

A G E N D A
KEIZER LONG RANGE PLANNING TASK FORCE
MEETING

Monday, March 9, 2020
6:00 p.m.
City Council Chambers
Keizer Civic Center
Keizer, Oregon 97303

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PRIOR YEAR MINUTES**
 - a. Long Range Planning Task Force Meeting Minutes – March 11, 2019**
- 4. DISCUSSION**
 - a. Stormwater Long Range Plan**
 - b. Water Long Range Plan**
 - c. General Fund Long Range Plan**
 - 1. Police Services Fee Update**
 - d. Parks Long Range Plan**
- 5. OTHER BUSINESS**
 - a. Budget Committee Meeting timelines**
 - b. Next Year’s Long Range Planning Task Force Meeting – March 8, 2021**
- 6. ADJOURN**

The City of Keizer is committed to providing equal access to all public meetings and information per the requirements of the ADA and Oregon Revised Statutes (ORS). The Keizer Civic Center is wheelchair accessible. If you require any service that furthers inclusivity to participate, please contact the Office of the City Recorder at least 48 business hours prior to the meeting by email at davist@keizer.org or phone at (503)390-3700 or (503)856-3412.



MINUTES
KEIZER GENERAL FUND LONG RANGE PLANNING TASK FORCE
Monday, March 11, 2019
Keizer Civic Center
Keizer, Oregon

CALL TO ORDER
ROLL CALL

Mayor Clark called the meeting to order at 6:00 pm. The following were present/absent:

Present:

Cathy Clark, Mayor
Marlene Parsons, Councilor
Kim Freeman, Councilor
Laura Reid, Councilor
Roland Herrera, Councilor
Don Clark
J. D. Gillis
Jonathan Thompson

Staff

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

Absent:

Elizabeth Smith, Councilor
Allen Barker
Kevin Dial

APPROVAL OF MINUTES

Marlene Parsons moved for approval of the March 12, 2018 Minutes. Kim Freeman seconded. Motion passed as follows: Cathy Clark, Parsons, Freeman, Reid, Herrera, Don Clark, Bersin, Thompson and Blair in favor with Smith, Barker and Dial absent.

DISCUSSION

City Manager Chris Eppley provided background on the Task Force explaining that this work is done in advance of the budget season so that the budget process moves along smoothly.

Finance Director Tim Wood explained that tonight would provide a big picture overview of where the City is: both a history and what it will look like in the future. There will be more details at the Budget Committee meetings. He explained that the General Fund continues to be tight; this meeting will look at key areas where the Budget Committee and Council can do rate increases and look at the Police and Park Services fees.

a. Stormwater Long Range Plan Update

Public Works Director Bill Lawyer explained that the Stormwater system was inherited from Marion County. Videotaping of the system is at about 80%. When the entire system has been videotaped, staff can put together a master plan.

Mr. Wood added that the goal is to determine what type of rate increase or decrease will be necessary to sustain the fund. 60 days cash is necessary at any given time. Once the videotaping is complete, staff can develop a capital improvement program and that is what will drive any increases if needed. At this point staff is recommending a \$.55 increase for single family residences effective January 1, 2020. An increase in 2021-22 may not be necessary.

Mr. Lawyer added that the City has a new permit effective March 1. Some requirements were reduced and the current rate structure will meet the requirements of the permit. Mr. Lawyer and Mr. Wood then fielded questions regarding realigning systems that run under houses, putting money away for replacement of the vac truck, and staffing costs.

b. Water Long Range Plan Update

Mr. Wood explained that this plan is consistent with previous years. The Master Plan is in place and staff is working through capital items. He explained the 'blended rate model' COSA and the past difference between commercial and residential rates. He added that with the 4% rate increase, Keizer residents get a gallon of water for 1/3 of a penny – the cheapest water around. Discussion followed regarding the impact of charging the same rates for both residential and commercial users.

c. General Fund Long Range Forecast

Mr. Wood distributed handouts and provided explanation. He noted that the City relies on working capital each year and usually comes up with \$300,000 in savings which keeps it stable. This trend has not changed. One thing that impacts the budget is an interfund loan. The City has an agreement with Salem Keizer Schools that expires in 2022 and the District is looking at leasing property that the City owns (the movie theater property). The City continues to look for new revenue streams. Discussion took place regarding the need for less staff by implementing technology and using police vehicles for a longer period of time.

d. Park Services Fee Update

Mr. Wood explained that this is the first full year and the fee is coming in stronger than anticipated. It is kept in a separate fund and there are now four employees working on the capital plan. Bill Lawyer provided additional information about the effect of the fee and fielded questions regarding the parks matching grant program. Additional discussion took place regarding the Keizer Little League fields, development of the Herber property, ADA compliance, and contracting out the mowing of parks.

e. Police Services Fee Update

Mr. Wood reported that consistent with parks, the city is receiving a little more revenue than anticipated. Five officers have been added. If nothing is changed over the next few years, in 2022-23 it will be necessary to increase the fee or reduce officers. The police department is not oversized for the city but property taxes from Keizer residents cannot adequately pay for the police department. Chief Teague provided additional information regarding the impact of retirements.

Additional discussion took place regarding the City's role in promoting Keizer, diversification of the City's revenue stream, doing business in a less traditional way, the changing population and the resultant change in what residents want Keizer to look like, measuring progress against goals, and the changing demographics of the city and how to embrace that.

**OTHER
BUSINESS**

a. Budget Committee Meeting Timelines

Tuesday, April 30, 6 p.m. – Budget Committee Meeting

Thursday, May 2, 6 p.m. – Budget Committee Meeting

Tuesday, May 9, 6 p.m. – Budget Committee Meeting

Adjourn

Meeting adjourned at 7:52 p.m.

Debbie Lockhart, Deputy City Recorder

Minutes approved:

TO: LONG RANGE PLANNING COMMITTEE
THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER
FROM: TIM WOOD, FINANCE DIRECTOR
SUBJECT: STORMWATER LONG RANGE PLAN

Overview of the Stormwater System

The Stormwater Fund is managed by the Public Works Department to meet the Federal Clean Water Act and Safe Drinking Water Act. The City's stormwater regulatory programs are administered by the State of Oregon through the Department of Environmental Quality (DEQ).

The City has 3 regulatory programs which allow the City to manage stormwater through discharge to local waterways, overland flow, and injection into the ground. The City maintains compliance of the regulatory programs by implementing the requirements of state approved management plans for the municipal separate storm sewer system (MS4), the underground injection control (UIC) devices, and the Total Maximum Daily Load (TMDL) Implementation Plan.

The City is the permittee for the National Pollutant Discharge Elimination System (NPDES) permit #102904, the Water Pollution Control Facilities (WPCF) permit #103068, and is a designated management agency for the Willamette Basin TMDL.

The Stormwater Division operates and maintains:

- 79.6 Miles of Pipe,
- 89 Underground Injection Control Systems (UICs),
- 1,141 Manholes,
- 2,824 Catchbasins,
- 132 Outfalls, and
- 2.5 miles of Vegetated Stormwater Facilities.

The stormwater system can become clogged by trash, debris, sediment and mud, or other stormwater pollutants, however; the City's maintenance plan of routinely inspecting, repairing, and cleaning the system can reduce local flooding, remove pollution carried by stormwater and protect our local streams and rivers.

The City's goal is to provide a storm drainage system that is safe, clean and cost-effective.

