

COUNCIL MEMBERS:

Suzanne Hawkins	Jim Munn	Shawn Barigar	Chris Talkington	Gregory Lanting	Don Hall	Rebecca Mills Sojka
Vice Mayor					Mayor	



MINUTES
Meeting of the Twin Falls City Council
Monday, June 9, 2014
City Council Chambers

5:00 P.M.

PLEDGE OF ALLEGIANCE TO THE FLAG
CONFIRMATION OF QUORUM
CONSIDERATION OF THE AMENDMENTS TO THE AGENDA
PROCLAMATION: General Aviation Proclamation - Jared VanderKooi/Reeder Flying Service & Kerry Requa/Idaho Aviation Assoc.

GENERAL PUBLIC INPUT

AGENDA ITEMS	Purpose	By:
I. <u>CONSENT CALENDAR:</u>		
1. Consideration of a request to approve the Accounts Payable for June 3 - 9, 2014.	Action	Sharon Bryan
2. Consideration of a request to approve the Snake Harley-Davidson outdoor appreciation concert to be held at 2404 Addison Avenue East on Friday, July 18, 2014.	Action	Dennis Pullin
3. Consideration of a request to approve the Fit & Well Fair to be held at the Twin Falls City Park on Saturday, June 21, 2014.	Action	Dennis Pullin
II. <u>ITEMS FOR CONSIDERATION:</u>		
1. Swearing in ceremony for four new Twin Falls Department Police Officers. Mayor Don Hall to administer the Oath of Office to Officers Medina Alajbegovic, Tyler Campbell, Tavita Messenger, and Eric Strassner.	Action	Chief Brian Pike Mayor Don Hall
Presenting Police Officer David Cushing with his Basic Certification and Police Officers Justin Cyr and Steven Gassert with their Intermediate Certification.	Presentation	Captain Matt Hicks
2. Consideration of a request to adopt a resolution that approves participation in a State Local Agreement (<i>for Construction</i>) to build the signal at the intersection of Carriage Lane and Addison Avenue East and to authorize the Mayor to sign the agreement.	Action	Jacqueline Fields
3. A presentation by the City Manager followed by citizen input and general discussion about the FY 2015 budget priorities and philosophies.	Presentation	Travis Rothweiler
4. Public input and/or items from the City Manager and City Council.		
III. <u>ADVISORY BOARD REPORTS/ANNOUNCEMENTS:</u>		
IV. <u>PUBLIC HEARINGS:</u> 6:00 P.M.		
1. Consideration of a request to amend Twin Falls Vision 2030, A Comprehensive Plan for a Sustainable Future to update Chapter 11, Development Impact Fee Capital Improvement Plans.	PH/Action	Mitchel Humble
V. <u>ADJOURNMENT:</u>		
1. Executive Session 67-2345(1) (a) To consider hiring a public officer, employee, staff member or individual agent, wherein the respective qualities of individuals are to be evaluated in order to fill a particular vacancy or need. This paragraph does not apply to filling a vacancy in an elective office or deliberations about staffing needs in general.		

Any person(s) needing special accommodations to participate in the above noticed meeting could contact Leila Sanchez at (208) 735-7287 at least two working days before the meeting. Si desea esta información en español, llame Leila Sanchez (208)735-7287.

Present: Suzanne Hawkins, Don Hall, Jim Munn, Chris Talkington, Rebecca Mills Sojka

Absent: Shawn Barigar and Gregory Lanting

Staff Present: City Manager Travis Rothweiler, City Attorney Fritz Wonderlich, Community Development Mitchel Humble, City Engineer Jacqueline Fields, Police Chief Brian Pike, Police Captain Bryan Krear, Staff Sergeant Dennis Pullin, Deputy City Clerk Sharon Bryan, Deputy City Clerk/Recording Secretary Leila A. Sanchez

Mayor Hall called the meeting to order at 5:00 P.M. He then invited all present, who wished to, to recite the pledge of Allegiance to the Flag. A quorum was present.

CONSIDERATION OF THE AMENDMENTS TO THE AGENDA

City Manager Rothweiler stated the agenda has been amended to include:

Consideration of a request to approve the Snake Harley-Davidson outdoor appreciation concert to be held at 2404 Addison Avenue East on Friday, July 18, 2014 and Consideration of a request to approve the Fit & Well Fair to be held at the Twin Falls City Park on Saturday, June 21, 2014.

He also requested to amend the agenda to consider an Alcohol License for Video Mexico.

PROCLAMATION:

General Aviation Proclamation - *Jared Vanderkooi/Reeder Flying Service & Kerry Requa/Idaho Aviation Assoc.*

Mayor Hall read and presented the proclamation to Jared Vanderkooi and Kerry Requa.

