

July 12, 2021 Budget Session

The City Council of the City of Idaho Falls met in Council Budget Session, Monday, July 12, 2021, at the City Council Chambers in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 1:00 p.m.

There were present:

Mayor Rebecca L. Noah Casper
Council President Michelle Ziel-Dingman
Councilor John Radford
Councilor Thomas Hally
Councilor Jim Freeman
Councilor Jim Francis
Councilor Lisa Burtenshaw

Also present:

Pamela Alexander, Municipal Services Director
Mark Hagedorn, Controller
Josh Roos, Treasurer
Duane Nelson, Fire Chief
Jon Perry, Deputy Fire Chief
Paul Radford, Deputy Fire Chief
Bryce Johnson, Police Chief
Jeremy Galbreath, Training and Logistics Police Captain
Annake Scholes, Police Administrative Assistant
PJ Holm, Parks and Recreation Director
Tim Reinke, Golf Operations Manager
Chris Horsley, Recreation Superintendent
Ronnie Campbell, Parks and Cemetery Superintendent
David Pennock, Zoo Superintendent
Derrick Sorenson, Accountant
Brad Cramer, Community Development Services Director
Kerry Beutler, Community Development Services Assistant Planning Director
Cassie Auten, Accountant
Randy Fife, City Attorney
Kathy Hampton, City Clerk

Opening Remarks, Announcements:

Mayor Casper stated this presentation is for all departments that are fed by the General Fund. She indicated the Fire, Police, and Parks and Recreation (P&R) departments see the majority of their expenditures on personnel. Mayor Casper stated the City has a lot of assets, however, she believes people are the greatest asset. She noted the previous budget included cuts due to Coronavirus (COVID-19) and this may show a large increase in this year's budget, therefore, she recommended Council compare this year's budget to two (2) years ago.

Introductory Remarks as Needed:

Director Alexander noted this year's budget request was for a flat budget pre-COVID. She indicated this year's budget will be based on data.

Department Budget Review:

Fire Department (IFFD) –

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Chief Nelson introduced staff members that were present. He then presented the following with general discussion throughout:

Department Structure: General Fund divisions within the IFFD include Administration, Fire Alarm Training (Dispatch E911), Fire Prevention, Fire Fighting, Fire Training, Fire Stations and Building, and Auxiliary Services. Special Revenue funds managed by the IFFD include the Emergency Medical Services (EMS) Fund, and Wildland Fund.

Department Budget Overview:

Department	2020/21 Proposed Expenditure Budget	2020/21 Proposed Revenue Budget	2021/22 Proposed Expenditure Budget	2021/22 Proposed Revenue Budget	\$ Change Expenditure	% Change Expenditure	2021/22 Proposed Position Count
Total	\$12,209,866	\$1,931,072	\$12,520,636	\$1,870,572	\$310,770	3%	81

Chief Nelson stated the increase in Fire Administration is due to required firefighter physicals, which were previously included in the EMS Fund, however these costs have been broken out as a direct reflection on each fund. He noted General Fund includes 81 of the 125 IFFD personnel. He also stated Fire Alarm Training increase is due to an interfund transfer to dispatch; Fire Fighter increase is due to step and grade and increase to wages and benefits (it was noted overtime from wildland fires is reimbursable); and Auxiliary Services increase is due to maintenance of equipment. Chief Nelson stated the operating cost of the budget has been flat for the previous three (3) years, however, this is not sustainable due to personnel. He noted the full-time employee (FTE) count has been reduced from 130 to 125. He also noted the reduction in personnel was moved to attrition, however, he believes the department is asking a lot of their employees and he will need to get some positions back into the department, including a training position. He reviewed additional changes as well stating fully staffed and operational should be at 130, which he will work on in the next 3-5 years. Chief Nelson believes the department is right-sized for now but he realizes the population will grow and additional personnel will need to be added. Discussion followed regarding EMS.

