

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

**Monday, March 8, 2021**

**6:00 p.m.**

**Via ZOOM**

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. PRIOR YEAR MINUTES**

- a. Long Range Planning Task Force Meeting Minutes – March 9, 2020

**4. DISCUSSION**

- a. Stormwater Long Range Plan
- b. Water Long Range Plan
- c. General Operating Fund Long Range Plan
1. Police Services Fee Update
- d. Parks Long Range Plan
- e. Items for Future Budget Consideration

**5. OTHER BUSINESS**

- a. Budget Committee Meeting Timeline
- b. Next Year's Long Range Planning Task Force Meeting – March 14, 2022

**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](mailto:davist@keizer.org) or phone at (503)390-3700 or (503)856-3412.*



**MINUTES**  
**KEIZER GENERAL FUND LONG RANGE PLANNING TASK FORCE**  
**Monday, March 9, 2020**  
**Keizer Civic Center, Keizer, Oregon**

**CALL TO ORDER** Mayor Clark called the meeting to order at 6:00 pm. Roll call follows:

**ROLL CALL**

**Present:**

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

Ali Rasouli  
Julia Sargent  
Kevin Dial

**Staff**

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

**APPROVAL OF MINUTES**

A correction was made to the minutes. Kim Freeman moved for approval of the March 11, 2019 Minutes as corrected. J.D. Gillis seconded. Motion passed as follows: Cathy Clark, Parsons, Freeman, Reid, Herrera, Smith, Kohler, Don Clark, Gillis, Thompson, Dial, Smith, Sargent and Rasouli in favor.

**DISCUSSION**

City Manager Chris Eppley gave an overview of why the Task Force exists and explained that the current financial situation for the city is still limited. Finance Director Tim Wood explained that this meeting is to provide a mid-year update, although nothing is locked in stone and focus will be on just some key areas and goals.

**a. Stormwater Long Range Plan**

Mr. Wood summarized his staff report noting that a rate increase is not anticipated and fielded questions regarding the cash supply forecast. Public Works Director Bill Lawyer provided additional information regarding video inspections and the Shoreline Drive project.

**b. Water Long Range Plan**

Mr. Wood summarized his staff report noting that the City's goal is to provide low-cost water that meets all state and federal drinking water regulations and to be cost effective. He pointed out that water cost in Keizer is significantly lower than many comparable cities and explained that the City follows the Water Master Plan and in order to continue doing so a 4% rate increase for capital improvements: waterline replacement projects. He noted that debt will be paid off in the 20-21 year and a water rate study will follow. He concluded stating that the City is maintaining the water quality with the

lowest cost compared to other cities and is on track with the Master Plan. Mr. Lawyer and Mr. Eppley provided additional information and clarification regarding the importance of this service, fire hydrants and the water quality.

**c. General Fund Long Range Plan**

Mr. Wood explained that this is the chief operating fund for the City and is supported by property tax, fees and intergovernmental revenues so is therefore the most constrained fund and significantly impacted by population growth. He fielded questions and provided details and clarification of various items in his staff report. Mr. Eppley provided additional information regarding diversification strategies for revenue noting that general fund constraints will always be an issue because of Keizer's low tax rate which keeps the City government constrained to provide a minimalist government. He added that the City works constantly to be more efficient and to provide services the community wants to fund. Discussion also took place regarding funding Diversity Training and an interpreter.

**Police Services Fee Update:** Mr. Wood reviewed the page in his staff report. Chief Teague provided detailed information about the vision of the Police Department and related staffing needs. Task Force requested a one-page summary of benefits realized over the past year from the Police and Parks fees.

**d. Parks Long Range Plan**

Mr. Wood summarized his staff report noting that parks are substantially supported by the Parks Fee rather than general fund revenues. Bill Lawyer reviewed items accomplished since the implementation of the fee noting that more has been done than originally planned and announced proposed improvements for the coming year. Mr. Eppley shared information regarding the ADA assessment and the Keizer Little League Park.

Mr. Wood indicated that Transient Occupancy Tax has been higher than anticipated and the Community Center has had a banner first two quarters. Recruitment is underway for an additional Community Center employee and money is being reinvested in the Center as well. Mr. Eppley provided additional information.

Regarding Volcano stadium Mr. Wood indicated that the City will lose about \$50,000 in rent if the MLB pulls the Volcanos but this would give the City an opportunity to do something different there.

**OTHER BUSINESS**

**a. Budget Committee Meeting Timelines**

**Monday, May 11, 6 p.m.** – Budget Committee Meeting

**Tuesday, May 12, 6 p.m.** – Budget Committee Meeting

**Thursday, May 14, 6 p.m.** – Budget Committee Meeting

**b. Monday, March 8, 2021, 6 p.m.** – Long Range Planning Task Force

**Adjourn**

Meeting adjourned at 8:08 p.m.

Minutes approved:

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Debbie Lockhart, Deputy City Recorder

**LONG RANGE PLANNING MEETING: March 8, 2021**

**AGENDA ITEM NUMBER: 4a**

**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

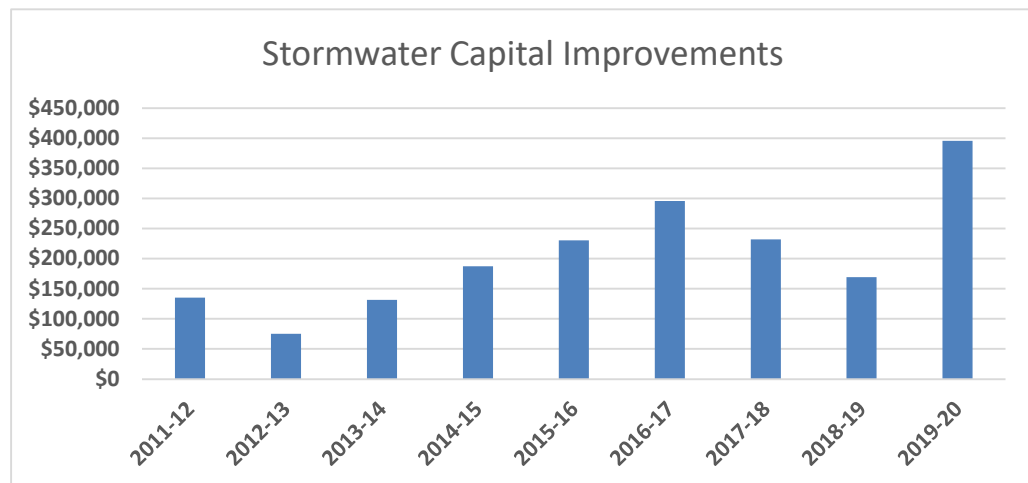
In comparison to other cities, Keizer stormwater charges are consistent with other jurisdictions. The residential stormwater billing rates for several comparative cities is as follows:

