

## July 23, 2020 Budget Session

The City Council of the City of Idaho Falls met in Council Budget Session, Tuesday, July 23, 2020, at the City Council Chambers in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 8:30 a.m.

There were present:

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

Also present:

Pamela Alexander, Municipal Services Director  
Mark Hagedorn, Controller  
Dana Briggs, Economic Development Coordinator (by WebEx)  
PJ Holm, Parks and Recreation Director (by WebEx)  
Bryce Johnson, Police Chief  
Ed Morgan, Civic Center for the Performing Arts Manager  
Randy Fife, City Attorney  
Kathy Hampton, City Clerk

Mayor Casper called the meeting to order at 8:30 a.m. with the following:

### Opening Remarks, Announcements:

Mayor Casper recognized the recent multiple meetings and events the Councilmembers have attended and expressed her appreciation for their amazing level of commitment.

### Coronavirus (COVID-19) Update:

There was no update.

### Follow-up Budget Discussions Regarding 2020-21 / Budget including possible funding options for Law Enforcement Complex (LEC):

Mr. Hagedorn stated the unbudgeted revenues have been listed by priority based off the Council's conversation, initial estimates, funded amount, and the remaining amount. Mayor Casper clarified the possible funding options including Airport federal funding, the Governor's Property Tax Relief Program, or other budget modification. Council President Dingman believes the list is well prioritized. She suggested, if more funds become available, \$550,000 go to the dehumidification (dehyde) system and keep the \$200,000 for the Rec Levy. This would free up \$250,000 for other items. Councilor Francis requested moving the \$130,000 from Community Partnership Grants to the unbudgeted revenues. Councilor Smede agrees as she believes Coronavirus Aid, Relief, and Economic Security Act (CARES) money will assist with these organizations. Ms. Briggs stated it is unknown which organizations may receive CARES money. She also stated any amount less than \$130,000 would not be worth the staff time and effort for these grants. This amount was included in 'possible options'. Councilor Radford questioned the timing of the LEC down payment. He does not believe this payment would occur in the upcoming fiscal year budget. Mr. Hagedorn stated the payment would be dependent on the avenue that the Council chooses to fund the program but ultimately a payment prior to October 2022 could be possible. Councilor Hally stated the discussion of the LEC has been ongoing for decades. He believes the larger down payment will decrease the interest rate. This could affect millions of dollars of savings. He stated he is against not including this amount in the budget. Councilors Dingman and Smede agreed. To the response of Council President Dingman, Mr. Hagedorn stated some form of payment would be required for a Certificate of Deposit/Participation. He believes it would be better to budget the amount and not need to use the money. Councilor Francis recommended \$1.1M to the LEC, \$750,000 to the Aquatic Center rather than the dehyde as the cost may be less, \$175,000 to the Rec Levy, and \$60,000 to the Crisis Intervention Team (CIT) officer. He also believes Parks and Recreation (P&R) may need to slightly increase fees to help the

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Rec Levy. He believes the items in the red need to have a plan to be addressed. He stated it is awkward to say there is a savings account when knowingly running things in the red. He believes the first step for savings is to get things right-sized. Councilor Hally stated the Idaho Falls Redevelopment Agency (IFRdA) has plans that will not be viable if the funding is not provided. He noted they have increased budgets and valuations for numerous years. He strongly recommends money be allocated to the IFRdA. Discussion followed regarding the dehumidification system and funding. Mr. Hagedorn noted the Rec Fund has been running in the negative cash for the previous three (3) years. He stated this was an issue with the auditors and is being monitored and discussed. Director Alexander believes, per discussion with department directors, all departments should live with their budget within their means. Councilor Hally stated growth impacts P&R. He believes cuts that have been made have been reflective in the City and some areas do not look good. He stated having a consistency in the budget is a good mind set going forward. To the response of Mayor Casper, Mr. Hagedorn noted the Rec Levy was flat from 2017-2019. Discussion followed regarding the levys' time frame and negative funds. Councilor Freeman questioned a fee increase. Mr. Hagedorn believes the current fees are comparable to the surrounding communities and the City wants to be competitive with those communities. To the response of Mayor Casper, Mr. Hagedorn stated the deficit is approximately \$250,000 and the revenue to expenditures is -\$400,000. Director Holm stated he would be in favor of one (1) dehyde. He noted payroll and benefits have been the largest expense in the Rec Fund. He believes fees need to be increased over the course of time as the user groups have expressed their concern for fee increases. He is reviewing resident and non-resident fees. He also believes the \$175,000 allocation to the Rec Levy would only amount to approximately \$50,000 due to the inter-fund transfers. He stated he is working on a plan to get the Rec Fund from the red to the black. Mayor Casper stated she would like a plan in twelve (12) months showing where the funds were allocated and the steps to get out of the red. To the response of Councilor Francis, Director Holm would prefer to see a higher amount to the dehyde system and less amount to the Rec Levy. Mayor Casper recommended \$550,000 be budgeted for the dehyde system with any shortage taken from the Rec Levy and any excess amount applied to the Municipal Equipment Replacement Fund (MERF). Brief discussion followed regarding drainage/retention ponds and impact fees and the effect this has on P&R. Councilor Freeman recommended the funds for the CIT officer be allocated to IFRdA funding. It was noted the CIT was not a priority for Chief Johnson as there are currently eight (8) Idaho Falls Police Department (IFPD) vacancies. General comments followed including work performed at mental health facilities, the process of adding the CIT detective position, and grant money. Councilor Radford noted Community Development Services Director Brad Cramer has been utilizing outside contractors, he questioned if this could be similar for a CIT detective. Chief Johnson gave details of the CIT detective's role and stated he does not believe the contractor process would be possible. To the response of Council President Dingman, Chief Johnson stated the CIT detective was an additional position and there is no capacity to convert a current position to the CIT detective. He also stated a CIT detective will be needed, however, he indicated this position can be delayed and was removed from the IFPD budget. Councilor Radford questioned the funding for open positions. Mr. Hagedorn stated when hiring is down, the overtime budget goes up. It is the offset to the budgeted vacancies. To the response of Mayor Casper, Chief Johnson believes more policing grants will become available in the future. Councilor Francis still believes the CIT detective should be partially funded for the service of the community. To the response of Mayor Casper, Chief Johnson stated a half year funding would be the best case for the CIT detective including equipment. It was noted the position count of 143 for the IFPD will not change. Additional Discussion followed regarding the governor's Property Tax Relief Program, airport federal funding (and possibly allocating this amount to the LEC), and contingency.

### Requests for Additional Data, Discussion of Future Budget Meetings and Schedule:

Mayor Casper reviewed the upcoming meeting schedule.

There being no further business, the meeting adjourned at 10:46 a.m.

s/ Kathy Hampton  
Kathy Hampton, City Clerk

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