Department Budget Overview:

Department- EMS	2020/21 Proposed Expenditure Budget	2020/21 Proposed Revenue Budget	2021/22 Proposed Expenditure Budget	2021/22 Proposed Revenue Budget	\$ Change Expenditure	% Change Expenditure	2021/22 Proposed Position Count
Total	\$7,059,084	\$6,915,846	\$6,746,000	\$7,097,114	\$(313,084)	(4%)	44

Chief Nelson stated the IFFD worked to decrease the expenditures as a conservative approach to revenue while increasing EMS agreements to outside counties (3-10% increase). He also stated the Municipal Equipment Replacement Fund (MERF) schedule is being reviewed. Long-term debt/loan plan includes American Rescue Plan Act (ARPA) funding – lost revenue and a 5-year plan to resolve the negative cash flow. The IFFD is also anticipating future legislation in 2022 to capture Medicaid dollars as Chief Nelson noted Medicare/Medicaid makes up approximately 70-75% of billing accounts. Chief Nelson stated the decrease of expenditures is due to modifications made to dollars moved to dispatch, personnel training, vehicle purchases, and depreciation schedules. He reviewed EMS long-term debt for FY20 and FY21, he anticipates to end the year at \$800,000-900,000. He believes there are approximately \$470,000 lost revenue funds in the ARPA (ARPA may allow addition of personnel) and there were approximately \$100,000 in COVID expenses for the EMS fund. Chief Nelson stated there will be a 5% increase for professional services. He also stated individuals working from home, due to COVID, caused a 17% increase of calls. Per Councilor Hally, Chief Nelson stated Fire and EMS costs to dispatch are \$470,000, the overall costs amount to approximately \$2.2M. He also stated the goal is to have the EMS account in the black. Per additional discussion, Mr. Hagedorn does not believe ambulance costs are sustainable for the EMS Fund to become an Enterprise Fund.

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General discussion followed including an explanation of dispatch funding by Chief Johnson. Chief Nelson believes long-term debt can be achieved in five (5) years.

Department Budget Overview:

Department - Wildland	2020/21 Proposed Expenditure Budget	2020/21 Proposed Revenue Budget	2020/21 Proposed Expenditure Budget	2020/21 Proposed Revenue Budget	\$ Change Expenditure	% Change Expenditure	2020/21 Proposed Position Count
Total	\$961,500	\$1,180,000	\$1,039,132	\$1,200,000	\$77,632	8%	0

Chief Nelson stated all costs are reimbursable including additional costs received from leased equipment. He indicated the IFFD is seeing reimbursables within 60 days, he recognized Fire Administrative staff Amanda Albertson for her assistance.

Department Budget Overview:

Department - Fire CIP	2020/21 Proposed Expenditure Budget	2020/21 Proposed Revenue Budget	2020/21 Proposed Expenditure Budget	2020/21 Proposed Revenue Budget	\$ Change Expenditure	% Change Expenditure	2020/21 Proposed Position Count
Total	\$0	\$401,524	\$0	\$400,000	\$0	0%	0

Chief Nelson stated there are no changes in the Capital Improvement Projects (CIP) from the previous years. This amount is a payback for Fire Station 1 which will be paid back in 7-8 years. Chief Nelson reviewed items not included in the Capital Improvement Fund.

Chief Nelson stated there are no anticipated fee increases.

Chief Nelson reviewed ten-year review of expenditure categories. He noted there was a slight decrease in salaries and benefits and a slight increase in operating costs. Mr. Hagedorn commended Chief Nelson and his team.

Chief Nelson reviewed 2021/22 Highlights, Strategies, and Goals which include capital improvements using ARPA funding, property acquisition for future growth of City, personnel increase FY23 in the EMS Fund, and continued research and funding capabilities for usable training center. COVID-19 impacts include revenue lost and transport capabilities. Chief Nelson believes COVID-19 impacts will continue. Brief comments followed regarding COVID-19.

The Bottom Line:

	Revenues	Expenditures	Net Provided (Usage)
Fire-General Fund	\$1,870,572	\$12,520,636	\$(10,650,064)
EMS	\$7,097,114	\$6,746,000	\$351,114
Wildland	\$1,200,000	\$1,039,132	\$160,868
Fire-CIP	\$400,000	\$0	\$400,000

Police Department (IFPD) –

Chief Johnson introduced staff members that were present. He then presented the following with general discussion throughout:

Department Structure: Patrol Bureau, Investigations and Special Operations Bureau, and Training and Logistics Bureau.

