CITY OF POST FALLS

CITY COUNCIL
WORKSHOP MINUTES

May 22, 2024
5:00 PM

Location: City Council Chambers, 408 N. Spokane Street, Post Falls, ID 83854

CALL TO ORDER BY MAYOR JACOBSON

ROLL CALL OF CITY COUNCIL MEMBERS

Samantha Steigleder, Josh Walker, Joe Malloy, Nathan Ziegler, Randy Westlund, Kenny Shove
Joe Malloy, Samantha Steigleder, Randy Westlund, Nathan Ziegler – **Present**
Kenny Shove – **Excused**
Josh Walker **- Absent**

WORKSHOP – 5:00 pm Basement Conference Room

a. Budget Introduction Outline:
Introduction (5 min)
- Purpose of Meeting.
- Overview/Road Map of topics to be covered.
- Preview Revenues.
- Focus on General Fund.

b. Budget Process Overview (10-15 min).
Budgeting Basics.
- Setting a budget, not a tax levy.
- Statutory caps on budget authority.
- City's past Approach.
- Enterprise funds vs. General fund.
  * Restriction on enterprise fund use and user fee supported.
- General fund revenue sources.
  * Property taxes.
  * City fees.
  * State revenue sharing.

c. Revenue Forecast for FY25 (15 min).
- Budget based on projections of likely revenues.
- Present anticipated FY25 revenue by type.

d. Recap Council Priorities (5 min).
- How we have grouped the priorities.
- How we used the priorities to shape preliminary budget recommendations.

e. <u>Preliminary Budget Presentation</u> (1 hour).
- Overview of Operating budget needs.
- Overview of Dedicated Funds and planned projects.
- Present requested personnel requests and recommendations.
- Present requested capital requests and recommendations.
- Department head presentations of their requests.

f. <u>Council Budget Input</u> (20 min).
- Direction on Adding Revenue.
- Review of Department Head funding decisions.
- Direction on additional steps/meetings based on discussion.
- Other questions/comments.

g. <u>Next Steps</u> (5 min).
- Outline next budget steps.
  * Dates when final data is due.
  * Dates for council actions

Staff reviewed the Fiscal Year 2025 preliminary budget. These are anticipated, preliminary numbers only at this point. Many exact amounts won't be received until July or August. There are some reductions in revenue this year, especially from the state revenues. Some of the budget challenges are inflation, escalating labor and living costs, decreased sales tax revenue, ending of the highway distribution moneys, and budget caps that are baked into the statutes. It is important for Council to know that they are setting a budget here, not a tax levy. The max we can increase our budget is 3% over the highest levy in the past three years (as set by state statute), not including foregone. User fees' rules and the city's use of them was reviewed. Estimated FY 25 revenues were discussed. Anticipated revenue is approximately $3 million less in FY25 than it was for FY24 (this assumes a 3% increase in budget) for the general fund. Enterprise funds including water, water reclamation, and solid waste funds were reviewed. The vehicle replacement, street replacement, impact, and facilities funds were explained as dedicated funds. City Departments presented their goals, challenges, and budget requests (personnel and capital) for FY25. Council priorities and how they relate to the budget requests were recapped. Council discussed their preferred direction on the proposals and the overall budget for FY25.

ADJOURNMENT
Adjourned at 7:58pm.

Ronald G. Jacobson, Mayor

~~Shannon Howard, City Clerk~~
Rhiannon O'Neill, Deputy City Clerk

Questions concerning items appearing on this Agenda or requests for accommodation of special needs to participate in the meeting should be addressed to the Office of the City Clerk, 408 Spokane Street or call 208-773-3511. City Council and City commission meetings are broadcast live on Post Falls City Cable on cable channel 1300 (formerly 97.103) as well as the City's YouTube Channel (https://www.youtube.com/c/CityofPostFallsIdaho).

Mayor Ronald G. Jacobson
Councilors: Samantha Steigleder, Josh Walker, Joe Malloy, Nathan Ziegler, Randy Westlund , Kenny Shove

Mission
Building Community.