



CITY OF KETCHUM, IDAHO SPECIAL CITY COUNCIL MEETING
Wednesday, July 29, 2020, 4:00 PM
480 East Avenue, North, Ketchum, Idaho

Minutes

In recognition of the Coronavirus (COVID-19), members of the public may observe the meeting live on the City's website at ketchumidaho.org/meetings. If you would like to comment on an agenda item, please submit your comment to participate@ketchumidaho.org by noon the day of the meeting. Comments will be provided to the City Council.

- CALL TO ORDER: By Mayor Neil Bradshaw

Mayor Neil Bradshaw called the meeting to order at 4 p.m.

- ROLL CALL

PRESENT

Mayor Neil Bradshaw
Council President Amanda Breen
Councilor Michael David
Councilor Courtney Hamilton
Councilor Jim Slanetz

ALSO PRESENT

City Administrator Suzanne Frick
Director of Finance & Internal Services Grant Gager
Katrin Sharp

- COMMUNICATIONS FROM MAYOR AND COUNCILORS

Councilor Michael David advised that there has been a lot of coverage and exposure regarding the 4th street closure. Although there has been a lot of negatives, he wanted it noted that he has received a lot of positives as well.

Council President Amanda Breen said there has been a lot of comments regarding 4th street and requested this be put as a discussion item in a future council agenda. Mayor Neil Bradshaw advised that there will be an open house in the next few weeks, and he will place this on the next agenda for discussion. Amanda Breen also stated why she is attending council and KURA meetings by zoom. She is pleased with the democratic system, however, voiced concerns about the mask order passed on July 6th. She talked about the particulars of the health order and about the support of masks throughout the community. She believes as elected officials they should be setting an example. Amanda Breen stated that our Mayor and City Administrator have stated we do not have to wear a mask in the council chambers for a public meeting when there is no public hearing. No matter how many doors and windows are open it is not a safe place for

our employees or our public. She requested that councilors wear masks at all public meetings regardless of legal wording of the health order.

Mayor Neil Bradshaw clarified saying that if it is a public meeting and public is in the room, masks will be worn. He advised that whenever he is in a meeting and it is requested, he wears a mask. He talked about the protocol of all meetings he has attended. Safety is extremely important. He will wear a mask whenever it is required or requested. He advised that he will wear a mask at the next meeting if that is what the councilors request. Amanda Breen would like this to be a policy and not have to be requested. Mayor Bradshaw values councilors' input and perspective. He complimented the community on their vigilance. He advised that there has been a donation of 3000 masks for the public.

Councilor Courtney Hamilton agrees with Council President Amanda and council should be setting a good example. She stressed mask wearing in city hall and talked about the health order in place stating we need to adhere to it. All employees should be wearing masks in city hall. We need to demonstrate that we know what it is like to wear a mask and it's the least we can do. Mayor Bradshaw asked if additional changes need to be made to the Order or if we just need to make policy changes in city hall. Courtney Hamilton voiced her support of city hall setting an example and no need to change the health order at this time. Courtney Hamilton then talked about 4th street signage needing to be changed to pedestrian traffic. Mayor Neil Bradshaw advised that the signage will be changed.

- CONSENT AGENDA: Note: **(ALL ACTION ITEMS)** The Council is asked to approve the following listed items by a single vote, except for any items that a Council member asks to be removed from the Consent Agenda and considered separately.
 1. Recommendation to approve Annual Alcohol License - Director of Finance & Internal Services Grant Gager.

Motion to approve the consent agenda

Motion made by Councilor Hamilton, Seconded by Councilor Slanetz.

Voting Yea: Council President Breen, Councilor David, Councilor Hamilton, Councilor Slanetz

- NEW BUSINESS (no public comment required)
 2. Overview of financial status of FY 19/20 year to date - Director of Finance & Internal Services Grant Gager.

Mayor Neil Bradshaw asked Director of Finance & Internal Services Grant Gager to give an update on FY 19/20. He clarified that this is an introduction to the budget. Grant Gager showed a power point with the FY 20 Forecast of General Fund Revenues. He advised that their expectation has come to fruition. He displayed the General Fund Revenues and explained each line item. Council President Amanda Breen asked why we think the numbers will be down with all the buying and home remodels going on. City Administrator Suzanne Frick explained that we have not seen revenue from remodels or additions at this time. We may see them in the fall or spring. Grant Gager explained that we do earn revenue from remodels and additions, however, not nearly what we would earn from new construction. Councilor Jim Slanetz questioned property tax revenue and why that is down? Grant Gager explained that it may be that some people might not have been able to make their tax payment, but he expects we will receive that in back payments. Courtney Hamilton asked if we had a strange year of mixed-use fees for

construction. Suzanne Frick explained that we have not seen the mixed use on the building permit side yet and they may not move forward depending on the economic climate.

Director of Finance & Internal Services Grant Gager talked about the General Fund Expenditures and explained each Department line item on the power point. He explained that this is the most likely forecast and believes we will have a balanced budget. Grant Gager went on to explain the Original LOT Collection by month. His forecast is that we will be somewhat close to last year's collections. Councilor Michael David asked where the biggest decreases are happening in LOT collection. Grant Gager gave the background saying the city follows the 80/20 rule which means that 80% of the revenue is derived from 20% of the taxpayers. That translated to 75 businesses generating 80% of our revenue. He went over the categories explaining that restaurants, alcohol by the drink, construction, and retail have started to go up in June. Most of the businesses have had a worse June in 2020 than they did in 2019. There are clear winners and losers in each category. Councilor Courtney Hamilton requested the slides be sent to council.