Department Budget Overview:

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Department	2020/21 Proposed Expenditure Budget	2020/21 Proposed Revenue Budget	2021/22 Proposed Expenditure Budget	2021/22 Proposed Revenue Budget	\$ Change Expenditure	% Change Expenditure	2021/22 Proposed Position Count
Total	\$17,370,894	\$1,277,169	\$19,913,332	\$1,485,602	\$2,542,438	12.8%	146
Police CIP	\$0	\$0	\$30,000,000	\$30,000,000			

Chief Johnson stated the largest expense is the new Law Enforcement Complex (LEC). Decrease of in-service training is an accounting move, other increases includes training, step and grade increases, and scheduled vacancies. Communication increase includes dispatch scheduled vacancy (Chief Johnson noted dispatch has an extremely high turnover rate), and Animal Control increase includes a scheduled vacancy.

Chief Johnson reviewed ten-year review of expenditure categories. He noted the increase in 2018 was due to additional personnel which was flat for several years.

Chief Johnson reviewed 2021/22 Highlights, Strategies, and Goals which include reduction in services, reduction in training, Greater Idaho Falls Police Foundation, grants (discussion followed regarding a segregated grant coordinator), fees, rising crime and work load, and staffing (dispatch and officer). Chief Johnson stated in 2014 the Citizens Review Committee (CRC) recommended staffing levels from 2008 which was 1.7 officers/per 1,000 population. He reviewed IFPD staffing by population for the previous ten (10) years stating the population has outpaced IFPD staff, which is currently at 94 officers. He also reviewed IFPD staffing by workload analysis – pieces of work/average time per activity (currently is 42,493/45,397.5 hours), obligated time versus unobligated time, current average of 19 officers per day (with considerable overtime), average of six (6) officers per shift (new call occurs every 10-11 minutes), needed 31 officers per day, and needed increase of 14 patrol officers plus additional detectives and supervisor. Chief Johnson requested a staffing multi-year plan including Community Oriented Policing Services (COPS) grant for four (4) officers leveraging one (1) of the scheduled vacancies to add four (4) officers, an airport sergeant (mid-year add), future years for additional three (3) officers each year for three (3) years, and “trigger” for additional new officers. Chief Johnson stated towing fees for snow removal were removed from the IFPD budget as he believes these fees should be included in the Public Works budget (although this may have been mis-communicated with Public Works). He reviewed multiple scenarios/reasons for overtime of personnel. He indicated extra officers increase short-term overtime costs due to training. Discussion followed regarding FTEs and the number of daily officers on shift. Chief Johnson noted two (2) officers recently left the IFPD and he anticipates seven (7) retirements. Chief Johnson stated priority items include tasers, a crematorium, and range improvements for the outdoor shooting range (\$30,000).

Chief Johnson stated there are no proposed changes to fees. He also stated the City of Ammon is opting out of Animal Control Services effective October 1.

The Bottom Line:

Revenues	Expenditures	Net Provided (Usage)
\$1,485,602	\$19,913,332	(\$18,427,730)

Mr. Hagedorn stated the Net Provided Usage will come from property taxes and State-shared revenues. He noted this amount includes \$2M which has been allocated to the LEC.

Parks and Recreation (P&R) –

Director Holm commended the P&R Department staff. He introduced staff members that were present. He then presented the following with general discussion throughout:

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Mission – To Enrich Community

Vision – To be leaders in providing healthy, fun experiences

Department Structure: Park Division, Rec Division, Golf Division, and Idaho Falls Zoo.

