

City of Dalton Gardens
FY 25 Budget Workshop Meeting Minutes
Monday, July 22, 2024, 4 PM

Meeting conducted via teleconference and in person.

1. **CALL TO ORDER THE FY25 BUDGET WORKSHOP:** Opened at 4PM.
2. **ROLL CALL:** Council members Sue Supp, Gary Sonnen, Tyler Drechsel, Scott Jordan, and Mayor Jernigan. Also present was staff member Sandy McFarland and City Planner Jill Ainsworth.
3. **PLEDGE OF ALLEGIANCE:** Led by Mayor Jernigan
4. **DISCUSSION:** Mayor Jernigan thanked Council member Sue Supp and Treasurer Stephanie Mueller for their hard work on bringing this information on the budget forward to the Council. Council Member Supp stated they tried to get as close as possible to the actual costs; and mentioned that income numbers are not available until July 25th. She also noted that there are some changes in costs because those job positions were vacant and are now filled.

Stephanie Mueller stated that speaking from the income side; the numbers are close to last year. That income carryover will be realized this fiscal year as well as AARPA funds. Mueller shared that Councilmember Supp has done a great deal of work on this budget. This review is of the expense side of the budget.

- **401-01 Capital Outlay**
 - 401-02 Capital Outlay Equipment - New snowplow costs discussed. Council member Jordan suggested \$85K rather than the \$70K listed. ARPA funds will support this purchase.
 - 401-016 Training Travel Expenses- Decreased but maintained travel expense to train new clerk; Mueller noted many line items in salaries and retirement are not being used and have been collapsed into one line item.
 - 401-03 Council expenses – Only two line items filled as compared to prior years. Allows for clearer reporting; many line items were collapsed into one line item, which is why there are some blank line items. These will be addressed in 401-050 Company Payroll tax expense which will be relabeled and is really the payroll tax burden.
 - 401-031 Company Payroll taxes (payroll burden). Sue and Stephanie had a question on the \$40,000, “change per council workshop” comment, and wanted to confirm movement in the right direction. Council member Drechsel confirmed.
- **401-04 Office Expenses-** It appears to have skyrocketed; \$4,000 will be maintained from budget and the remaining \$203,000 is from ARPA funds.

- 401-042 Building grounds maintenance has been maintained at the same amount, \$10,000. Council member Supp identified there is approximately \$104,769 of AARPA funds rolled over dedicated to building and maintenance. \$45,000 for a generator. (ARPA funds were pulled out of the general funds budget to track it easier). Will revisit the ARPA projects and have them ready for the next budget workshop.
- The Council discussed and Stephanie Mueller confirmed that the council would like to see a separate line of the ARPA funds for each line item that came out of the ARPA funds, and what is remaining. ARPA carry forward and expenses for each line item.
- 401-041 Building Maintenance contract- intent is to leave \$4,000 in that budget consistent with previous budgets.
- 401-042 Building and Grounds Maintenance- has \$10,000.00 currently placed in it, which is less than the previous budget.
- 401-043 Dues and Subscriptions – Slight increase. Council requested more details in that line.
- 401-045 Garbage Collection & Disposal- consistent; no changes.
- 401-046 Office Maintenance- No change.
- 401-047 Postage and Supplies – Was budgeted at \$6,000 last year and proposed the same for this year. Stephanie Mueller noted that not even half of that has been spent this fiscal year, and there is quite a bit of supplies in the supply closet. Council member Drechsel suggested to reduce to \$4,500.00.
- 401-048 Software Purchase & IT Services – Stephanie Mueller stated she is still working on getting numbers for the Mayor at this time. Looking at paying for software out of two different lines. The \$19,500 in this line includes all except OpenGov. Looking at purchasing Laserfiche at a third of the price of OpenGov. Looking at a prototype within 60 days. Additional costs for software also come out of line 407-012 Planning Software where OpenGov currently is paid out of.
- **401-05 PERSONNEL EXPENSE –**
 - 401-050 Company Payroll Tax Other - Stephanie Mueller explained she would like to create a new line item so that reads it own line item to read a tax expense deferred line. All payroll taxes, retirement taxes, unemployment taxes will all be lumped under that one sum.
 - 401-054 Clerk wages of \$57,705 included are wages a professional company to cover when she takes her vacation time.
 - 401-058 Deputy Clerk line goes to “0”. Candi will be paid out of professional services as a paid contractor.
 - 401-509 Employee Health Insurance -will be reduced. Stephanie Mueller explained the reduction appears extensive, largely because the previous deputy clerk and the clerk both were on insurance as well as their family members. Intent

