

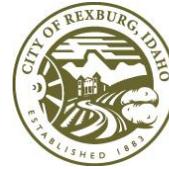
City Council Meeting

October 15, 2014

35 North 1st East
Rexburg, ID 83440

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CITY OF
REXBURG
America's Family Community

October 15, 2014

Mayor Richard Woodland

Council Members:

President Sally Smith Jordan Busby
Donna Benfield Jerry Merrill
Christopher Mann Brad Wolfe

City Staff:

Stephen Zollinger – City Attorney
Matt Nielson – Finance Officer
John Millar – Public Works Director
Val Christensen – Community Development Director
Scott Johnson – Economic Development Director
Blair Kay – City Clerk

7:00 P.M City Hall – Pledge to the Flag

Troop 309 led the pledge.

Natasha Diaz said the prayer.

Roll Call of Council Members:

Attending: Council President Smith, Council Member Mann, Council Member Benfield, Council Member Merrill, Council Member Wolfe and Mayor Woodland.

Council Member Busby asked to be excused.

Public Comment on non-controversial issues: not scheduled on the agenda (limit 3 minutes):

Presentations:

Committee Liaison Assignments for 2014:

A. Council Member Christopher Mann: *Golf Board · Emergency Services Board · MYAB*

Council Member Mann reported the Golf Board met last week; they are working on installing a chain link fence coated in green vinyl at the Municipal Golf Course. The Emergency Services Board has not met. The Mayor's Youth Advisory Board met today; a presentation was given by Mayor Woodland, CFO Nielson and Council Member Mann. All three presented a summary of their job responsibilities.

B. Council Member Jordan Busby: *GIS Oversight · Airport Board · Traffic & Safety*
Council Member Busby was excused.

C. Council Member Donna Benfield: *Police · Trails of Madison County · IBC · Teton Flood Museum Committee*

Council Member Benfield reported the Police Department has Officer Jordan Freed attending the training program in Boise. He will graduate in November.

Lieutenant Foster requested permission from City Council to purchase two new vehicles this fall, one from the administrative budget and the other from the detective budget. He said he also needs permission to place the order for the three new patrol vehicles, this fall and not wait until February.

Lieutenant Foster said the patrol vehicles were bid through the state. Goody Motors was awarded the state bid. The vehicles have already been budgeted.

Mayor Woodland asked if there would be a cost savings in ordering the patrol vehicles now. Lieutenant Foster said there wouldn't be a cost savings, however by ordering them now the vehicles would be ready to use in February instead of waiting until mid-summer for them to be ready. It takes about three months to build the patrol vehicles.

Council Member Merrill moved to approve the request to purchase new vehicles as requested on the state bid this fall; Council Member Benfield seconded the motion; Mayor Woodland asked for a vote:

| | |
|--------------------------------|--------------------------------|
| <u>Those voting aye</u> | <u>Those voting nay</u> |
| Council President Smith | None |
| Council Member Mann | |
| Council Member Benfield | |
| Council Member Merrill | |
| Council Member Wolfe | |

The motion carried.

Council Member Benfield reported Trails of Madison County will meet tomorrow. IBC did not meet. The Teton Flood Museum Committee has not met.

Council Member Benfield said she was approached by the Family Crisis Center; they have obtained a film, Private Violence. She said the Family Crisis Center would like to show the film at the Romance Theater. Council Member Benfield requested the fee to reserve the Romance Theater be waived. Mayor Woodland agreed the viewing of the film would be a service to the community.

Council Member Mann moved to approve the request to waive the Romance Theater rental fee for the showing of the film Private Violence; Council Member Wolfe seconded the motion; Mayor Woodland asked for a vote:

| | |
|--------------------------------|--------------------------------|
| <u>Those voting aye</u> | <u>Those voting nay</u> |
| Council President Smith | None |
| Council Member Mann | |
| Council Member Benfield | |
| Council Member Merrill | |
| Council Member Wolfe | |

The motion carried.

D. Council Member Smith: *Legacy Flight Museum · Rexburg Arts Council (Romance Theatre & Tabernacle Civic Center, Orchestra) · M.E.P.I.*

Council President Smith reported the Legacy Flight Museum has not met; however, they planned to have a fly over on Veterans Day, November 11th 2014. The Rexburg Arts Council has not met; however, they sent out an email advertising their upcoming show "Oh What a Night". The show will be performed, October 17, 18 and 20th at the Romance Theater. MEPI has met; they had guest speakers Mark Jaster and three other Rexburg residents. Mr. Jaster spoke about Three D Printing.

