

July 16, 2019 Budget Session

The City Council of the City of Idaho Falls met in Council Budget Session, Tuesday, July 16, 2019, at the City Council Chambers in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 2:00 p.m.

There were present:

- Mayor Rebecca L. Noah Casper
- Councilmember Thomas Hally
- Councilmember Shelly Smede
- Councilmember Michelle Ziel-Dingman
- Councilmember Jim Freeman
- Councilmember Jim Francis
- Councilmember John Radford

Also present:

- Pamela Alexander, Municipal Services Director
- Bruce Young, Accountant
- Duane Nelson, Fire Chief
- Dave Coffey, Deputy Fire Chief
- Scott Grimmett, Fire Marshal
- Kerry Hammon, Public Information Officer
- Bryce Johnson, Police Chief
- Royce Clements, Police Captain
- Steve Hunt, Police Captain
- Jeremy Galbraith, Police Captain
- Irene Brown, Animal Control Supervisor
- Annake Scholes, Police Administration
- Derick Sorensen, Accountant
- Robert Wright, Library Director
- Mary Lund, Library Board Member
- Brad Cramer, Community Development Services Director
- Megan Ricks, Accountant
- Catherine Smith, Idaho Falls Downtown Development Corporation (IFDDC) Executive Director
- Dana Briggs, Economic Development Coordinator
- Bud Cranor, Public Information Officer
- Randy Fife, City Attorney
- Kathy Hampton, City Clerk

Mayor Casper called the meeting to order at 2:05 p.m. with the following:

Opening Remarks, Announcements:

Mayor Casper stated several General Fund departments were requested to reduce their proposed budgets. Updated information was distributed.

Department Budget Review – Fire Department:

Chief Nelson stated the Idaho Falls Fire Department (IFFD) was requested to reduce their budget by \$500,000, which they accomplished. He also stated the IFFD consists of General Fund, Ambulance Fund, Enterprise Fund, and, the newly formed Special Revenue Fund/Wildland Fund. Chief Nelson reviewed the following with general discussion throughout:

Budget Overview – Fire General Fund:

Funding Sources	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
Total	\$1,881,609	\$1,912,572	\$30,963

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Charges for services decrease due to several optimistic items, which were included in previous budgets, that have been eliminated. Inter-governmental increase due to the contract with the Bonneville County Fire Protection District. There has been a slight increase in grants.

Budget Overview – Fire General Fund:

Expenditures	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
Total	\$11,106,497	\$11,578,109	\$471,612

Wages and benefits increase includes a large amount of overtime. Benefits had not previously been budgeted in overtime. The IFFD is looking at a system status management model regarding sick leave, injuries, and, call volumes. The extra ambulance is being taken out of service after hours to assist with overtime costs, Chief Nelson believes \$600,000 can be saved with this approach while continuing the services to the community. He noted there are no issues with the Union. Chief Nelson stated there is a ‘pause’ with the administrative staff to let the budget catch up. He also stated wages and benefits for Wildland fire expenses are reimbursed. Brief discussion followed regarding the Medicaid Expansion. Chief Nelson stated the Medicaid Expansion does not specifically affect the IFFD at this time. Operational expenses increase due to second year of second set of turnouts and equipment replacement at multiple IFFD stations. Capital outlay decrease due to completion of Station 5 remodel. Municipal Equipment Replacement Fund (MERF) has not changed. Next year’s MERF will include purchase of a fire engine per the 2019/2020 schedule. Inter-Fund transfers decrease largely due to Airport personnel. It was noted the Airport will purchase the equipment for the IFFD personnel.

Budget Overview – Ambulance Fund:

Funding Sources	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
Total	\$7,307,067	\$6,545,589	(\$761,478)

Charges for services decrease due to right-sizing collected amounts. Inter-governmental increase due to right-sizing fire district contracts, and those user fees, with other counties. Chief Nelson stated brief discussion has occurred with Jefferson County regarding combining resources. Grants decrease largely due to being moved from Ambulance Fund to Wildland Fund.

Budget Overview – Ambulance Fund:

Expenditures	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
Total	\$8,210,134	\$7,827,394	(\$382,740)

Wages and benefits and operational expenses decreases due to the system status management model. Three (3) retirements are also anticipated at year end. Mayor Casper believes moving the Wildland Fund and Ambulance Fund are good management tools. Chief Nelson stated there are unbalanced revenues to expenditures, this may take several years to right-size. He also stated MERF discussion, including the Idaho Falls Police Department, may need to occur regarding the potential lease of future equipment.

Budget Overview – Wildland Fund:

Funding Sources	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
Total	\$1,567,704	\$1,000,000	(\$567,704)

This indicates the actuals from the previous year. The IFFD proposed \$1M partly due to the late fire season and the delay of recruits. Chief Coffey stated the Forest Service and the Bureau of Land Management (BLM) have drastically cut their fire budgets with the hope of relying on municipalities as they realize it doesn’t make sense to maintain a year-round fire department that is only utilized a few months each year.