	<u>Effective Date</u>	<u>Monthly Billing Rate</u>
Albany	3/1/2021	\$ 10.18
Corvallis	2/1/2021	9.57
Lake Oswego	7/1/2020	17.64
Oregon City	1/1/2021	10.86
Salem	1/1/2021	17.99
Tigard	7/1/2019	9.25
Tualatin	7/1/2020	10.24
West Linn	1/1/2021	7.85
Wilsonville	1/1/2021	11.90
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.

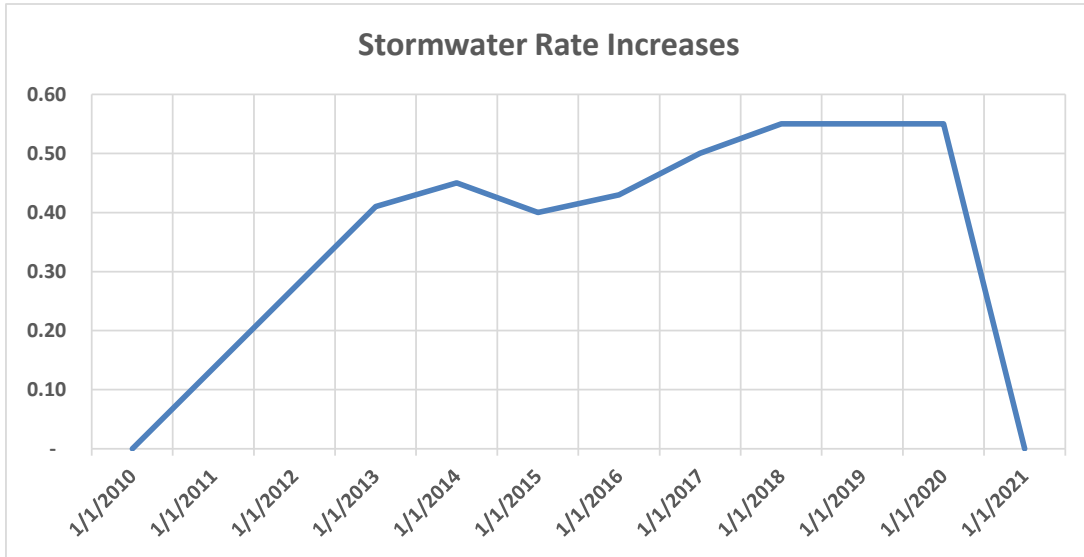
Since the start of the visual inspections, the City has spent approximately \$1.9 million in capital improvements to address identified system failures.



### 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. In response to the COVID-19 pandemic the City decided to forgo a rate increase during Fiscal Year 2020-21.



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

	PROJECTED		FORECASTED			
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
<b>1 RESOURCES:</b>						
<b>2 Beginning Balance:</b>	<b>\$ 996,600</b>	<b>\$ 810,600</b>	<b>\$ 546,400</b>	<b>\$ 501,400</b>	<b>\$ 441,400</b>	<b>\$ 431,400</b>
3 Service Fees	2,113,000	2,113,000	2,136,000	2,244,000	2,353,000	2,463,000
4 Other Revenues	12,000	12,000	12,000	12,000	12,000	13,000
<b>5 TOTAL RESOURCES</b>	<b>\$ 3,121,600</b>	<b>\$ 2,935,600</b>	<b>\$ 2,694,400</b>	<b>\$ 2,757,400</b>	<b>\$ 2,806,400</b>	<b>\$ 2,907,400</b>
<b>6</b>						
<b>7 REQUIREMENTS:</b>						
<b>8 Expenditures:</b>						
9 Personnel Services	740,200	929,400	957,000	1,053,000	1,085,000	1,194,000
10 Materials & Services	820,800	859,800	886,000	913,000	940,000	968,000
11 Capital Outlay	750,000	600,000	350,000	350,000	350,000	350,000
<b>12 Total Expenditures</b>	<b>2,311,000</b>	<b>2,389,200</b>	<b>2,193,000</b>	<b>2,316,000</b>	<b>2,375,000</b>	<b>2,512,000</b>
<b>13 Fund Balance:</b>						
14 Unrestricted Fund Balance	810,600	546,400	501,400	441,400	431,400	395,400
<b>15 TOTAL REQUIREMENTS</b>	<b>\$ 3,121,600</b>	<b>\$ 2,935,600</b>	<b>\$ 2,694,400</b>	<b>\$ 2,757,400</b>	<b>\$ 2,806,400</b>	<b>\$ 2,907,400</b>
<b>Day's Cash Supply at End of Year</b>	<b>140</b>	<b>94</b>	<b>86</b>	<b>72</b>	<b>67</b>	<b>59</b>

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	\$ -	\$ -	0.0%
2022-23	\$ 0.40	\$ 0.40	5.2%
2023-24	\$ 0.40	\$ 0.40	5.2%
2024-25	\$ 0.40	\$ 0.40	5.0%