E. Council Member Jerry Merrill: *School Board · Parks & Recreation · Urban Renewal Agency*

Council Member Merrill reported the School Board met. The Madison School District has implemented an energy savings program. The schools installed new energy saving light bulbs. They were also conscious of shutting off computers and all lights not being used. Since implementing the program they have saved about 15 % of their total energy cost. Council Member Merrill requested the same program be implemented here at City Hall.

Council Member Merrill said there was research done on how Idaho's education is ranking. There has been advertising stating Idaho's public education system is 50th in the nation. The statement is true if the spending per pupil is the criteria measured. Idaho does spend less than any other state except for Utah which spends less. However, when other measurement criteria are used, Idaho compares favorably with other states. The Report Card on American Education: ranking state k-12

performance, progress, and reform, 18th Edition (2013) was prepared by ALEC (American Legislative Exchange Council):

1. Idaho ranks 29th overall and outperform neighboring states of Oregon, Utah, California, and Arizona
2. Idaho receives a B-in Education Policy with only 6 states receiving a higher grade
3. Idaho ranks 28th in 4th grade reading proficiency
4. Idaho Ranks 19th in 8th grade reading proficiency
5. In 8th grade math, Idaho only has 32% of students below basic which ranks Idaho in 11th place

Legislative services researched Idaho's rank on the ACT test and our rank is 16th.

Massachusetts is ranked number 1 in the nation. The percent of students in Massachusetts that rank proficient or higher in reading in the 8th grade is 43% while Idaho's students with proficient or higher stands at 33%. Massachusetts spends \$113,920 per student by the end of the 8th grade while Idaho spends \$68,200. Council Member Merrill said kudo's to our teachers and parents for helping our students perform well.

Council Member Merrill reported Parks & Recreation met; they are working to get teams together for the girls' basketball league which will start next week. Robert Yeatman, Recreation Director and Greg McInnes, Parks Director are in North Carolina attending the National Recreation and Park Association (NRPA) Convention. The Race Committee is getting ready for the Cube Cycle Cross Race. It is scheduled to take place on October 25th, 2014. There are also people starting to sign up for 2015 Teton Dam Marathon. The Urban Renewal Agency did not meet.

F. **Council Member Brad Wolfe:** *Planning & Zoning · Beautification Committee*

Council Member Wolfe reported Planning & Zoning met; the commission discussed the Urban Renewal Plan Amendment. The amendment was passed unanimously by the Planning & Zoning Commissioners. The Beautification Committee did not meet.

Mayor's Report:

Mayor Woodland read the proclamation for Lily Lamm.

“LILY LAMM”

Mayor Richard S. Woodland

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Rexburg, ID 83440

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CITY OF
REXBURG
America's Family Community

PROCLAMATION TO SUPPORT

“LILY LAMM”

FOR HER MEDICAL FUNDRAISER

**Lily Lamm Medical Fundraiser
Dinner and Auction**

October 25th 6:00pm

**Fremont County Search & Rescue
Is Organizing and Holding the
Fundraiser at the FCSAR Building
331 W 1st S, St. Anthony ID**

**Spaghetti Dinner and Cobbler Dessert
\$10.00 Donation Per Plate**

Live Auction to Immediately Follow Meal



May 12th the Lamm family was involved in a two vehicle collision in Rexburg. All three children sustained serious injuries but Lily, the three year old was hurt the worst. She was helicoptered to EIRMC and then transferred to Primary Children's Hospital where they said she would not fully wake up. Not only did she wake up but with the help from the rehab doctor's, she was able to leave Primary Children's about two months after the accident. Since Lily has been home, she has been relearning simple motor skills. She continues to go to Physical, Occupational, and Speech Therapy every week. Lily has begun to walk again, although still unstable. She has also started speaking again. Lily's future is uncertain, the next two years are critical. The Doctors say she can take steps forward, backwards, or progress can stop where it is now. Medical complications can arise anytime, it is a waiting game. As of mid-August the medical bills have exceeded \$50,000. The family is asking for any help, anyone is able to give. If you have something you would like to donate for the auction; If you are a baker and would like to donate a cake, pie, cheesecake, etc. for the auction; If you own a business and would be willing to put a donation jar out, or if you would just like to donate money.

