR:

Debbie Lockhart, Deputy City Recorder

Lore Christopher

COUNCIL MEMBERS

Councilor #1 – David McKane

Councilor #4 – Jacque Moir

Councilor #2 – Troy Nichols

Councilor #5 – Richard Walsh

Councilor #3 – Charles E. Lee

Councilor #6 – James Taylor

Minutes approved: