



MINUTES
KEIZER BUDGET COMMITTEE
Tuesday, May 14, 2024
Robert L. Simon Council Chambers
Keizer, Oregon

1. CALL TO ORDER Chair Kohler called the meeting to order at 6:01 p.m.

2. ROLL CALL Roll call was taken as follows:

Present:

Cathy Clark, Mayor
Shaney Starr, Council President
Soraida Cross, Councilor
Robert Husseman, Councilor
Kyle Juran, Councilor
Daniel Kohler, Councilor
Laura Reid, Councilor
Matthew Stalheim
Melissa Martin
Elaine Wilson
Jane Herb
Lore Christopher
Susan London
Jonathan Thompson

Staff:

Adam Brown, City Manager
Tim Wood, Assistant City Manager
Shane Witham, Planning Director
Joseph Lindsay, City Attorney
Bill Lawyer, Public Works Director
Andrew Copeland, Police Chief
Melissa Bisset, City Recorder
Machell DePina, Human Resources
Director

Absent:

3. PUBLIC TESTIMONY Barbara Miner, Keizer Community Library, presented on how the past year's funds were spent with new books and additional checkouts.

Meredith Mooney, Keizer United, presented on how the past year's funds have supported them with over 130 community partners. She spoke on the volunteer hours, collaboration, and the adults and children they have served. Sam Skillern, Salem Leadership Foundation, presented on adopting and starting Community Progress Teams (CPTs) and the funding matches.

4. BUDGET PRESENTATIONS AND

DELIBERATION

- a. **The proposed draft budget will be presented in the following order beginning at the first Budget Committee Meeting on May 13th. Items that are not covered during the May 13th meeting will be discussed at the meeting/s May 14th and May 16th if needed.**

Administrative Services Fund – Summary – page 93

- **City Manager's Office – pages 95-96**
- **City Attorney's Office – pages 97-96**
- **City Recorder's Office – pages 99-100**
- **Human Resources – pages 101-102**
- **Finance - Non-Departmental – pages 103-104**
- **Information Technology – pages 105-106**
- **Utility Billing – pages 107-108**
- **Public Works - Non-Departmental – pages 109-110**
- **Facility Maintenance – pages 111-112**
- **General Administration –**

Assistant City Manager Wood provided a Water Rate Increase Analysis based on the previous evening's discussions. There was discussion about the increase in fees and the impact that it has on citizens related to inflation.

Lore Christopher moved to adopt a 5% rate increase and not implement a tax increase on water this year, but in subsequent years, the rate would be at 5%. Seconded by Soraida Cross. There was no vote.

Mr. Wood noted that over the five years, the Water Fund would be left approximately \$200,000 short.

Discussion ensued regarding the importance of keeping the water system in good repair. It was noted that the City of Keizer's water rates were the lowest rates among comparable cities. There was a conversation about unanticipated expenses in the Water Facility Replacement Fund.

Councilor Starr moved for a motion to put a pin in the Water Fund discussions with the intention of looking at the \$75K at the end of 2024 and look at where we are budget-wise with any carry-over and unanticipated expense fund to get a mid-fiscal year financial report in order to determine where to fund the second \$75K. There was no vote.

Lore Christopher withdrew her motion. Seconded by Soraida Cross. There was no vote.

Jane Herb made a friendly amendment to table this discussion and move through the evening and then revisit the Water Fund discussions.

Council President Starr motioned to table the water discussions and then readdress it. **Motion passed as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor with Husseman in opposition. (13-0-1)

Mr. Wood directed the Budget Committee to the General Fund Summary. He noted that overall expenses were going up 8.7 percent.

General Fund Non-Departmental Resources

There was discussion about seeing if the Transient Lodging Tax (TLT) could be used for Art along River Road and the Police Services Fund. Conversation ensued about using American Rescue Act Funds (ARPA) for the Police Services Fund and designating some of the funds for the police fee and the remaining ARPA Funds be placed into the ending fund balance within the General Fund. City Attorney Lindsay noted that funds cannot be commingled.