**To Donate an Auction Item or Cash please
Contact Rosemary lammrosemary@yahoo.com**

WHEREAS, **Lily Lamm** is in recovery from a vehicular accident in Rexburg; and

WHEREAS, **Lily Lamm** has continued Physical Therapy, Occupational, and Speech Therapy weekly; and

WHEREAS, **Lily's family** is in need of financial support to pay medical bill in excess of \$50,000;

Now, therefore, I, Richard S. Woodland, Mayor of the City of Rexburg, do hereby proclaim October 25th, 2014 as Lily Lamm day in the City of Rexburg, and do hereby urges all citizens to join in supporting Lily's spaghetti dinner and live auction fundraiser in St. Anthony on October 25th, 2014.

Signed this 13th day of October, 2014.

ATTEST:

Richard S. Woodland, MAYOR

Blair D. Kay, CITY CLERK

=====

Council President Smith moved to ratify the proclamation and proclaim October 25th, 2014 as Lily Lamm Day; Council Member Merrill second the Motion; Mayor Woodland asked for vote:

Those voting aye

Council President Smith
Council Member Mann
Council Member Benfield
Council Member Merrill
Council Member Wolfe

Those voting nay

None

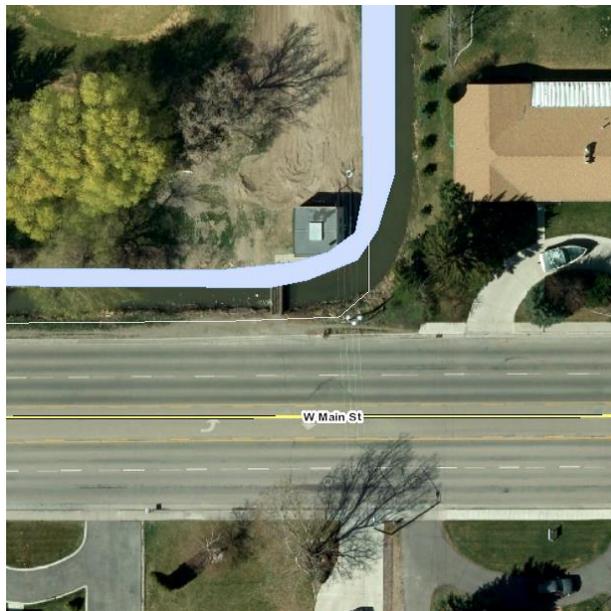
The motion carried.

Public Hearings: - None

Items for Consideration:

Staff Reports:

A. Public Works: – John Millar



1. **Public Works Director Millar** reviewed a proposal received by Cable One. They have requested permission to build a communications building on city property. The building would be built by the Main Street pump station on West Main there is an area

by the canal where the building could possibly be built. Council Member Wolfe asked whether a communication tower would be built. Public Works Director Millar explained it is a precast building that Cable One is interested in building. Council President Smith questioned whether Cable One wanted to purchase the property. Public Works Director Millar said Cable One is interested in leasing the property.

Council President Smith asked about the recycling program, she said she would like to see a year-end report. Public Works Director Millar will have a report for next City Council meeting.

Public Works Director Millar said he met with Aqua Engineering. The City has been working with Aqua Engineering for the past three years on the wastewater treatment plant. We have completed the first of two phases of the project. The last phase deals with bio-solids. They have looked at several systems. Aqua Engineering brought information regarding another system, which looks very promising. The costs are reasonable and the final product would be termed class “A” bio-solids which basically has unlimited use. Public Works Director Millar said upon making the final decision, the completion of facility would be next summer.

Discussion regarding the retaining wall near Aspen Village and Ridge Apartments.

Discussion regarding changes made to the lift station and other areas affected by the storm water.

Finance Officer Nielson reviewed the savings in the health insurance which was reduced with the renewal for 2015. The PERSI Retirement program did not increase. Finance Officer Nielson reviewed the cost savings for each department. Finance Officer Nielson recommended the funds be pulled out of the department’s budget and put back into the contingency fund and make the funds available for special projects. The departments may then request the funds with a budget adjustment.

Council Member Smith asked if the funds could be saved in case there is an increase in insurance next year. Finance Officer Nielson said the funds will be carried over. However the funds will not carry over per specific departments. There is caution used when budgeting every year. We budget higher in case there is an increase. The reserve is also built up in case there are increases as well.

Council Member Mann questioned if the unused funds would be put back into each departments budget. Finance Officer Nielson said the unused funds will go into the general fund, however if there is a need in a particular department that department could request the funds.

