MINUTES

KEIZER BUDGET COMMITTEE MEETING

Monday, May 22, 2000
Keizer City Hall
Robert L. Simon Council Chambers
Keizer City Hall

CALL TO ORDER

Chair Caillier called the meeting to order at 7:03 p.m. Roll call was taken as follows:

Present:
Ted Anagnos
Lore Christopher
Gene Clemens
Roy Duncan
Jim Keller
Jerry McGee
Jacque Moir
Bob Newton
Jim Nightengale
Pat Sparks-Tewell
J. L. Wilson

Absent:
Mark Caillier
Doug Pilant

Staff:
Wally Mull, City Manager
Susan Gahlsdorf, Finance Director
Dianne Hunt, Human Resources Director
Maria Meier, Senior Planner
H. Marc Adams, Chief of Police
Rob Kissler, Director of Public Works
Tracy L. Davis, City Recorder
Kent Barker, Lieutenant
Debbie Engelhard, Accountant

PUBLIC TESTIMONY

Cathy Clark, CCTV Volunteer Board of Directors- expressed the value of CCTV to the Keizer community and spoke on its behalf.

Allan Bushong, Director of CCTV- has enjoyed working with the City of Keizer and relayed his hopes that this joint partnership would continue. Mr. Bushong distributed and reviewed a handout showing the number of ways the City is using CCTV. He shared the active volunteer program they hold and the recognition they have

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received for outstanding programs.

Susan McCaffrey- felt it would be a step backwards for Keizer to pull out of the Capital Community Network. She urged the Budget Committee not to cut the program from the budget.

Mr. Anagnos stressed that the quality of the programing was not in question, it was the term of priorities for the city.

Ms. Clark noted that modern amenities do come with a price and understood the need for increased taxes to support and maintain services.

Responding to questions Mr. Bushong noted he was not the authority on this issue. He indicated that the City of Salem and Marion County would make the final decision. He indicated any negotiations at this time would be between the City of Keizer, the City of Salem and Marion County.

Jerry McGee noted that the $92,000 in the proposed budget for CCTV represented one out of three of material and services dollars from the general fund. He stressed this decision in no way was a reflection of the job that the CCTV staff was doing, but in view of the budget situation he felt cutting the service was necessary.

Responding to questions, Mr. Mull indicated he had been dealing with Mr. Bushong and after receiving information he would be making a formal request to the City of Salem and Marion County tomorrow.

DISCUSSION
a. 2000-2001 City of Keizer Budget Discussion

Vice-Chair Newton noted the salary recommendations that he had received and expressed his wishes to work with the information.

Jim Keller made the motion that the salary survey is set aside and is made ready for implementation no later than August 1, 2000.

Jerry McGee suggested a $6,000 placeholder in the budget and suggested the salary survey be reviewed within a month of the completion of the budget process.

Jim Keller moved to amend his motion to set aside the salary survey until after the budget was completed and to have ready for implementation no later than August 1, 2000. Vice-Chair Newton seconded the motion.

Jerry McGee suggested a friendly amendment to add that $6,000 be placed in contingency in the general fund. Jim Keller accepted the friendly amendment.

Jim Keller expressed his reasoning behind holding the salary survey until after the completion of the budget process.

The motion passed as follows:

AYES: Anagnos, Campbell, Christopher, Clemens, Duncan, Keller, McGee, Moir, Newton, Nightengale, Sparks-Tewell and Wilson (12)
NAYES: None (0)
ABSTENTIONS: None (0)
ABSENT: Caillier and Pilant (2)

Responding to questions, Ms. Gahlsdorf indicated in reviewing the revenue report the city had received $1,500 for the special duty officers and felt this would be an adequate number to put in the recommended budget.

Chief Adams explained the expectations of the traffic officers regarding citation writing. He stressed he did not feel citation writing was a revenue stream and the department was trying to overcome the "quota" reputation of writing citations.

City Manager Mull noted the programs that had been initiated and the importance that community policing had taken in community. He indicated that the projected numbers for municipal court fines were good ones.

Responding to questions, Chief Adams indicated his priority for traffic officers was to reduce the number of injury accidents.

The Committee discussed traffic enforcement.