Cost-effective System

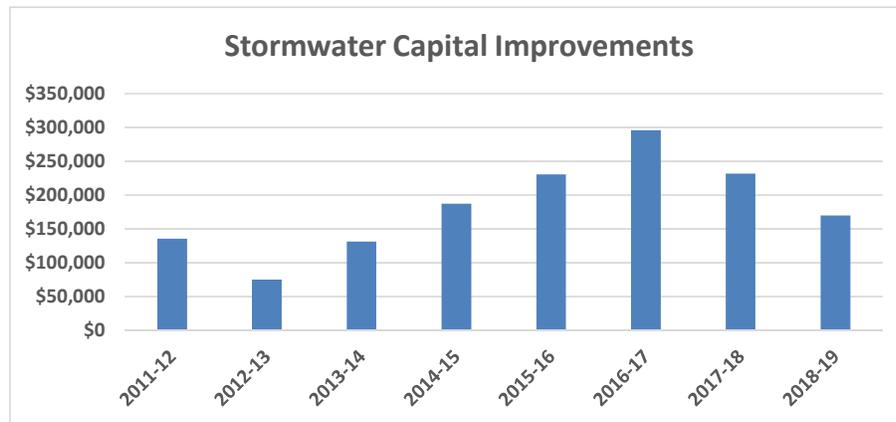
In comparison to other cities, Keizer stormwater charges are consistent with other jurisdictions. The residential stormwater billing rates for several comparative cities is as follows:

	<u>Effective Date</u>	<u>Monthly Billing Rate</u>
Albany	3/1/2020	\$ 7.43
Lake Oswego	7/1/2019	16.49
Oregon City	1/1/2020	10.24
Salem	1/1/2020	6.08
Tigard	1/1/2020	2.00
Tualatin	7/1/2019	10.24
West Linn	1/1/2020	7.48
Wilsonville	1/1/2020	11.25
Keizer	1/1/2020	\$ 7.66

Long Term Sustainability of the Stormwater System

The stormwater infrastructure was largely inherited by the City from Marion County. Starting in 2012-13 the City began videotaping the stormwater system, with a goal of visually inspecting approximately 10% of the system every year. The visual inspections are to aid in the identification of potential system failures. At this point 100% of the stormwater system has been visually inspected through the video process.

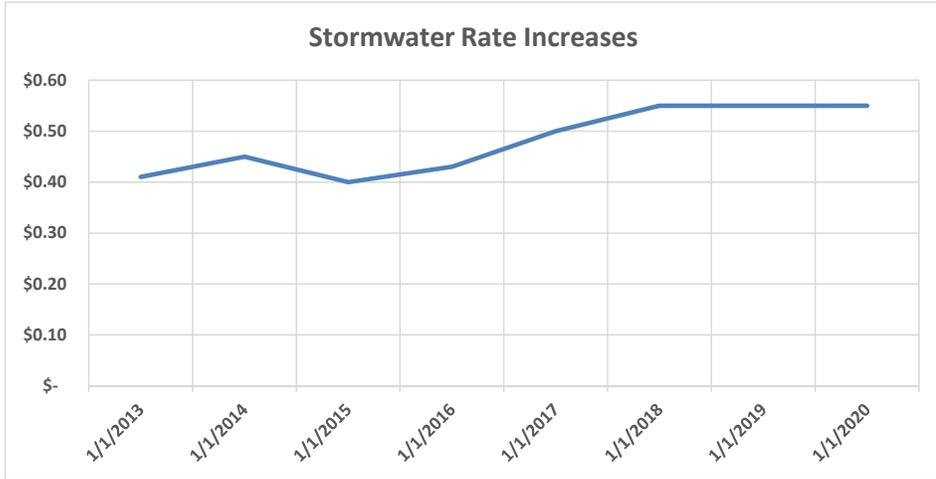
Since the start of the visual inspections, the City has spent approximately \$1.5 million in capital improvements to address identified system failures.



Stormwater Rate History

In conjunction with the visual inspection process the City started reviewing and adjusting the stormwater billing rate to ensure adequate resources would be available for any identified reports. Original estimates indicated that an increase of \$0.40 - \$0.60 per month per equivalent service unit would be necessary to support the system improvements. Consistent with those estimates the rate has consistently been adjusted

between \$0.40 and \$0.55 each year. Due to the delay of a significant project during 2019-20 a rate increase is not anticipated for the 2020-21 fiscal year.



City of Keizer
Long Range Plan - Stormwater System
Fiscal Year 2020-21

	PROJECTED	FORECASTED				
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
1 RESOURCES:						
2 Beginning Balance:	\$ 770,400	\$ 1,131,800	\$ 825,500	\$ 724,500	\$ 600,500	\$ 360,500
3 Service Fees	2,007,000	2,082,000	2,102,000	2,143,000	2,204,000	2,286,000
4 Other Revenues	12,000	12,000	12,000	12,000	12,000	13,000
5 TOTAL RESOURCES	\$ 2,789,400	\$ 3,225,800	\$ 2,939,500	\$ 2,879,500	\$ 2,816,500	\$ 2,659,500
7 REQUIREMENTS:						
8 Expenditures:						
9 Personnel Services	759,800	885,100	946,000	983,000	1,040,000	1,080,000
10 Materials & Services	797,800	815,200	919,000	946,000	1,066,000	1,098,000
11 Capital Outlay	100,000	700,000	350,000	350,000	350,000	350,000
12 Total Expenditures	1,657,600	2,400,300	2,215,000	2,279,000	2,456,000	2,528,000
13 Fund Balance:						
14 Unrestricted Fund Balance	1,131,800	825,500	724,500	600,500	360,500	131,500
15 TOTAL REQUIREMENTS	\$ 2,789,400	\$ 3,225,800	\$ 2,939,500	\$ 2,879,500	\$ 2,816,500	\$ 2,659,500
Day's Cash Supply at End of Year	206	145	126	102	60	21

In order to maintain at least a 60-day cash supply to correspond with the bi-monthly stormwater billings the following rate increase per ESU with a January 1st effective date is required:

	Per ESU	\$ Increase	% Increase
2020-21	\$ -	\$ -	0.0%
2021-22	\$ 0.15	\$ 0.15	2.0%
2022-23	\$ 0.15	\$ 0.15	2.0%
2023-24	\$ 0.30	\$ 0.30	3.8%
2024-25	\$ 0.30	\$ 0.30	3.8%

Proposed 2019-20 Rate Increase Analysis

	ESUs	Bi-Monthly Bill	
		Current	Proposed
Single Family Residential	1	\$ 15.32	\$ 15.32
Commercial	86	\$ 1,317.52	\$ 1,317.52
School	94	\$ 1,440.08	\$ 1,440.08
Apartment	44	\$ 674.08	\$ 674.08

	ESUs	Incremental Cost of Rate Increase		
		Monthly	Bi-Monthly	Annual
Single Family Residential	1	\$ -	\$ -	\$ -
Commercial	86	\$ -	\$ -	\$ -
School	94	\$ -	\$ -	\$ -
Apartment	44	\$ -	\$ -	\$ -

LONG RANGE PLANNING MEETING: March 9, 2020

AGENDA ITEM NUMBER: 4b

TO: LONG RANGE PLANNING COMMITTEE
THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER
FROM: TIM WOOD, FINANCE DIRECTOR
SUBJECT: WATER SYSTEM LONG RANGE PLAN

Overview of the Water System

The City of Keizer's Water Division operates under the Oregon Administrative Rules for Public Water Systems enforced by the Oregon Health Authority Drinking Water Services (DWS) who administer and enforce drinking water quality standards for public water systems in the state of Oregon.

The City of Keizer's water system consists of:

- 3 reservoirs,
- 15 pump stations, and
- 126.7 miles of water line.

The water system produces approximately 187 million cubic feet of water annually with a storage capacity of 2.75 million gallons. Additionally the water system includes 907 public fire hydrants.

The water system serves approximately 10,700 metered accounts.

Low Cost Water

The City strives to provide low cost water while ensuring that the water system is maintained for long-term sustainability as outlined in the 2012 Water System Master Plan.