Council Member Wolfe moved to approve the transfer of excess funds saved in the health insurance and the retirement fund into the Contingency Fund; Council Member Benfield seconded the motion; Mayor Woodland asked for a vote:

Those voting aye

Council President Smith
Council Member Mann
Council Member Benfield
Council Member Merrill
Council Member Wolfe

Those voting nay

None

The motion carried.

B. Finance Department – Matt Nielson

- 1. Property Transfer** at 167 West 1st North to the Urban Renewal Agency.

CITY OF REXBURG - RPRRXB10310200 X

PIN RPRRXB10310200
Primary Owner CITY OF REXBURG
Physical Address

Mailing Address 35 N 1ST E
 REXBURG, ID 83440

Secondary Owner

Zoned CBD
Instr #: 213878
 249689
 288937
 292676

Last Inspected 2009
 2013 Taxes \$0.00
 2014 Taxes \$0.00

Bedrooms 0
Bathrooms 0.0
Total Sq Ft. 0 ▶
Year Built 0
Assessed Value \$0.00

Assessment Category Values

| Category | Tax Code | Acreage | Value |
|----------|----------|---------|-------|
| 81 | 1000 | 0.173 | \$0 |
| 81 | 1009 | 0.000 | \$0 |

Total Acres 0.173 acres
GIS Area 7421 sq ft
 0.170 acres



Finance Officer Nielson reviewed the proposal to transfer ownership of a single lot on the corner of 2nd West and 1st North to the Urban Renewal Agency to allow the adjoining properties to be combined into one larger lot. The property was purchased a few years ago and rental income from the property paid for the purchase over those years.

Council Member Mann moved to approve the property transfer at 167 West 1st North to the Urban Renewal Agency; Council President Smith Second the motion, Mayor Woodland asked for a vote:

Those voting aye

- Council President Smith
- Council Member Mann
- Council Member Benfield
- Council Member Merrill
- Council Member Wolfe

Those voting nay

None

The motion carried.

C. 2015 “Budget in Brief” handout.

Finance Officer Nielson handed out the 2015 Budget Brief to the City Council. Copies of the brief are available at City Hall.

2015 Budget in Brief



October 2014 through September 2015

BUDGET PROCESS

Mayor's Recommended Budget

April through May

The Mayor recommends funding levels for employee wage and benefit cost increases to the City Council to base the new budget on with help from the Chief Financial Officer and staff. The Mayor holds budget review meetings where three members of the Council are invited to participate with each Department Head and applicable Supervisors in the preliminary approval and cost cutting in their departments. If necessary, after all departments are reviewed, the Mayor meets with all Department Heads in a final review of the General Fund in order to prepare a recommended list of cuts in expenditures, so that the total expenditures equal the estimated revenue to be available in that fund.

City Council Budget Review and Development

June through August

The City Council discusses the Mayor's recommended budget and recommends changes. The City Council then approves the Tentative Budget and Estimated Revenues, including recommended utility fee increases, and sets a date and time for the public hearing on the budget and fee increases, which are then advertised in the local newspaper. The budget and fee increases are then presented at the hearings and further decreases (not increases) in the budget amounts can be made at that time or until the budget is approved. The fee increases are usually approved at the hearing, but usually are not effective until the beginning of the new fiscal year, which starts October 1.

City Council Budget Adoption

September

The final budget is approved by the City Council upon the third reading and adoption of the Appropriation Ordinance, which must be completed by the first week in September.

Budget Highlights

Total Budget: \$59,896,100 up \$8,832,700 from the original 2014 budget. **Operating Budget** is approximately \$27.5 million of the total, up from approximately \$26.2 million from last year. **General Fund** has a **\$103,700 Contingency** for unforeseen increases in expenditures or reductions in revenues, funded by carryover reserves. (pg. 2)

Street Operations for maintenance, reconstruction, and new streets, is \$2,687,000, up \$33,300. A major street project we anticipate completing in 2015 is the reconstruction of 2nd North from Center to 2nd East. (pg. 2)

Property Tax revenues will increase about \$383,200, mostly due to new construction. The current City property tax levy rate is at \$406 per \$100,000 of taxable value, which is the lowest for most like cities in Idaho. (pg. 4)

No new **full-time personnel** positions are scheduled to be funded this budget year.

