Twin Falls City Council
Agenda

Monday, August 2, 2021, 5:00 PM

City Council Chambers
203 Main Avenue East- Twin Falls, Idaho

Members: Suzanne Hawkins, Craig Hawkins, Nikki Boyd, Shawn Barigar, Gregory Lanting, Christopher Reid, Ruth Pierce

1) CALL MEETING TO ORDER/CONFIRMATION OF QUORUM

2) PLEDGE OF ALLEGIANCE

3) PROCLAMATIONS: None

4) CONSENT CALENDAR

   a) **ACTION ITEM:** Request to approve Accounts Payable for July 22-28, 2021.

      By: Amy Luna, Finance Administrative Assistant

   b) **ACTION ITEM:** Request to approve July 26, 2021, City Council Minutes.

      By: Amy Luna, Finance Administrative Assistant

   c) **ACTION ITEM:** Request to approve the Findings of Fact and Conclusions of Law for the Vista Rim Townhomes, ZDA Final Plat.

      By: Jonathan Spendlove, Planning & Zoning Director

   d) **ACTION ITEM:** Request to approve the "Twin Falls Old Town Criterium."

      By: Sergeant Lou Coronado, Twin Falls Police

5) ITEMS OF CONSIDERATION

   a) **PRESENTATION:** A presentation on the finances of the City of Twin Falls for the third quarter of fiscal year 2020-2021. This presentation will be an overview of the tax-supported funds and the three major enterprise funds: Water, Wastewater and Sanitation.

      By: Breanna Howard, Chief Finance Officer

   b) **ACTION ITEM:** Request to increase compensation plan for the Mayor and City Council by Ordinance.

      By: Shayne Nope, City Attorney

   c) **ACTION ITEM:** A request to consider entering into a memorandum of understanding with Twin Falls County regarding building department permitting.

      By: Mitch Humble, Deputy City Manager

   d) **PRESENTATION:** A presentation of the City Manager's Recommended Budget for FY 2022 followed by citizen input.

      By: Travis Rothweiler, City Manager

6) GENERAL PUBLIC INPUT

7) ADVISORY BOARD REPORT/ANNOUNCEMENTS

8) PUBLIC HEARINGS: None

9) ADJOURNMENT

Any person(s) needing special accommodations to participate in the above-noticed meeting could contact Leila Sanchez (208) 735-7287 at least two working days before the meeting. Si desea esta información en español, llame Leila Sanchez (208) 735-7287.

Public Input Procedures

1. Individuals wishing to provide public input regarding matters relevant to the City of Twin Falls shall:
- Wait to be recognized by the Mayor or Chairman
- Approach the microphone/podium
- State their name, and whether they are a resident or property owner in the City of Twin Falls, and proceed with their input.

2. The Mayor or Chairman may limit input to no less than two (2) minutes. Individuals are not permitted to give their time to other speakers.

Public Hearing Procedures for Zoning Requests

1. Prior to opening the first Public Hearing of the session, the Mayor or Chairman shall review the public hearing procedures.

2. Individuals wishing to testify or speak before the City Council or Planning & Zoning Commission shall wait to be recognized by the Mayor or Chairman, approach the microphone/podium, state their name, and then proceed with their comments. Following their statements, they shall write their name and address on the record sheet(s) provided by the staff. The staff shall make an audio recording of the Public Hearing.

3. A City Staff Report shall summarize the application and history of the request.

4. The Applicant, or the spokesperson for the Applicant, will make a presentation on the application/request (request). No changes to the request may be made by the applicant after the publication of the Notice of Public Hearing. The presentation should include the following:
- A complete explanation and description of the request.
- Why the request is being made.
- Location of the Property.
- Impacts on the surrounding properties and efforts to mitigate those impacts.

5. Applicant is limited to 15 minutes, unless a written request for additional time is received, at least 72 hours prior to the hearing, and granted by the Mayor or Chairman.

