

**MINUTES
PAYETTE CITY COUNCIL
Work Session
September 1, 2015**

12:00 Noon – Work Session

ROLL CALL

Members Present: Mayor Williams, Craig Jensen, Lee Nelson, Nancy Dale, Jeff Sands, Ray Wickersham and Mark Heleker

Members Absent: None

Staff Present: Mary Cordova, Chief Castenada, John Plaza, Ed Franek, Jamie Couch, Jake Hust, Randy Fales, Randy Schwartz, Erin Haley and Bobbie Black

AGENDA ITEMS

1. **Budget 2015-2016:** The Mayor stated the numbers we have are pretty much the same as we had before. He asked Council members if they have questions for department heads and what direction does this body wants to do. He asked for ideas and thoughts. Jensen stated he doesn't want to say cut, but what he heard from the public hearing was to keep levy rate the same. People state they have to balance their budgets and the council should do the same. He would like to go through line items and see what we can do. Ms. Cordova stated where we are on the budget is the same if it wasn't for the airport project we would be at or below our levy rate from last year. The Mayor stated he looks at the departments, and we have committees that have been through all that and thinks they are the advisors to come back to Council with recommendations. We have \$10,000 for marketing, is that some place to cut, and we have \$10,000 for downtown redevelopment. We have extra in our budget for legal fees and possible cases. Our strategic plan is \$60,000, is that something we don't have to do right now. We have \$15,000 for Snake River Transit and fountains in the parks. Ms. Haley stated she put out a survey to see what patrons would like to see in front of library. The Mayor stated the extra items in the budget are cop cars, snow blower, sign machine and fountains. If you just want to take levy rate we will have to give up the grant for the airport. He thinks we need the strategic plan to know where we want to go. Heleker asked if that was what it would cost. That is the comp and strategic plan. Ms. Cordova stated in 2005 when we did comp plan we spent \$42,000. The strategic plan would be around \$10,000. The Mayor stated we set money aside for a fire truck and maybe should set money away for plans. Ms. Cordova stated on capital improvement reserves we haven't been putting money in that fund for future expenses. Heleker stated there use to be a different attitude in years past, reserves were a little high and we have continued to draw from them. He asked how do we live today, and let's plan for tomorrow. Nelson stated if we always shoot to keep levy we will never make it happen. Everything goes up. Sands disagrees, values goes up so revenues go up, should focus on what it will cost to run the city. He likes going through pages to justify. What are we getting for our money? Do we need to spend the money on the airport runway? He likes the idea of comp plan. Don't take the hit down the road, save now for projects. We need to stop thinking about levy, he is not interested in taking back taxes and will not vote for budget if it is in there. He didn't get enough info for sign maker and wasn't sold that there is a benefit for the city. No one convinced him. Heleker agrees with Sands about levy, it is important to community that we can justify to the taxpayer for it being raised. Jensen stated if we have more things that are taxed, we have an increased budget. Look at the departments that are asking for an increase. Nelson stated in talking to golf course

people they don't see a lot of traffic at airport. Dale talked about fountains, and how can we move the money around. Dale stated it has to be balanced, but have to look at the whole picture. Wickersham concern is health insurance, we can't keep having \$85,000 increase every year, and we have to make adjustments. He had to as a business owner. Mayor stated that is what Ms. Cordova has been working on. Several years ago the council removed their dependents and then we asked employees to pay a percentage. We don't have revenues to give to each department to ask how they want to spend the money. We don't have the figures for revenues. We gave estimates and ask each department what their expenses are. Jensen stated we can generate more revenue by growth. Nelson stated we support things that other cities benefit from. How many dollars did the property values bring in revenue? Sands stated we all know we have empty buildings downtown, it is not getting better by increased value, and rent goes up. If we get taxes to high how many will we lose? Ms. Cordova stated we do use the December values to get initial budget going for department heads, those are the figures you just talked about. Yes we had increased value, additional dollars estimated are \$67,000 more. We have had some challenges this year, health insurance went up, workman's comp (next year lower), those are big things effecting budget. We did look at fuel costs, back to 2009 and reviewed each month. Sands said we have to go back to 2006 and 2007 to get accurate figures. Just like the pool, all of it is political. We need because we don't have it and then we need it because we have it. He told department heads if they can't sell it to him, he can't approve. Ms. Cordova looked at the bills to see if they had put too much in budget, and it looks like they are in line. Sands stated gas is lower and budget should be lower. Library needs another person, pool and fire needs another person, we can't keep cops because we don't pay enough. Budgets shouldn't be the same as the year before, not trying to be the negative egg in the basket. Ms. Cordova wants the council to know that we have gone through each line item, there are things to look at and that is the capital items. If we cut back on fuel, then you cut back on services. Jensen stated we are using the tax payer's money and we need to be fiscally aware of what we are spending. Nelson stated maybe we have too many amenities, doesn't seem to be bringing a lot of businesses in. The airport brings in a few people, but do we want to do that. Mayor stated about soccer fields, they bring no money to us, could sell and put to better use. Sands stated we don't pay enough to police officers, benefits are what brings them here. Sands asked if everyone else is paying their share on the transit system. Dale is not comfortable for transit system or the museum. When we quit assisting things they find away to make it work and find accountability. Ms. Cordova stated fuel in the parks have doubled from five years ago. Putting a bathroom at the soccer fields is irresponsible and wasn't to be used as that. Ms. Cordova would like to visit health insurance with Council. Because of all the affordable care acts requirements, we have always been considered a small group and now due to council on policy we are considered a large group by some carriers. Wickersham asked what if we dropped the council insurance and raise council pay. It was stated we can't do that for two years. Ms. Cordova stated starting January 1st, anything 100 or less will be considered a small group. We already know what our rates will be for next year. The rates are now on each and every employee and dependents. Sands stated we only are going to keep employees if you have a good benefit package. If we lower benefits we are doing the employee an injustice. Ms. Cordova stated right now we are on the preferred PPO, insurances are going to metal plans. We buy down the deductibles and in the future we will not have the money to do the buy downs. The one we are looking at is the closest to what we have now. Sands stated if we don't keep benefits, our employees will go somewhere else. That is our one hold that we have is our benefits. Doesn't want anyone out there looking for a job. Dale asked what difference it would be to drop the mayor and councils from the health insurance, would that help. Wickersham would take out the \$10,000 for advertisement. Ms. Cordova