Utility rate increases will be .7% for the average home, or about \$.62 per month, in garbage service. There was no in-crease for Wastewater and Water services. (pg. 4)

Major construction projects: **Fire Station** addition being funded by multiple entities (see Page 3 for funding de-tails); \$1.0 million **Shop Building**; \$9.5 million **Water Well and Lines**; \$3.0 million **Wastewater Treatment Plant** improvements; \$641,000 **Airport** Apron reconstruction; \$410,000 **Riverside Park Parking** and access; \$800,000 **Baseball/Softball Quad** at Community Fields; \$258,800 **Community Safety Lighting**. (pg. 3)

Large Equipment Capital purchases include a \$100,000 backhoe in streets. In finance, \$80,000 to savings to purchase a new financial package. (pg. 3)

Large Equipment Capital purchases include a \$100,000 backhoe in streets. In finance, \$80,000 to savings to purchase a new financial package. (pg. 3)

THE CITY'S FUNDS EXPENDITURES & REVENUES - CITYWIDE

The accounts of the City are organized into funds. A fund is a group of related accounts used to control money that has been earmarked by the City Council or by State law for specific activities or objectives. About 82 percent of the City's revenue is dedicated for a specific use. That means, for example, that the city may not raise water bills to pay for Recreation Programs. This also means that, of the City's nearly \$60 million budget, most of the flexibility in spending occurs only with the City's \$10.3 million General Fund budget.

EXPENSES

Public Works

The Public Works Departments account for 63.2% (\$37.8 million, most of which is for capital projects) of the City's total budget. This budget funds 36 full-time positions. The main tasks of Public Works include: offering safe transportation to residents by maintaining streets and pathways; offering high quality drinking water to residents and visitors by managing the water and sewer systems in the city; collecting and disposing of garbage and recycling, and overseeing various city construction projects. Public Works includes the Sanitation, Water, Wastewater, Streets, Shop, and Engineering Departments.

Administrative Departments

The Administrative Departments account for 6.6% (4 million) of the City's total budget. This budget funds 22 full-time positions. The administrative departments include: Mayor & Council (the Council is part-time), Customer Service, Financial Management, Technology Coordination Services, Economic Development, Legal, Geographic Information Systems and Mayor's Youth Advisory Board. The general fund contingency and other miscellaneous budgeted amounts are also included in this total budget.

Community Development

The Community Development Department accounts for about 2.6% (\$1.5 million) of the City's total budget. This budget funds 8 full-time positions. Community Development services all planning, zoning, building permits, and inspections.

Parks, Recreation, Golf and Arts Operations

The Parks, Recreation, Golf and Arts Departments account for 7.6% (\$4.5 million) of the City's total budget. This budget funds 5 full-time positions and includes some budget for construction of facilities.

REVENUES

Property tax is a major source of revenue for the City. Of the total property tax bill you pay each year, only 24.85% of the total goes to fund the services provided by the City. See the section on the back page titled “Property Tax Break down and Comparisons.”

Fund Balance Carryovers include \$1million in sewer bond proceeds that will be spent this year, and \$2.1 million in water and sewer capital reserve funds that will all be spent on new water wells, water line ex-tensions, sewer treatment plant improvements, and sewer line extensions. These funds are invested safely until used.

State Shared Revenue is money that comes from the State of Idaho as a share of sales tax, gas tax, and liquor tax. The City’s share is calculated on a different formula for each type of tax, using population, property valuations, and other factors.

Fund Transfers/Subsidies are the transfers from one fund to another. For example, the Wastewater Capital Reserve Fund will transfer money to a particular construction fund to do a sewer project.

Police, Fire, and Ambulance

The Police, Fire and Ambulance Departments account for 19.0% (\$11.4 million) of the City’s total budget. This budget funds 38 full-time Police officers and staff, and 17 Fire and Ambulance personnel. Madison County Ambulance District and the Madison County Fire Protection District share in the funding of the Fire and Ambulance services with the City of Rexburg, which provides some of the most efficient and effective funding of these services in the State of Idaho.

CAPITAL IMPROVEMENT PLAN

The fund where the City has the most discretion in spending is the General Fund. The major sources of funding include property tax, state shared sales tax, franchise fees, and administrative charges to other funds. The General Fund Budget is \$10.3 million, which is about 17% of the citywide budget. Below is a more detailed look at the General Fund. All revenues are generally very limited; therefore, increasing funding on one project or department will usually require reducing funding for others.