Budget Overview – Wildland Fund:

Expenditures	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
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Total	\$1,198,479	\$927,415	(\$271,064)
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Wages and benefits decrease due to the proposed \$1M request. Operational expenses increase due to Emergency Medical Services (EMS) supplies, equipment needs, reallocation to General Fund for the engine purchase, and, reimbursement to Bonneville County for equipment. Chief Nelson noted the voluntary Wildland team has increased from ~40 individuals to ~60 individuals.

Request by priority:

1 – USDD computer aided digital dispatching retrofit for Fire stations = \$80,000. The two (2) current software systems are not working together to dispatch appropriately and quickly.

2 – New 2020 fire engine equipment. Will be allowed for all apparatus to be equipped for use = \$60,000. Moved to Wildland Fund and requesting spending authority from the revenue generated from the Wildland Fund. Revenue has been created based off of leased equipment. This revenue has been falsely represented as income to the Ambulance Fund which is an unaccountable number. It is anticipated the Wildland Fund will support itself in 3-5 years.

3 – Emergency generators for Station 4 and Station 5. This backup power source will provide emergency power to these stations = \$220,000. Actively looking at grants to off-set the entire amount.

Mayor Casper reiterated the IFFD came in \$500,000 less than their original budget. She commended Chief Nelson and believes the IFFD functions well as a team. Councilmember Francis, as the IFFD liaison, concurred. Chief Nelson stated he has future proactive plans including a building replacement fund.

Department Budget Review – Police Department:

Chief Johnson stated there are several big projects/cases currently happening at the Idaho Falls Police Department (IFPD). He indicated the IFPD had a good year with tremendous support and with the resources that were given. Chief Johnson stated the IFPD wants to stay in the same base budget as the previous year, not including any Cost of Living Adjustment (COLA) or step and grade increase. He indicated this will be a decrease of \$250,000 below the previous year, which does not include current requests. Chief Johnson reviewed the following with general discussion throughout:

Budget Overview:

Funding Sources	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
Total	\$1,207,252	\$1,155,750	(\$51,502)

Charges for services increase mostly due to Animal Control Services. State-shared revenues increase due to School Resource Officer (SRO), Animal Control, and, dispatch. Grants decrease due to Community Oriented Policing Services (COPS) grants which did not open up for availability due to Federal litigation. Miscellaneous increase due to parking tickets, etc.

Budget Overview:

Expenditures	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
Total	\$15,231,018	\$15,928,077	\$679,059

Wages and benefits \$922,000 of the \$1,481,499 increase was unaccounted for in the previous year, which was authorized, due to a miscommunication/miscalculation as the vacant positions did not show up on the salary reports. Wages and benefits increase also due to sick leave conversion, overtime costs for backfilling of officers in training (approximately 9-month training), and, three (3) new positions (Airport, Internet Crimes Against Children, and, SRO). These three (3) positions also include the revenue source. Brief discussion followed regarding Drug Abuse Resistance Education (D.A.R.E.). Operational expense decrease due to building plans. Capital outlay decrease due to add-to-fleet vehicles reduction. Chief Johnson stated the MERF has not kept up to the equipment needs, there is a plan to convert to a lease program. Inter-fund transfers increase due to the Airport officer.

Request by priority:

1 – One (1) Crisis Intervention Team (CIT) detective = \$93,969.92. Mental health cases have increased by ~800%.

2 – Two (2) Cold Case Detectives = \$187,939.84

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3 – One (1) Special Project Coordinator (Animal Services) = \$64,788.00. This position would replace the current grants for the Trap-Neuter-Return (TNR) Program. Councilmember Francis questioned if a part-time position could fulfill this request. Ms. Brown stated this individual would be responsible to pursue grants as well as special projects that staff cannot currently accommodate. She believes this position would be difficult to fulfill with a part-time position. Chief Johnson noted the three (3) requested positions include the up-fit for a leased vehicle. Without the lease option these amounts would increase. He also stated the IFPD has been authorized 102 officers per the four-year plan, the IFPD is currently at 92 officers. Future requests to consider: two (2) additional neighborhood officers and two (2) narcotics enforcement officers, an animal services box, and, an explosion detection device (could be cost shared with surrounding counties). Mayor Casper questioned the expenses with the foregone money from the previous year. Chief Johnson stated the foregone money has been used as on-going expenses. He indicated the \$250,000 reduction in the budget includes the foregone money.