Jerry McGee suggested the possibility of a surtax on citations as done in other cities. He felt this would be better for the community rather than increasing franchise fees.

City Manager Mull indicated this was discussed but the current municipal court judge questioned the legality of this. Also discussed were implementation of base fines.

Jim Keller expressed his dissatisfaction with using traffic citation revenue to balance the budget. He felt it was important to concentrate efforts on getting individuals to pay fines instead of increasing the number of fines written.

Chief Adams shared that municipal court was doing credit applications and setting up payment plans in order to increase the collection of fees.

Finance Director, Susan Gahlsdorf shared options for the Budget Committee to review. She explained interest earnings allocations and noted how this could be done. She explained the option of including water rates and creating a franchise fee on water sales to be distributed to the general fund. Ms. Gahlsdorf answered the Budget Committee's questions.

Jerry McGee expressed his appreciation for Ms. Gahlsdorf's work in pursuing this issue. The Committee further discussed Ms. Gahlsdorf's proposal with her answering questions from the Committee.

Ms. Gahlsdorf went on to state that one of the risks in using this concept would be the Sizemore Measure. It states that all revenues which were increased since 1998 would have to be rebated, therefore the franchise fee could be subject to rebate.

Responding to comments regarding the city's bond, Ms. Gahlsdorf indicated there was no reserves for this bond and that the city needed $380,000 to pay off the bond in January 2001.

The Commission expressed concern with moving forward with Ms. Gahlsdorf concept with the possibility of the Sizemore Measure being passed.

Jim Keller suggested that the idea not be dismissed, but tabled and enable these options to be kept open.

General Fund ~Police

Jerry McGee submitted a list of suggested reductions for page 37 of the City Manager's recommended police budget.

It was the consensus of the Budget Committee to place $25,000 vehicle lease into the revenue sharing fund.

The Committee reviewed Mr. McGee's suggested reductions.

Chief Adams reviewed the types of information that is paid for out of this line item.

Printing
Jerry McGee moved to reduce $1,000 out of the printing line item. Lore Christopher seconded the motion.

Jim Keller suggested a friendly amendment to the motion that the $1,000 would be restored back into the printing line item if there were adequate revenue to restore this. Jerry McGee accepted the

friendly amendment to the motion.

The motion passed as follows:

AYES: Christopher, Clemens, Duncan, Keller, McGee, Moir, Nightengale, Sparks-Tewell and Wilson (9)
NAYES: Anagnos, Campbell and Newton (3)
ABSTENTIONS: None (0)
ABSENT: Caillier and Pilant (2)

Travel and Training
Jerry McGee moved to reduce $1,000 from the Travel and Training line item. Lore Christopher seconded the motion.

Jim Keller suggested a friendly amendment to add these funds back into the Travel and Training line item if at the end of the budget process funds are available. Jerry McGee accepted the friendly amendment.

The motion passed as follows:

AYES: Anagnos, Campbell, Christopher, Duncan, Keller, McGee, Nightengale and Sparks-Tewell (8)
NAYES: Clemens, Newton, Moir and Wilson (4)
ABSTENTIONS: None (0)
ABSENT: Caillier and Pilant (2)

The Committee discussed the Insurance line item in the Police General Fund. Ms. Gahlsdorf supplied information about this line item.

Insurance
Jerry McGee moved to reduce the Insurance line item from the Police General Fund by $5,000. Lore Christopher seconded the motion.

The Committee briefly discussed the motion.

The motion passed as follows:

AYES: Anagnos, Campbell, Christopher, Clemens, Duncan, Keller, McGee, Moir, Newton, Nightengale, Sparks-Tewell and Wilson (12)
NAYES: None (0)
ABSTENTIONS: None (0)
ABSENT: Caillier and Pilant (2)

Operating Materials
Jerry McGee moved to reduce the Operating Materials line item of

the Police General Fund by $1,000. Lore Christopher seconded the motion.

Chief Adams stated that the current budget for operating materials would be overspent and that it is often difficult to determine when these funds will be needed. He indicated these funds are used to replenish items such as flashlights, CPR masks etc.

Jerry McGee stressed that he felt a 15% increase in this line item was adequate.