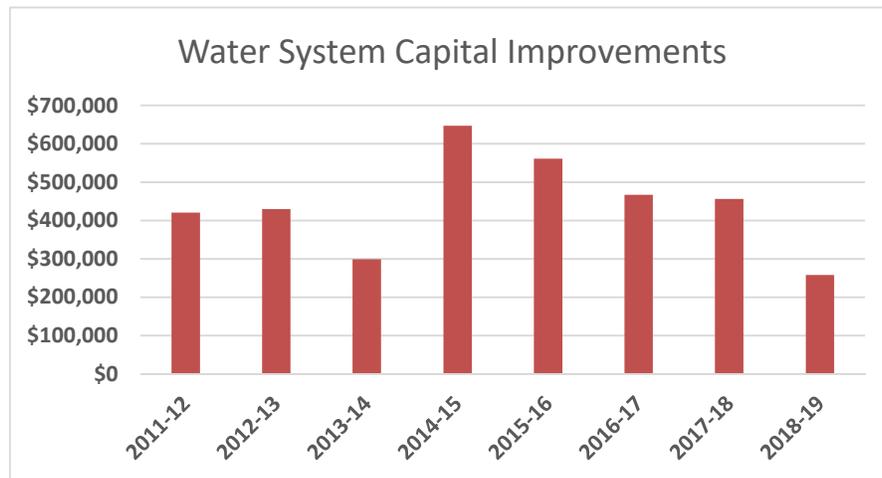
In comparison to other cities, Keizer residents benefit from the availability of local ground water that requires minimal processing to meet federal and state drinking water regulations. The residential water billing rates for several comparative cities is as follows:

	Billing Frequency	Effective Date	Connection - Flat Rate	Consumption - Variable Rate	Average Units	Total Per Month
Salem	Monthly	1/1/2020	\$ 11.38	\$ 2.54	6.00	\$ 26.62
Albany	Monthly	1/1/2020	19.66	4.38	6.00	45.94
Corvallis	Monthly	3/1/2020	15.96	2.03	6.00	28.14
Lake Oswego	Monthly	7/1/2019	27.68	2.91	6.00	45.14
McMinnville	Monthly	10/1/2019	13.15	1.55	6.00	22.45
Oregon City	Monthly	7/1/2019	16.54	1.83	6.00	27.53
Tigard	Monthly	1/1/2019	29.36	3.80	6.00	52.16
Tualatin	Monthly	7/1/2019	4.31	3.07	6.00	22.73
West Linn	Monthly	1/1/2020	24.85	-	6.00	24.85
Wilsonville	Monthly	1/1/2019	29.36	3.80	6.00	52.16
Woodburn	Monthly	7/1/2019	15.50	1.88	6.00	26.78
Keizer	Bimonthly	1/1/2020	\$ 11.61	\$ 1.50	12.00	\$ 14.81

Long Term Sustainability of the Water System

The 2012 Water System Master Plan outlines the requirements to ensure that the water system is able to meet the expected demand over the next 20 years. The plan outlines approximately \$9.9 million in capital improvements. The majority of the improvements are to replace the existing steel waterlines throughout the City with ductile iron pipe (\$6.1 million) and adding an additional reservoir and pump station (\$1.8 million).

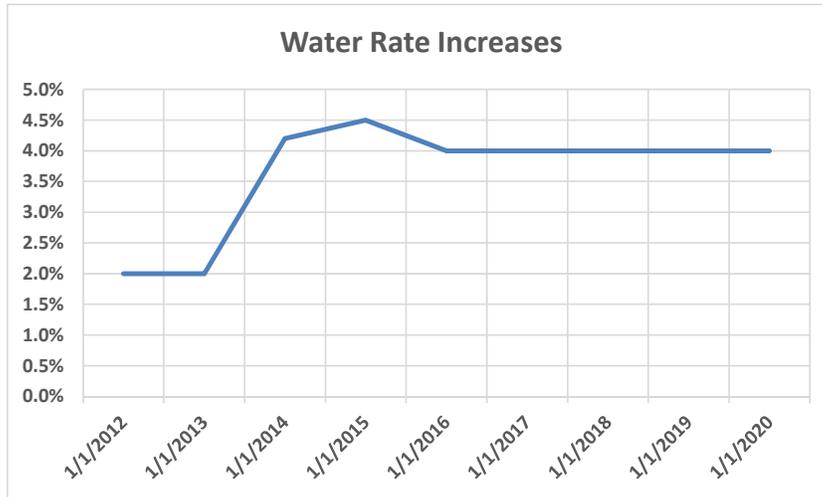
Since the effective date of the master plan, the City has spent approximately \$3.5 million in capital improvements.



The only outstanding future capital projects are the additional reservoir and pump station (\$1.8 million) and the ongoing steel waterline replacement (\$4.0 million). The City has benefited over the last 10 years as the majority of the capital improvement projects have been completed below the original estimate, saving approximately \$0.6 million.

Water Rate History

In order to support the requirements of the 2012 Water System Master Plan the City utilizes a cost of service model that projects into the future, based on city growth and water consumption trends, the rate increases needed to complete the plan. The cost of service model has projected a 3-4% annual rate increase for the foreseeable future. Since the plan was adopted rate increases have ranged from 2-4.5%. Prior to the adoption of the plan water rates had not been increased since August 1, 2008 or almost 3.5 years.



High Quality Drinking Water

The City of Keizer's ground water comes from deep wells and is high in naturally occurring minerals. The City has a testing program in place to monitor the level of microorganisms, inorganic contaminants, volatile organic contaminants and radioactive contaminants. The results of the testing program are published annually in the Annual Drinking Water Quality Report that is available on the City's website at www.keizer.org/annualwaterreport.

City of Keizer

Long Range Plan - Water System

Fiscal Year 2020-21

	PROJECTED	FORECASTED				
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
1 RESOURCES:						
2 Beginning Balance:	\$ 1,142,800	\$ 994,800	\$ 830,500	\$ 713,700	\$ 631,900	\$ 388,100
3 Water Sales	3,170,000	3,297,000	3,429,000	3,566,000	3,709,000	3,857,000
4 Other Revenues	101,500	101,500	103,000	104,000	105,000	106,000
5 TOTAL RESOURCES	\$ 4,414,300	\$ 4,393,300	\$ 4,362,500	\$ 4,383,700	\$ 4,445,900	\$ 4,351,100
6						
7 REQUIREMENTS:						
8 Expenditures:						
9 Personnel Services	\$ 1,181,000	\$ 1,227,800	\$ 1,311,800	\$ 1,362,800	\$ 1,441,800	\$ 1,497,800
10 Materials & Services	1,505,900	1,541,300	1,737,000	1,789,000	2,016,000	2,076,000
11 Capital Outlay	503,900	564,000	600,000	600,000	600,000	600,000
12 Debt Service	228,700	229,700	-	-	-	-
13 Total Expenditures	3,419,500	3,562,800	3,648,800	3,751,800	4,057,800	4,173,800
14 Fund Balance:						
15 Reserves	234,100	234,100	-	-	-	-
16 Fund Balance	760,700	596,400	713,700	631,900	388,100	177,300
17 TOTAL REQUIREMENTS	\$ 4,414,300	\$ 4,393,300	\$ 4,362,500	\$ 4,383,700	\$ 4,445,900	\$ 4,351,100
Days Cash Supply at End of Year	103	79	85	73	41	18

Conclusion: The update to the Water Services Long-Range plan supports a 4% rate increase for FY20-21 as anticipated when the model was presented to the Long Range Planning Committee last year (March 2019).