6. The City Council or Planning & Zoning Commission may ask questions of staff or the applicant pertaining to the request.

7. The general public will then be given the opportunity to provide their testimony regarding the request. The Mayor or Chairman may limit public testimony to no less than two (2) minutes per person.
- Individuals are not permitted to give their time to other speakers.
- However, five (5) or more individuals that received written notice of the public hearing may appoint, by written petition, a spokesperson. The written petition must be received at least 72 hours prior to the hearing and must be granted by the Mayor or Chairman. The spokesperson shall be limited to 15 minutes.
- Written comments, including e-mail, received by 12:00 p.m. on the date of the hearing shall be either read into the record or displayed to the public on the overhead projector.

8. Following the Public Testimony, the applicant is permitted five (5) minutes to respond to Public Testimony.

9. Following the Public Testimony and Applicant's response, Council or Commission members, as recognized by the Mayor or Chairman, shall be allowed to question the Applicant, Staff or anyone who has testified. Responses shall be limited to answering the questions asked. The Mayor or Chairman may limit the time permitted for the answer.

10. The Mayor or Chairman shall close the Public Hearing. The City Council or Planning & Zoning Commission shall deliberate on the request. Deliberations and decisions shall be based upon the information and testimony provided during the Public Hearing. Once the Public Hearing is closed, additional testimony from the staff, applicant or public is not allowed. Legal or procedural questions may be directed to the City Attorney.

* Any person not conforming to the above rules may be prohibited from speaking. Persons refusing to comply with such prohibitions may be asked to leave the hearing and, thereafter removed from the room by order of the Mayor or Chairman.

Twin Falls City Council
Minutes

Monday, July 26, 2021, 5:00 PM

City Council Chambers
203 Main Avenue East- Twin Falls, Idaho

1) CALL MEETING TO ORDER/CONFIRMATION OF QUORUM

Present: Mayor Suzanne Hawkins, Vice Mayor Ruth Pierce, Council Member Craig Hawkins, Greg Lanting, Christopher Reid & Nikki Boyd.

Absent: Council Member Shawn Barigar

Staff Present: City Manager Travis Rothweiler, City Attorney Shayne Nope, Police Chief Craig Kingsbury, Fire Chief Les Kenworthy, Captain Brent Wright, CFO Breanna Howard, Budget Coordinator Mat Farnes, Senior Planner Liz Hart, City Planner Lisa Strickland, City Planner Ian Zollinger, Airport Manager Bill Carberry, Human Resources Director Gretchen Scott, Recruitment Coordinator Kristen Kohntopp, Finance Administrative Assistant Amy Luna.

Mayor Hawkins called the meeting to order at 5:00 PM. A quorum was present.

2) PLEDGE OF ALLEGIANCE

Mayor Hawkins invited all present, who wished, to recite the Pledge of Allegiance to the Flag.

3) PROCLAMATIONS: None.

4) CONSENT CALENDAR

MOTION: Vice Mayor Pierce moved to approve the Consent Calendar as presented. **Council Member Reid** seconded the motion. Roll call vote showed all members present voted in favor of the motion. 6 to 0

a) Request to approve July 19, 2021, City Council Minutes.
b) Request to approve Accounts Payable for July 15-21, 2021.
c) Request to approve the Final Plat for the Vista Rim Townhomes, ZDA c/o EHM Engineers, Inc. on behalf of JJ McBride. (PZ21-0114)
d) Request to approve the First Federal Paper Rock Scissors Tournament.

5) ITEMS OF CONSIDERATION

a) Request to confirm the mayor's appointment of Lisa Buddecke and the re-appointmentof Doug Baughman to the Historic Preservation Commission.

City Planner Strickland requested to confirm the mayor's appointment of Lisa Buddecke and the re-appointment of Doug Baughman to the Historic Preservation Commission.