**Proposed 2021-22 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 8, 2021**

**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 11,100 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:

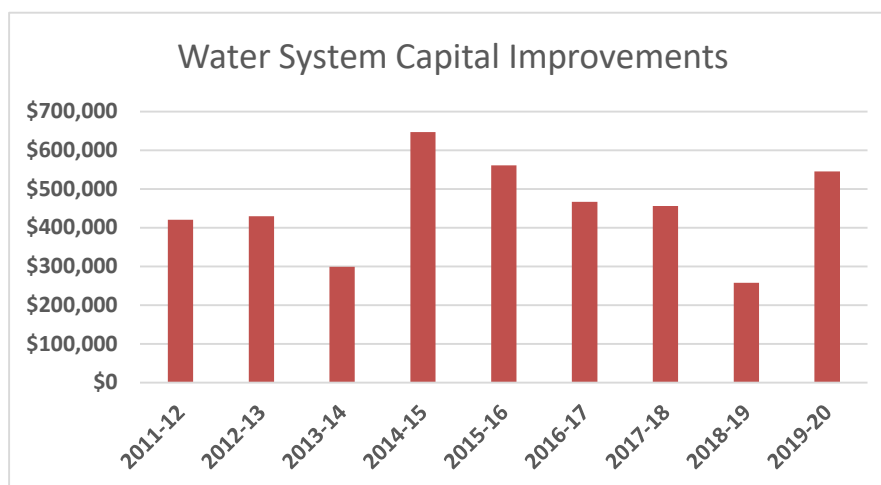


	<b>Billing Frequency</b>	<b>Effective Date</b>	<b>Connection - Flat Rate</b>	<b>Consumption - Variable Rate</b>	<b>Average Units</b>	<b>Total Per Month</b>
Salem	Monthly	1/1/2021	\$ 11.72	\$ 2.62	6.00	\$ 27.44
Albany	Monthly	1/1/2021	20.64	4.60	6.00	48.24
Corvallis	Monthly	2/1/2021	16.60	2.11	6.00	29.26
Lake Oswego	Monthly	7/1/2020	28.23	2.97	6.00	46.05
McMinnville	Monthly	1/1/2021	13.70	1.59	6.00	23.24
Oregon City	Monthly	1/1/2021	17.55	1.94	6.00	29.19
Tigard	Monthly	1/1/2021	30.31	3.92	6.00	53.83
Tualatin	Monthly	7/1/2020	4.49	3.20	6.00	23.69
West Linn	Monthly	7/1/2021	26.09	-	6.00	26.09
Wilsonville	Monthly	5/1/2021	17.09	4.23	4.00	34.01
Woodburn	Monthly	7/1/2020	16.12	1.95	6.00	27.82
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).

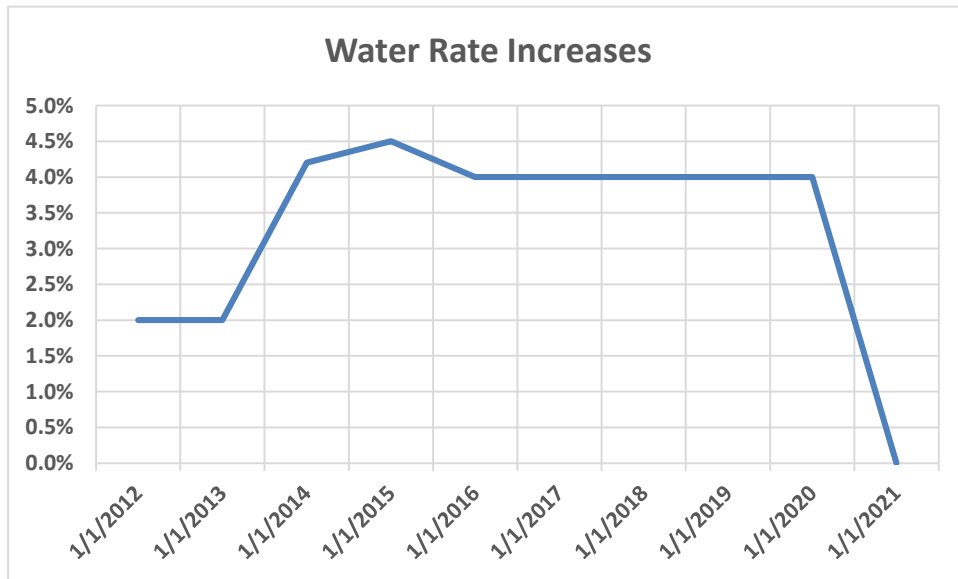
Since the effective date of the master plan, the City has spent approximately \$4.0 million in capital improvements.



The only outstanding future capital projects are the additional reservoir and pump station (\$1.8 million) and the ongoing steel waterline replacement (\$3.6 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 \$0.7 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%. In response to the COVID-19 pandemic the City elected to forgo a rate increase during the 2020-21 Fiscal Year. 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](http://www.keizer.org/annualwaterreport).

# City of Keizer

## Long Range Plan - Water System

### Fiscal Year 2020-21

	PROJECTED	FORECASTED				
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1 <b>RESOURCES:</b>						
2 <b>Beginning Balance:</b>	\$ 1,373,600	\$ 1,199,600	\$ 1,074,200	\$ 883,600	\$ 645,000	\$ 317,400
3 Water Sales	3,290,000	3,356,000	3,490,000	3,630,000	3,775,000	3,926,000
4 Other Revenues	114,000	114,000	115,000	116,000	117,000	118,000
5 <b>TOTAL RESOURCES</b>	<b>\$ 4,777,600</b>	<b>\$ 4,669,600</b>	<b>\$ 4,679,200</b>	<b>\$ 4,629,600</b>	<b>\$ 4,537,000</b>	<b>\$ 4,361,400</b>
6						
7 <b>REQUIREMENTS:</b>						
8 <b>Expenditures:</b>						
9 Personnel Services	\$ 1,126,700	\$ 1,302,400	\$ 1,351,600	\$ 1,430,600	\$ 1,486,600	\$ 1,575,600
10 Materials & Services	1,574,000	1,643,000	1,794,000	1,904,000	2,083,000	2,211,000
11 Capital Outlay	648,600	650,000	650,000	650,000	650,000	650,000
12 Debt Service	228,700	-	-	-	-	-
13 <b>Total Expenditures</b>	<b>3,578,000</b>	<b>3,595,400</b>	<b>3,795,600</b>	<b>3,984,600</b>	<b>4,219,600</b>	<b>4,436,600</b>
14 <b>Fund Balance:</b>						
15 Reserves	234,100	-	-	-	-	-
16 Fund Balance	965,500	1,074,200	883,600	645,000	317,400	(75,200)
17 <b>TOTAL REQUIREMENTS</b>	<b>\$ 4,777,600</b>	<b>\$ 4,669,600</b>	<b>\$ 4,679,200</b>	<b>\$ 4,629,600</b>	<b>\$ 4,537,000</b>	<b>\$ 4,361,400</b>
<b>Days Cash Supply at End of Year</b>	130	133	103	71	32	(7)

Conclusion: The update to the Water Services Long-Range plan supports a 4% rate increase for FY21-22 as anticipated when the model was presented to the Long Range Planning Committee last year (March 2020).