General Fund Non-Departmental Requirements

Cathy Clark moved to move lines 5 - Art Walk Artists' Stipends, line - 6 Public Arts Commission, line 7 - Civic Center Art and line 13 - Holiday Lights to the TLT Fund. Seconded by Lore Christopher. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

pages 113-115

Public Works Funds

- Streets – pages 116-118
- Street Lighting – page 119
- Transportation Improvements – page 120
- Stormwater– pages 121-123
- Sewer – pages 124-125
- Sewer Reserve – page 126
- Water – pages 127-129
- Water Facility Replacement – page 130
- Park Services Fee – pages 131-133
- Park Improvements – page 134

General Funds – Summary - Page 135

- Non-Departmental Resources – pages 136-137
- Non-Departmental Requirements – pages 138-139
- Planning – pages 140-141
- Municipal Court – page 142
- Police – pages 143-144

Other Funds

Soraida Cross moved to add \$1,200 to the budget for the South East Keizer Neighborhood Association (SEKNA) into the budget \$1,200. Lore Christopher seconded. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

Lore Christopher moved to dedicate all future opioid settlement money to the provision of police services. Soraida Cross seconded. **Motion passed as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor and Husseman in opposition. (13-0-1)

Discussion ensued regarding the amount of anticipated settlement funds.

Planning

Planning Director Witham commented on the efforts of the lean Planning Department staff. He noted that the Code Enforcement staff of one serving a city of 40,000 works closely with the Police Department related to homelessness and graffiti.

There was conversation about being creative with funding streams to help increase code enforcement services.

Finance - Municipal Court

Police Operations

Chief Copeland commented that the Keizer Police Department has the lowest number of officers in relation to the comparables. He commented on the Police Department's activities and the proposed budget. There was discussion regarding the Intergovernmental Agreement with the City of Salem for after hours records system and the new fee.

Transient Lodging Tax (TLT)

Mr. Wood explained that Transient Occupancy Tax was a new department in the General Fund.

Recess at 8:42 resumed at 8:54

Soraida Cross moved to move the TLT line item 10 from \$9,000 to \$15,000 and line item 13 from \$20,000 to \$26,000 and line item 12 from \$1,600 to \$50,000 and to completely eliminate line 21. Seconded by Lore Christopher. Lore Christopher made a friendly amendment to add to the TLT \$13,000 for the air conditioners at the Keizer Cultural Center and the \$4,200 for a total of \$17,200 the safety rails on the back porch and improved lighting in the public hallway. Friendly amendment was not accepted. Council President Starr made a friendly amendment with the caveat that the Keizer Chamber would need to present before Council on June 3rd so the \$50,000 for the Chamber would be subject to City Council approval. **Motion failed as follows:** Cross, Thompson, and Christopher in favor and Husseman, Clark, Reid, Starr, Juran, Kohler, Stalheim, Martin, Wilson, Herb, and London in opposition. (3-0-11)

Soraida Cross moved to move the TLT line item 10 from \$9,000 to \$15,000 and line item 13 from \$20,000 to \$26,000 and to eliminate line 21. Lore Christopher seconded. **Motion passed as follows:** Clark, Reid, Starr, Cross, Juran, Kohler, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor

- **Police Services Fee – page 145**
- **American Rescue Plan Act – pages 146-147**
- **Event Center – pages 148-149**
- **Public Education Government Access (PEG) – page 150**
- **Keizer Youth Peer Court – page 151**
- **Housing Rehabilitation Program – page 152**
- **Energy Efficiency Loan Program – page 153**
- **Keizer Station Local Improvement – p 154**

and Husseman in opposition. (13-0-1)

Jonathan Thompson moved to approve the general services fund as amended but this was dropped.

There was discussion about additional funds being directed to the Keizer Community Library and potentially using general fund dollars.

Lore Christopher moved to approve in TLT \$13,000 for two air conditioners at the Keizer Cultural Center and \$17,200 for safety rails for the back porch and lighting for the public hallway. Seconded by Susan London. Friendly amendment was made by Councilor Husseman to also include \$30,000 for the Keizer Community Library within the TLT. Friendly amendment was accepted by Lore Christopher. **Motion failed as follows:** Starr, Husseman, London, Christopher, and Reid in favor with Clark, Cross, Juran, Kohler, Stalheim, Martin, Wilson, Herb, and Thompson in opposition. (5-0-9)

Lore Christopher moved to approve \$17,200 for improvements to the cultural center. Jane Herb seconded. **Motion passed unanimously as follows:** Clark, Reid, Starr, Cross, Juran, Kohler, Stalheim, Martin, Wilson, Herb, Christopher, London, Husseman, and Thompson in favor. (14-0-0)

Jonathan Thompson moved to approve the general services fund as amended with the following additional amendment, that being \$1,141,200 in ARPA ending balance being transferred to the ending fund balance of the Police Operations Fund. Motion seconded by Lore Christopher. **Motion passed unanimously as follows:** Clark, Reid, Starr, Cross, Juran, Kohler, Stalheim, Martin, Wilson, Herb, Christopher, London, Husseman, and Thompson in favor. (14-0-0)

Police Services Fund

Mr. Wood reviewed the proposed budget noting that this fund includes the Police Service Fee.