GENERAL PUBLIC INPUT: None

MOTION:

Councilmember Munn moved to amend the agenda to include a discussion to consider an Alcohol License for Video Mexico. The motion was seconded by Councilmember Mills Sojka. Roll call vote showed all members present voted in favor of the motion. Approved 5 to 0.

AGENDA

I. CONSENT CALENDAR:

1. Consideration of a request to approve the Accounts Payable for June 3 - 9, 2014, \$177,215.15 and Payroll, June 6, 2014, total: \$122,156.15.
2. Consideration of a request to approve the Snake Harley-Davidson outdoor appreciation concert to be held at 2404 Addison Avenue East on Friday, July 18, 2014.
3. Consideration of a request to approve the Fit & Well Fair to be held at the Twin Falls City Park on Saturday, June 21, 2014.

MOTION:

Councilmember Talkington moved to approve the Consent Calendar as amended to include approval of an Alcohol License for Video Mexico. The motion was seconded by Vice Mayor Hawkins. Roll call vote showed all members present voted in favor of the motion. Approved 5 to 0.

II. ITEMS FOR CONSIDERATION:

1. *Swearing* in ceremony for four new Twin Falls Department Police Officers.

Mayor Don Hall to administer the Oath of Office to Officers Medina Alajbegovic, Tyler Campbell, Tavita Messenger, and Eric Strassner.

Chief Pike introduced Officers Medina Alajbegovic, Tyler Campbell, Tavita Messenger, and Eric Strassner and explained the Oath of Office and the Pinning of the Badge.

Mayor Hall administered the Oath of Office to the officers.

Presenting Police Officer David Cushing with his Basic Certification and Police Officers Justin Cyr and Steven Gassert with their Intermediate Certification.

Captain Krear gave the presentation with Mayor Hall and Chief Pike assisting.

2. Consideration of a request to adopt a resolution that approves participation in a State Local Agreement (*for Construction*) to build the signal at the intersection of Carriage Lane and Addison Avenue East and to authorize the Mayor to sign the agreement.

City Engineer Fields gave the presentation.

On June 11, 2013, staff discussed with the City Council funding opportunities for safety projects on streets. ITD approved Project Key 13546, which is placement of a signal at Carriage Ln. and Addison Ave. E. The project is ready to advertise for construction, but prior to advertising, the City and ITD are to enter into an agreement for construction.

Staff recommends adoption of the proposed resolution that approves participation in these projects and authorizes the Mayor to sign the agreement.

Discussion followed.

- Traffic warrant has not been conducted at the intersection of Fillmore and North College Road
- Future acquisition of right of way
- Costs associated with the removal of power poles

MOTION:

Councilmember Talkington moved passage of Resolution 1926, and allows the Mayor to sign the State Local Agreement as presented. The motion was seconded by Vice Mayor Hawkins. Roll call vote showed all members present voted in favor of the motion. Approved 5 to 0.

3. A presentation by the City Manager followed by citizen input and general discussion about the FY 2015 budget priorities and philosophies.

City Manager Rothweiler gave a PowerPoint presentation (attached).

In addition, he explained that two significant needs that have not been addressed are the expansion and the renovation of City facilities and to replace the Wills Booster Station located at the south well field.

City Engineer Fields explained the function and maintenance cost of the Wills Booster Station.

City Manager Rothweiler explained that based upon conceptual engineering the project may be cost \$5.5 million.

Discussion followed.

Councilmember Talkington stated that Council will need to provide direction to the City Manager on the use of uncaptured funds.

Councilmember Mills Sojka stated that she would exercise caution on spending \$5.5 - \$6 million of reserves for City facilities; and, discussion of a new City Hall should involve the community. The budget is driven by the Strategic Plan and is concerned that a new City Hall is not in the Strategic Plan. She would be more comfortable if an amendment is made

to the Strategic Plan to add space needs and a new City Hall. She was made aware of the space needs study a month or two ago.

Councilmember Munn stated there is a clear and definitive need to address the dismal state of the police department. The existing Police Station building was designed for 45 employees and currently there are 105 – 110 employees in the building. City Hall, in addition, is in disrepair.

Vice Mayor Hawkins stated she is in agreement with the budget presentation, including discussion on the 3%.

Mayor Hall stated that his primary focus is on space needs, addressing the Canyon Springs grade safety issues, employee recruitment, retention and compensation, police department space needs and maintenance of the Wills Booster station.

City Manager Rothweiler discussed Police Department building options.