Proposed 2020-21 Rate Analysis

	Flat Rate		Variable Rate	
	Current	Proposed	Current	Proposed
Residential 5/8" meter	\$ 11.16	\$ 12.07	\$ 1.51	\$ 1.56
Multi-family 1" meter	\$ 22.68	\$ 24.52	\$ 1.51	\$ 1.56
Commercial 5/8" meter	\$ 11.16	\$ 12.07	\$ 1.45	\$ 1.51

Proposed 2020-21 Rate Increase Impact

	Bi-Monthly Bill		Incremental Cost of Rate Increase		
	Current	Proposed	Monthly	Bi-Monthly	Annual
Residential (13 ccf)	\$ 31.11	\$ 32.35	\$ 0.62	\$ 1.24	\$ 7.47
Multi-family (175 ccf)	\$ 286.08	\$ 297.52	\$ 5.72	\$ 11.44	\$ 68.66
Commercial (51 ccf)	\$ 85.56	\$ 88.98	\$ 1.71	\$ 3.42	\$ 20.53

TO: LONG RANGE PLANNING COMMITTEE
THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER
FROM: TIM WOOD, FINANCE DIRECTOR
SUBJECT: GENERAL FUND LONG RANGE PLAN

Overview of the General Fund

The General Fund is the chief operating fund of the City and accounts for all financial resources and expenditures except those required to be accounted for in another fund. The primary sources of revenue are property taxes, licenses/fees and intergovernmental revenues such as Cigarette and Liquor Tax. The General Fund is the City’s most constrained fund in relation to the level of services provided and highly dependent on ongoing City growth.

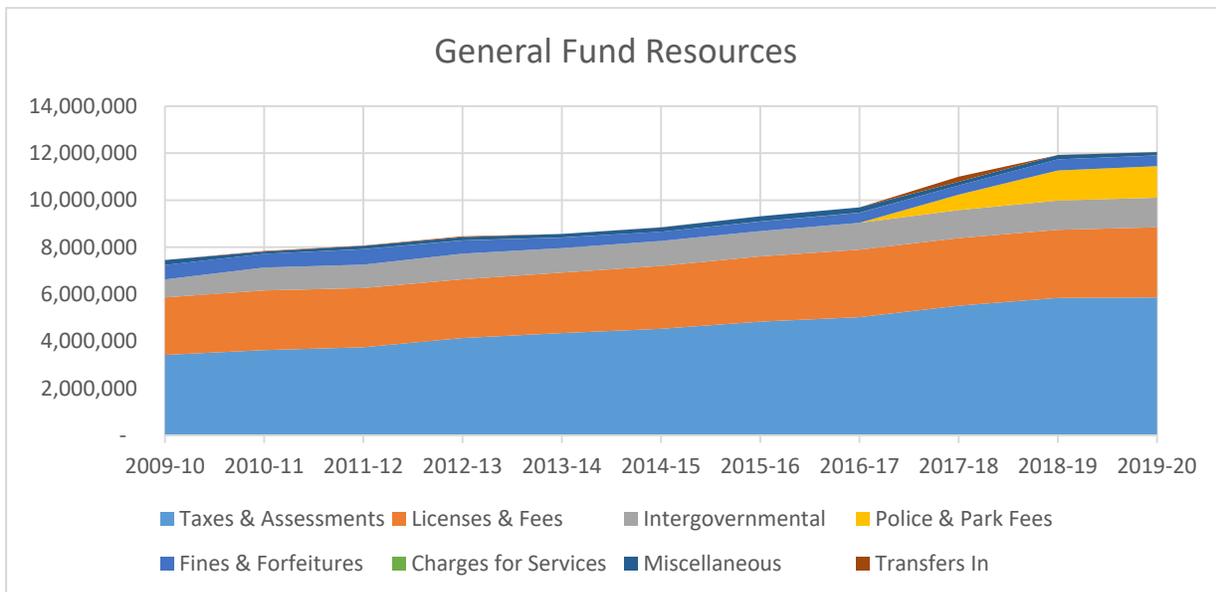
The General Fund provides for:

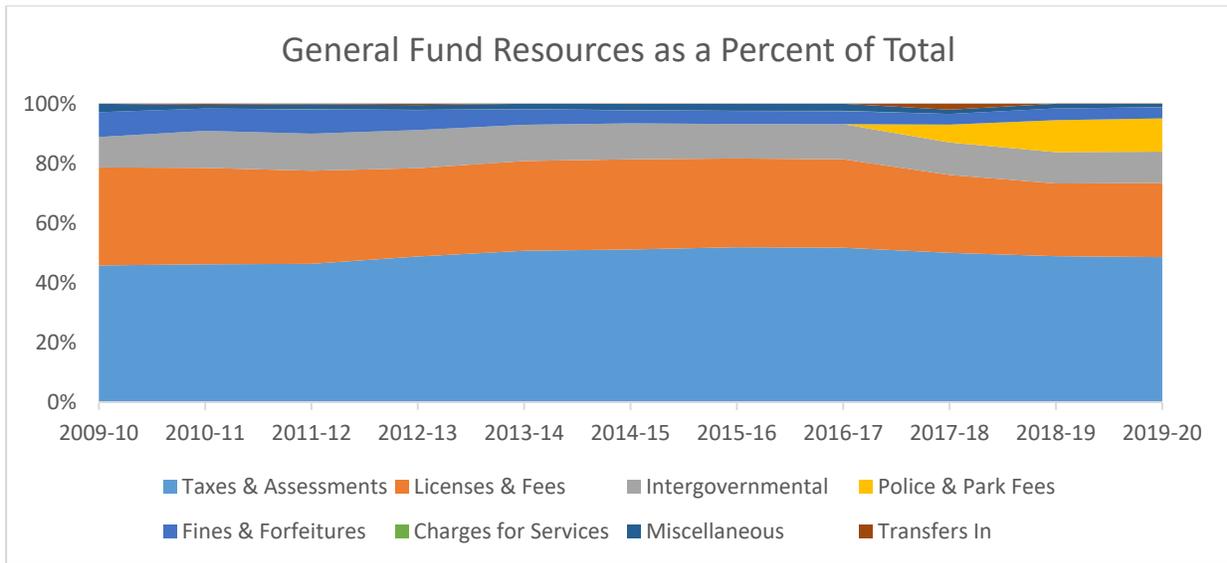
- Police Department,
- Municipal Court,
- Community Development
- Parks Operation, and
- General Government

	Population			
	July 1,	Total	Increase	% Increase
2010		36,220	70	0.2%
2011		36,295	75	0.2%
2012		36,715	420	1.2%
2013		36,735	20	0.1%
2014		36,795	60	0.2%
2016		36,985	190	0.5%
2016		37,505	520	1.4%
2017		38,345	840	2.2%
2018		38,505	160	0.4%
2019		38,580	75	0.2%

General Fund Resources

Objective: Diversify General Fund resources so as not to be dependent on any one source.



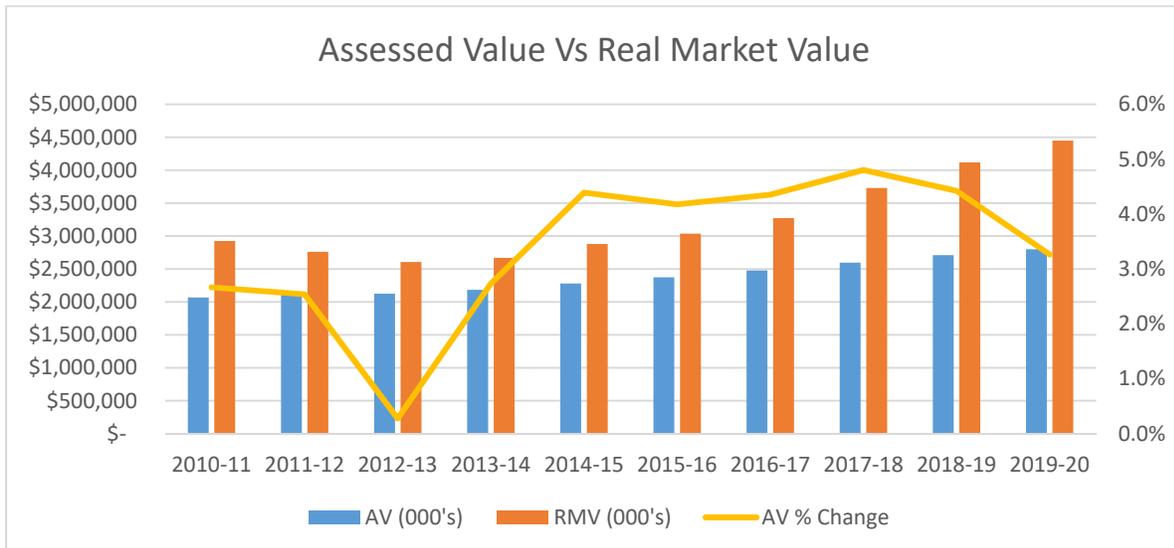


Property Taxes

Property taxes are assessed using a levy rate on each \$1,000 of assessed valuation. They are classified into three types: permanent rate levy for general purpose operations, local option serial levies for specific purposes approved by voters, and bonded debt principal and interest. The City’s permanent rate levy is a function of its permanent tax rate applied to its assessed value. The City has no local option serial levies or bonded debt levies.