Lore Christopher moved to reduce the transfer to the General Fund by \$172,000 and reduce the Police Services Fee, line item 5, by that corresponding amount. Seconded by Clark. **Motion passed unanimously as follows:** Clark, Reid, Starr, Cross, Juran, Kohler, Stalheim, Martin, Wilson, Herb, Christopher, London, Husseman, and Thompson in favor. (14-0-0)

Jonathan Thompson moved to approve the Police Services Fund as amended. Seconded by Mayor Clark. **Motion passed unanimously as follows:** Clark, Reid, Starr, Cross, Juran, Kohler, Stalheim, Martin, Wilson, Herb, Christopher, London, Husseman, and Thompson in favor. (14-0-0)

American Rescue Plan Act (ARPA)

Mr. Wood reviewed the proposed budget noting that the funds must be committed for expenditure by December 31, 2024, and be spent by December 31, 2026.

The City would be applying for a State grant through the Parks Department to receive approximately \$650,000 on the Artificial Turf Field project. Mr. Lawyer shared that the total cost of the turf field project would be \$8 million. He spoke on the funding that was set aside to backfill vacant positions and complete some software projects. Approximately \$1.5 million could be spent from the ARPA

Fund.

Lore Christopher moved to approve \$30,000 for Keizer Community Library from the ARPA Fund, \$20,000 for the Keizer Klosets from the ARPA Fund, \$3,000 for Keizer Community Dinner from the ARPA Fund, and \$2,000 for Keizer United from the ARPA Fund. Shaney Starr Seconded. Jane Herb made a friendly amendment to remove the \$2,000 for Keizer United because it's already in the General Fund. Lore Christopher approved the friendly amendment. Soraida Cross made a friendly amendment to move the \$1.5 million down to \$1 million until they can figure out more on line item 39. More Christopher declined. Soraida Cross made a friendly amendment to move the Keizer Community Dinner up to \$7,000. Lore Christopher accepted. Soraida Cross removed the friendly amendment. Mayor Clark made a friendly amendment to remove the Keizer Klosets and consider that under a separate Motion. Lore Christopher approved. Lore Christopher clarified that the Motion was now for the Keizer Community Dinner for \$3,000 and Keizer Community Library for \$30,000. Shaney Starr accepted. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

Lore Christopher moved to approve \$16,800 for Keizer Klosets from the ARPA fund. Seconded by Susan London. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

There was discussion about the sustainability of Keizer Klosets.

There was discussion for the Community Foundation to track fundraising and anticipated revenues and expenses for the upcoming year to have a better idea on how to continue to fund this program.

Jonathan Thompson moved to approve the ARPA Fund as amended. Susan London seconded. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

Event Center

Mr. Wood reviewed the Event Center Fund, and the only changes were to the TLT and canceling the \$70,000 transfer from the General Fund for line item 12.

Robert Husseman moved to amend the contingency balance to \$15,100 and reduce the total assigned balance to \$180,000 total, moving from line item 48 to line item 45. Seconded by Susan London. **Motion failed as follows.** Husseman and Reid in favor with others being inaudible and Clark, Thompson, and Kohler in opposition with others being inaudible.

Jonathan Thompson moved to approve the Event Center fund with the amendment that the \$70,000 on line 5 be removed and change line 48 to \$195,100. Seconded by Shaney Starr. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

Mr. Wood explained that Public Education Government (PEG) fees can only be used for equipment purchases and a transfer from the General Fund may be needed next year to maintain the same level of services.

Discussion ensued regarding the cost of Coffee with Cathy.

Mayor Clark offered to stop posting the Coffee with Cathy.