Chief Pike and Councilmember Munn discussed Police Department building inadequacies.

Councilmember Talkington stated his concern of using \$7 million of cash reserves for repair of Canyon Springs Road.

City Manager Rothweiler stated that the overall budget presented reflects Council's direction of using the 3%, not taking the foregone balance and honoring the commitment to city employees. The use of reserves can be applied and used at any time.

City Manager Rothweiler explained that approximately a year ago staff discussed police department space needs. Money was appropriated in the budget to do the first of a five phase renovation project to the police department. Bids were received for the remodeling project and the lowest total bid amount received came in at more than twice the budgeted for the project. Staff will welcome community tours and involvement and agreed that the community needs to be part of the solution.

Councilmember Munn stated mold, inadequate locker rooms, inadequate ventilation systems for drug vaults, crime lab issues, etc. at the police department, has to be addressed.

Chief Pike explained the locker room is not functional, shower facilities are inadequate, and lack of ventilation. Staff will continue to grow as the City continues to grow.

Councilmember Talkington stated the public service issue at the police department should drive all capital expenditures this year.

Chief Pike stated that staff is willing to explore every possibility to address space needs.

Councilmember Mill Sojka stated that she would like to take the time to assess the different opportunities to address space needs. She stated that she has been on the City Council the past three years and this is the first time she has heard of space needs. In the strategic plan conversation there were no red flags and did not come up in steps.

City Manager Rothweiler stated the 2013 police department remodeling project bids exceeded the total amount of the budget. The solution still exists. The City can spend an excess of a \$1 million and can buy another temporary solution.

Councilmember Mills Sojka stated that whether the remodeling went forward or not there are still space confines. The square footage would not change whether remodeling was done or not.

Mayor Hall stated that the Council has been aware of the space needs issues with both the Police Department and City Hall. In 2006, architectural plans were done for the remodeling of City Hall and Police Department; in addition Council toured the city facilities.

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7:16 p.m. Recess

7:28 p.m. Reconvened

4. Public input and/or items from the City Manager and City Council.

City Manager Rottweiler reported that the June 16, 2014, City Council meeting has been cancelled due to a lack of quorum and a retirement celebration for Dwaine Thomson will be held on June 24, 2014, at 2:00 p.m. in the Council Chambers.

Vice Mayor Hawkins thanked the Police Department for their work done on the Bike Rodeo that was held on Saturday, June 7, 2014.

III. ADVISORY BOARD REPORTS/ANNOUNCEMENTS:

Councilmember Talkington reported on: Joslyn Field Airport Open House for the new jet service. He also explained that the Airport Commission is proceeding with an 8,000 sq. ft. Airport Terminal and gave an update on the Twin Falls URA Downtown Project Request for Qualifications.

Mayor Hall recognized Dr. Cindy Bond, Urban Renewal Agency Chair, for her seven year service on the board.

IV. PUBLIC HEARINGS: 6:00 P.M.

1. Consideration of a request to amend Twin Falls Vision 2030, A Comprehensive Plan for a Sustainable Future to update Chapter 11, Development Impact Fee Capital Improvement Plans.

Community Development Director Humble explained the request.

The City Council adopted the City's development impact fee program in January 2009 for an August 2009 implementation. Idaho Code requires the development impact fee capital improvement plans (CIPs) are included in the City's comprehensive plan. Idaho Code 67-8208 requires cities with impact fees to update their CIPs at least once every five years.

The Development Impact Fee Advisory Committee recommends proposed changes to the Police Impact Fee, Fire Impact Fees, Community Park Impact Fees, Streets Impact Fees, Text Amendments and Fee Summary. Staff concurs with the recommendations.

On May 13, 2014, the Planning & Zoning Commission unanimously recommended approval of the amendment as presented.

He made the clarification that the Fire Department ladder truck is not a replacement truck but a second truck to be utilized.

Discussion followed.

- Construction and cost to operate a new fire station.
- Regional / Community Park includes open space trails
- Calculation for the acquisition and development of new community park amenities
- Reevaluation of the park development cost - \$80,435 per acre and acquisition cost - \$41,250 per acre
- Resources for a community park
- Street Impact Fees and growth related costs
- Growth related costs and retail /new business
- Impact fee used to offset growth

Mayor Hall opened and closed the public testimony portion of the hearing.

Discussion followed.

MOTION:

Councilmember Mills Sojka moved to direct staff to update the per acre cost of acquisition for a community park to the most accurate numbers that we have today. The motion was seconded by Councilmember Talkington. Roll call vote showed all members present voted in favor of the motion. Approved 5 to 0.