Discussion ensued on the following: None

MOTION: Council Member Hawkins moved to approve the request to confirm the mayor's appointment of Lisa Buddecke and the re-appointment of Doug Baughman to the Historic Preservation Commission. **Council Member Boyd** seconded the motion. Roll call vote showed all members present voted in favor of the motion. 6 to 0.

b) A presentation of the City Manager's Recommended Budget for FY 2022 followed bycitizen input.

City Manager Rothweiler made a presentation of the recommended budget for FY 2022.

HR Director Scott presented on Focus Area 8 (Internal Organization)
Compensation - $565,000
Insurance - $415,093
New FTE - Organization Development Coordinator - $98,413

Discussion ensued on the following:
Mayor Hawkins: How do we compare with other Cities our size within State?
Council Member Lanting:
Council Member Reid: What do we need to think about to compete? What are we hearing from our employees?
Mayor Hawkins: If we change the health plan will we be losing some of the perks?
Council Member Boyd: Thanked the staff for their efforts to keep the insurance costs under control.
Council Member Lanting: Cautioned staff on the lower tier employees meeting the deductibles. Spoke about vaccinations and possible incentives.
Council Member Reid: Thanked staff for the presentation.

6) GENERAL PUBLIC INPUT

7) ADVISORY BOARD REPORT/ANNOUNCEMENTS

Council Member Hawkins spoke about meeting people who would like to move to Twin Falls.
Mayor Hawkins reminded the community that there are only two Community Band concerts left for the season.
Police Chief Kingsbury reminded everyone about National Night Out to be held on August 3, 2021, in the City Park from 5:00 pm to 8:00 pm.

Mayor Hawkins called for a short recess at 6:16 pm. Resumed at 6:27 pm.

8) PUBLIC HEARINGS

a) Request for approval of the 2021 CDBG Action Plan.

City Planner Zollinger requested approval of the 2021 CDBG Action Plan.

Discussion ensued on the following:
Mayor Hawkins: Asked if we can get pictures of the Twin Falls area rather than the stock pictures that are in the plan now.

Public Hearing Opened: 6:40 pm
Public Hearing Closed: 6:41 pm

Discussion ensued on the following:
Council Member Reid: Thanked all who have worked on this.

MOTION: Council Member Reid moved to approve the 2021 CDBG Action Plan. **Vice Mayor Pierce** seconded the motion. Roll call vote showed all members present voted in favor of the motion. 6 to 0.

9) ADJOURNMENT

The meeting adjourned at 06:40 PM

_____

Amy Luna, Finance Administrative Assistant

For a full account of this meeting please visit tfid.org for the recording of the meeting

BEFORE THE CITY COUNCIL OF THE CITY OF TWIN FALLS

In Re:	)	
	)	
Final Plat Application,	)	FINDINGS OF FACT,
	)	
Vista Rim Townhomes, ZDA Subdivision	)	CONCLUSIONS OF LAW,
Applicant(s).	)	
	)	AND DECISION

This matter having come before the City Council of the City of Twin Falls, Idaho on **Monday, July 26, 2021** for consideration of the final plat of the **Vista Rim Townhomes, ZDA Subdivision**, approximately **1.79** (+/-) acres to develop twenty four (24) commercial lots located on the north side of Canyon Crest Drive**,** and the City Council having heard testimony from interested parties, having received written Findings from the Planning and Zoning Commission and being fully advised in the matter, now makes the following

FINDINGS OF FACT

1. Applicant has requested approval of the final plat of the **Vista Rim Townhomes, ZDA Subdivision**, approximately **1.79** (+/-) acres to develop twenty-four (24) commercial lots located on the north side of Canyon Crest Drive.

2. The property in question is zoned **C-1 CRO ZDA** pursuant to the Zoning Ordinance of the City of Twin Falls. The property is designated as **Mixed Use** in the duly adopted Comprehensive Plan of the City of Twin Falls.

3. The existing neighboring land uses in the immediate area of this property are: to the north, **Canyon Rim**; to the south, **Commercial**; to the east, **Commercial**; to the west, **Commercial**.