Department Budget Overview:

Division – Parks/Zoo	2020/21 Proposed Expenditure Budget	2020/21 Proposed Revenue Budget	2021/22 Proposed Expenditure Budget	2021/22 Proposed Revenue Budget	\$ Change Expenditure	% Change Expenditure	2021/22 Proposed Position Count
Total	\$8,578,569	\$1,334,100	\$9,599,066	\$1,561,1603	\$1,020,497	11.90%	63

Director Holm stated the main Parks Administration increase is due to a Transportation Alternatives Program (TAP) Grant in 2023 to widen the Pancheri sidewalk which is part of the pathway system, Parks Maintenance includes the majority of P&R personnel (wages and benefits), the revenue in Parks Maintenance is reimbursement from School District 91 for the Skyline tennis court replacement project, and expenditures include dedicated funds for the Operations and Maintenance (O&M) budget for previously deferred projects. He also stated Funland at the Zoo has been added to the Zoo budget (Director Holm believes the community will support this facility and revenue will help with expenditures), increase in Weed and Snow Removal includes a new position, and Noise Park increase is pre-COVID (motocross is not anticipated at this point although there will be follow-up discussion per the July 8, 2021 City Council Meeting). Per Councilor Hally, Mr. Campbell estimated storm ponds amount to \$150,000 for the 37 locations.

Additional capital requests include:

- Parks Administration - \$150,000 (Land and Water Conservation Fund (LWCF) mitigation)
- Parks Maintenance - \$580,000 (\$280,000 after eliminating tennis courts), \$80,000 for betonite for Ryder Park, \$150,000 Heritage Park irrigation system, \$50,000 hydraulic aerator
- Zoo - \$196,500 (\$89,000 after previously approved building payment), \$39,000 as City’s contribution to Funland restoration, \$50,000 for front entrance of the zoo (repay Tautphaus Park Zoological Society (TPZS) for portion of the admin building)
- Cemeteries - \$80,000 (Niche Wall, will generate revenue to pay for this investment)

Department Budget Overview:

Division – Recreation	2020/21 Proposed Expenditure Budget	2020/21 Proposed Revenue Budget	2021/22 Proposed Expenditure Budget	2021/22 Proposed Revenue Budget	\$ Change Expenditure	% Change Expenditure	2021/22 Proposed Position Count
Total	\$3,421,102	\$3,058,480	\$3,754,350	\$3,311,102	\$333,248	9.7%	10

Director Holm stated P&R will be looking for community sponsorships. He also stated Rec Administration increase includes a 10% increase on the Rec Levy, salaries and benefits, General Fund transfer, and grant-match funds (this will not be spent if no grants are received). Sports and Programs increase includes new programs that were eliminated during COVID and contracted officials. Aquatic Center increase includes facility repair and maintenance and the dehumidification carryover.

Department Budget Overview:

Division – Golf	2020/21 Proposed Expenditure Budget	2020/21 Proposed Revenue Budget	2021/22 Proposed Expenditure Budget	2021/22 Proposed Revenue Budget	\$ Change Expenditure	% Change Expenditure	2021/22 Proposed Position Count
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Total	\$2,828,457	\$2,733,173	\$3,001,154	\$3,010,540	\$172,697	6.1%	12
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Director Holm stated the golf courses are self-sustaining, there are no major increases.

Capital Improvement Funds Budget Overview:

Department	2020/21 Proposed Expenditure Budget	2020/21 Proposed Revenue Budget	2021/22 Proposed Expenditure Budget	2021/22 Proposed Revenue Budget	\$ Change Expenditure	% Change Expenditure	2021/22 Proposed Position Count
Parks CIP	\$1,075,000	\$1,552,000	\$0	\$65,000	\$(1,075,000)	-100.00	0
Zoo CIP	\$1,065,000	\$1,167,000	\$2,000,000	\$2,000,000	\$935,000	87.79	0
Golf CIP	\$3,240,000	\$3,291,181	\$275,000	\$291,600	\$(2,965,000)	-91.51	0

Director Holm reviewed ten-year review of expenditure categories. He stated there has been a small growth for the majority of these areas, there was a small decrease during COVID, and capital projects are funded per Council priorities. Per Mayor Casper, Mr. Campbell believes the MERF has been a great asset for the P&R equipment. Brief comments followed regarding the P&R MERF, the War Bonnet Roundup Rodeo, and green spaces.