MOTION:

Councilmember Talkington moved to amend Twin Falls Vision 2030, A Comprehensive Plan for a Sustainable Future to update Chapter 11, Development Impact Fee Capital Improvement Plans. The motion was seconded by Councilmember Munn. Roll call vote showed all members present voted in favor of the motion. Approved 5 to 0.

V. ADJOURNMENT:

1. Executive Session 67-2345(1) (a) To consider hiring a public officer, employee, staff member or individual agent, wherein the respective qualities of individuals are to be evaluated in order to fill a particular vacancy or need. This paragraph does not apply to filling a vacancy in an elective office or deliberations about staffing needs in general.

MOTION:

Councilmember Munn moved to adjourn to Executive Session 67-2345(1)(a). The motion was seconded by Vice Mayor Hawkins. Roll call vote showed all members present voted in favor of the motion. Approved 5 to 0.

The meeting adjourned at 8:20 p.m.

Leila A. Sanchez
Deputy City Clerk/Recording Secretary



City of Twin Falls, Idaho

2015 Fiscal Year Budget Development Session III - Public Input Session
June 9, 2014

2015 Fiscal Year Budget Development Session III
"In Progress Update" - June 9, 2014

City of Twin Falls Mission Statement

Our mission, as stewards of the public trust, is to meet current and future needs of the community, promote citizen input, preserve our heritage, conserve and protect our social and physical resources and enhance the quality of life in Twin Falls.

Our Approach

Our process allows us to...

- ❖ BETTER ENGAGE OUR CITIZENS
- ❖ BETTER ENGAGE OUR EMPLOYEES
- ❖ BRING COMMON SENSE TO OUR BUDGET
- ❖ THINK & OPERATE STRATEGICALLY
- ❖ TRANSFORM OUR GOVERNMENT & OUR COMMUNITY

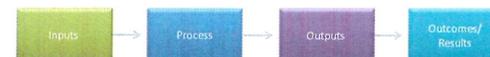


Our Approach

Our process allows us to...

ALIGN THE BUDGET WITH THE CITY OF TWIN FALLS STRATEGIC PLAN

The City of Twin Falls 2030 Strategic Plan will be used to help shape, develop and establish the City's overarching priorities and goals. A key characteristic of our process is to link to the City's strategic priorities and goals with the annual budget.



2015 Fiscal Year Budget Development Session III
 "In Progress Update" – June 9, 2014

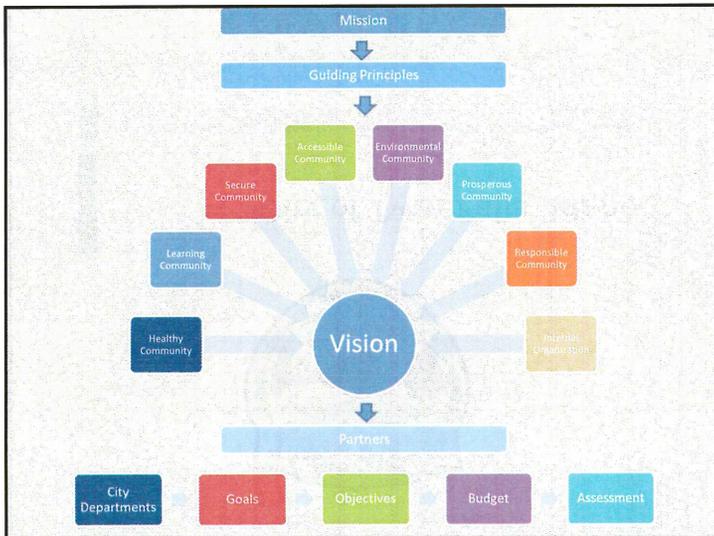
Strategically Linking Our Vision and Our Resources

As designed, the City of Twin Falls' 2030 Strategic Plan will assist the City to plot a course that will enable it to grow, develop and improve in a manner that honors and respects its history and unique characteristics. From our efforts, City of Twin Falls will continue to be recognized as a world class community.

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2030 Strategic Plan Focus Areas

- Healthy Community*
- Learning Community*
- Secure Community*
- Accessible Community*
- Environmental Community*
- Prosperous Community*
- Responsible Community*
- Internal Organization.*



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Planning For the Future...

The Long Term Planning Committee was composed of 25 employees from all levels of the organization and from different departments. The purpose of the Committee was to consider the impacts of timelines, allocation of resources, and budgetary constraints as they began financially mapping out the strategic plan, advocating for adjustments that could be made in order to ensure achievability.