4. The City Engineering Office has reviewed the final plat and has approved the proposed street accesses and public utility extensions, subject to availability of such services at the time of development. The developer will pay all costs of public improvements, including but not limited to streets, curb gutter and sidewalks, sewer, water and pressurized irrigation systems. The proposed development includes dedication of additional right-of-way in compliance with the Master Street Plan.

Based on the foregoing Findings of Fact and the regulations and standards set forth below, the City Council hereby makes the following

CONCLUSIONS OF LAW

1. The final plat of the **Vista Rim Townhomes, ZDA Subdivision**, approximately **1.79** (+/-) acres to develop twenty-four (24) commercial lots located on the north side of Canyon Crest Drive is in conformance with the objectives of the zoning ordinance and the policy for developments in Twin Falls City Code §10-1-4. Specifically, the land can be used safely for building purposes without danger to health or peril from fire, flood or other menace, proper provision has been made for drainage, water sewerage and capital improvements including schools, parks, recreation facilities, transportation facilities and improvements, all existing and proposed public improvements conform to the Comprehensive Plan.

2. The final plat is in conformance with the Comprehensive Plan as required by Twin Falls City Code §10-12-2.3(H)(2)(a).

3. Public services are currently available to accommodate the proposed development, as required by Twin Falls City Code §10-12-2.3(H) (2) (b). Public services may not be available at the time of development, depending upon the speed of development of this and other subdivisions and the ability of the City to obtain additional water and/or sewer capacity.

4. The development of streets, sewer, water, irrigation, dedication of park land and other public improvements at the cost of the developer will not adversely affect any capital improvement plan and will integrate with existing public facilities, as required by Twin Falls City Code §10-12-2.3(H)(2)(c).

5. There is sufficient public financial capability of supporting services for the proposed development, as required by Twin Falls City Code §10-12-2.3(H)(2)(d).

6. There are no other health, safety or environmental problems associated with the proposed development that were brought to the City Council's attention, per Twin Falls City Code §10-12- 2.3(H)(2)(e).

7. The final plat is in conformance with the Preliminary Plat. Based on the foregoing Conclusions of Law, the Twin Falls City Council hereby enters the following

DECISION

The request for approval of the final plat of the **Vista Rim Townhomes, ZDA Subdivision**, approximately **1.79** (+/-) acres to develop twenty-four (24) commercial lots located on the north side of Canyon Crest Drive is hereby granted, subject

to final technical review by the City Engineer's Office and subject to the conditions which are attached as "Exhibit No. A", and incorporated by reference as though fully set forth herein. The applicant shall comply with all applicable requirements of the Adopted Standard Drawings, the Zoning Ordinance, and the City Code of the City of Twin Falls.

MAYOR - TWIN FALLS CITY COUNCIL

DATE

"EXHIBIT NO. A"

1. Subject to final technical review by the City Engineering Department and Zoning Officials to ensure compliance with all applicable City Code requirements and standards.

Date: August 2, 2021

To: Honorable Mayor and City Council

From: Sergeant Lou Coronado

Request:

Consideration of a request to approve the "Twin Falls Old Town Criterium." This event is scheduled to be held on Saturday September 18, 2021, from 9 am to 7 pm. Friday setup for the event will begin at 6:00 p.m. Takedown of the event equipment will occur on Saturday, September 18th at 9:00 p.m.

Time Estimate:

Staff requests this item be placed on the consent calendar.

Background:

Terry Patterson has requested exclusive use of city streets including Main Avenue from Eden Street West to Idaho Street East, Hansen Street East from Main Avenue East to 2nd Avenue East, 2nd Avenue East and North from Hansen Street East to Eden Street North and Eden Street North from Main Avenue West to 2nd Avenue West.

These street closures will create a circuit that begins on main near the Downtown Commons, travels southeast on Main, northeast on Hansen, northwest on 2nd Avenue, southwest on Eden, and southeast on Main again.