Every year, the City adopts a plan for capital improvements for the next five years. Capital improvements include any one-time expenditure over \$5,000 in the form of equipment or construction.

Major construction projects:

Fire Station Second Floor Addition is being funded by the Madison Fire Department, a joint venture between the City of Rexburg, the Madison County Ambulance District, and the Madison County Fire Protection District. After receiving the bids for this project in October 2014 at an amount closer to **\$1.9 million**, which was over the estimated cost of approximately \$1.5 million, all of the joint venture entities motioned to amend the budget for their share of the costs and move forward with the project. This project will also be funded by the Rexburg Urban Renewal Agency, Madison County, and a Community Development Block Grant (CDBG). See the Graph below for the funding totals by entity;

\$1.0 million shop building funded by contributions from several city departments and the sale of the old shop to the Police Department for equipment storage;

\$9.5 million water well and lines funded mostly by Idaho State grants and loans which project will be defined by the completion of the current Water Capacity Study that is underway;

\$3.0 million Wastewater Treatment Plant improvements funded by the remaining Bond proceeds issued in 2010;

\$641,000 Airport apron reconstruction and the airport relocation master plan study funded mostly by State and Federal grants;

\$410,000 Riverside Park parking and access funded mostly by the Rexburg Urban Renewal Agency; **\$800,000 baseball/softball quad at Community Fields** funded by the Rexburg Urban Renewal Agency and Parks Impact Fees;

\$258,800 Community Safety Lighting funded by Community Safety Lighting Fees.

Large Equipment Capital purchases include a **\$100,000 backhoe** in streets. In finance, **\$80,000 is budgeted to be put to savings to purchase a new financial package**, which is expected to be required in the next five years or less.

Currently the City has no general obligation bonds outstanding. In December of 2010, it sold \$10 million in Sewer Revenue Bonds at an average 3.2% interest rate, which will be paid back over 15 years from monthly sewer user revenues and new construction capacity fees (hookup fees). The City also has \$505,000 in Local Improvement District (LID) Warrants, which are not a general obligation of the City, but are a lien on individual properties for improvements that have been made on or next to those properties. The City usually creates an LID each year to support private improvements along a street that needs improvement and sells LID warrants of \$100,000-\$500,000 to cover that LID.

GENERAL FUND

DEBT SERVICE AND BONDS

PROPERTY TAX BREAKDOWN & COMPARISONS

UTILITY RATES

Your property tax dollars paid to the City of Rexburg are generally dedicated to Police and Fire services, because they are less than the budgets of those departments. The total estimated property tax revenue for the City in this fiscal year is \$3,688,300, which equals 24.85% of each city resident's total tax bill. Here are some comparisons of 2013 levies (received in FY 2014) with other entities. This year's levies are very similar in comparison.

The City charges for the following utilities:

water, sewer, garbage/recycling and community safe-ty lighting. In this budget, utility rates for an average home will increase 0.7%, effective October 1, 2014, which will be an increase of \$0.62 per month for the average home.

If you have any questions about any of the material presented in this brochure, please call the Mayor or Chief Financial Officer at 208-359-3020

or finance@rexburg.org or visit or write us at 35 North 1st East, Rexburg, Idaho 83440.
For more information you can also visit us online at www.rexburg.org

Calendared Bills and Tabled Items:

A. USE ACTION” – BILLS RECOMMENDED/APPROVED IN A LAND USE PUBLIC HEARING PROCEDURE: – NONE

B. BILL Introduction: – NONE

C. First Reading: Those items which are being introduced for first reading: - NONE

1. Second Reading: Those items which have been first read: – NONE

2. Third Reading: Those items which have been second read: – NONE

Consent Calendar: The consent calendar includes items which require formal City Council Action; however they are typically routine or not of great controversy. Individual Council members may ask that any specific item be removed from the consent calendar for discussion in greater detail. Explanatory information is included in the City Council’s agenda packet regarding these items.

- A. Minutes from October 01, 2014 meeting
- B. Approve the City of Rexburg Bills

Council President Smith moved to approve the Consent Calendar and pay the bills; Council Member Wolfe seconded the motion; Mayor Woodland asked for a vote:

Those voting aye

Council President Smith
Council Member Mann
Council Member Benfield
Council Member Merrill
Council Member Wolfe

Those voting nay

None

The motion carried.

Adjourned at 7:57 P.M.

APPROVED:

Mayor Richard S. Woodland, Mayor

Attest:

Marianna Gonzalez, Deputy City Clerk