The Committee learned about the different functions and roles performed by the different departments. They spent time assessing capital and personnel requests for the next five fiscal years, tying each request to a focus area and specific initiatives of the strategic plan.

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Long-Term Planning Committee

The Long-Term Planning Committee was tasked with updating the City's five-year fiscal planning tool.

- Tied directly to the goals and objectives in the City's Strategic Plan.
- Focuses on what the needs of the organization are to maintain services, as well as accommodate the changes and growth currently experienced by the city.

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Long Term Planning Group Strategies

The major themes presented by the members of the long term planning group's recommendation are:

- Additional personnel needs are high across the organization and these needs will only increase as the community continues to grow.
- Addressing the facility needs of the organization to accommodate staff and the public.
- Invest in the equipment needed to improve efficiencies of current processes.
- Invest in upgrading current equipment to keep pace with its use and demand.
- We are a service organization that is committed to serving the community and its citizens in the most fiscally responsible manner possible.

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Citizen Strategies for FY 2015

The City Council provided two opportunities in April for members of the community to share their thoughts about what they believed should be considered, discussed and included in the FY 2015 Budget.

In those meetings, the Council heard:

- Invest in our paths and trail system – Magic Valley Trail Enhancement Committee
- Invest in our facilities/downtown – Downtown Business Owners

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City Manager's Strategies for FY 2015

- Make advances in the City's defined strategic planning objectives
 - Continue to review and develop performance plans to advance established visions
- Building collaborative partnerships with our public, private and other community partners
 - Sustainable Twin Falls, the Economic Development Ready Team, and Activate Twin Falls/Magic Valley are just three examples of the many opportunities that we have to collaborate
- Invest in our employees by providing competitive compensation and benefits as well as advanced training opportunities
 - Provide compensation adjustment based on performance
 - Move the compensation table
 - Build and exercise compensation compression model for tenured employees.

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City Manager's Strategies for FY 2015

- ▶ Invest in water, waste water and transportation infrastructure as well as our parks, paths and open spaces
 - Continue to advance water, waste water and transportation improvement initiatives in a thoughtful and fiscally responsible manner
 - Continue to explore opportunities to expand our trail system and open space
- ▶ Invest in our facilities and structures
 - Police Station remodel
 - Explore opportunities to have City Hall and Hansen Building reunited in one facility
- ▶ Continue to pursue innovative strategies that will lead to more efficient and effective outcomes
 - Use of results of National Citizen Survey and Performance Measurement
 - Use of data to drive solutions

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City Council's Strategies for FY 2015

- ▶ Allow for the statutory increase in property tax revenue and increase utility rates judiciously.
 - Some members of the City Council indicated they would be open to discussing the viability of using a portion or all of the foregone balance for specific, one-time capital projects.
- ▶ Invest in Our Employees
- ▶ Implement the City's 2030 Strategic Planning Objectives

Invest in water, waste water and transportation systems – including Canyon Springs Grade – in a thoughtful, fiscally responsible, and sustainable manner

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City Council's Strategies for FY 2015

- ▶ Continue to explore opportunities to expand our trail system and create/preserve open space
- ▶ Develop innovative strategies that create greater efficiencies in key service delivery areas



Economic Trends

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Economic Trends and Indicators – National

Home prices continue to increase in every state. Since April 2013, the average U.S. home price has jumped nearly 12%. Ninety-five of the 100 largest metro areas reported higher prices in April compared with a year earlier. However, home prices are still 14.3% lower than their 2006 peak.

Job growth is strengthening. Unemployment rates fell in almost all large U.S. cities in April, helped by stronger hiring. The gains show the job market is improving throughout the country. The U.S. unemployment rate fell to the lowest it has been since September 2008 (6.1%).

Stocks are setting record highs. Since 2013, the Dow has gained almost 3,639.49 points since January 2013 – from 13,104.14 to 16,743.63 (June 2, 2014). This represents one of the largest gains in US History.

Consumer Confidence increased May 2014 to 80.4 from a reading of 76.2 in May 2013. Over the course of the last year, Consumer Confidence has ebbed and flowed, but generally trended upward.

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Economic Trends and Indicators – Idaho

Although growth in state-wide housing starts and wages are expected to be slightly less robust than previously anticipated, each area is expected to see growth in each year from 2014 to 2017.

An important driver in the state's recovery has been the increase in housing starts. Idaho's Division of Financial Management is projecting that state-wide housing starts will increase by an average of 13.7% each year for the next three fiscal years.

Continued improvement in the state-wide labor market is also expected to continue. Total non-farm employment is expected to grow by 3.0% in FY 2015, 2.9% in FY 2016, and 2.6% in FY 2017.