2021/22 Highlights, Strategies, and Goals:

Director Holm briefly reviewed the numerous P&R facilities. Strategies include maintain what we have, start investing back into our existing park system and not growing it, Right-of-Way (ROW) contracting, work with Municipal Services to start using work orders when we are asked to maintain or repair something, and use grants like TAP and LWCF to help with projects.

2021/22 Areas of Concern include vandalism, dilapidated irrigation systems, and minimum wage increases. Director Holm displayed several photos of vandalism, stating the frequency of vandalism is increasing.

Director Holm stated small fee increases are proposed for program fees, rental fees, and facility usages as P&R is working to cover more costs with fees charged throughout the department.

The Bottom Line:

	Revenues	Expenditures	Net Provided (Usage)
General Fund	\$1,645,603	\$9,599,066	\$(7,953,463)
Recreation	\$3,311,102	\$3,754,350	\$(433,248)
Golf	\$3,010,540	\$3,001,154	\$9,386
Capital Improvement	\$2,356,600	\$2,275,000	\$(81,600)

Community Development Services (CDS) –

Director Cramer introduced staff members that were present. He then presented the following with general discussion throughout:

Department Structure: Building, Planning (Grants Administration, Director Cramer gave a brief update on the newly approved Grants Coordinator position), and Bonneville Metropolitan Planning Organization (BMPO) (this is mainly federally funded). Brief comments followed regarding BMPO being included within the CDS Department.

Department Budget Overview:

	2020/21 Proposed Expenditure Budget	2020/21 Proposed Revenue Budget	2021/22 Proposed Expenditure Budget	2021/22 Proposed Revenue Budget	\$ Change Expenditure	% Change Expenditure	2021/22 Proposed Position Count
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Total	\$3,745,099	\$2,873,700	\$3,824,434	\$3,157,825	\$79,335	2%	21
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Director Cramer stated CDS administration reduction is due to a re-set of retirements, moving Code Enforcement to the IFPD, and being close to the end of the Environmental Protection Agency (EPA) grant. He indicated no additional staff is being requested at this time in CDS Administration. He noted overall expenditures in CDS Administration are reduced from two (2) years ago by approximately \$130,000. Director Cramer stated the BMPO increase is due to a grant received and Community Development Block Grant (CDBG) increase is due to COVID grants received.

Department Budget Overview:

Business Improvement District (BID)	2020/21 Proposed Expenditure Budget	2020/21 Proposed Revenue Budget	2021/22 Proposed Expenditure Budget	2021/22 Proposed Revenue Budget	\$ Change Expenditure	% Change Expenditure	2021/22 Proposed Position Count
Total	\$85,000	\$90,000	\$85,000	\$90,000	-	-	-

Mr. Hagedorn stated this is not a Council-directed budget and is intended to be reclassified as a fiduciary fund.

Director Cramer reviewed ten-year review of expenditure categories. He stated the spikes in operating expense are directly related to grants received, and the leveling off is due to BMPO.

Director Cramer reviewed 2021/22 Highlights, Strategies, and Goals which include Grants Coordinator (continue spending additional funds received, partner with other departments on grants), TRAKiT fixes OR begin process to move to a new system, Professional Services (fiscal impact analysis, Community Engagement Manual, Comprehensive Plan implementation). Director Cramer stated he prefers to have professional service dollars available so staff can continue to work on internal projects/needs.

The Bottom Line:

Revenues	Expenditures	Net Provided (Usage)
\$3,157,825	\$3,824,434	\$(666,609)

Director Cramer stated the Net Provide (Usage) is lower than two (2) years ago.

Follow-up Discussion:

Brief comments followed including an update of P&R, previous years' budgets included on graphs, scheduled vacancies, position count, policing formulas, long-term effects of needs and backlog, the difficulty of the legislators' decisions regarding the property tax structure/funding, and sales tax.

There being no further business, the meeting adjourned at 5:52 p.m.

s/ Kathy Hampton _____
Kathy Hampton, City Clerk

s/ Rebecca L. Noah Casper _____
Rebecca L. Noah Casper, Mayor