



Ketchum City Council | Budget Workshop

June 28, 2021



City of Ketchum | Budget Workshop

Agenda

- FY21 and FY22 Overview
- Department Presentations
- Contractual Partner Presentations
- Feedback from Council and Preliminary Motions
- Adjournment



FY21 Performance

General Fund Revenue Budgeted: \$10,307,770

Revenue Adjustments:

Building and Planning Charges for Services	\$879,000
BCSO Rebate	\$114,994
Idaho Rebound Grant	\$107,000
American Rescue Plan	\$307,000
Other Revenue	\$114,125
Fund Balance New City Hall	\$511,000
Increased Transfer from LOT	\$400,000

TOTAL REVENUE = \$12,740,889



FY21 Performance

General Fund Expenditures Budgeted: \$ 10,307,770

Interim Budget Adjustments

Planning and Building Direct Costs	\$ 220,000
Warm Springs Road Analysis	\$ 50,000
Transfer to ESF New City Hall	\$ 1,703,919
Flowers	\$ 15,500
Transfer to CIP – Parking/New Fire Station	\$ 136,700

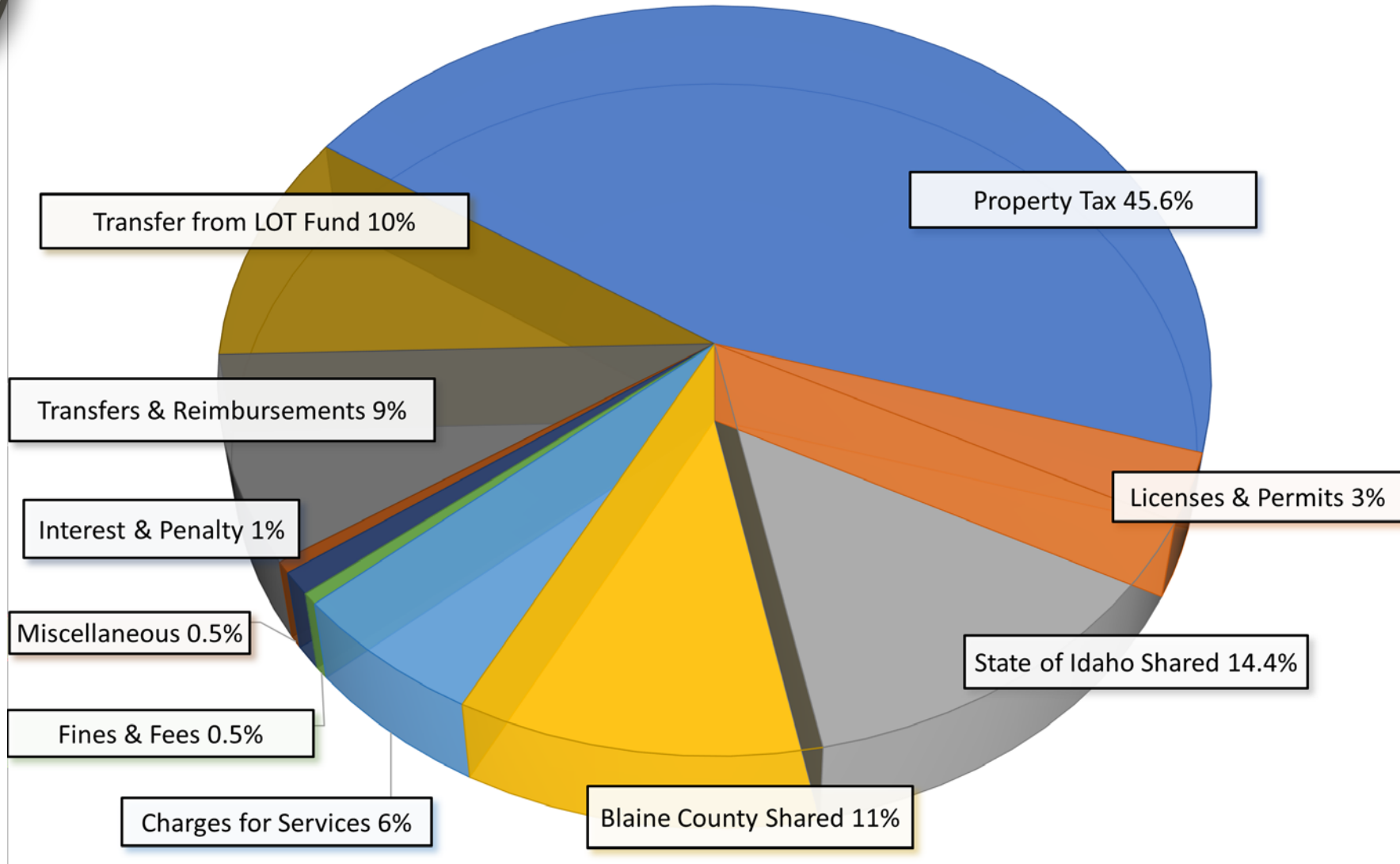
TOTAL EXPENDITURES = \$ 12,433,899



Fiscal Year 2022

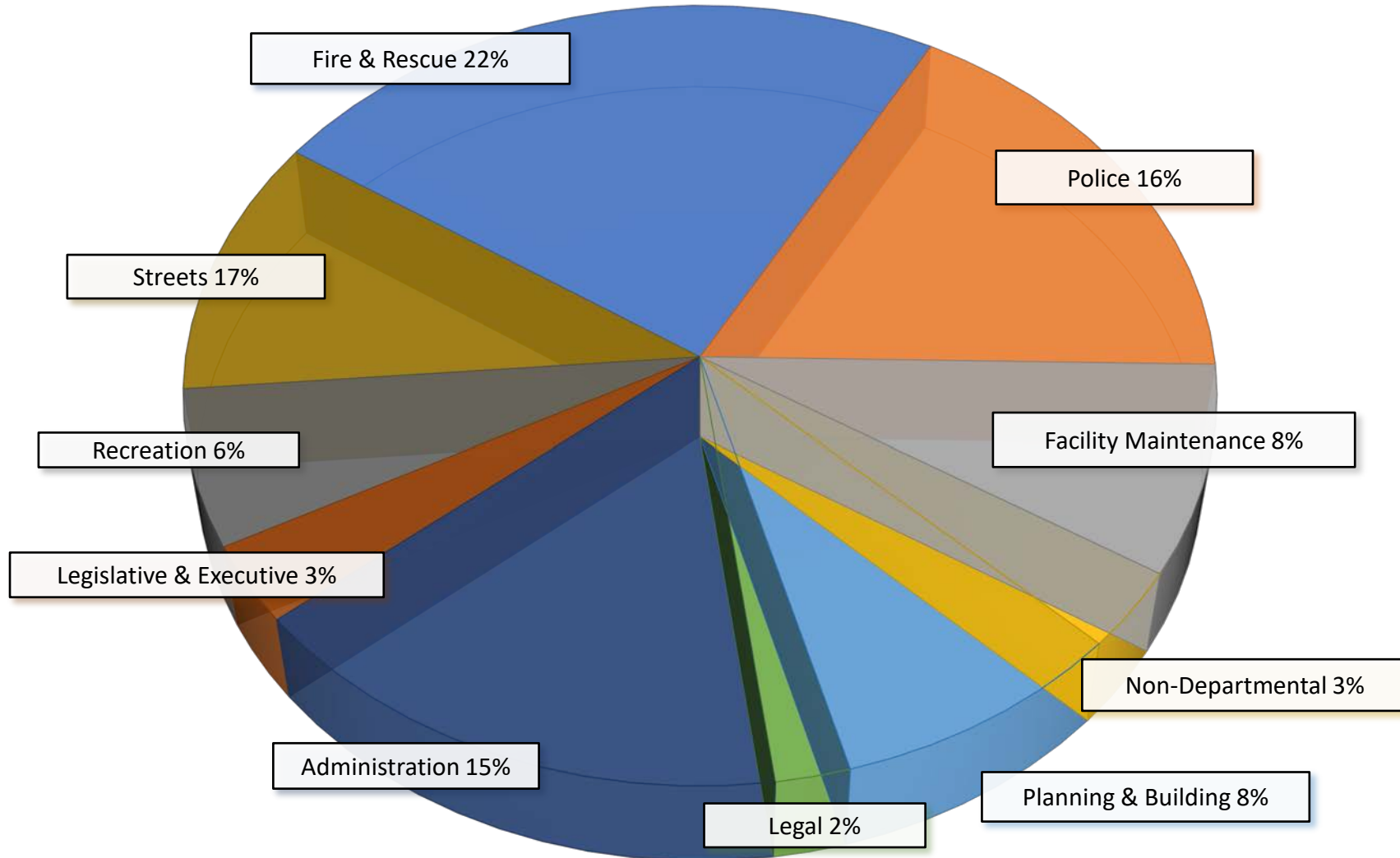


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FY22 General Fund Resources





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FY22 General Fund Expenses





Fiscal Year 2022 Revenue Changes to General Fund

Miscellaneous Material Changes