There will be approximately 8 individual races of varied lengths sanctioned by USA Cycling, Inc. These races are spaced approximately 15-20 minutes apart with each race taking 30 to 60 minutes. This will be a closed course with crossings on the course supervised by volunteers at approximately every block. Barricades will be in place both on the inside and outside of the course to keep pedestrian traffic from interfering with the racers.

The event organizers have contracted with Road Work Ahead for road closures and detours. This traffic plan has been approved by the Twin Falls Police Department and ITD for closure of State highways included in the racecourse.

The individual vendors that will participating in this event will have booths set up around the commons area and they will be selling alcohol through their respective businesses.

There will be amplified live music as well as amplified sound during the races. The event organizer will provide portable toilets and additional trash containers for the event.

The event organizer has provided the required certificate of liability insurance and has paid the Special event application fee.

Several relevant city Staff members have met and discussed this event and the event has been presented to the Special Events Committee with no issues noted.

The Twin Falls Police Department will provide security for the racecourse, the beer garden and the surrounding areas. It is anticipated that adequate staffing would require approximately $5,200 in police overtime. This amount was not included in the police overtime budget for this year. Since Twin Falls City is a co-sponsor for the event the Twin Falls Police Department will take of the overtime needed for this event.

Approval Process:

Consent by the City Council.

Budget Impact:

$ 5,200 for police overtime and security at event.

Regulatory Impact:

N/A

Conclusion:

This Special Events Application has been approved by several relevant City Staff members and the Twin Falls Police Department Staff. It is recommended that this request be approved by the City Council as presented.

Attachments:

None

Date: Monday, August 2, 2021

To: Honorable Mayor and City Council

From: Breanna Howard, CFO

Request:

PRESENTATION: A presentation on the finances of the City of Twin Falls for the third quarter of fiscal year 2020-2021. This presentation will be an overview of the tax-supported funds and the three major enterprise funds: Water, Wastewater and Sanitation.

Time Estimate:

The estimated amount of time for this presentation is 15-20 minutes, with additional time for Council questions.

Background:

The information presented includes a comparison of budget to actual information for revenues and expenditures in the tax supported funds and the three major enterprise funds. There will be an analysis on historical information, national comparisons, and future projections.

Approval Process:

N/A

Budget Impact:

There is no budget impact.

Regulatory Impact:

There is no regulatory impact.

Conclusion:

There is no action required by the City Council.

Attachments

1. 3rd Qtr – Tax Supported Funds
2. 3rd Qtr - Water Fund
3. 3rd Qtr - Wastewater Fund
4. 3rd Qtr - Sanitation Fund

City of Twin Falls
Summary of Tax-Supported Funds
June 30, 2021

9 of 12 months	75.000%

	Budgeted Rev	Actual Rev	% Received to Date
Property Taxes	$ 23,937,269	$ 12,202,648	51.0%
Franchise Taxes	1,741,500	1,553,007	89.2%
Permits	1,209,000	1,676,606	138.7%
Revenue Sharing-County, State, Liquor	4,039,999	3,459,665	85.6%
State Liquor Apportionment	740,000	663,164	89.6%
Street Fund-Highway Monies	3,165,000	3,229,163	102.0%
Court Revenues	200,000	153,729	76.9%
Street Sweeping	-	-	
Contributions	1,000	6,064	606.4%
Grants	225,700	11,785,918	5221.9%
Misc	794,156	857,087	107.9%
E-911	465,000	369,748	79.5%
Recreation Fees	410,000	424,324	103.5%
Airport Revenues	1,075,420	949,800	88.3%
Investment Interest	593,001	385,717	65.0%
Fire District	540,699	270,349	50.0%
Transfers	3,459,352	3,917,014	113.2%
Surplus Reserves	3,573,474	-	0.0%
Revenue Totals	$ 46,170,570	$ 41,904,003	90.8%