stated she thinks we are there, right at last year's levy rate. Sands asked about foregone and new construction and library bond. Ed Franek stated he came to the city for the benefits. Randy Fales would rather have the benefits. Chief Castenada stated most employees all have families and benefits are important. Mayor asked Ms. Cordova about the preliminary figures, we could be at same levy rate. Ms. Cordova stated with the bond we should be really close. Sands asked if we took \$10,000 for marketing out, and he is not convinced we need snow plow or sign maker. He is also not convinced about the system for water department for \$15,000 and of airport runway and thinks we should cut the Snake River Transit in half. Give another 1% to employees and keep insurance to what they have. A 1% wage increase would be around \$47,000. He doesn't want the employee to pay any more. It was stated the snow blower would come out of unencumbered funds. Jamie Couch stated he is just trying to make it better for people, everyone is talking about beautification and sign maker would help with that. Sands there is no support from the airport and the museum. Heleker stated just looking at airport and marketing, is \$102,000. He would fight more to keep the museum. Yes we are paying more to the museum and it is 90% about Payette. We need to put the message out that other people need to step up. Sands stated on the transit bus, everyone is not paying their part. Wickersham stated we will walk away from the grant of \$375,000, he doesn't think we will spend all that money, a lot will be in-kind. You don't know how good your health insurance is until you use it. Heleker stated we need to really value spending \$92,000 at airport and how much impact has that will have on the city. Ms. Cordova stated we have a waiting list for hangars and the fuel is self sufficient. Sands stated he is not convinced we are doing enough business for the expense and what are we getting for it. The county doesn't want to participate in it at all. Nelson has always looked at the airport as a recreational airport. It is pretty reasonable to build out there. Heleker stated we have a nice airport, but doesn't see the need for the runway extension. Dale stated this project has been planned for awhile and when seen how much will cost to move ground, state offered to do a 75%/25%, she is concerned if we will ever get more funding in the future. We can do in-kind and might not have to spend the money. Nelson stated do we spend \$92,000 to benefit just a few or spend \$10,000 that affects a lot of people. Heleker stated they thought our airport was fine when they moved here. The Mayor stated when they start selling fuel for oil and gas development, will we regret it in the future. Sands stated it looks like it is operational right now. Dale is worried about hurting our reputation. Jensen if we start taking out all the amenities that most people don't use, there are a lot. Dale asked what does that do for us in the future for getting grants. Sands stated if you think there is no upkeep down the road you are wrong. Nelson stated the citizens approved the library bond. Ms. Cordova stated if she takes out the foregone funds, one time or leave in budget and levy will be at or close to last year. She would like to bring something to meeting on Tuesday that will not be long. What she is hearing is cut Snake River Transit by half, health insurance to be equivalent to what we have now. Sands stated if policy has more deductible, the next hit will be on the buy down. Ms. Cordova stated in the next couple years there will be no money for buy down. Jensen stated we will be considered a Cadillac plan unless we change it now. Mayor asked do we do that and give a 2% increase to employees. Heleker would rather see the airport extension go away to give employees another 1% than cutting a lot of items from budget. Ms. Cordova asked when the council would to meet again and was decided Tuesday at noon. Dale stated she is concerned about museum and thinks there are several options that can be looked at. Dale is very uncomfortable handing over the money due to sales pitch from last year that Ms. Curtis wasn't being paid and then the board came back and paid her. County has been warning them that they would have to take extra steps to keep doors open. It would be three years before state would take some of inventory and would like to see the money be under control of the city and not the museum. They had

several red flags from their reports. Heleker wants to go on record to not cut it. Wickersham would also like to see some justification on how they are spending the money. Sands stated maybe it should be used strictly for utilities. Dale has been trying to get photos or documents at the library. What if that money is set aside for matting and framing at library as part of Payette history, to be displayed that benefits citizens. Heleker doesn't want to get in the business of micro managing.

GENERAL DISCUSSION

None

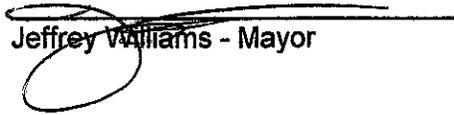
CITIZENS COMMENTS

None

ADJOURN

The work session adjourned at 1:57 PM with Heleker making a motion and seconded by Jensen.

Signed this 1st day of September, 2015.


Jeffrey Williams - Mayor

ATTEST:



Bobbie Black
Deputy City Clerk