- Highway User Revenue \$ 24,837
- Ambulance Contract \$ 35,978
- Transfer from LOT \$200,535

Property Tax

- Forecast assumes 3% increase \$134,076



Revenue Changes to General Fund | Planning and Building Fees

Historical Context

- FY20 Budget \$ 510,000
- FY20 Actuals \$ 906,610
- FY21 Budget \$ 267,500
- FY21 Actuals (8.5 months) \$ 1,170,299

Fiscal Year 2022

- Base \$ 790,000
- One-Time (CIP/equipment) \$300-400,000



Revenue Changes to General Fund | Local Option Tax

Historical Context

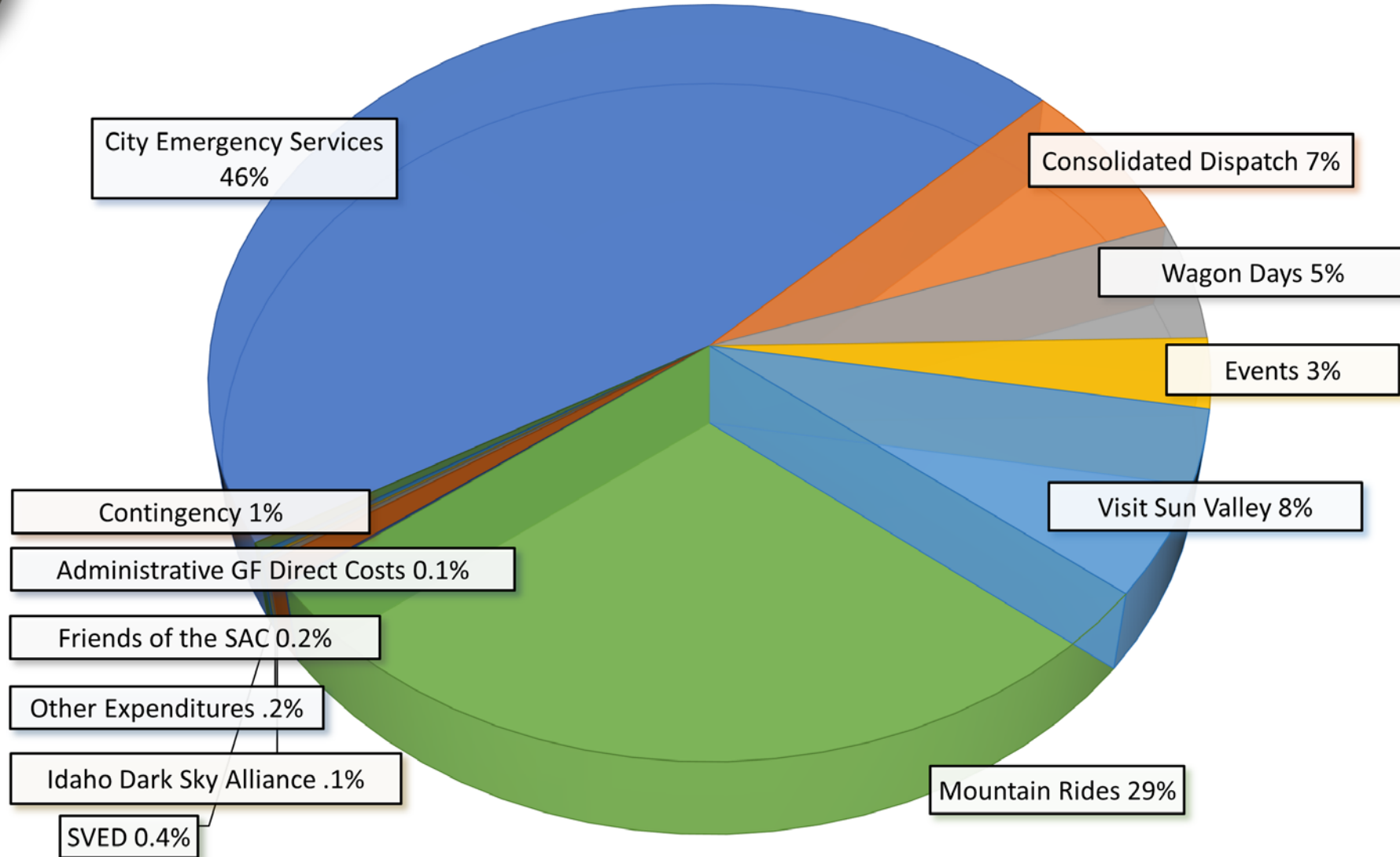
• FY20 Budget	\$2,500,000
• FY20 Actuals	\$2,150,000
• FY21 Budget	\$1,750,000
• FY21 Actuals (8 months)	\$2,075,302