Real personal income continues to grow state-wide, as well. The average income growth rate between FY 2015 and FY 2017 is expected to grow by 2.9% each year.

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Economic Indicators – Building Activity

- Single Family Starts increased from: 182 in FY 2013 (Actual) to 198 in FY 2014 (Projected)
- New Commercial Starts decreased from: 33 in FY 2013 (Actual) to 30 in FY 2014 (Projected)
- Commercial Additional/Remodel increased from: 96 in FY 2013 (Actual) to 115 in FY 2014 (Projected)

Permits Issued	May-13	May-14	Change	May 2013 - YTD	May 2014 - YTD	Change
New Single Family	12	21	75.0%	104	113	8.7%
Duplex	0	0	0.0%	1	3	200.0%
Manufactured Homes	0	0	0.0%	1	0	-100.0%
Res. Addition/Remodel	5	6	20.0%	59	42	-28.8%
Miscellaneous Res.	21	2	-90.5%	51	79	54.9%
New Commercial	2	3	50.0%	23	16	-30.4%
Com. Addition/Remodel	3	1	-66.7%	55	60	9.1%
Miscellaneous Com.	9	4	-55.6%	80	93	16.3%
Electrical	83	57	-31.3%	541	557	3.0%
Plumbing	73	63	-13.7%	425	401	-5.6%
Mechanical	71	59	-16.9%	495	509	2.8%
Total All Permits	279	216	-22.6%	1835	1873	2.1%

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Economic Indicators – Building Activity

- Total Revenues are up 41% through May 2014, from \$455,285 to \$641,792
- Building (58.9%) Electrical (60.5%), and Plumbing (12.5%) permit revenues are all up
- Mechanical permit revenues are down (16.7%)

Estimated Value of Work	May-13	May-14	Change	May 2013 - YTD	May 2014 - YTD	Change
New Single Family	\$1,739,823	\$2,995,167	72.2%	\$15,124,090	\$18,020,172	19.1%
Duplex	\$0	\$0	0.0%	\$210,545	\$714,357	239.3%
Manufactured Homes	\$0	\$0	0.0%	\$12,520	\$0	-100.0%
Res. Addition/Remodel	\$122,297	\$89,100	-27.1%	\$882,500	\$1,370,388	55.3%
Miscellaneous Res.	\$149,321	\$22,758	-84.8%	\$398,495	\$498,951	25.2%
New Commercial	\$725,539	\$2,063,864	184.5%	\$13,909,352	\$13,155,558	-5.4%
Com. Addition/Remodel	\$391,570	\$75,000	-80.8%	\$6,106,784	\$12,954,169	112.1%
Miscellaneous Com.	\$16,845	\$86,815	415.4%	\$693,544	\$1,118,270	61.2%
Total All Permits	\$3,145,395	\$5,332,704	69.5%	\$37,337,830	\$47,831,864	28.1%

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Economic Indicators - MCI

The **Municipal Cost Index** is designed to show the effects of inflation on the cost of providing municipal services. The MCI draws on the monthly statistical data collected by the U.S. Departments of Commerce and Labor as well as independently compiled data to project a composite cost picture.

From April 2013 to April 2014, the MCI has increased by a total of 1.8%, while the CPI has increased by 2.0% over this same period of time.

To "keep up with inflation," the City of Twin Falls would have to capture approximately \$952,450 in new revenues to support current and existing operations. That includes \$565,112 in Tax Supported Revenues and \$387,338 in Enterprise Revenues.

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Economic Indicators – Unemployment

The unemployment rate is important as a gauge of joblessness. It is a gauge of the economy's growth rate. However, the unemployment rate is considered to be a "lagging indicator." On the national level, the number of new applications filed last week for unemployment benefits fell to the lowest level in the last seven years.

The unemployment rate in Twin Falls is lower than the state and federal rates, and continues to show signs of improvement. Statistically, economists consider full-employment to occur when the unemployment rate is at 5%.