The long range plan projects the tax base levy by estimating the new assessed value and applying it to the City’s applicable tax rate. The estimation of the assessed value starts with the previous year’s assessed value and adds three factors: a growth factor (maximum allowed by law is 3%), an allowance for new construction, and an allowance for annexed property. The City’s permanent tax rate is \$2.0838 per \$1,000 assessed value.

For the last several years the City has estimated that assessed value would increase approximately 4%, 3% from the growth factor and 1% from new construction.



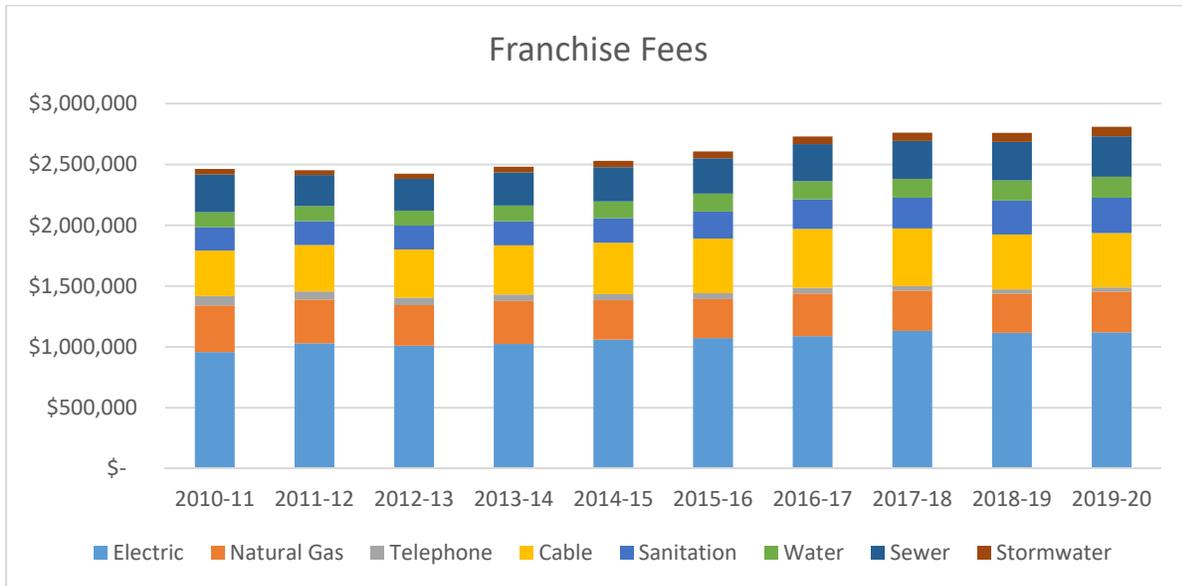
Going forward given the limited availability of buildable land for new construction within the City limits it is expected that the increase in assessed value will be closer to 3% reflecting only the annual growth factor. The difference between the 4% assumption and the 3% assumption is approximately \$50,000 - \$60,000 of lost property tax revenue on an annual basis.

In addition to the change in new construction assumption Marion County gave the City notice that four entities have appealed their property tax assessments and that the County will be withholding a potential refund credit in the event the

appeal is successful. Based on the City’s tax rate the expected impact is a loss of approximately \$40,000 - \$50,000 in property tax revenue.

License and Fees

Franchise fees are received from several franchises currently operating within the City of Keizer. These fees are collected based upon rates applied to the gross operating revenues generated within the City. Franchise fee rates have been set at 5% for natural gas, electricity, garbage, cable and broadband, water, sewer and stormwater and at 7% for telephone.

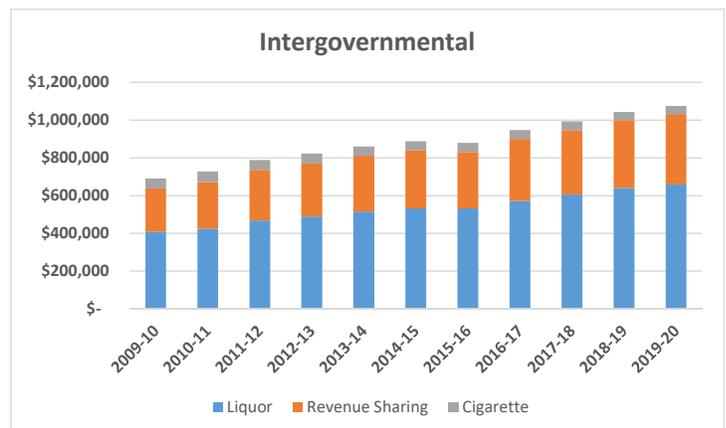


Franchise fees are impacted by population growth, rate increases, energy efficient appliances, weather and lower cost alternatives. Overall franchise fees are growing approximately 1% per year primarily as the result of rate increases associated with water, sewer, stormwater and sanitation services. Electricity and natural gas fluctuate based on the weather. Telephone and cable continue to decrease as customers continue to “cut the cord.”

Intergovernmental

Intergovernmental revenues include federal, state, and local grant revenues and state-shared revenues received from the State of Oregon. All the grant revenues directly support specific programs that are reviewed annually and adjusted to incorporate any changes in funding levels. The State of Oregon collects gas, cigarette, and liquor taxes and shares these taxes with its political subdivision based upon a per capita distribution.

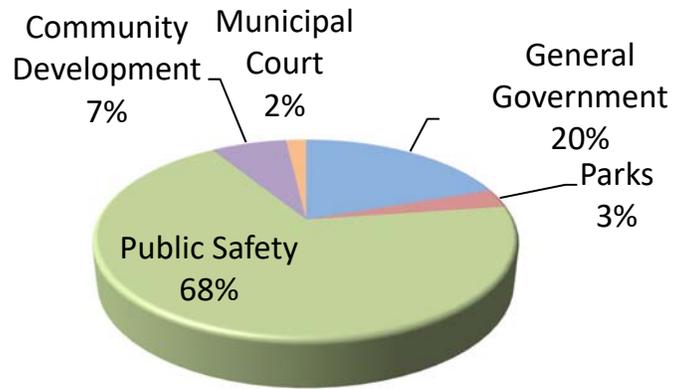
Intergovernmental revenues continue to increase in total with liquor taxes offsetting the decrease in cigarette taxes. To the extent that the City’s population growth is lower than the rest of the state the City’s proportion share of certain intergovernmental revenues will be less.