Fiscal Year 2022

• Base	\$2,400,000
• One-Time (CIP/equipment)	\$ 500,000



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Local Option Tax Expenses





FY22 General Fund Expense Overview

Operating Expenses (not likely a choice)

- Increase utilities costs (Idaho Power) – 5%
- Increase in fuel costs – 4%
- Increase in health insurance – 9.5%
- New fire station operating/utility costs - \$42,000



FY22 General Fund Expense Overview

Operating Expenses (policy decision)

- Employee Compensation
 - Proposed base compensation increase - 4%
 - Proposed tiered one-time compensation - \$55,500
 - Potential for market adjustment to specific jobs - \$67,000
- Two new full-time positions
 - Police Patrol
 - Planner
- Conversion of 32 to 40 hour FTE in Street Department



FY22 General Fund Expense Overview

Five Year Capital Improvement Plan

- FY22 proposed projects - \$2,967,566
- Base revenues - \$465,274
 - Idaho Power Franchise - \$265,000
 - General Fund Transfer - \$200,274
- Use of GF and LOT one-time resources to balance
- Staff will develop alternate scenarios to spread expenses return on July 6th or 19th for Council review



Department Summaries



Administration Department



2021 Amount:
\$1,831,844

Highlights:

- Reduction of \$46,000 through various accounts (office supplies, training, travel, and communications).
- Reduction of one full-time position through transfer to an open position in another department.



2022 Amount Proposed:
\$1,736,652

Highlights:

- Budget is \$209,215 lower than FY21 due to transfer of two accounts totaling \$88,000 (repair and maintenance of buildings) to Facilities budget.
- Cost savings of \$121,215 for changes in personnel.
- Changes in position structure; number of full-time employees remains the same.



Hot Topics

- **Professional services budget**
 - Support of workforce housing projects
 - Evaluate current health care program
- Mobility projects
 - Neighborhood traffic calming
 - Parking Plan



Legal Services



2021 Amount:
\$234,100

2022 Amount Proposed:
\$238,600

Highlights:

- Adjustment for contract associated with the city attorney in FY22.



Legislative and Executive Department



2021 Amount:
\$343,171

2022 Amount Proposed:
\$360,635

Highlights:

- Reinstated travel/training budget to \$3,000.



Non-Departmental



2021 Amount:
\$100,736

2022 Amount Proposed:
\$340,568

Highlights:

- Compensation adjustments - \$67,000
- Employee one-time tiered compensation - \$55,500
- Addition of Sustainability position – shared with Blaine County - \$60,000
 - Most recent request is \$82,620



Arts Commission



2021 Amount:
N/A

2022 Amount Proposed:
\$10,000

Highlights:

- Trust balances - \$19,548.18; 8 months



Fire and Rescue Department



2021 Amounts Received:
\$2,150,834

Highlights:

- The Public Employee Retirement System of Idaho (PERSI) reduced cities' rate of contribution to a legacy retirement fund which reached its proper unfunded liability reserve.
- The savings associated with that action enable funds to be reallocated toward the lease for the aerial tower truck.
- Reduction of \$8,000 to travel and meetings expenses.



2022 Amount Requested:
\$2,520,290

Highlights:

- Increase of \$42,000 in utilities costs associated with operation of new standalone fire station.
- Increase in personnel services of \$149,499 in accordance with changes to tentative collective labor agreement.
- Hire two new firefighters in preparation of two retiring.