#### Proposed 2021-22 Rate Analysis

	Flat Rate		Variable Rate	
	Current	Proposed	Current	Proposed
Residential 5/8" meter	\$ 11.61	\$ 12.07	\$ 1.50	\$ 1.56
Multi-family 1" meter	\$ 23.58	\$ 24.52	\$ 1.50	\$ 1.56
Commercial 5/8" meter	\$ 11.61	\$ 12.07	\$ 1.45	\$ 1.51

#### Proposed 2021-22 Rate Increase Impact

	Bi-Monthly Bill		Incremental Cost of Rate Increase		
	Current	Proposed	Monthly	Bi-Monthly	Annual
Residential (12 ccf)	\$ 29.61	\$ 30.79	\$ 0.59	\$ 1.18	\$ 7.08
Multi-family (175 ccf)	\$ 286.08	\$ 297.52	\$ 5.72	\$ 11.44	\$ 68.64
Commercial (51 ccf)	\$ 85.56	\$ 89.08	\$ 1.76	\$ 3.52	\$ 21.12

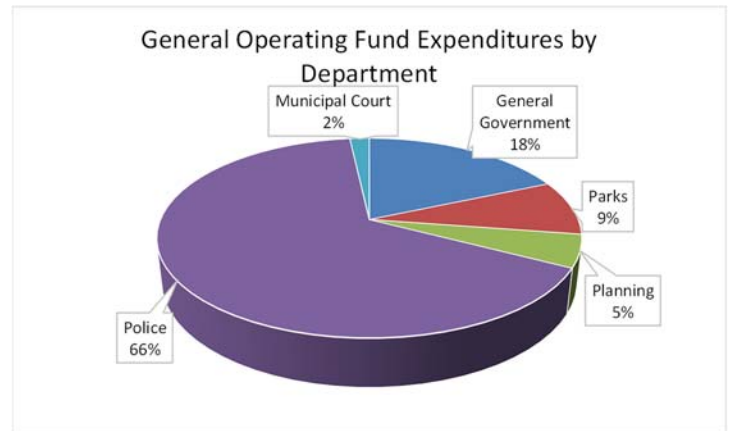
**TO: LONG RANGE PLANNING COMMITTEE**  
**THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER**  
**FROM: TIM WOOD, FINANCE DIRECTOR**  
**SUBJECT: GENERAL OPERATING FUND LONG RANGE PLAN**

**Overview of the General Operating Fund**

The General Operating 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 General Operating Fund provides for:

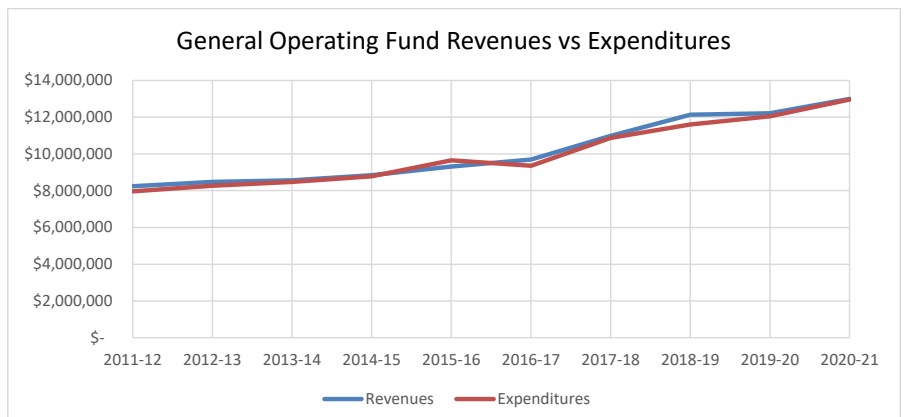
- Police Department,
- Municipal Court,
- Planning
- Parks Operation, and
- General Government



The primary sources of revenue are property taxes, licenses/fees and intergovernmental revenues such as Cigarette and Liquor Tax. The General Operating Fund is the City’s most constrained fund in relation to the level of services provided and highly dependent on ongoing City growth. The limited population growth has a direct impact on property taxes, franchise fees and the City’s per capita allocation of intergovernmental revenues.

	Population			
	July 1,	Total	Increase	% Increase
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%
2020		38,585	5	0.0%

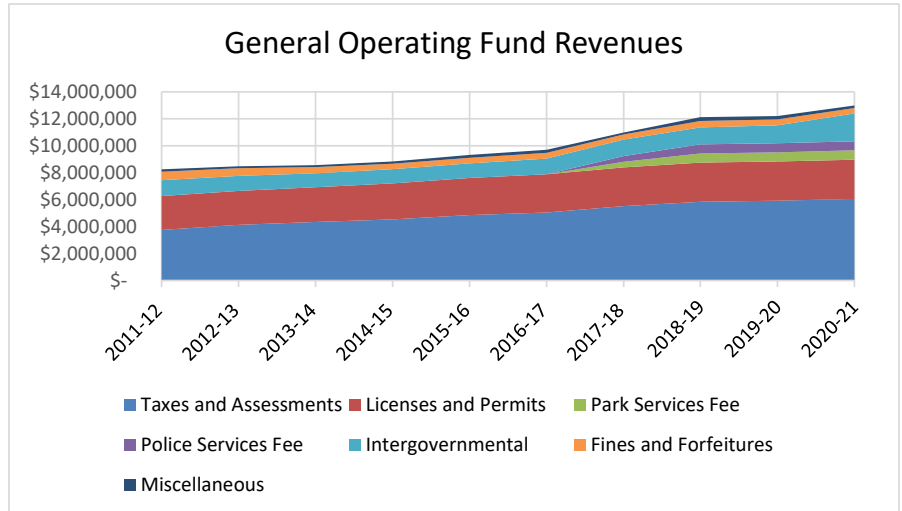
**Objective:** Provide the most services possible given the available resources.