General Fund Expenditures

The General Fund provides for:

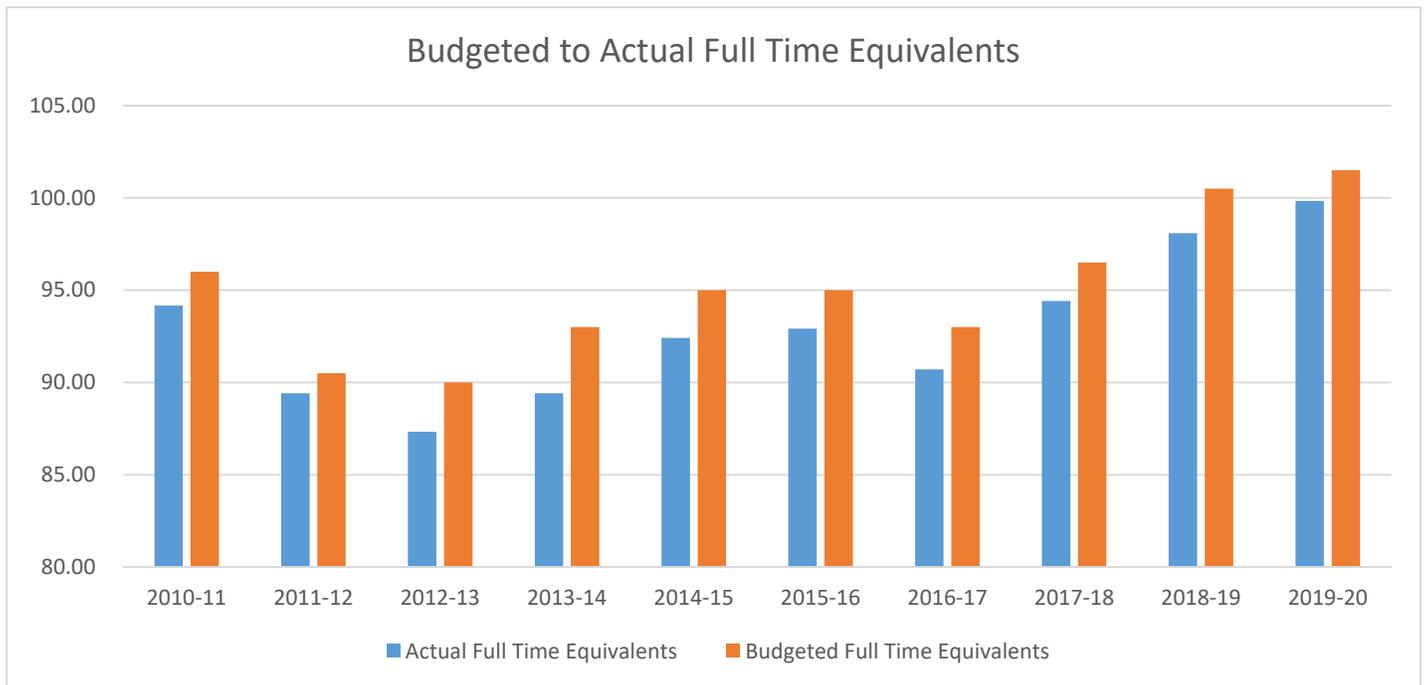
- Police Department,
- Municipal Court,
- Community Development,
- Parks Operation, and
- General Government



Personnel Services

Objective: Maintain full staffing as resources are available

City Wide Full Time Equivalents



City Wide Terminations/Retirements

Fiscal Year	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Terminations/Retirements	5	7	6	2	2	6	6	4	11	7
Accrued Time Payout	\$ 41,425	\$ 20,966	\$ 36,136	\$ 21,336	\$ 14,273	\$ 113,505	\$ 31,475	\$ 23,809	\$ 123,272	\$ 91,367

Positions Directly and Indirectly Supported by the General Fund

Department	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Police	46.33	45.00	44.42	45.00	45.17	44.42	43.46	45.33	47.67	47.58
Community Development	3.84	3.84	3.84	3.84	3.84	3.84	3.42	3.84	3.84	3.84
Code Enforcement	0.85	-	-	-	0.25	0.85	0.85	0.85	0.85	0.85
Parks	1.90	1.90	1.90	1.48	1.90	1.90	1.90	2.73	3.73	3.90
Municipal Court	2.00	1.58	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Finance	1.81	1.98	2.00	1.92	1.94	1.69	1.36	1.60	1.56	1.56
Information Technology	0.69	0.67	0.66	0.66	1.05	1.36	1.31	1.31	1.36	1.35
City Recorder	1.66	1.31	1.17	1.46	1.44	1.44	1.38	1.38	1.39	1.39
City Attorney	1.57	1.61	1.67	1.74	1.74	1.71	1.64	1.64	1.60	1.60
Human Resources	1.37	1.35	0.99	1.32	1.33	1.36	1.31	1.31	1.36	1.35
City Manager	1.56	0.94	0.81	0.76	0.77	0.77	0.74	0.74	0.74	0.74
Facilities	0.69	0.67	0.66	0.66	0.66	0.68	0.66	0.65	0.68	0.68
Public Works Administration	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07
Total	64.34	60.93	59.19	59.91	61.16	61.08	59.11	62.46	65.84	65.91

Objective: Provide compensation that is consistent with comparative agencies.

By policy the City performs a salary survey at least every four years for non-represented positions to ensure that wages are consistent with comparable agencies. For represented employees the salary survey is performed each time a contract is negotiated. The City strives to be within 5% of the comparable cities average for each classification. If the results of the salary survey indicates that the classification is above or below the comparable cities the range is adjusted accordingly.

During the 2016-17 non-represented salary survey 9 classifications were adjusted as compared to 28 classifications during the 2013-14 survey.

In order to reduce the impact of salary surveys the City provides a cost of living adjustment annually based on the CPI-Urban Wage Earners and Clerical Workers: West – Size Class B/C. Represented employees are provided cost of living adjustments based on negotiated collective bargaining agreements.

Fiscal Year	Cost of Living (non-represented)			
	CPI-W*	Unrep	KPA	Local 737
2010-11	0.0%	0.0%	2.0%	1.0%
2011-12	1.8%	0.0%	0.0%	0.0%
2012-13	3.0%	2.5%	2.5%	2.5%
2013-14	2.0%	2.0%	2.5%	2.5%
2014-15	2.3%	2.5%	2.5%	2.5%
2015-16	2.3%	1.5%	2.5%	2.0%
2016-17	0.4%	1.5%	2.5%	2.0%
2017-18	1.7%	1.5%	2.5%	2.0%
2018-19	3.9%	3.0%	3.0%	3.0%
2019-20	3.0%	2.5%	2.5%	3.0%

* changed from CPI-W Portland-Salem to CPI-W West Class B/C as index ended December 2017.

Health Insurance

The City provides health insurance to all permanent status employees. Employees from the City's two labor groups, Keizer Police Association and the Local 737 contribute 5% to their health insurance while non-represented contribute 10%. The City in conjunction with a third party broker aggressively negotiate any rate increases. It is expected that the historical increases will continue into the near future.

Fiscal Year	Health Insurance	FTE	Avg Cost Per Employee	% Percent Increase
2010-11	\$ 1,255,412	94.17	\$ 13,331	14.2%
2011-12	1,303,357	89.42	14,576	9.3%
2012-13	1,396,776	87.33	15,994	9.7%
2013-14	1,522,282	89.42	17,024	6.4%
2014-15	1,655,572	92.42	17,914	5.2%
2015-16	1,722,945	92.92	18,542	3.5%
2016-17	1,785,752	90.71	19,686	6.2%
2017-18	1,990,213	94.42	21,078	7.1%
2018-19	2,207,114	98.08	22,503	6.8%
2019-20	2,382,400	99.50	23,944	6.4%

**City of Keizer
PERS Analysis**

Pension Expense

		<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>Estimated 2019-20</u>
PERS Expense											
1	Employee Match Paid by Employer	\$ 350,163	\$ 335,131	\$ 334,199	\$ 347,040	\$ 373,164	\$ 406,660	\$ 396,210	\$ 412,285	\$ 446,963	\$ 499,689
2	Tier 1/2	221,961	312,939	316,147	320,062	336,046	464,154	429,374	544,473	537,382	635,689
3	OPSRP General	13,868	60,926	58,443	47,758	52,612	165,492	166,739	202,751	227,458	344,484
4	OPSRP Police & Fire	17,864	27,628	30,613	30,031	33,133	83,421	88,832	123,277	156,973	246,045
5	Total	\$ 603,856	\$ 736,623	\$ 739,402	\$ 744,892	\$ 794,955	\$ 1,119,727	\$ 1,081,155	\$ 1,282,787	\$ 1,368,776	\$ 1,725,907
6											
7	Increase (Decrease)	\$ 88,173	\$ 132,768	\$ 2,778	\$ 5,490	\$ 50,063	\$ 324,772	\$ (38,572)	\$ 201,632	\$ 85,989	\$ 357,131
8	% Increase (Decrease)	17.1%	22.0%	0.4%	0.7%	6.7%	40.9%	-3.4%	18.6%	6.7%	26.1%