The motion passed as follows:

AYES: Anagnos, Campbell, Christopher, Clemens, Duncan, Keller, McGee, Moir, Newton, Nightengale, Sparks-Tewell and Wilson (12)
NAYES: None (0)
ABSTENTIONS: None (0)
ABSENT: Caillier and Pilant (2)

Crime Investigation
Jerry McGee moved to reduce the Crime Investigation line item of the Police General Fund by $1,000. Roy Duncan seconded the motion.

Chief Adams and Lt. Barker answered questions from the Committee.

Jim Keller made a friendly amendment to the motion to add the $1,000 back into the Crime Investigation line item of the Police General Fund if there was adequate revenue to do so at the end of the budget process. Jerry McGee accepted the friendly amendment.

The motion passed as follows:

AYES: Campbell, Christopher, Clemens, Duncan, Keller, McGee, Moir, Nightengale and Sparks-Tewell (9)
NAYES: Anagnos, Newton and Wilson (3)
ABSTENTIONS: None (0)
ABSENT: Caillier and Pilant (2)

Community Policing
Jerry McGee felt that this line item would not increase by 150% and suggested a reduction in this line item of $2,600.

Jerry McGee made the motion to reduce the Community Policing line item of the Police General Fund by $2,600. Roy Duncan seconded the motion.

Chief Adams indicated that this line item did not increase and that portions of the funds not spent were due to an illness of staff. He answered questions from the Committee.

Jim Keller felt that this may not be a good year to evaluate the program and suggested reviewing this in another year.

Lore Christopher made a friendly amendment to the motion to reduce the Community Policing line item of the Police General Fund by $1,500 reducing the line item from $6,500 to $5,000. Jerry McGee accepted the amendment.

The motion passed as follows:

AYES: Anagnos, Campbell, Christopher, Clemens, Duncan, Keller, McGee, Moir, Newton, Nightengale, Sparks-Tewell and Wilson (12)
NAYES: None (0)
ABSTENTIONS: None (0)
ABSENT: Caillier and Pilant (2)

Craig Campbell reiterated the line items under friendly amendment that would restore funds if adequate revenues were available. Those were *Printing, Travel and Training and Investigations.*

Special Revenue Fund/Revenue Sharing
Responding to questions, Ms. Gahlsdorf indicated that seven police vehicles were proposed for purchased this year.

Mr. Mull indicated that at the next meeting he would supply additional information regarding the transfer of general fund line items.

Special Revenue Fund/911 Communications
Mr. Mull indicated he would obtain the exact numbers to place into the budget pertaining to the 991 fund.

A discussion of the Seat Belt Diversion Class took place with Ms. Davis and Chief Adams answered questions from the Committee.

Responding to questions regarding traffic control permits, Public Works Director, Rob Kissler indicated the city has a utility and right-of-way permit. He indicated that due to the amount of time it takes to process these types of permits the city does not charge for them. Mr. Kissler urged a review of the right-of way permits and implementation of a fee for this.

Jerry McGee proposed the implementation of fees for these permits to go into effective July 1, 2000. He requested that $3,000-$4,000

be added into this budget to allow for implementation of the program.

After a brief discussion it was the consensus of the Committee to have staff pursue the implementation of the program.

Special Revenue Fund/Housing Services
Responding to questions regarding the *Loan Proceeds* line item Mr. Mull indicated this would be an estimated amount since it would be difficult to know how many homes would be sold during that budget cycle.

Special Revenue Fund/Street Fund
Responding to questions, Mr. Kissler indicated the additional $1,000 projected for the *Street Sweeping* line item was to cover call outs for special needs not projected in the budget.

Mr. Mull supplied an update on the levee project.

Capital Projects Fund/City Hall Facility Fund
A master plan for city hall was discussed, in addition to, the amount of funds assigned to contingency and what these funds could be used for.

Special Revenue Fund/Street Fund
Public Works Director, Rob Kissler reviewed what street improvements scheduled for completion during the 2000-2001 budget.

Capital Projects Fund/Park Improvement Fund
Mr. Kissler reported that the Parks Board had made recommendations for improvements totaling $131,250 to Rivers Edge Park, Willark Park and Mike Whittam Park. He noted that there were no master plans for Country Glenn Park or Mike Whittam Park.