## General Fund Resources

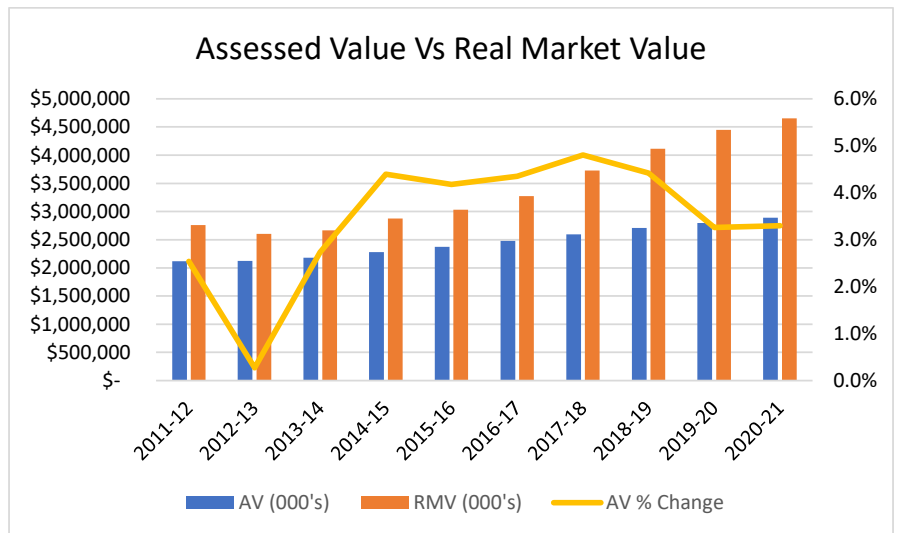
**Objective:** Diversify General Fund resources so as not to be dependent on any one source.

The General Operating Fund continues to be primarily funded by property taxes and licenses and permits (franchise fees).



## 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.

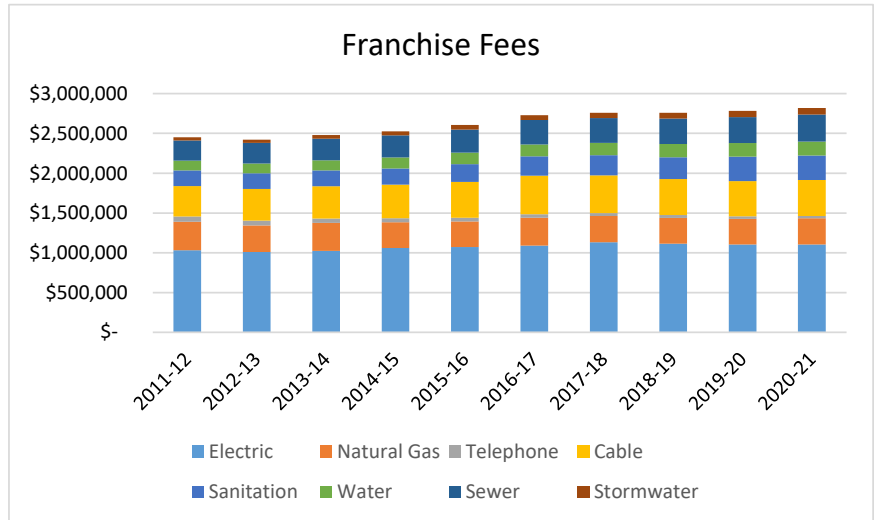
Going forward given the limited availability of buildable land for new construction within the City limits it is expected that the increase in assessed value will be closer to 3% reflecting only the annual growth factor. The difference between the 4% assumption and the 3% assumption is approximately \$55,000 - \$65,000 of lost property tax revenue on an annual basis.

## 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

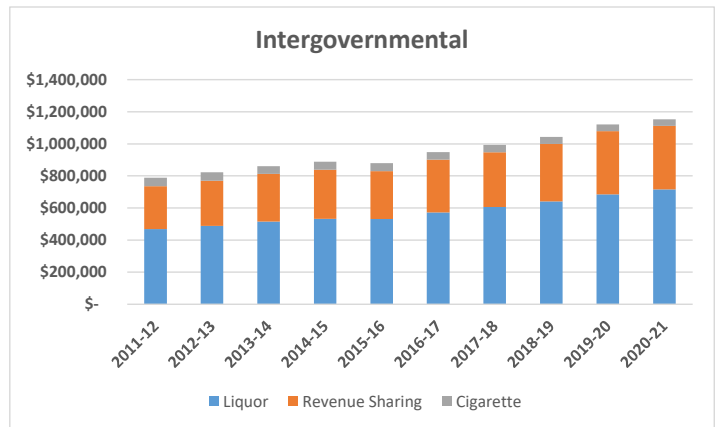
water, sewer, stormwater and sanitation services. Electricity and natural gas fluctuate based on the weather. Telephone and cable continue to decrease as customers continue to “cut the cord.”



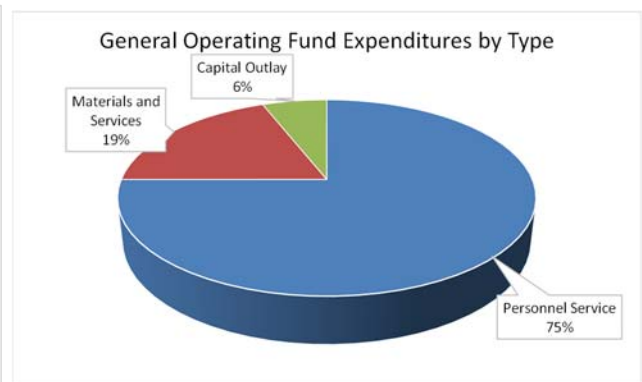
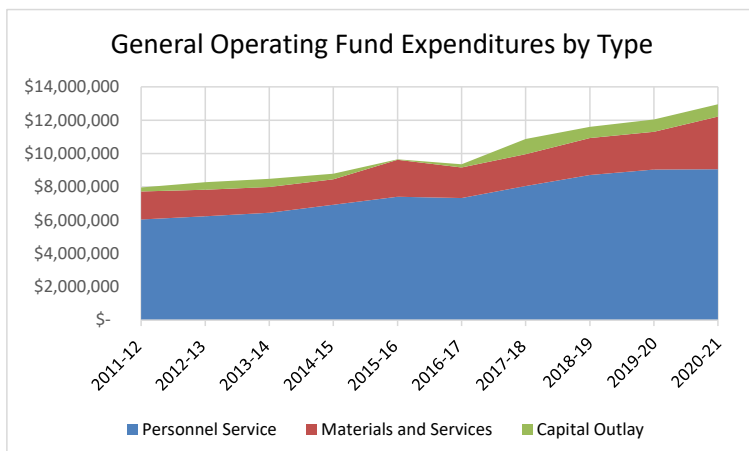
## Intergovernmental

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.



