

## July 13, 2018 Budget Session

The City Council of the City of Idaho Falls met in Special Council Meeting (Council Budget Session), Friday, July 13, 2018, 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  
Councilmember Thomas Hally  
Councilmember Shelly Smede  
Councilmember Jim Francis  
Councilmember Jim Freeman  
Councilmember Michelle Ziel-Dingman  
Councilmember John B. Radford

Also present:

Pamela Alexander, Municipal Services Director  
Bruce Young, Accountant  
Ryan Tew, Human Resources Director  
Michael Kirkham, Assistant City Attorney  
Greg Weitzel, Parks and Recreation Director  
Ronnie Campbell, Parks and Recreation Assistant Superintendent for Parks and Cemeteries  
PJ Holm, Parks and Recreation Superintendent of Recreation  
Rick Cloutier, Airport Director  
Jayme Verish, Airport Operations Manager  
Elizabeth Knowles, Airport Administration Manager  
Dave Hanneman, Fire Chief  
Duane Nelson, Deputy Fire Chief  
Eric Day, Division Fire Chief  
Scott Grimmett, Fire Marshal  
Jon Drollinger, Fire Inspector  
Kerry Hammon, Public Information Officer  
Bryce Johnson, Police Chief  
Steve Hunt, Police Captain  
Royce Clements, Police Captain  
Kathy Hampton, City Clerk

Mayor Casper called the meeting to order at 1:00 p.m. with the following:

It was moved by Councilmember Dingman, seconded by Councilmember Francis, to amend the agenda to include a brief review of Parks and Recreation (P&R) fees. Roll call as follows: Aye – Councilmembers Freeman, Francis, Hally, Radford, Smede, Dingman. Nay – none. Motion carried.

Director Weitzel introduced Mr. Campbell and Mr. Holm. He stated, as fee related, 496 cowboys and cowgirls have registered for the upcoming War Bonnet Roundup Rodeo. He indicated each participant pays a \$200 entry fee which goes into the prize money for the rodeo.

Director Weitzel reviewed proposed new fees for P&R. Proposed fees includes a rental rate for the Maeck Education Center (MEC). He stated the fees are based on market rate although the fee can be lowered from the maximum rate for any profit/non-profit organization. Councilmembers Dingman and Radford expressed their concern for the amount of the rental fee. They also questioned the rental timeframe and facility use. Director Weitzel indicated he will review the rental fee with staff. Councilmember Dingman stated fees needs to be cost-based for service. Director Weitzel briefly reviewed proposed fee increases for the Golf Division. He indicated these fees are minor adjustments. Mr. Holm reviewed the Aquatic Center proposed fee increases with general comments throughout.

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Mayor Casper reminded the Councilmembers that any new fee or proposed fee increase of greater than 5% are required to be published for a public hearing.

**Airport:**

Director Cloutier introduced Ms. Verish and Ms. Knowles. He indicated, being a new Director, most of the budget had been prepared prior to his arrival.

Director Cloutier presented the following:

Funding Sources	2017/18 Budget	2018/19 Proposed Budget	Increase or Decrease
Total	\$12,008,595	\$6,035,105	(\$5,973,490)

The Airport is not proposing any increase in rates or charges. Lease Rates and Charges include land leases and rates associated with airline services. Grants include entitlement funding from the Federal Aviation Administration (FAA) discretionary funding. This funding will be utilized for Terminal 1 Expansion as well as an offset to police services. Ms. Verish stated the Airport is currently in the second year of a multi-year project.

Expenditures	2017/18 Budget	2018/19 Proposed Budget	Increase or Decrease
Total	\$12,375,517	\$6,377,045	(\$5,998,472)

Wages and Benefits includes a small increase for staff relative to similar airport staff wages. Capital Outlay reduction is due to the cycle of FAA grants.

Councilmember Radford stated the airport has not been subsidized from the General Fund.

Priorities –

1. 2018/2019 FAA Capital Improvement Projects - \$3,000,000

Bottom Line –

Revenues	Expenditure	Request	Total
\$6,035,105	\$6,377,045	\$341,940	\$6,377,045

Current Airport Capital reserves = \$2.1m.

Director Cloutier believes reserves should be used for major capital projects that may not be funded by other means. He prefers to have three (3) years of operating costs in reserves.

Director Alexander and Mayor Casper reviewed the tentative schedule for additional upcoming budget sessions. Following brief discussion, there was consensus to adjust discussion items and extend the timeframe for the July 17 Budget Session.

**Fire Department:**

Chief Hanneman stated the Fire Department consists of two (2) funds - General Fund and Ambulance Fund.

Chief Hanneman presented the following General Fund:

Funding Sources	2017/18 Budget	2018/19 Proposed Budget	Increase or Decrease
Total	\$2,119,576	\$2,272,550	\$152,974

Charges for Services include Fire Prevention fees, there is an additional increase due to Fire Plan Review. Inter-Governmental includes the second year of a two-year agreement with the Fire District. There is also an opportunity for a Homeland Security Grant for an air compressor (80%/20%). Miscellaneous (Firefighter Retirement Fund) will be eliminated in the future.