3. Overview of FY 20/21 Draft Budget—Mayor Neil Bradshaw

Mayor Neil Bradshaw read aloud the Executive Summary in the draft budget document. He went over the proposed budget overview, saying the proposed budget is \$33,622,794, The general Fund is \$10,317,770 and Capital expense total is \$13,582,980. He went over the highlights and visions for the city and showed a power point. The Mayor talked about the proposed general fund revenues, the general fund expenditures, and the decrease in funding for each department. He showed LOT Fund Revenue forecast saying it is 34% lower than the FY 20 Budget. He highlighted the capital infrastructure projects as well as technology updates.

Council President Amanda Breen requested the slides. She would like more analysis of the 34% down in LOT at the next meeting. She does not think that the rest of the county is forecasting that much of a dip. Mayor Neil Bradshaw talked about the other cities and what they are projecting. Amanda Breen would like a better discussion on Monday.

Councilor Courtney Hamilton has struggled with the transparency of the budget process. She feels there was very little input in the budget and is very frustrated. She wants to know how everything went last year and what we can do better stating we owe our community to look at this deeper. Courtney Hamilton said that she is concerned that staff is not allowed to talk to her about the budget without the Mayor being present. She would also like to talk about our staff being involved in the budget process. She wants more analysis to show why there is staffing changes, and voiced concerns about cutting marketing and BCHA. She is frustrated by the lack of transparency in the process and would like it to be better for her to believe in it.

Councilor Jim Slanetz agrees with Councilor Courtney Hamilton and would like to build the budget from the bottom up rather than the top down. He would like more council input along the way. He is unsure about cutting Marketing 100% and would like to talk about staffing and how we got here. Council President Amanda Breen advised that in the past we had budget workshops. Mayor Neil Bradshaw stated that they did not work very well in the past. He talked about the struggles of this year's budget process due to COVID-19 and advised he is open to suggestions from council on how to re-craft it. Courtney Hamilton would like to hear a progress report from department heads not the Mayor. She also wants to know how this budget is working toward the comprehensive plan as well as hearing from the outside organizations. Council President Amanda Breen would also like to hear from the business

community. She would like to know if these projections are reasonable and if they agree with the budget. Mayor Neil Bradshaw advised that he has already talked to the outside organizations as well as the businesses, but if the council would like to talk to them, he will make that happen.

Council and Mayor deliberated about how to move forward with this process. Councilor Michael David thinks we should bring people in. He talked about the zero-based budget that was done in the past and should be considered again in years to come. He talked about the unknown due to COVID-19 and would like to know more about the Sun Valley Company's operations and how they are moving forward next year.

Mayor Neil Bradshaw talked about the cut to Visit Sun Valley and asked if the council agrees with the cuts to keep the funding in Infrastructure, or if the council would like more money to put to marketing. Councilor Courtney Hamilton said she would like to create a viable and long-term budget and would like to maintain the basic services. She fears by not funding businesses and the housing authority, we will encounter social problems in our community. She would like to hear from the groups to find out what will happen to them with this cut in funding. She does not want our town to become a ghost town. Mayor Neil Bradshaw talked about the conversation from last year's budget process where they talked about reducing marketing funding and directing Visit Sun Valley to work on other funding sources.

Councilor Courtney Hamilton would like to get a unified perspective from the organizations and staff, so she understands the pros and cons. Council President Amanda Breen is not comfortable accepting the Mayor or staff's budget until she hears from the other organizations stating, "This is an elimination of the marketing budget, not a reduction." This would be unprecedented for a resort town to do that. Visit Sun Valley did not know until recently that their budget was eliminated.

Mayor Neil Bradshaw advised he has been talking to the co-chairs and they have known about this for a few weeks. Mayor Bradshaw explained that he does not feel it is an elimination of funding. In March, COVID-19 hit, and he had a conversation with Visit Sun Valley about continuing to fund as budgeted or save that funding for the future. It was discussed that money would be tight next year and they needed to save it for next year. Mayor Bradshaw advised more discussion will be had regarding Visit Sun Valley.

Councilor Jim Slanetz advised that he may be in agreement with the cut to Visit Sun Valley at this time. He questioned how many people do we want here? Do we want to keep it a better experience for those who are here?

Councilor Michael David agrees with Councilor Jim Slanetz. He also talked about the internet loads, what they can handle, and about visitors draining our resources. All these things need to be a part of the conversation. He hopes the current situation does not last forever but it could go on for a long time. While preparing for the future we need to keep our economic and health side of things up front. Michael David talked about Mountain Rides and them securing other funding, but for the council to keep in mind that in 3 or 4 years we will need to provide mountain rides with \$700,000 for them to continue.

Mayor Neil Bradshaw will be hearing from Visit Sun Valley tomorrow regarding getting other revenue sources to fund their operations. 1% For Air has some room for flexibility. He will know more after tomorrow's meeting.

Council President Amanda Breen talked about city staffing. She questioned if staffing positions need to be discussed? Lots of other cities and counties have made staffing changes, and we may need to look at this as well. The mayor talked about staff stating that he is in favor of keeping positions. He will present something on Monday to show staffing levels.

Councilor Michael David asked about the Sun Valley Company's plan for winter? Mayor Neil Bradshaw does not want to speak for them but will try to get some information on regarding them opening the mountain.

Mayor Neil Bradshaw recognized this is a hard year and a hard process to go through. He thanked council for respecting other views. He looks forward to bringing a budget forth that they are all proud of.

Motion to adjourn

Motion made by Council President Breen, Seconded by Councilor Hamilton.

Voting Yea: Council President Breen, Councilor David, Councilor Hamilton, Councilor Slanetz

- ADJOURNMENT

Neil Bradshaw, Mayor

Robin Crotty, City Clerk