Hot Topics

- Continued increase in backcountry recreation causing increased staffing needs in summer.
- Three more retirements anticipated in 2022 will increase need for fire and paramedic training for replacements.



Planning and Building Department



2021 Amount Received:
\$662,745

Highlights:

- Reduction of \$50,000 in contractual building inspection services via Idaho Department of Building Safety (IDBS) in anticipation of lower permit volumes due to COVID.



2022 Amount Requested:
\$915,451

Highlights:

- The Planning and Building revenues were upgraded based on current fiscal year performance. It is important to note that only 50% of increased revenues were allocated towards on-going expenses should we experience an economic slowdown.
- Increase contract with IDBS by \$95,000 to align with projected workload. The contract is set up that we pay for actual hours completed.
- One Planning position added to reflect FY21's interim budget change.



Hot Topics

- Improving the permit process and identifying administrative or code changes to streamline the process.
- Preparing and adopting design guidelines for the downtown.
- Finalizing the list of 26 historic buildings and establishing the criteria for designation.
- Hiring and training new staff.



Police Department



2021 Amount Received:
\$1,624,058

Highlights:

- Reduction of \$78,498 associated with elimination of one vacant full-time patrol position.
- Reduction to overtime budget for Community Service Officers.



2022 Amount Requested:
\$1,843,947

Highlights:

- Reinstatement of full-time patrol position.
- The Sherriff's Department did request \$66,000 as part of a housing stipend for employees. This request is not included in the draft budget.



Hot Topics

- CIP Requests

Vehicles	\$ 95,000
Portable Radios	\$ 68,500
Total =	\$163,500



Recreation Department



2021 Amount Received:
\$582,382

Highlights:

- Reduction to travel and training of \$500.



2022 Amount Requested:
\$607,505

Highlights:

- Reinstatement of travel/training budget.



Hot Topics

- Proposed 4% increase = employee reward and retention
- CIP request of “new” van
- Material & Services budget will allow our department to maintain a level of service and programming that our community and visitors deserve.



Streets and Facilities Department



2021 Amount:
\$2,028,382

Highlights:

- Purchased Asset Management System via CIP funding



2022 Amount Requested:
\$1,891,540

Highlights:

- Administrative Assistant moves from a part-time to full-time position.
- General Obligation Bond paid off in FY21 – \$149,835.



Hot Topics

- Employee Retention



2021 Amount:
\$749,518

Highlights:

- Increase in travel/training and professional services.



2022 Amount Requested:
\$907,228

Highlights:

- \$23,000 has been increased to fund installation and maintenance of flowers.
- \$88,000 increase associated with moving the repair and maintenance of buildings accounts from Administration to the Facilities budget.



Hot Topics

- Staffing / salaries



Utilities Division - Water



2021 Amounts Received:
\$2,494,522

Highlights:

- Creation of Utilities Director position with funding split equally between both funds



2022 Amount Requested:
\$2,390,126

Highlights:

- 4.9% percent rate adjustment would be necessary to fund expenses should the Council prefer not to access fund balance.
- Most significant increase in capital is associated with an emergency power generator (\$250,000 estimate).
- No significant changes to operating expenses.



Utilities Division - Wastewater



2021 Amounts Received:
\$2,796,861

Highlights:

- Creation of Utilities Director position with funding split equally between both funds.
- Collections System oversight transferred from Water to Wastewater division.
- Capital funding was allocated for facility plan as well as repaving parking lot at the treatment facility.



2022 Amount Requested:
\$3,836,297

Highlights:

- \$500,000 for a new VAC truck. Split equally with the Sun Valley Water and Sewer District
- Biosolid disposal changes caused slight increase to O&M costs



Contractual Service Partners



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Contractual Service Partners

Idaho Dark Sky Alliance



2021 Amount:
N/A

Accomplishments:

- Continued education outreach for residents and visitors about the importance of maintaining dark skies
- Developed citizen-science-friendly lighting inventory protocol to track changes in lighting throughout the Reserve
- Served as a resource to Ketchum for dark sky policy and implementation questions