Unemployment Indicators			
	April 2014	March 2014	April 2013
National Unemployment Rate	6.3%	6.7%	7.5%
Idaho Unemployment Rate	5.0%	5.2%	6.4%
Twin Falls Unemployment Rate	4.8%	5.2%	6.0%

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Property Tax Values and Revenues

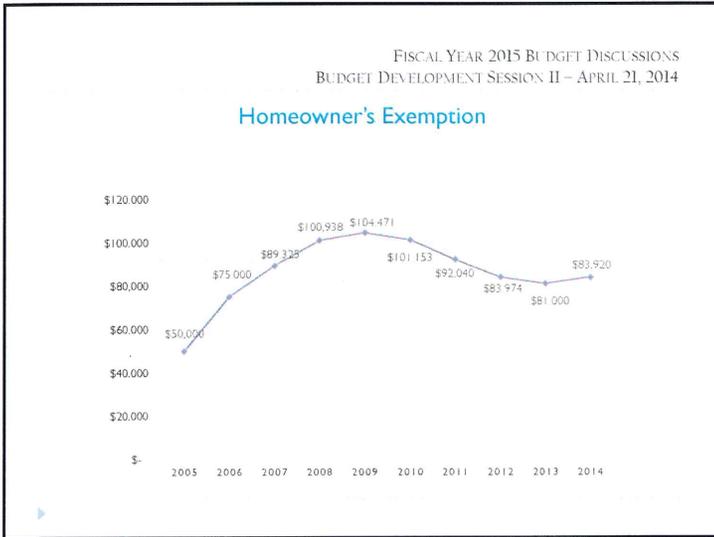
Property Values

Residential properties in Twin Falls have started to increase in taxable value. This is the first year we have seen increases in the taxable value of residential properties generally since FY 2010.

Commercial and Industrial Properties should also realize slightly higher taxable valuations for the 2014 tax year (FY 2015).

Homeowner's Exemption

The State of Idaho's Homeowner's exemption is expected to increase 3.60%, from \$81,000 to \$83,920.



2014-2015 Fiscal Year Budget

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Government Fund-Type Revenues

- Total Taxable Value of the City of Twin Falls For FY 2014 was \$2,200,305,399. The Tax Rate for FY 2014 was 0.007856543
- Total Taxable Value for FY 2015 is estimated to be \$2,237,513,473. The Tax Rate is currently estimated to be .008066988.
- The Homeowner's Exemption is expected to increase from \$81,000 to \$83,920.
- Growth formula will be based on a New Construction Net Taxable Value of \$31,133,208 and yield \$244,599 in tax revenue.

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Government Fund-Type Revenues

- The 2015 Fiscal Year Budget does not include any of the City's foregone balance of \$1,478,577. We are not able to calculate the impact of the tax rate at this time.
- Increases will also be realized in building permit revenues, all state shared revenues, franchise fees, liquor apportionment, investments, dedicated highway monies, and grants.
- Anticipating Cash Reserves will only be used to cover significant capital projects in the Library Fund.

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Government Fund-Type Expenses

Personnel Expenses: Projected to increase by \$1,689,589, or by 9.34%, to cover:

- Performance-Based Compensation Adjustments of 3%
- Moving the Salary Table 0.5% to keep up with "Market"
- Adjusting Compression Ration Adjustment Table by moving Market Wage to 5 years and providing targeted adjustments for tenured employees
- Increases to health insurance of 7.72%
- 9 FTE positions and funding to implement potential restructuring strategies.

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Government Fund-Type Expenses

Personnel Expenses: Funding for Nine New Positions in the Government Fund-Types equals \$626,217. The requested new positions are:

- Deputy Prosecuting Attorney
- Information Services Tech II
- 2 Police Officers
- 2 Staff Engineers – one to be funded with contribution from URA
- Parks Operator
- Recreation Aide
- Street Operator

Navigation icons: back, forward, search, etc.

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Government Fund-Type Expenses

Maintenance and Operational Expenses: Projected to increase by \$263,713, or by 3.77%

Largest increases are:

- Legal – \$90,000 for Professional Legal Service Contract
 Significant portion of the adjustment was made in FY 2014 when new Agreement was executed.
- Planning and Zoning – \$80,000 for Comprehensive Plan Update

Navigation icons: back, forward, search, etc.

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Government Fund-Type Expenses

Capital Expenses: Requested investments are \$6,592,309*, compared to \$6,152,451 for FY 2014 and includes:

- \$415,200 in Information Services for Computer, Switch, and Firewall Replacements
- \$380,318 in Police Department vehicle replacements
- \$1,127,000 in Fire Department for Ladder Truck (to be paid for with Grant Funds and Impact Fees)
- \$614,300 in General Park Improvements - \$229,000 to be paid for with Impact Fees
- \$132,500 in General Recreation Improvements
- \$2,030,000 in Street Department Roadway Maintenance and Improvement Projects, including sealcoat, Zone 3 Mill/Overlay, Eastland South Phase 2 and 3rd Avenue West Reconstruction
- \$600,000 in Street Department for Engineering Work Associated with Canyon Springs Grade
- \$200,000 in Contingency Funding

* excludes \$2,000,000 for College of Southern Idaho safety initiative project (construction of Cheney Drive), \$1,066,667 for airport construction projects because they are dedicated Federal grant funds.