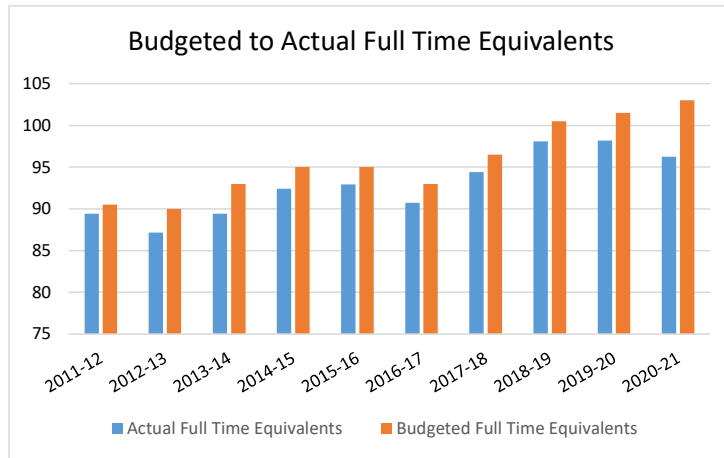
## General Fund Expenditures



## Personnel Services

**Objective:** Maintain full staffing as resources are available

### City Wide Full Time Equivalents



Years of Service	# Employees	% of Total Employees
0-5	29	30%
5-10	12	13%
10-15	15	16%
15-20	13	14%
20-25	16	17%
25-30	9	9%
30+	2	2%
<b>Total</b>	<b>96</b>	<b>100%</b>

Average Years of Service 12.50

### Positions Directly and Indirectly Supported by the General Operating Fund

Department	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Direct</b>										
Police	45.00	44.25	45.00	45.17	44.42	43.46	45.33	47.67	47.33	47.17
Planning	3.84	3.84	3.84	3.84	3.84	3.42	3.84	3.84	3.76	2.84
Code Enforcement	-	-	-	0.25	0.85	0.85	0.85	0.85	0.85	0.85
Parks	1.90	1.90	1.48	1.90	1.90	1.90	2.73	3.73	3.90	3.90
Municipal Court	1.58	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Indirect</b>										
Finance	1.98	2.00	1.92	1.94	1.69	1.36	1.60	1.56	1.56	1.30
Information Technology	0.67	0.66	0.66	1.05	1.36	1.31	1.31	1.36	1.35	1.35
City Recorder	1.31	1.17	1.46	1.44	1.44	1.38	1.38	1.39	1.39	1.39
City Attorney	1.61	1.67	1.74	1.74	1.71	1.64	1.64	1.60	1.60	1.60
Human Resources	1.35	0.99	1.32	1.33	1.36	1.31	1.31	1.36	1.35	1.35
City Manager	0.94	0.81	0.76	0.77	0.77	0.74	0.74	0.74	0.74	0.74
Facilities	0.67	0.66	0.66	0.66	0.68	0.66	0.65	0.68	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
<b>Total</b>	<b>60.93</b>	<b>59.02</b>	<b>59.91</b>	<b>61.16</b>	<b>61.08</b>	<b>59.11</b>	<b>62.46</b>	<b>65.84</b>	<b>65.57</b>	<b>64.23</b>

**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.

Fiscal Year	Cost of Living (non-represented)			
	CPI-W*	Unrep	KPA	Local 737
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%
2020-21	2.4%	2.5%	2.5%	2.4%

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

During the 2016-17 non-represented salary survey 9 classifications were adjusted as compared to 28 classifications during the 2013-14 survey. The 2020-21 survey is in process.

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 adjusted for trends from comparable agencies. The 2021-22 CPI is approximately 1.7%. Represented employees are provided cost of living adjustments based on negotiated collective bargaining agreements.

## 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
2011-12	\$ 1,303,357	89.42	\$ 14,576	9.3%
2012-13	1,396,776	87.17	16,024	9.9%
2013-14	1,522,282	89.42	17,024	6.2%
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	2,274,729	98.17	23,171	3.0%
2020-21 (Est)	2,366,427	96.58	24,502	5.7%

## Retirement

The City participates in the Public Employer Retirement System (PERS) in lieu of contributing to Social Security. PERS contributions are actuarially calculated and assessed to the City as a percentage of gross compensation. The contribution rates are for a two-year period. Starting in 2015-16 the rates increased significantly in response to poor stock market performance.

The City's historical PERS experience is as follows.

	Tier 1/2			OPSRP Police & Fire			OPSRP General			Employer Match	Total Expense
	Employees Covered	Contribution Rate	Annual Expense	Employees Covered	Contribution Rate	Annual Expense	Employees Covered	Contribution Rate	Annual Expense		
2011-12	37	10.62%	312,939	7	5.57%	27,628	39	2.86%	60,926	335,131	736,624
2012-13	36	10.62%	316,147	9	5.57%	30,613	36	2.86%	58,443	334,199	739,402
2013-14	37	10.69%	320,062	8	4.92%	30,031	40	2.19%	47,758	347,040	744,891
2014-15	37	10.69%	336,046	10	4.92%	33,133	42	2.19%	52,612	373,164	794,955
2015-16	35	14.09%	464,154	10	10.30%	83,421	44	6.19%	165,492	406,660	1,119,727
2016-17	34	14.09%	429,374	12	10.30%	88,832	44	6.19%	166,739	396,210	1,081,155
2017-18	32	17.72%	544,473	12	12.07%	123,277	45	7.30%	202,751	412,285	1,282,786
2018-19	27	17.72%	537,382	17	12.07%	156,973	48	7.30%	227,458	446,963	1,368,776
2019-20	24	20.65%	544,591	20	14.12%	225,372	50	9.49%	315,488	451,052	1,536,503
2020-21 - Est	21	20.65%	570,759	23	14.12%	277,925	50	9.49%	376,458	515,727	1,740,869

The City has been notified that the employer contribution rates effective July 1, 2021 are 24.18%, 19.40% and 15.04% for Tier 1/2, OPSRP Police and Fire, and OPSRP General respectively. The increases in these rates will have a significant impact on the City's personnel services costs.