	Budgeted Exp	Actual Exp	
Personnel	$ 27,682,658	$ 20,472,472	74.0%
M & O	7,919,329	5,884,765	74.3%
Capital	8,697,740	4,502,158	51.8%
Transfers	1,870,842	2,725,632	145.7%
Expenditure Totals	$ 46,170,569	$ 33,585,027	72.7%

Excess/<Deficit>	$ 1	$ 8,318,976

City of Twin Falls
Water Fund
June 30, 2021

9 of 12 months	75.000%

	Budgeted Rev	Actual Rev	% Received to Date
User Revenue	$ 6,918,578	$ 5,324,566	77.0%
Federal Grants			
Mandated Arsenic	2,100,000	1,735,261	82.6%
Turn-On, Tap, and Permit Fees	207,000	291,429	140.8%
Penalities and Voilations	40,000	33,081	82.7%
Irrigation Revenue	819,800	738,348	90.1%
Credit Card Processing Income	-	-	
Collected Bad Debts	20,000	28,274	141.4%
Investment Income	230,000	162,771	70.8%
Water Shares Lease Revenue	70,202	70,759	100.8%
Miscellaneous	46,400	57,979	125.0%
Transfers	656,506	492,380	75.0%
Surplus Reserves	1,800,000		
Revenue Totals	$ 12,908,486	$ 8,934,848	69.2%

	Budgeted Exp	Actual Exp	
Personnel	$ 2,461,033	$ 1,711,940	69.6%
M & O	2,852,016	1,445,462	50.7%
Capital	3,548,510	408,528	11.5%
Debt Service	2,752,095	148,132	5.4%
Transfers	1,294,832	971,124	75.0%
Expenditure Totals	$ 12,908,486	$ 4,685,186	36.3%

Excess/<Deficit>	$ -	$ 4,249,662	

			2021			2020	
2020	2019	2018	Budgeted Rev	Actual Rev	% of Budget	Budgeted Rev	Actual Rev
64.7%	57.9%	65.0%	$ 6,918,578	$5,324,566	53.6%	$ 7,557,909	$4,891,826
0.0%	#DIV/0!	#DIV/0!				$ 45,000	
80.5%	78.5%	77.6%	2,100,000	1,735,261	16.3%	2,100,000	1,690,844
167.6%	98.9%	109.6%	207,000	291,429	1.6%	158,600	265,811
72.5%	78.1%	82.5%	40,000	33,081	0.3%	40,000	28,990
80.7%	81.8%	80.6%	819,800	738,348	6.4%	850,463	686,401
83.8%	94.8%	100.8%	-	-	0.0%	100,000	83,839
145.4%	130.9%	82.3%	20,000	28,274	0.2%	20,000	29,084
142.9%	136.5%	67.7%	230,000	162,771	1.8%	150,000	214,327
101.1%	104.0%	100.3%	70,202	70,759	0.5%	70,000	70,752
54.5%	273.4%	117.4%	46,400	57,979	0.4%	46,400	25,277
75.0%	75.0%	75.0%	656,506	492,380	5.1%	595,366	446,524
#DIV/0!	#DIV/0!	0.0%	1,800,000		13.9%		
71.9%	67.0%	65.1%	$ 12,908,486	$ 8,934,848	100.0%	$ 11,733,738	$ 8,433,675
73.0%	77.3%	76.2%	$ 2,461,033	$ 1,711,940	19.1%	$ 2,362,034	$ 1,725,319
47.4%	42.2%	50.8%	2,852,016	1,445,462	22.1%	2,893,266	1,371,613
54.3%	49.8%	55.8%	3,548,510	408,528	27.5%	2,021,320	1,097,550
9.7%	10.4%	11.9%	2,752,095	148,132	21.3%	2,747,722	265,747
75.0%	75.0%	75.0%	1,294,832	971,124	10.0%	1,280,347	960,260
47.9%	46.1%	49.9%	$ 12,908,486	$ 4,685,186	100.0%	$ 11,304,689	$ 5,420,489
			$ -	$ 4,249,662		$ 429,049	$ 3,013,186