Department Budget Review – Idaho Falls Library:

Mayor Casper noted Ms. Lund has been on the Library Board for approximately eight (8) years. She expressed her appreciation for Ms. Lund’s dedicated service. Director Wright stated the purpose of the Library Board is to insulate the Library from local politics. Ms. Lund stated the Library is requesting an increase in the Library property tax/levy rate to fund the payment into the General Fund for wages maintenance, City administration transfer, Information Technology (IT) administrative transfer, and, City Attorney transfer. This would make the expenses more accurate as the County contract is based on a percentage of the expenses of the Library. Ms. Lund stated the Library also wants to increase the spending on e-books and e-materials, and, to eliminate fines. The elimination of fines would not eliminate the loss of materials as payment would be continued for lost materials. General discussion followed. Director Wright stated the policy would need to be changed to prevent continual check-out of materials. He noted of the 1.6M items circulated in the previous year, 1.4M were traditional Library items. Director Wright reviewed the following with general discussion throughout:

Budget Overview:

Funding Sources	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
Total	\$3,505,098	\$3,928,123	\$423,025

Charges for services has no substantial change. Property and franchise taxes increase partially due to new contract with Bonneville County. State shared revenues (\$97,000) were moved to property and franchise taxes as the County does not see this amount as City money. This would increase the future Library District money. No changes to the Library District contract or grants. Slight decrease in miscellaneous.

Budget Overview:

Expenditures	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
Total	\$4,372,377	\$4,484,681	\$112,304

Operational expenses increase due to new materials and programs. Capital outlay decrease due to lack of children’s library, other projects are being considered. MERF has been changed to the previous year.

Requests by priority:

- 1 – Electronic Library materials (patron requests in 2018 exceeded \$1M) = \$250,000 on-going cost
- 2 – Eliminate fines = \$70,000

Ms. Lund stated the Library Board will make additional evaluation if the requests are not received from the City.

Department Budget Review – Community Development Services:

Director Cramer reviewed the following with general discussion throughout:

Budget Overview:

Funding Sources	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
Total	\$2,977,257	\$3,045,843	\$68,586

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Charges for services increase due to forecasted revenue from building permits, plan checks, and, licensing for large infrastructure projects. There are no set rates to determine actual amounts received. ~124% of the current budgeted charges for services has been collected to this point. Director Cramer stated there has been no fee increase for five (5) years with the exception of a 1% credit card fee. He requested a 10% permit fee increase and an increase to credit card fees. He stated credit card fees for Building Division permits equal ~\$40k. Brief discussion followed regarding credit card fees. Director Cramer believes the charges for services may be a conservative estimate. Property and franchise taxes increase due to request of expenditures. Grants remain fairly stable. Miscellaneous decrease due to additional revenue from the Bonneville Metropolitan Planning Organization (BMPO) and reimbursement from the Idaho Falls Redevelopment Agency (IFRdA). Director Cramer noted staff time for the IFRdA has been reduced due to the closure of a large urban renewal district.

Budget Overview:

Expenditures	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
Total	\$2,977,257	\$3,087,241	\$109,984

Director Cramer noted priority requests are included in expenditures due to the increase in charges for services. Wages and benefits increase also includes a temporary planner position similar to the previous year (this position exceeded the expectations) and funding for a Building and Planning Technician. Director Cramer anticipates a retirement in the coming year, he also indicated 30% of staff will meet the Rule of 90 in the next five (5) years. Therefore, over time, this will reduce the salary budget. Director Cramer expressed his concern with the building inspector (~4700 inspections anticipated in the current year) and the plumbing inspector. He proposed moving the plans examiner to a full-time building inspector as well. There would be no increase in cost for this proposal. The planner position has been requested as a mid-year hire to monitor the building activities. Capital outlay increase mainly due to the requested vehicle as well as software fees and training.

Requests:

1 – Planning and Building Technician = \$65,485.10 (includes \$35,000 for new vehicle). It is anticipated the revenue received would cover the position.

Director Cramer reviewed staffing levels for top 10 Idaho cities by population. He believes the City is comparable, however he would like to see two (2) inspectors for each specialty as long-term. Mayor Casper commended Director Cramer for his management of staff resources.