Expenditures	2017/18 Budget	2018/19 Proposed Budget	Increase or Decrease
Total	\$10,041,260	\$10,903,797	\$862,637

Wages and Benefits amount is higher than the normal step increase due to the number of newer hires. \$350,000 has been budgeted for overtime (training and special events only), this is the same amount as the previous two (2) years.

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Personnel costs are 90% of overall budget. Operational Expenses includes a second set of turn-outs for firefighters, this is the highest priority. Municipal Equipment Replacement Fund (MERF) was readjusted in the previous year. Inter-Fund Transfers include funds transferred from Airport, Idaho Falls Power, and the Ambulance Fund. Chief Hanneman stated Fire Prevention is requesting a new staff member to assist with Fire Prevention inspectors and new business licensing.

Chief Hanneman presented the following Ambulance Fund:

Funding Sources	2017/18 Budget	2018/19 Proposed Budget	Increase or Decrease
Total	\$7,264,239	\$7,325,067	\$60,828

Charges for Services (Fees) include a 10% increase. Inter-Governmental (State) includes the wildland deployment revenue offset. Inter-Governmental (Local) includes a percentage increase for contracts with Bonneville, Jefferson, and Bingham counties as well as partnership with Idaho State University paramedic program.

Expenditures	2017/18 Budget	2018/19 Proposed Budget	Increase or Decrease
Total	\$10,041,280	\$10,903,797	\$494,764

Wages and Benefits increase is also higher than the normal step increase due to the number of newer hires. Inter-Fund Transfer pays for the Public Information Officer (PIO) position.

Fee Schedule - General Fund –

Chief Hanneman stated there will be no increase to Fire Prevention fees. Fees were right-sized in the previous year based on State market. He briefly reviewed other proposed fees for inspections. New fees include a proposed Fire Prevention Business License, which is anticipated to begin in January 2019. There are approximately 3000-5000 businesses owned and operated in Idaho Falls, the goal is to provide inspection to all business, which would help identify high hazard areas. Fire Marshal Grimmett stated there has been frustration with businesses and the lack of appropriate safety measures.

Fee Schedule – Ambulance Fund –

Chief Hanneman briefly reviewed proposed fee increases. New fee includes a single resource with medical kit.

Chief Hanneman stated the Ambulance Fund has historically run in the red (previous year = \$994,000, currently = \$1.3m) as 82% of calls received are for Ambulance services. He indicated the fee and County increases are not keeping up with the costs. Chief Hanneman stated options are to reduce the service (not a good option), change State law (created in 1976), or use more City tools to change the collection amounts. He believes a consultant could provide collection assistance to proceed forward for a long-term result. General comments and discussion followed.

Police Department:

Chief Johnson, realizing there is always competition for limited resources, commended the other Department Directors for their willingness to forego additional projects/budget requests and allocate that said funding to the Idaho Falls Police Department (IFPD) needs.

Chief Johnson stated proposed fee increases include fees for services, fines, and parking enforcement. There is not intent to run the Police Department as a revenue-generated department. Proposed fee increases also include Animal Control Services fees. Brief discussion followed regarding the crematory services for Animal Control Services as well as cat licensing.

Chief Johnson presented the following:

Funding Sources	2017/18 Budget	2018/19 Proposed Budget	Increase or Decrease
Total	\$626,877	\$1,184,750	\$1,159,287

Inter-Governmental includes funds transferred from the Fire Department. Grants are being pursued to help offset costs from the General Fund. Miscellaneous has been moved to Inter-Governmental transfer.

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Expenditures	2017/18 Budget	2018/19 Proposed Budget	Increase or Decrease
Total	\$13,930,805	\$14,980,126	\$1,049,321

Wages and Benefits are the vast majority of expenditures. It was noted the IFPD has been authorized 90 officers. Operational Expenses include training, equipment (body cameras for all officers), specialty pay, and facilities. Capital Outlay includes equipment replacement (15 patrol vehicles). Chief Johnson indicated the vehicle replacement schedule should be reduced to approximately seven (7) years. Brief discussion followed regarding individual vehicles versus fleet vehicles, as well as lease options. MERF Contribution does not include the requested new patrol vehicles.

Councilmember Hally believes the expenditures are needed as a long overdue catch up for the IFPD. Mayor Casper believes the support from the other Department Directors for the IFPD is genuine. Councilmember Dingman believes public safety should be number one priority. Councilmember Radford concurred. Councilmember Freeman commended the Department Directors as well.

There being no further business, the meeting adjourned at 4:22 p.m.

s/ Kathy Hampton \_\_\_\_\_  
CITY CLERK

s/ Rebecca L. Noah Casper \_\_\_\_\_  
MAYOR