

August 20, 2020 City Council Meeting

The City Council of the City of Idaho Falls met in Special Council Meeting, Thursday, August 20, 2020, in the Council Chambers in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 7:30 p.m.

Call to Order:

There were present:

Mayor Rebecca L. Noah Casper
Council President Michelle Ziel-Dingman (via WebEx)
Councilor John Radford (via WebEx)
Councilor Jim Freeman (via WebEx)
Councilor Jim Francis
Councilor Shelly Smede

Absent:

Councilor Thomas Hally

Also present:

All available Department Directors
Randy Fife, City Attorney
Kathy Hampton, City Clerk

Pledge of Allegiance:

Mayor Casper led those present in the Pledge of Allegiance.

Public Comment:

Mayor Casper requested any public comment not related to items currently listed on the agenda or not related to a pending matter. No one appeared.

Coronavirus (COVID-19) Update:

Mayor Casper stated there were 424 new cases in the State, this puts the number of total State-wide cases to more than 29,000. There were also seven (7) additional deaths. Bonneville County had 56 new cases with one (1) additional death. The Eastern Idaho Public Health (EIPH) Board has recently changed the order, these changes can be found on the EIPH website. Mayor Casper noted there is a strong desire for schools to open across the State as Governor Brad Little has acknowledged that opening schools is the key to keeping the economy growing. The best way for schools to open, and to remain open, and for students to stay safe and healthy, is for all individuals to follow the masking order when social distancing cannot be maintained, wash hands more often than normal, sanitize often, and refrain from unnecessary travel.

Regular Agenda:

Municipal Services

Subject: Public Hearing – Tentative 2020/21 Fiscal Year Budget

Mayor Casper stated in the State of Idaho, one (1) of the City Council's primary responsibility is to establish and adopt a budget. This responsibility is not entrusted to the mayor, the mayor is in charge of administering the programs that the budget funds. Mayor Casper believes the City Council takes this responsibility seriously. She stated as the City grows, the budget process becomes more demanding. She recognized the finance team, including Municipal Services Director Pamela Alexander, City Controller Mark Hagedorn, and City Treasurer Josh Roos. The finance team is also aided by a small group of accountants. Mayor Casper stated the finance team easily puts in

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hundreds of staff hours during the budget season. This is in addition to the many hours the Council puts in. The budget is a multi-month, multi-phase process which begins in March and ends around September. The budget is managed by a great deal of money, by good services, and by numerous utility accounts. The City has the largest publically-owned power utility in the State, the second busiest Airport in the State, the fourth largest Police Department in the State, a well-respected Fire Department, and hundreds of acres of park lands. Mayor Casper believes all these things are incredibly worthwhile that the City residents can be proud of. She noted Idaho Falls has been recognized as the most resilient State in a recent magazine article. She stated she is privileged to work with the Council, the staff, and she hopes individuals will see the value in the budget.

Mayor Casper opened the public hearing and ordered all items presented be entered into the record. She explained the process for the public hearing process.

Director Alexander believes this was a robust, fast-moving budget season. She then presented the following:

2020/21 Budget Process

- 2020/21 budget calendar and revisions were posted on the City’s website
- Mayor, City Council, and Department Directors Budget Workshop on April 3
- All budget sessions were publically noticed
- Department budget presentations posted on the City’s website
- Proposed budget was published in the Post Register as required by State of Idaho Statute

2020/21 Proposed Budget Overview

- Total not-to-exceed budget of \$282,544,816
- Total estimated property tax revenue of \$38.4M, includes:
 - New Annexations - \$ 378,302
 - New Construction - \$1,043,539
- Does not include a 3% statutory property tax levy
 - Whole dollar value of \$1.1M
 - Notice, resolution, and public hearing to reserve the 2020/21 Fiscal Year statutory property tax levy to forgone for future years

2020/21 Proposed Budget Overview

Governor Little Public Safety Tax Relief Program

	Residential					Commercial		
2019 value	\$ 150,000	\$ 200,000	\$ 250,000	\$ 300,000	\$ 350,000	\$ 500,000	\$ 2,000,000	\$ 10,000,000
2020 value	\$ 169,500	\$ 226,000	\$ 282,500	\$ 339,000	\$ 395,500	\$ 565,000	\$ 2,260,000	\$ 11,300,000
2019 Current	\$ 659.68	\$ 879.57	\$ 1,319.36	\$ 1,759.15	\$ 2,198.93	\$ 4,397.87	\$ 17,591.47	\$ 87,957.34
2020 Growth	\$ 684.22	\$ 1,017.24	\$ 1,473.39	\$ 1,929.53	\$ 2,385.67	\$ 4,561.44	\$ 18,245.76	\$ 91,228.78
Total Tax Relief Credit	\$ (125.31)	\$ (186.30)	\$ (269.83)	\$ (353.37)	\$ (436.91)	\$ (835.38)	\$ (3,341.51)	\$ (16,707.57)
Net	\$ 558.91	\$ 830.94	\$ 1,203.55	\$ 1,576.16	\$ 1,948.76	\$ 3,726.06	\$ 14,904.24	\$ 74,521.21
Change	\$ (100.77)	\$ (48.63)	\$ (115.81)	\$ (182.99)	\$ (250.17)	\$ (671.81)	\$ (2,687.23)	\$ (13,436.13)