Mayor Casper requested Ms. Smith discuss the role of the IFDDC with respect to the City’s master plan for managing parking. Ms. Smith distributed information regarding the IFDDC vision, mission, and, values of downtown parking as well as the IFDDC budget which includes parking expenses versus IFDDC expenses, potential IFDDC income, and, potential parking income. She stated IFDDC manages off-street parking and two (2) of the City-owned parking lots. She also stated these lots are filled daily with monthly parkers and downtown employees. She noted the monthly parking fee is \$35.00 for these lots. A validation program is also available for downtown customers. If customers do not choose to validate the cost is \$1.00/hour or \$5.00/daily. Spaces are also available for employee parking. These efforts and goals have been mimicked from Boise on a smaller scale. Ms. Smith stated the IFDDC vision is to manage the downtown parking in a customer service-based effort. The goal is not to write tickets, it is to create an inviting welcoming downtown experience with opportunities to park. Ms. Smith stated, as IFDDC manages the off-street parking lots, an item identified was to cohesively keep on-street parking working well. The on-street parking is currently managed by the IFPD. Discussion has been occurring to utilize the IFPD parking officer into other tasks. Downtown Park IF has been created to expand the IFDDC role which will allow expansion of the IFDDC operation budget. Ms. Smith requested \$50,000 for operational support to launch the on-street parking efforts. She stated current expenses to run the downtown parking are approximately \$88,000 annually. She also stated \$100,000 has been received in grant funds from the IFRdA to purchase parking equipment. Potential on-street parking income, estimated at \$35,000, along with the requested City contribution of \$50,000, gives IFDDC a break-even point to take over on-street parking. Any profit would be reinvested into infrastructure, beautification, and/or, parking facilities. Councilmember Smede stated several downtown business owners have contacted her with their support. She expressed her appreciation for the IFPD support. Mayor Casper stated the \$50,000 request, for the next five (5) years,

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would buy investment in downtown parking improvements, would create a new position, and, would provide an additional resource for the IFPD. Ms. Smith believes the board would evaluate the requested amount each year. To Councilmember Hally’s response, Ms. Smith stated, through an agreement with Oppenheimer Development, the IFDDC is monitoring the underground parking garage at The Broadway. Councilmember Dingman expressed her appreciation to Ms. Smith and the progress of the IFDDC under Ms. Smith’s leadership. She stated she supports this plan although the funding is unknown. Councilmember Freeman stated he supports this plan as the City is a shareholder/stakeholder with two (2) of the City-owned parking lots. Director Cramer stated parking management by one (1) entity has been previously proposed although there may be legal concerns. Mr. Fife stated this plan would need to be correctly structured per the IFPD. An entity making a profit from fines and the nature of the parking penalty would need to be considered as cities must retain their own authority. Director Cramer stated brief discussion has occurred with Legal Staff but was unsure of the Council response. He believes this plan seems to be in-line with previous proposals. He also believes Community Development Services staff would be supportive of this plan. Mayor Casper stated the \$50,000 request is currently included within the Council budget pending legal review of the plan. Chief Johnson stated the IFPD enforces downtown parking but does not manage the parking. He also stated if this plan is not approved, the IFPD would need to adjust their budget to include/address items for the current parking officer. Councilmember Freeman questioned the meter costs. Ms. Smith stated on-street parking will be reviewed for the next 3-5 years. She noted research states that businesses prefers meters. She also noted each meter unit costs approximately \$15,000 or a total of approximately \$500,000 for every parking space per block. She stated the first step is to get individuals to utilize the parking correctly. Director Cramer stated parking is expected to change dramatically over the next ten (10) years, a specific entity would put a constant focus on the issues.

Department Budget Review – Mayor and City Council:

Mayor Casper reviewed the following with general discussion throughout:

Mayor Budget Overview:

Expenditures	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
Total	\$236,351	\$242,526	\$6,175 (2.6%)

Mayor Casper stated an accounting system will be set up for the Mayor’s Office that will track accounts versus categories. Wages and benefits include the natural step and grade. Operational expenses increase includes staff training, \$5,000 for an anticipated project (to be presented at a later time), Director training, and, Tier One leadership training.

Council Budget Overview:

Expenditures	2018/19 Adopted Budget	2019/20 Proposed Budget	Increase or Decrease
Total	\$579,913	\$556,092	(\$23,821) (-4.1%)

Wages and benefits increase includes the natural increase. Operational expenses increase due to the requested parking plan (\$50,000) and live-streaming services. Council budget includes \$50,000 as placeholder for director salary increase(s). Discussion followed including Professional Services, Subscriptions, Travel, Regional Economic Development for Eastern Idaho (REDI) dues, Sister Cities, Community Support Grants, Community Events Fund, and, Regional Transportation. Councilmember Dingman stated the Targhee Regional Public Transportation Authority (TRPTA) Board has the potential for funding to look at future transportation planning. It will not require a local match. She requested the TRPTA dollars, in the amount of \$140,000, remain in the budget for these future transportation needs. Mayor Casper concurred as a placeholder amount. Councilmember Dingman stated a presentation/plan will occur at a later date regarding public transportation. Additional general discussion followed regarding Community Support Grants including the budgeted amount of \$130,000. Mayor Casper recommended a broader discussion of all priorities needs to occur prior to determining this amount.

There being no further business, the meeting adjourned at 6:43 p.m.

s/ Kathy Hampton

 CITY CLERK

s/ Rebecca L. Noah Casper

 MAYOR