## Materials and Services

Materials and services represent approximately 19% of the General Operating Funds budget. Included in materials and services is 911 Call Center costs of approximately \$550,000 per year. This amount is the net amount after the City's share of 911 tax, approximately \$225,000, is applied against the balance.

In addition to 911 call center costs other individually significant costs include property and liability insurance, information technology costs and municipal court assessments.

During 2015-16 there was a significant increase in materials and services cost as the result of contractual payments to the overlapping tax jurisdictions associated with amending the Urban Renewal District.

During 2020-21 there is a significant increase in materials and services cost as the result of the City receiving the CARES Act Grant from the State of Oregon. The Grant was to provide resources to mitigate the COVID-19 pandemic.

Looking to the future it is anticipated that materials and services costs will continue to increase 1-3% per year due to inflation.



## Capital Outlay

Capital Outlay represents approximately 6% of the General Operating Funds budget. Capital outlay consists of park improvements outlined in the Parks Master Plan and ongoing Police Department Vehicle purchases. It is anticipated that capital outlay will remain consistent for the foreseeable future.

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

	<b>PROJECTED</b>						<b>FORECASTED</b>					
	<b>2020-21</b>	<b>% of Rev</b>	<b>2021-22</b>	<b>% of Rev</b>	<b>2022-23</b>	<b>% of Rev</b>	<b>2023-24</b>	<b>% of Rev</b>	<b>2024-25</b>	<b>% of Rev</b>	<b>2025-26</b>	<b>% of Rev</b>
1 <b>REVENUES:</b>												
2 Taxes & Assessments	6,054,000	47%	6,270,600	48%	6,450,700	48%	6,644,200	48%	6,843,500	47%	7,048,800	47%
3 Licenses & Fees	2,913,400	22%	2,952,900	23%	2,975,400	22%	3,005,200	22%	3,035,300	21%	3,065,700	21%
4 Intergovernmental	2,079,900	16%	1,395,400	11%	1,444,500	11%	1,516,700	11%	1,592,500	11%	1,672,100	11%
5 Fines & Forfeitures	387,300	3%	387,300	3%	390,700	3%	394,600	3%	398,500	3%	402,500	3%
6 Other	196,800	2%	196,000	2%	220,100	2%	221,000	2%	221,900	2%	222,800	1%
7 New Revenues	-	0%	60,000	0%	120,000	1%	123,600	1%	127,300	1%	131,100	1%
8 <b>TOTAL NET REVENUES</b>	<b>11,631,400</b>	89%	<b>11,262,200</b>	87%	<b>11,601,400</b>	86%	<b>11,905,300</b>	85%	<b>12,219,000</b>	85%	<b>12,543,000</b>	84%
9 Police Services Fee	693,000	5%	1,020,000	8%	1,189,300	9%	1,359,300	10%	1,529,200	11%	1,700,400	11%
10 Park Services Fee	680,000	5%	680,000	5%	680,000	5%	680,000	5%	680,000	5%	680,000	5%
11 <b>TOTAL REVENUES</b>	<b>\$ 13,004,400</b>	100%	<b>\$ 12,962,200</b>	100%	<b>\$ 13,470,700</b>	100%	<b>\$ 13,944,600</b>	100%	<b>\$ 14,428,200</b>	100%	<b>\$ 14,923,400</b>	100%
12												
13 <b>EXPENDITURES:</b>		<b>% of Exp</b>		<b>% of Exp</b>		<b>% of Exp</b>		<b>% of Exp</b>		<b>% of Exp</b>		<b>% of Exp</b>
14 General Government	\$ 2,980,200	23%	\$ 2,477,200	18%	\$ 2,342,500	17%	\$ 2,412,800	17%	\$ 2,485,200	17%	\$ 2,559,800	17%
15 Planning	512,700	4%	511,400	4%	551,900	4%	575,900	4%	614,200	4%	641,300	4%
16 Municipal Court	220,500	2%	228,400	2%	225,300	2%	230,600	2%	238,600	2%	244,500	2%
17 Parks	1,157,700	9%	1,173,600	9%	1,169,600	9%	1,221,700	9%	1,244,800	8%	1,203,100	8%
18 Police	8,079,300	62%	9,094,000	67%	9,355,900	69%	9,834,300	69%	10,254,500	69%	10,789,800	70%
19 Interfund Loan Repayment	15,700	0%	30,000	0%	30,000	0%	30,000	0%	30,000	0%	30,000	0%
20 <b>TOTAL EXPENDITURES</b>	<b>\$ 12,950,400</b>	100%	<b>\$ 13,484,600</b>	100%	<b>\$ 13,645,200</b>	100%	<b>\$ 14,275,300</b>	100%	<b>\$ 14,837,300</b>	100%	<b>\$ 15,438,500</b>	100%
21												
22 <b>REVENUES IN EXCESS OF EXPENDITURES</b>	54,000		(522,400)		(174,500)		(330,700)		(409,100)		(515,100)	
23												
24 <b>BEGINNING FUND BALANCE</b>	3,159,800		3,213,800		2,691,400		2,516,900		2,186,200		1,777,100	
25												
26 <b>ENDING FUND BALANCE</b>	<b>\$ 3,213,800</b>		<b>\$ 2,691,400</b>		<b>\$ 2,516,900</b>		<b>\$ 2,186,200</b>		<b>\$ 1,777,100</b>		<b>\$ 1,262,000</b>	
			21%		19%		16%		12%		8%	