Employees Covered, July 1

		<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>Estimated 2020</u>
Employees Covered											
9	Tier 1/2	38	37	36	37	37	35	34	32	27	25
10	OPSRP General	44	39	36	40	42	44	44	45	48	50
11	OPSRP Police & Fire	7	7	9	8	10	10	12	12	17	18
12	Total	89	83	81	85	89	89	90	89	92	93
PERS RATES (Employer Only)											
13	TIER1/2	10.69%	10.62%	10.69%	14.09%	17.72%	20.65%	23.48%			
14	OPSRP - Gen	2.19%	2.86%	2.19%	6.19%	7.30%	9.49%	14.11%			
15	OPSRP - P&F	4.92%	5.57%	4.92%	10.30%	12.07%	14.12%	18.48%			

City of Keizer
General Fund Long Range Forecast
Fiscal Year 2020-21

	PROJECTED		2020-21		2021-22		FORECASTED		2022-23		2023-24		2024-25	
	2019-20	% of Rev		% of Rev		% of Rev								
1 REVENUES:														
2 Taxes & Assessments	5,873,000	49%	6,080,700	50%	6,253,200	49%	6,430,900	49%	6,613,900	48%	6,802,400	47%		
3 Licenses & Fees	3,112,900	26%	2,934,300	24%	2,952,200	23%	2,970,700	23%	2,989,900	22%	3,009,900	21%		
4 Intergovernmental	1,631,300	14%	1,695,000	14%	1,739,600	14%	1,786,000	14%	1,833,700	13%	1,883,000	13%		
5 Fines & Forfeitures	454,000	4%	483,000	4%	486,000	4%	489,000	4%	492,000	4%	496,000	3%		
6 Other	140,100	1%	133,000	1%	133,000	1%	133,000	1%	133,000	1%	133,000	1%		
7 TOTAL NET REVENUES	\$ 11,211,300	94%	\$ 11,326,000	93%	\$ 11,564,000	90%	\$ 11,809,600	90%	\$ 12,062,500	87%	\$ 12,324,300	86%		
8 TRANSFERS IN														
9 Police Services Fee	671,100	6%	806,000	7%	1,256,000	10%	1,264,000	10%	1,741,000	13%	2,028,400	14%		
10 TOTAL REVENUES	\$ 11,882,400	100%	\$ 12,132,000	100%	\$ 12,820,000	100%	\$ 13,073,600	100%	\$ 13,803,500	100%	\$ 14,352,700	100%		
11														
12 EXPENDITURES:		% of Net Rev		% of Net Rev										
13 Administration	\$ 2,305,900	21%	\$ 2,376,400	21%	\$ 2,481,500	21%	\$ 2,337,500	20%	\$ 2,433,300	20%	\$ 2,503,100	20%		
14 Community Development	816,000	7%	719,800	6%	695,900	6%	720,900	6%	763,200	6%	790,900	6%		
15 Municipal Court	218,000	2%	221,400	2%	238,600	2%	246,700	2%	250,800	2%	256,300	2%		
16 Police	8,005,100	71%	8,402,400	74%	8,954,000	77%	9,323,900	79%	9,901,400	82%	10,316,900	84%		
17 TOTAL EXPENDITURES	\$ 11,345,000	101%	\$ 11,720,000	103%	\$ 12,370,000	107%	\$ 12,629,000	107%	\$ 13,348,700	111%	\$ 13,867,200	113%		
18 TRANSFERS OUT														
19 Park Operations	360,800	3.2%	371,600	3.3%	382,700	3.3%	394,200	3.3%	406,000	3.4%	418,200	3.4%		
20 Interfund Loan Repayment	100,000	0.9%	15,700	0.1%	-	0.0%	-	0.0%	-	0.0%	-	0.0%		
21 TOTAL REQUIREMENTS	\$ 11,805,800		\$ 12,107,300		\$ 12,752,700		\$ 13,023,200		\$ 13,754,700		\$ 14,285,400			
22														
23 REVENUES IN EXCESS OF EXPENDITURES	76,600		24,700		67,300		50,400		48,800		67,300			
24														
25 BEGINNING FUND BALANCE	2,470,100		2,546,700		2,571,400		2,638,700		2,689,100		2,737,900			
26														
27 ENDING FUND BALANCE	\$ 2,546,700		\$ 2,571,400		\$ 2,638,700		\$ 2,689,100		\$ 2,737,900		\$ 2,805,200			

City of Keizer
Police Services Fee Update
Fiscal Year 2020-21

	PROJECTED		FORECASTED			
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
1 RESOURCES:						
3 Police Service Fees *	671,100	906,000	1,256,000	1,464,000	1,791,000	2,028,400
4 General Fund Support	7,088,300	7,230,000	7,450,100	7,608,000	7,854,500	8,028,500
5 Other Revenues	245,700	244,100	247,900	251,900	255,900	260,000
6 TOTAL RESOURCES	\$ 8,005,100	\$ 8,380,100	\$ 8,954,000	\$ 9,323,900	\$ 9,901,400	\$ 10,316,900
8 REQUIREMENTS:						
9 Expenditures:						
10 Personnel Services	6,815,000	7,227,100	7,692,000	8,032,800	8,564,400	8,946,200
11 Materials & Services	960,400	1,031,300	1,048,000	1,077,100	1,123,000	1,156,700
12 Capital Outlay	229,700	144,000	214,000	214,000	214,000	214,000
14 Total Expenditures	8,005,100	8,402,400	8,954,000	9,323,900	9,901,400	10,316,900
15 Fund Balance:						
16 Unrestricted Fund Balance	-	(22,300)	-	-	-	-
17 TOTAL REQUIREMENTS	\$ 8,005,100	\$ 8,380,100	\$ 8,954,000	\$ 9,323,900	\$ 9,901,400	\$ 10,316,900

* The Police Services Fee is to provide resources to hire and equip five additional police officers. The fee covers employee costs such as wages, health insurance, retirement and taxes in addition to uniforms, service equipment and vehicles.

The fee is currently \$4.00 per month for single family residences and non-residential locations and \$3.45 per unit per month for multi-family dwellings. In addition age related and low income discounts are available.

Based on the current analysis the fee amount will need to be adjusted to maintain the overall Police Department level of service as follows:

Fiscal Year	Police Fee Revenue	Increase from PY	Monthly Fee	Monthly Increase	Annual Fee
2019-20	\$ 680,000	\$ -	\$ 4.00	\$ -	\$ 48.00
2020-21	906,000	226,000	5.33	1.33	63.95
2021-22	1,256,000	350,000	7.39	2.06	88.66
2022-23	1,464,000	208,000	8.61	1.22	103.34
2023-24	1,791,000	327,000	10.54	1.92	126.42
2024-25	2,028,400	237,400	11.93	1.40	143.18