Total Tax Relief Credits are estimates

Director Alexander noted the City does not conduct valuations on property, this occurs at the County level

2020/21 Funded Priorities (New Annexation, New Construction and General Fund Department Budget Reductions)

Contribution for new Police Complex	\$1,000,000
Replacement of Dehydration System at the Aquatics Center	\$1,018,000
Contribution to Airport operations (due to COVID)	\$ 545,426
Contribution to City Employee Health Plan	\$ 335,262

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Contribution for future Redevelopment Activity	\$ 200,000
Funding of one (1) mid-year Crisis Intervention Team (CIT) Officer for Police Department	\$ 40,000
Contribution to Funland renovation for Parks and Recreation (P&R)	\$ 39,000
Total	\$3,177,688

Contingency Funds	
Budget capacity for new Police Complex	\$30,000,000
Budget capacity for potential Coronavirus Aid, Relief, and Economic Security Act (CARES)	
Grant requests	\$ 7,000,000
Budget capacity for ongoing construction projects	\$ 3,000,000
2019/20 carryover funds for obligated 2019/20 Fiscal Year contracts	\$ 3,000,000
Total	\$43,000,000

2020/21 General and Government Funds Revenue
Total = \$89,727,231 – 55% is from General Fund

2020/21 General and Government Funds Budget
Total = \$139,556,527 – 49% of total proposed budget

2020/21 Proposed Fiscal Year Budget (General Fund)
Total = \$50,322,082 – Public Safety - 59%, P&R - 17%, combined total - 76%
Director Alexander noted Police, Fire, and P&R are historically the most funded departments in the General Fund.

2020/21 Proposed Fiscal Year Budget (Government Funds)
Total = \$89,234,445

2020/21 Enterprise Funds Revenue
Total = \$126,267,690 – 64% is Idaho Falls Power

2020/21 Enterprise Funds Budget
Total = \$142,988,289 – 51% of Total Proposed Budget

2020/21 Proposed Fiscal Year Budget (Enterprise Funds)

- Idaho Falls Airport
 - Airport facility expansion grant projects
- Idaho Falls Power
 - Electric infrastructure and replacement
 - Fiber expansion and maintenance
- Public Works
 - Capital improvement for street, bridge, and traffic light
 - Water and wastewater infrastructure projects
 - Sanitation capital equipment

Director Alexander expressed her appreciation to the elected officials, the department directors, the finance team, and various Municipal Services staff.

Mayor Casper requested public testimony via WebEx.

Brian Stutzman appeared via WebEx. Mr. Stutzman stated he has four (4) homes and a business in Idaho Falls and he pays tens of thousands of dollars in property taxes. He expressed his appreciation for the City taking the governors' money to help with property tax relief. He requested the City not take the forgone this year or in future years as this would have a future ripple effect for the taxpayers. Mr. Stutzman believes the \$43M contingency fund

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amount is mind-boggling, he is not sure this should be in the budget. He also believes the Law Enforcement Complex (LEC) is a good thing although he believes this project should go toward the people as a vote for a bond, not a Certificate of Participation (COP). He believes a bond would pass and the City residents would appreciate the opportunity for a stamp of approval. He doesn't believe the people should be side-stepped. Mr. Stutzman believes the construction of the LEC would be better with the design bid build and a guaranteed price up front, as a design bid build would take the risk of prices, versus a construction manager. He indicated he would volunteer his expertise if needed. Mr. Stutzman reiterated to give up the forgone and put the LEC up for a vote with a design bid build.

Mayor Casper noted one (1) of the stipulations for taking the governor's tax relief program was the City would not take forgone in the current year.

Seeing no additional individuals to offer testimony, Mayor Casper closed the public hearing.

Mayor Casper stated a follow-up budget discussion will occur on August 21 with final approval of the budget to occur on August 27. Additional budget discussions could occur as needed prior to August 27.

Announcements:

Mayor Casper announced Idaho County Risk Management Program (ICRMP) indicated the Police Department has earned a discount in its liability coverage due to rigorous training standards.

Adjournment:

There being no further business, the meeting adjourned at 8:06 p.m.

s/ Kathy Hampton
Kathy Hampton, City Clerk

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