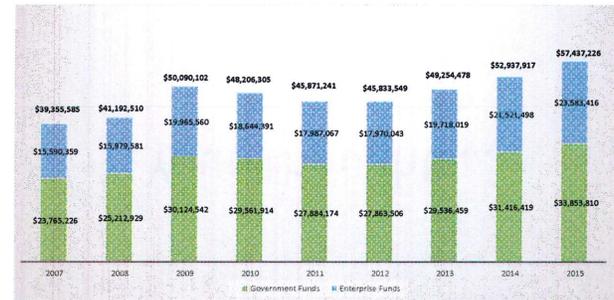
Navigation icons: back, forward, search, etc.

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	FY 2014 Adopted Budget	FY 2015 "In-Progress" Budget
Total Taxable Value	\$2,200,305,399	\$2,237,513,473
Total Net Budget	\$52,937,917	\$57,437,226*
Tax Supported Funds	\$31,416,419	\$33,853,810*
Enterprise Funds	\$21,521,498	\$23,583,416*
Total Tax Collections	\$17,286,791	\$18,049,995
Tax Rate	0.007856543	0.008066988
Taxes per \$1,000 in Value	\$7.85/\$1,000	\$8.07/\$1,000

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Net Budgets From FY 2007 to FY 2015



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Fiscal Year 2015 – Enterprise Fund-Type

Water:

- Total Rate Increase is projected to be 2%, or an increase of \$0.75/month to the average water user, defined as using 18,000 gallons per month.
- Funding For One New FTE: Water Operator
- Capital Expenses for FY 2015 are recommended at \$1,382,500 compared to \$1,727,500 for FY 2014.
- In addition, the City allocated \$3.5 million of Water Fund cash reserves to the water reservoir. Over the course of the last two fiscal years, the City has invested more than \$9.9 million in its water system.
- The City Manager's Recommended Budget requests the use of \$3 million in General Fund cash reserves and \$360,000 Water Fund cash reserves cover one-time capital investments.

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Fiscal Year 2015 – Enterprise Fund-Type

Sewer:

- Total Rate Increase is projected to be 1%, or an increase of \$0.25/month to the average residential sewer user, defined by a user who's use is capped at 8,000 gallons per month. Industrial and commercial customers will see a similar, proportionate rate adjustment
- Funding for One New FTE: Waste Water Collections Operator.
- Capital Expenses in the sewer fund are recommended to be \$820,000 in FY 2015, compared to \$1,179,300 for FY 2014. However, FY 2015's investment excludes the \$38 million improvements made to the City's Waste Water Treatment Plant and collection system that will be covered with bond proceeds.

Sanitation:

- Total Rate Increase is projected to be 1.5%, or an increase of \$0.25/month to the residential customer. PSI's current requested increase is 2% or \$0.21 and \$0.04 is to cover anticipated increases in internal operational costs.

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How much more will it cost for City Water, Sewer and Sanitation Services?	FY 2014 Adopted Fee Schedule	FY 2015 "In-Progress" Budget
Total Enterprise		
Average Residential Water Rate – 18,000	\$37.26	\$38.01
Average Residential Sewer Rate – 8,000	\$24.49	\$24.74
Residential Sanitation Rate	\$16.99	\$17.24
Total	\$78.74	\$79.99
Difference		\$1.25
Municipal Cost Index		\$81.43
Municipal Cost Index Difference		\$2.69

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Use of Government Fund-Type Cash Reserves

At the conclusion of FY 2014, the City is projecting that it will have \$12.69 million in unrestricted cash reserves in the General and Capital Funds that can be used to fund one-time capital projects.

The Library Fund is projected to have approximately \$1,066,000 in Cash Reserves that can also be used for one-time capital projects.

The City Manager's Recommended Budget includes funding in the form of General Fund and Capital Fund Cash Reserves that will allow us to invest:

- \$5 to \$6.5 million for in City Facilities
- \$2.5 to \$3.0 million for Wills Booster Station
- \$250,000 for New Windows, Security and PA system and Presentation Equipment at the Twin Falls Public Library

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Use of Government Fund-Type Cash Reserves

After funding these investments, the City is projecting that it will have \$3.1 to \$5.1 million in unrestricted cash reserves in the General and Capital Funds that can be used to fund one-time capital projects in addition to the Restricted Cash balances of \$5.117 million in the General Fund (3 mos. of operations) and \$750,000 in the Capital Improvement Fund.

The Library is projected to have a Cash Reserve balance of \$816,000 after the investments have been made.

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Your Thoughts...