Responding to questions regarding Country Glenn Park, Mr. Kissler indicated that flood control programs needed to be taken into effect along with other issues before improvements to this park are undertaken.

Lore Christopher made the motion to free up the money in the improvements line item for additional improvements.

The motion died for a lack of a second.

Lore Christopher noted the parks that did not have a master plan were Chalmer Jones, Mike Whittam, Country Glen and Rivers Edge parks.

A discussion took place among the Committee and staff regarding the process, timeline and cost for initiating master plans for city parks, in addition to, how system development fees could be spent for city parks.

Jim Keller made a motion that $140,000 from the contingency fund of the Parks Improvement Fund be earmarked for improvements to existing parks. Roy Duncan seconded the motion.

A discussion took place regarding how master plans could be completed. Mr. Kissler indicated he would review this information and bring this back to the Committee.

Lore Christopher stressed the wishes of citizens in the Country Glenn Park area to have this park completed. Mr. Mull stressed that the flooding issues would need to be addressed prior to improvements being implemented.

The motion passed as follows:

AYES: Anagnos, Campbell, Christopher, Clemens, Duncan, Keller, McGee, Moir, Newton, Nightengale, Sparks-Tewell and Wilson (12)
NAYES: None (0)
ABSTENTIONS: None (0)
ABSENT: Caillier and Pilant (2)

Further discussions took place regarding the need to complete master plans on various parks in order to made improvements to them.

Mr. Kissler indicated it would cost approximately $45,000 for a complete parks master plan, which would include additions, capital improvements, methodology, SDC's and how improvements could be paid for.

Enterprise Fund/Utilities Fund
Jerry McGee proposed reducing the contingency line item of the Utilities Fund to $10,000, reducing the ending fund balance to $90,000 that would free up $54,576 to transfer to the general fund.

Ms. Gahlsdorf stressed the need to take growth into consideration when calculating the contingency fund in this portion of the budget. She indicated that one percent of Salem's sewer payments were $32,000. She reviewed with the Committee her wariness in making the adjustments as suggested.

The Committee discussed transferring options.

Mr. Mull indicated that Ms. Gahlsdorf would feel more comfortable by reducing the materials and services in the utility fund by $25,000 and placing this in the ending fund balance then transferring this into the general fund.

Roy Duncan made the motion to reduce the ending fund balance of the utility fund to $25,000. Lore Christopher seconded the motion.

Ms. Gahlsdorf reviewed the Committees request to leave $20,000 in contingency have $100,000 remaining in the ending fund balance, $20,000 in cost reallocation with a transfer of $25,000. She indicated that this would leave approximately a $10,000 shortfall.

With further discussions and negotiations of the numbers from various line items within the utility fund an amendment to the motion was made.

Jerry McGee moved to amend the motion to increase the transfer from $25,000 to $30,000. Lore Christopher seconded the motion.

The vote on the amended motion passed as follows:

AYES: Anagnos, Campbell, Christopher, Clemens, Duncan, Keller, McGee and Nightengale (8)
NAYES: Moir, Newton, Sparks-Tewell and Wilson (4)
ABSTENTIONS: None (0)
ABSENT: Caillier and Pilant (2)

The vote on the main motion passed as follows:

AYES: Anagnos, Campbell, Christopher, Clemens, Duncan, Keller, McGee, Moir, Newton, Nightengale, Sparks-Tewell and Wilson (12)
NAYES: None (0)
ABSTENTIONS: None (0)
ABSENT: Caillier and Pilant (2)

Enterprise Fund/Water Fund
No changes were made to this fund. Mr. Kissler supplied updates of projects that had been completed within this fund.

Enterprise Fund/Street Lighting District
Ms. Gahlsdorf answered questions regarding this fund.

Jerry McGee suggested that the capital outlay needs as listed on page nine of the budget message be added back into the budget. Ms. Gahlsdorf indicated that these items would be allocated appropriately.

OTHER BUSINESS

No other business was brought before the Budget Committee.

ADJOURN

Vice-Chair Newton adjourned the meeting at 9:00 p.m.

Tracy L. Davis, CMC
City Recorder

BUDGET COMMITTEE CHAIR:

Mark Caillier