is to capture that employees pay; but the insurance cost was a specific amount. Stephanie Mueller suggested budgeting only for the share of insurance that is paid by the city, not the employees expense portion. She noted the amount does address the increase of IIIA.

- **401-06 Professional Services** – Council member Jordan commented on the increase from FY24 from \$40,000 to \$159,850. Stephanie Mueller clarified that \$40,000 is earmarked for legal services; \$91,520 for Practical Accounting Services; and \$3,600 for Deputy Clerk Contracted services.
- **401-07 Utilities**
 - 401-071 Buildings and Grounds – No change in budgeting.
 - 401-073 Telephone – Practical Accounting is requesting a phone. Needs for the technology and autonomy of the city. Council member Supp described some issues with contracts with phone systems. Need to look at the billing contracts that are coming in to determine why the varying bills.
- **401-08 Annual Picnic** – Small decrease, reduced to \$2,400. Noted there was roll over funds from last year. There is a baseline of \$3,500 for this year. Council member Supp requested the ability to see the rollover funds at the end of the budget, each month that are dedicated to certain lines. Stephanie Mueller indicated that she does not have those numbers and would have to be their own line item and explained that Quik books does not let her place it at the end of the column. Council member Supp stated she will give Stephanie an example of what she is talking about.
- **401-11 Contingency Fund** –to be determined.
- **401-12 Insurance** - \$6,994.00 projected for ICRIMP, general liability and property for the city.
- **401-15 Uncategorized Expenses** – These are funds not identified anywhere else within the budget. Proposed \$2,000. Council discussed alternative amounts. The previous \$7,000 was not used.
- **411-047 City Council Travel/Meetings** - Noted there is no amount shown. It has been combined with other line items. The \$3500 for training and travel was combined into training and travel.
- **402-000 Law Enforcement**
 - 402-05 Code Enforcement Wages - Stephanie Mueller suggested it be labeled code enforcement professional fees, rather than use the term wages. \$44,200. She noted that partial payment comes from permit revenue. Change to Code Enforcement Consultant. Council member Supp divided the total hours of the contract and divided it in two; not knowing which would be planning and code compliance. The remaining is in the Planning Consultant within Community Development.
 - 402-06 Prosecuting Attorney – The amount of \$1,740 has been the same for 16 years; noting this is for prosecuting traffic tickets from the contracted sheriff.

