



City of Ketchum
City Hall

July 19th, 2021

Mayor Bradshaw and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

Request to Conduct Public Hearing and Approval of FY22 Budget

Recommendation and Summary

On June 28th, the annual budget workshop was held with both city departments and outside agencies presenting their FY22 funding requests. The Council had several questions (attached) as well as potential adjustments which are outlined later in this memo. Staff will present a quick recap of the proposed budget as well as the remaining policy items that need to be addressed by the Council following the public hearing.

Option #1: "I move to approve the FY22 budget as presented and schedule the first reading during the August 2nd Council meeting."

Option #2: "I move to approve the FY22 budget as presented with the following amendments and schedule the first reading during the August 2nd Council meeting."

Introduction and History

On May 11th, staff presented proposed revenue adjustments for FY22. On June 28th, city staff and outside entities proposed their FY22 expense related requests (attached). Pages 2-3 of the budget document recap the proposed adjustments to revenues and expenses in all funds.

Since the workshop, the following items were refined, and staff will be prepared to address these during the presentation portion:

1. **Health Insurance** – There was a miscommunication with IIIA, we will need to plan for a 9.5% increase versus the 4.5%.
2. **Employee Compensation** – Original proposal was for \$55,500 in one-time compensation. Based on actions of the neighboring cities/county post-workshop, it is recommended to increase to \$73,000.
3. **Resources to support Housing & other Mayor-Council Strategic Initiatives** – Staff is recommending all the American Rescue Funds (\$614,000) be reserved to assist with short and long-term community housing initiatives. Additionally, staff is recommending \$250,000 in one-time funds be set aside to fund either contractual or staffing support of housing initiatives. This account would also be available for non-housing strategic initiatives such as transportation/growth related projects. A strategic fund versus line-item approvals will enable

the necessary time for staff to complete due diligence of what resources are needed and associated costs. Staff would bring future Interim Budget Requests to Council to gain approval for use of funds.

4. **Police Patrol Position** – Several Council members questioned the need for the additional position, staff requested updated calls for service data from the Sherriff’s department.
5. **Resort Cities Lobbyist** – Council Member Hamilton raised the issue of a lobbyist in partnership with other resort cities to help address either negative legislation or introduce positive legislation.
6. **Coordination Support for Warm Springs Preserve** – The draft budget inadvertently did not contain necessary funds (\$73,000) for the contractual resources who are coordinating the private fundraising campaign. This budget amount assumes expenses through April; should the campaign be completed earlier, expenses would be less.

Sustainability Impact

There is a reoccurring \$50,000 recommended for sustainability infrastructure (e.g., plumbing/electrical upgrades).

Financial Requirement/Impact

This proposed amended budget is a balanced budget per state statute.

Attachment:

1. Budget workshop notes
2. Budget workshop PowerPoint
3. FY22 draft budget document