**City of Keizer**  
**Police Services Fee Update**  
**Fiscal Year 2021-22**

	PROJECTED		FORECASTED			
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
<b>REVENUES:</b>						
Police Service Fees	\$ 693,000	\$ 1,020,000	\$ 1,189,300	\$ 1,359,300	\$ 1,529,200	\$ 1,700,400
General Fund Support	7,236,600	7,727,400	7,809,600	8,110,900	8,353,900	8,710,600
Other Existing Revenues	160,300	346,600	357,000	364,100	371,400	378,800
<b>TOTAL REVENUES</b>	<b>\$ 8,089,900</b>	<b>\$ 9,094,000</b>	<b>\$ 9,355,900</b>	<b>\$ 9,834,300</b>	<b>\$ 10,254,500</b>	<b>\$ 10,789,800</b>
<b>EXPENDITURES:</b>						
Personnel Services	\$ 6,820,300	\$ 7,722,700	\$ 8,063,200	\$ 8,519,700	\$ 8,917,600	\$ 9,430,200
Materials & Services	1,029,300	1,071,300	1,092,700	1,114,600	1,136,900	1,159,600
Capital Outlay	229,700	300,000	200,000	200,000	200,000	200,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 8,079,300</b>	<b>\$ 9,094,000</b>	<b>\$ 9,355,900</b>	<b>\$ 9,834,300</b>	<b>\$ 10,254,500</b>	<b>\$ 10,789,800</b>
<b>REVENUES IN EXCESS OF EXPENDITURES</b>	<b>\$ 10,600</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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
2020-21	\$ 680,000	\$ -	\$ 4.00	\$ -	\$ 48.00
2021-22	1,020,000	340,000	6.00	2.00	72.00
2022-23	1,189,300	169,300	7.00	1.00	83.95
2023-24	1,359,300	170,000	8.00	1.00	95.95
2024-25	1,529,200	169,900	9.00	1.00	107.94
2025-26	1,700,400	171,200	10.00	1.01	120.03

**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 Park System master plan is being reviewed and updated during fiscal year 2020-21.

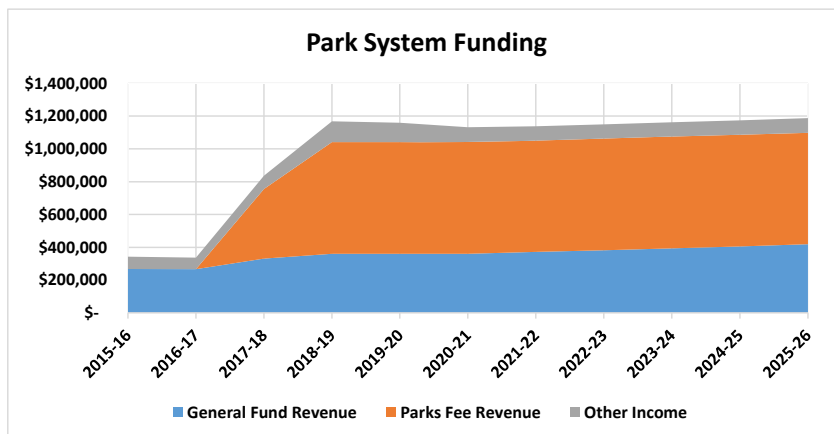
The Park System consists of:

- 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 has or will be completing the following capital improvements:

### **Year 1 – FY 19/20**

- Skate Park Update
- Willamette Manor Sport Court Replacement
- Northview Swing Set Replacement
- Replace 2000 F-250
- Tree Work System Wide
- Demo Charge House and Gravel Pad for Food Trucks

### **Year 2 – FY 20/21**

- Replace Claggett Play Structure
- Replace Northview Stairs
- Power and Water for Food Truck 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
- Create Equipment Access to Lower Portion of Wallace House
- Paint Gazebo at Chalmers Park (completed by an Eagle Scout)

### **Year 3 – FY21/22**

- New Pathway Lighting at Bair Park and Additional Lighting at Country Glen
- Tree Work System Wide
- Replace Kubota Tractor
- Big Toy Picnic Shelters (2)
- ADA Compliance Work in Various Parks

### **Year 4 – FY 22/23**

- 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
- Tree Work System Wide

### **Year 5 – FY 23/24**

- 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 2021-22**

	PROJECTED		FORECASTED			
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
<b>1 RESOURCES:</b>						
<b>2 Beginning Balance:</b>	<b>\$ 389,800</b>	<b>\$ 364,100</b>	<b>\$ 328,300</b>	<b>\$ 308,500</b>	<b>\$ 249,000</b>	<b>\$ 179,100</b>
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	91,200	86,200	87,100	88,000	88,900	89,800
<b>6 TOTAL RESOURCES</b>	<b>\$ 1,521,800</b>	<b>\$ 1,501,900</b>	<b>\$ 1,478,100</b>	<b>\$ 1,470,700</b>	<b>\$ 1,423,900</b>	<b>\$ 1,367,100</b>
<b>8 REQUIREMENTS:</b>						
<b>9 Expenditures:</b>						
10 Personnel Services	381,600	421,900	434,600	478,100	492,400	541,600
11 Materials & Services	276,100	276,700	285,000	293,600	302,400	311,500
12 Capital Outlay	500,000	475,000	450,000	450,000	450,000	350,000
<b>14 Total Expenditures</b>	<b>1,157,700</b>	<b>1,173,600</b>	<b>1,169,600</b>	<b>1,221,700</b>	<b>1,244,800</b>	<b>1,203,100</b>
<b>15 Fund Balance:</b>						
16 Unrestricted Fund Balance	364,100	328,300	308,500	249,000	179,100	164,000
<b>17 TOTAL REQUIREMENTS</b>	<b>\$ 1,521,800</b>	<b>\$ 1,501,900</b>	<b>\$ 1,478,100</b>	<b>\$ 1,470,700</b>	<b>\$ 1,423,900</b>	<b>\$ 1,367,100</b>
<b>Day's Cash Supply at End of Year</b>	195	176	166	134	96	88

\* 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 2025-26.





# Budget Calendar

Friday, **April 16** &  
Friday, **April 23**

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 Monday, May 4th on the proposed budget and state revenue sharing.

Friday, **April 23**

Budget documents to be distributed to Budget Committee

Tuesday, **May 4**  
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

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

City Budget Committee Meeting

- ◆ Public Testimony
- ◆ Continuation of presentations and discussion

Monday, **May 10**  
6:00 p.m.

City Budget Committee Meeting

- ◆ Continuation of discussion from Thursday, May 6th as needed
- ◆ Budget recommendations to City Council

Friday, **May 21**

Financial Summaries and notice of budget hearings for publication

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

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

Monday **June 21**  
7:00 p.m.

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