- 402-000 Law enforcement – No expected changes in budget. The council discussed that the costs may increase and if so, then perhaps we request less patrols in the wintertime. Council suggested to request less patrols in the winter if the contract amount increases. The council discussed coverage within the city. Mayor would like to see a log of calls in and out of the city to see how the coverage is being implemented within the city.
- **403-00 Streets**
 - 403-05 Fire Hydrant -. \$10,000 as a place holder. Noted it will depend on income; fire hydrant line item; city owns the hydrant but must pay for the installation. 4 – 6 new hydrants that will need to be replaced. Installation of a hydrant is about \$8,000. Can accumulate what has not been spent in that account. Noted the flags need to be updated and installed. Council member Drechsel can replace the flags without cost.
 - 403-06 Fuel & Lubricants– No change. Same as FY 24
 - 403-10 Roads -Engineering & Planning Services- \$25,000 maintained from previous years. Dalton Avenue and 18th Street services are still in the works.
 - 403-11A Snow removal –Showed a slight increase up to \$15,750 from \$15,000.
 - 403-11 Snow Removal – costs of the chemicals/materials applied to the road for ice control. \$10,000 proposed.
 - 403-12 Street Equipment Maintenance– Increased; Council member Scott Jordan requested about \$8,000 in the budget. Does not want to get rid of the red truck just yet.
 - 403-14 Street Maintenance Contracted. \$110,000 from ARPA, additional \$252,648 above highway funds; for a total of \$300,000. Will have a better idea as we have a better idea of expenses. No ARPA funds have been spent on roads yet.
 - 403-16 Street Maintenance Supplies – slight increase, of \$225, up to \$2,775 from \$2,500.
 - 403-18 Street Maintenance Wages – increased from \$6,000 to \$10,500.00. Discovered not paying market wages, must be able to replace Jimmy, need to put the money into the account.
 - 403-20 Street Signal Lights – No Change. \$575.
- **404-000 PARKS –**
 - 404-01 Horse Arena – no change \$7,0000. Council member Sonnen would like to have a separate category/line item for the horse arena and the parks, city park expense and an arena expense line. He suggested \$5,000 in each line. The horse arena uses more funds than the city park.
 - 404-09 to be labeled City Park Expense Instead Supplies-Park Maintenance The available ARPA funds are unknown at this time. Stephaine Mueller will make that change and should help clarify the line items. Discussed the guidelines for using ARPA funds.

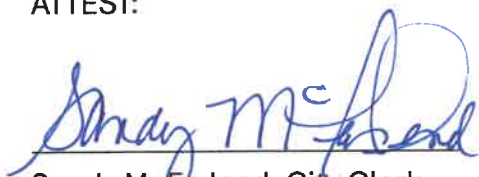
- 404-03 Park Maintenance Contracted- Council member Sonnen requested to increase to \$23,0000.
- 404-07 Park maintenance wages – slight increase to bring wages into a market area wage, up to \$6,300 from \$6,000.
- **405-000 LID 1**– Zero line item. Balance has been paid off for city’s liability. Some people are still being billed and owe the city. Appears we used guaranteed funds to pay it off and stop the incurring interest.
- **405-02 LID 2** – Stephanie Mueller will see how many people are still being billed and remaining.
- **407-000 Community Development**
 - 407-011 Planning Consultant - Increased from \$25,000 to \$45,000 paid partially out of permit fees. This is the other half of the code compliance/planning consultant position.
 - 407-012 Planning software – we are contractually responsible for the OpenGov until we ask to be released.
 - 407-02 Building Inspector Services - \$68,000 annually. Same as last year. Stephanie Mueller noted that we have a mandatory \$750 per month fee with KCFR. She will have to review the data on building permits to see how this may be impacted by an increase or decrease in permitting.
 - 407-03 Kootenai Area Transportation System – There are no Citylink bus stops in the city, but there is a bus that comes in to the community to transport community members to the hospital. Will ask for more data from them to see how the city is serviced.
- General thoughts on the building permit side; it is a “crap shoot.” Council believes that the building side will stay the same, that there will be remodels but not a lot of new buildings.
- John Austin requested time with both Council members Jordan and Drechsel for long term ARPA capital improvement plans (CIP) discussions.
- Council member Supp asked the council to review their calendars to schedule a second workshop. The budget must be final and advertised by August 7th.
- The next budget workshop will be held on Monday, July 29, 2024, at 4 PM.

Motion to adjourn Council member S. Jordan; Second Council member T. Drechsel. All in favor. Meeting adjourned at 6:06 PM

A handwritten signature in black ink, appearing to read "Curt Jernigan", written over a horizontal line.

Curt Jernigan, Mayor

ATTEST:

A handwritten signature in blue ink, appearing to read "Sandy McFarland", written over a horizontal line.

Sandy McFarland, City Clerk