2022 Amount Proposed:
\$2,200

Focus/Takeaways

- Develop interpretive signs to further astro-tourism and outreach efforts
- Continue to work with universities, astronomers and building professionals to support night sky research and appropriate lighting solutions
- Create new exhibit and presentation materials to increase dark sky awareness
- Acquire additional mobile and permanent-mount sky quality meters and cameras to improve monitoring



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Contractual Service Partners

Friends of the Sawtooth National Forest Avalanche Center



2021 Amount: **N/A**

*The Fire Department has previously sponsored the
Daily Avalanche Forecast

2022 Amount Proposed:
\$4,000

Focus/Takeaways

- Improved social media and website improvements
- Hybrid educational offerings (live streaming)
- Additional public beacon practice facility



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Contractual Service Partners

Blaine County Housing Authority



2021 Amount:
\$75,000

Highlights:

- Maintains an applicant database of over 250 households (*nearly double the number from prior years*) and stewards 113 housing units, including, 86 Deed-Restricted Ownership Units and 18 Income-Restricted Rental Units for a total of 103 Income-Restricted Housing Units.
- Through its 501(C)(3) Blaine County Housing Foundation, BHCA has provided Housing Gap Grant Assistance to more than 20 households in need in Blaine County over the last fiscal year.



2022 Amount Proposed:
\$75,000

Focus/Takeaways

- Staff continue implementing new strategies to efficiently promote, plan, and advocate for Community Housing options for the people of Blaine County.
- BCHA supports the efficient use of citizen resources by providing a single-source housing service to the county and its municipalities in one organization.



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Contractual Service Partners

Sun Valley Economic Development



2021 Amount:
\$9,000

Accomplishments

- Leadership of the Blaine County Recovery Committee
- Opening of the Sun Valley Culinary Institute
- Attraction of 29 jobs in association with a Tax Reimbursement Incentive award
- Generated ROI for City of Ketchum of >\$59 for every \$1 invested over last 5 years



2022 Amount Proposed:
\$10,000

Focus/Takeaways

- Continued support for community/business recovery from Covid & access to ARPA funding programs
- Growth in Sun Valley Culinary Institute with start of 1Yr Professional program
- Advocacy and support for short, medium and long-term workforce housing programs



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Contractual Service Partners

Mountain Rides Transportation Authority



2021 Amount: **\$469,000***

* plus \$160,000 of Mountain Rides CARES funding credited to the City's contribution

Accomplishments:

- 32,000+ hours of safe, **zero-fare** service in/around Ketchum; ½-hour frequencies during commute-hours on Valley Route; consistent, reliable late-night service on Blue Route
- Regional vanpool services – safe, reliable, affordable transportation for inbound workers
- Non-emergency medical transportation (NEMT) services between WRV and Twin Falls
- Phase I of conversion to zero-emissions fleet – 4 BEBs, Summer 2021
- \$5.0M+ Federal capital grant awards – BEBs + infrastructure



2022 Amount Proposed: **\$687,000**

\$527,000 – Operations/Service | \$160,000 – Capital Improvements Local Match

Focus/Takeaways

- **Infrastructure**: Investing \$13.5M of Federal awards, FY21-FY24, in PT infrastructure
- **Jobs**: Underwriting 45 local jobs with \$1.6M/year of FTA funding
- **Quality-of-life**: **1)** Reducing emissions, easing congestion: SOVs↓... BEBs↑; **2)** Offering a *free* public transportation alternative; **3)** Supporting workforce mobility; **4)** Mitigating the impacts of the workforce housing deficit



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Contractual Service Partners

Visit Sun Valley



2021 Amount:
\$110,000

Accomplishments:

- 'Mindfulness in the Mountains' campaign
- COVID-19 communications with community & visitors
- Public relations
- Virtual Visitor Information Center



2022 Amount Proposed: **\$250,000**

\$200,000 – Ongoing Investment | \$50,000 – One-time request

Focus/Takeaways

- Continue the ‘Mindfulness in the Mountains’ campaign – “Stay Sunny”
- New: Ambassador Program and Business Development position
- New: Mobility Data and “Housing Stock Short-Term Rental”
- New: Resident Sentiment Survey



Council Feedback

Missed Items

Budget Book



Next Steps

- July 6th
 - Workshop Follow-up
 - CIP Scenarios
- July 19th
 - Public Hearing
- August 2nd
 - First Reading of Ordinance



Preliminary Motion

“I move to adopt the proposed budget as presented.”