Lore Christopher moved to remove the Coffee with Cathy expense item from the Public Education Government (PEG) fund. Seconded by Susan London. Mayor Clark made a friendly amendment to pass the PEG fund with that deduction. Seconded by Susan London. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

Keizer Youth Peer Court

Lore Christopher moved to approve the Keizer Youth Peer Court fund. Seconded by Susan London. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

Housing Rehabilitation Fund

Jonathan Thompson moved to approve the Housing Rehabilitation fund. Seconded by Susan London. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

Energy Efficiency Revolving Loan Fund

Jonathan Thompson moved to approve the Energy Efficiency Revolving Loan fund. Seconded by Susan London. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

Keizer Station LID Fund

Jonathan Thompson moved to approve the Keizer Station LID fund. Seconded by Melissa Martin. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

Water Fund

Lore Christopher moved to not assess a 4% increase in the water fund this year and instead accept a 5% water tax for the next four years. Susan London seconded. There was no vote.

Lore Christopher moved to reconsider the ARPA fund for this year. Seconded by Cross. **Motion passed as follows:** Clark, Reid, Cross, Juran, Kohler, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor and Husseman and Starr opposed. (12-0-2)

Lore Christopher moved to transfer \$150,000 from the ARPA Fund to the Water Fund. Seconded by Cross. **Motion passed as follows.** Christopher, Thompson, Herb, London, Wilson, Martin, Cross, and Juran in favor and Husseman, Clark, Kohler, Starr, Stalheim, and Reid in opposition. (8-0-6)

Lore Christopher moved to approve the ARPA Fund as amended. Seconded by Cross. **Motion passed as follows:** Clark, Reid, Cross, Juran, Kohler, Stalheim,

Martin, Wilson, Herb, Christopher, London, and Thompson in favor and Husseman and Starr opposed. (12-0-2)

Lore Christopher moved to approve the Water Fund with bringing in \$150,000 of ARPA funding and eliminating the increase for the 2024-2025 budget year and the four subsequent years have a 5% increase per year in lieu of the 4%. Seconded by Cross. Lore Christopher made a friendly amendment to say, transfer \$150,000 of ARPA Funds and eliminate the 4% increase for the 2024-2025 budget year. Seconded by London. Lore Christopher withdrew her motion and substituted it with the following motion.

Lore Christopher moved to increase the transfers in from the ARPA funds by \$150,000 and reduce the water sales \$75,000 for the 2024-2025 fiscal year with the rate impact. Soraida Cross seconded. **Motion passed as follows:** Cross, Juran, Starr, Martin, Wilson, Herb, Christopher, London, and Thompson in favor and Clark, Reid, Stalheim, Husseman, and Kohler opposed. (9-0-5)

The intent of the motion was to offset the 4% increase with a credit for the fiscal year 2024-2025 year. The Water Sales Assessments would decrease with this motion.

Jonathan Thompson moved to approve the Water Fund as amended. Seconded by Susan London. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

Water Replacement Fund

Jonathan Thompson moved to approve the Water Replacement Fund as presented. Seconded by Susan London. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

b. The motions below will be made at the May 14th Budget Committee Meeting if the Budget Committee is ready to make the motions, if they are not, the motions are anticipated to be made at the May 16th Budget Committee Meeting.

"Move that the Budget Committee of the City of Keizer approve the budget for the 2024-2025 Fiscal Year in the amount of \$_____."

If there are amendments:

"Move that the Budget Committee of the City of Keizer approve the budget for the 2024-2025 Fiscal Year in the amount of \$ _____ with amendments of _____."

2024-2025 Budget

Jonathan Thompson moved the Budget Committee of the City of Keizer to approve the budget for the 2024-2025 Fiscal Year as amended. Seconded by Susan London. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman, Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

Property Tax Rates

Jonathan Thompson moved to approve the Fiscal Year 2024-2025 property tax rates be assessed, that the Budget Committee of the City of Keizer approve the full, permanent rate of \$2.0838 per 1,000 of assessed value on the tax rolls for the City of Keizer for the fiscal year 2024-2025. Seconded by Susan London. **Motion passed unanimously as follows:** Clark, Reid, Starr Cross, Juran, Kohler, Husseman,

Motion to approve the Fiscal Year 2024-2025 property tax rate to be assessed.

Stalheim, Martin, Wilson, Herb, Christopher, London, and Thompson in favor. (14-0-0)

"Move that the Budget Committee of the City of Keizer approve the full permanent rate of \$2.0838 per \$1,000 of assessed value on the tax rolls of the City of Keizer for Fiscal Year 2024-2025."

5. ADJOURNMENT Councilor Kohler adjourned the meeting at 10:52 p.m.

Minutes approved: _____

Deputy City Recorder

"Agenda Management Services are being supported, in whole or in part, by federal award number 21.019 awarded to City of Keizer by the U.S. Department of the Treasury."