City of Keizer Items for Future Budget Consideration

	<u>Annual Cost</u>		
Staffing			
High Priority			
Code Enforcement Staffing	\$100,000		
Community Services Officer	100,000		
Medium Priority			
Legal Department Staffing	150,000		
Human Resources Staffing	100,000		
Low Priority			
Economic development Manager	150,000		
Emergency Management Manager	100,000		
Public Information/Community and Cultural Outreach Position	150,000		
Other			
	<u>Initial Cost</u>	<u>Ongoing Cost</u>	
High Priority			
HRIS Software	15,000	\$5,000	
Live Scan - Finger Print System	25,000	4,000	
PowerDMS Software	6,000	5,800	
Pergola	100,000	-	
Fullcourt Municipal Court Software	25,000	7,000	
Medium Priority			
Codification Software	20,000	3,000	
Recruitment Software if not included in HRIS	10,000	3,000	
Springbrook Financial Software Upgrade	47,000	34,000	
Automated Timesheet Software	15,500	4,000	
Conversational Spanish Class	15,000	-	
Implicit/Explicit Bias and Diversity Training	N/A	-	
Low Priority			
Plotter	10,000	-	
Scheduling Software	10,300	4,000	
Skate Park Security Camera	10,000	1,000	
	<u>10,000</u>	<u>1,000</u>	
Total	<u><u>\$1,158,800</u></u>	<u><u>\$70,800</u></u>	

TO: LONG RANGE PLANNING COMMITTEE
THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER
FROM: TIM WOOD, FINANCE DIRECTOR
SUBJECT: PARK SYSTEM LONG RANGE PLAN

Overview of the Park System

The goal of the Public Works Department Park Division is to provide the community with a diversified program to meet the recreational, educational and leisure needs of the citizens through a blend of pleasing landscapes, open spaces, parks and recreational facilities for both passive and active interests. The Park System is governed by 2008 Parks & Recreation Master Plan. The master plan is expected to be reviewed and updated during fiscal year 2020-21.

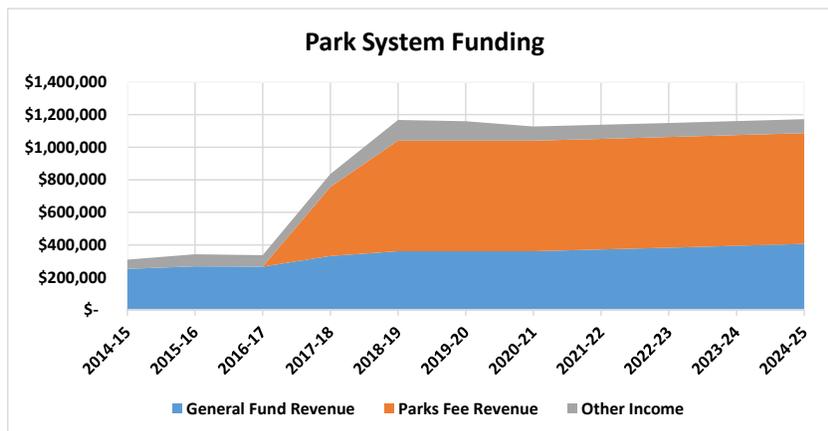
The Park System consists of:

- 15 Neighborhood parks covering 65.5 acres,
- 2 Community parks covering 27 acres,
- 1 Region park covering 148 acres
- 1 Landscape area covering 0.5 acres, and
- 1 Historical area covering 0.5 acres.

Park System Funding

The Park System is funded by three primary sources:

- General Fund Revenue,
- Parks Fee Revenue, and
- Other Income which includes park reservation fees and property rental income



Long Term Sustainability of the Park System

The Parks Division has four full-time employees and supplements staffing in the summer months through a temporary agency. The primary focus of Parks Staff is on maintenance of the Parks system with emphasis on mowing, garbage collection, and maintenance of the various park amenities as well as repair or replacement of broken and/or damaged play structures, drinking fountains and other park amenities.

In addition to the ongoing maintenance and repair requirements, the Park System is anticipating the following future capital improvements:

FY 2019/20

- Skate Park Update
- Willamette Manor Sport Court Replacement
- Northview Swing Set Replacement
- Replace 2000 F-250
- Tree Work System Wide

FY 2020/21

- Northview Stairs
- Big Toy Picnic Shelters (2)
- Demo Charge House and Gravel Pad for Food Trucks
- Power and Water for Food Cart Pads
- Resurface and Expand North Parking Lot at Claggett Creek
- Repair Backstops/Fences at Claggett Creek & Other Parks
- Master Plan/SDC Methodology Update
- Tree Work System Wide

FY2021/22

- Pathway Lighting at Bair Park
- Create Equipment Access to Lower Portion of Wallace House
- Replace Claggett Play Structure
- Paint Gazebo at Chalmers Jones
- Tree Work System Wide
- Replace Kubota Tractor

FY 2022/23

- Picnic Shelter by the River at Keizer Rapids
- Replace Play Structure at Bob Newton
- Expand Trail/Road to Boat In Camp Site in Keizer Rapids
- Replace Play Structure at Ben Miller

FY 2023/24

- New Sports Court at Keizer Rapids
- Expand Parking Lot by Dog Park at Keizer Rapids
- Replace 2 Zero Turn Mowers

City of Keizer
Long Range Plan - Park Services
Fiscal Year 2020-21

	PROJECTED	FORECASTED				
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
1 RESOURCES:						
2 Beginning Balance:	\$ 277,100	\$ 221,100	\$ 224,700	\$ 205,800	\$ 199,200	\$ 171,500
3 Park Service Fees *	680,000	680,000	680,000	680,000	680,000	680,000
4 General Fund Support	360,800	371,600	382,700	394,200	406,000	418,200
5 Other Revenues	119,100	86,200	87,100	88,000	88,900	89,800
6 TOTAL RESOURCES	\$ 1,437,000	\$ 1,358,900	\$ 1,374,500	\$ 1,368,000	\$ 1,374,100	\$ 1,359,500
7						
8 REQUIREMENTS:						
9 Expenditures:						
10 Personnel Services	358,600	383,400	409,600	426,200	451,200	469,600
11 Materials & Services	267,800	275,800	284,100	292,600	301,400	310,400
12 Capital Outlay	589,500	475,000	475,000	450,000	450,000	450,000
14 Total Expenditures	1,215,900	1,134,200	1,168,700	1,168,800	1,202,600	1,230,000
15 Fund Balance:						
16 Unrestricted Fund Balance	221,100	224,700	205,800	199,200	171,500	129,500
17 TOTAL REQUIREMENTS	\$ 1,437,000	\$ 1,358,900	\$ 1,374,500	\$ 1,368,000	\$ 1,374,100	\$ 1,359,500
Day's Cash Supply at End of Year	119	121	110	107	92	70

* The Park Services Fee is to provide resources to increase the level of repairs and maintenance in the City's park system. The fee covers additional employee costs such as wages, health insurance, retirement and taxes for two additional park's employees in addition to costs associated with maintaining and repairing existing park amenities.

The fee is currently \$4.00 per month for single family residences and non-residential locations and \$3.45 per unit per month for multi-family dwellings. In addition age related and low income discounts are available.

Based on the current analysis the fee amount is sufficient to provide for the increased level of service for the park system until Fiscal 2024-25.

Budget Calendar

Friday, **April 17** &
Friday, **April 24**

Notice of Budget Committee meeting on City Budget posted to website and for publication for purpose of receiving proposed budget, and a public hearing to be held on Thursday, May 7th on the proposed budget and state revenue sharing.

Friday, **April 24**

Budget documents to be distributed to Budget Committee

Monday, **May 11**
6:00 p.m.

City Budget Committee Meeting

- ◆ Election of City of Keizer Budget Committee Chair
- ◆ Approval of Budget Calendar
- ◆ Public Testimony
- ◆ Presentation of City of Keizer Budget Message
- ◆ Staff presentations & discussions

Tuesday, **May 12**
6:00 p.m.

City Budget Committee Meeting

- ◆ Public Testimony
- ◆ Continuation of presentations and discussion

Thursday, **May 14**
6:00 p.m.

City Budget Committee Meeting

- ◆ Continuation of discussion from Tuesday, May 12th as needed
- ◆ Budget recommendations to City Council

Friday, **May 22**

Financial Summaries and notice of budget hearings for publication

Monday **June 1**
7:00 p.m.

Public hearing on City Budget. Council adoption of City Budget, if approved.

Monday **June 15**
7:00 p.m.

Alternate public hearing on City Budget (if needed). Council adoption of City Budget.