2019		2018	
Budgeted Rev	Actual Rev	Budgeted Rev	Actual Rev
$ 7,675,597	$4,446,597	$ 7,000,283	$ 4,551,062
2,100,000	1,649,425	2,100,000	1,630,286
182,000	179,971	155,000	169,870
40,000	31,253	40,000	32,996
778,711	636,921	700,000	563,867
90,000	85,362	75,000	75,583
17,000	22,258	17,000	13,987
118,000	161,047	195,000	132,025
67,510	70,202	67,510	67,702
41,400	113,197	39,400	46,258
583,692	437,769	603,998	452,998
		900,000	
$ 11,693,910	$ 7,834,002	$ 11,893,191	$ 7,736,634
$ 2,288,890	$ 1,768,837	$ 2,146,192	$ 1,635,680
2,989,645	1,260,197	2,932,899	1,490,103
2,252,000	1,120,707	2,829,095	1,579,959
2,911,206	303,222	2,794,891	333,463
1,252,169	939,127	1,190,114	892,586
$ 11,693,910	$ 5,392,090	$ 11,893,191	$ 5,931,791
$ -	$ 2,441,912	$ -	$ 1,804,843

City of Twin Falls
Wastewater Fund
June 30, 2021

9 of 12 months	75.000%

	Budgeted Rev	Actual Rev	% Received to Date
User Revenue			
Residential Users	$ 7,322,854	$ 5,429,560	74.1%
Industrial Users	2,092,454	1,723,689	82.4%
Municipal Users	141,487	117,164	82.8%
Turn-On, Tap, and Permit Fees	17,000	7,810	45.9%
Sewer Capacity Fees	-	382,034	#DIV/0!
Penalities and Voilations	100,000	69,412	69.4%
Investment Income	275,000	184,668	67.2%
Miscellaneous	3,000	78,025	2600.8%
Surplus Reserves	-		
Revenue Totals	$ 9,951,795	$ 7,992,362	80.3%

	Budgeted Exp	Actual Exp	
Personnel	$ 874,996	$ 580,568	66.4%
M & O	3,449,300	2,730,787	79.2%
Capital	1,190,650	655,825	55.1%
Debt Service	3,483,781	676,885	19.4%
Transfers	930,903	698,177	75.0%
Expenditure Totals	$ 9,929,630	$ 5,342,242	53.8%

Excess/<Deficit>	$ 22,165	$ 2,650,120

2020	2019	2018	2021 Budgeted Rev	2021 Actual Rev	2021 % of Budget	2 Budgeted Rev
73.8%	74.5%	75.0%	7,322,854	5,429,560	73.6%	7,118,822
91.3%	60.0%	75.2%	2,092,454	1,723,689	21.0%	2,018,821
53.3%	64.7%	56.0%	141,487	117,164	1.4%	206,099
59.4%	46.9%	963.6%	17,000	7,810	0.2%	18,000
				382,034	0.0%	
1711.8%	353.2%	1915.8%	100,000	69,412	1.0%	100,000
107.2%	86.7%	91.2%	275,000	184,668	2.8%	240,000
7474.6%	7265.1%	497.9%	3,000	78,025	0.0%	3,000
0.0%	0.0%	0.0%			0.0%	200,000
98.2%	77.3%	63.1%	$ 9,951,795	$ 7,992,362	100.0%	$ 9,904,742
71.9%	71.7%	64.5%	$ 874,996	$ 580,568	8.8%	$ 834,731
77.4%	72.6%	84.7%	3,449,300	2,730,787	34.7%	3,556,781
34.1%	38.3%	63.3%	1,190,650	655,825	12.0%	1,117,081
20.8%	22.2%	22.6%	3,483,781	676,885	35.1%	3,485,281
85.1%	75.0%	75.0%	930,903	698,177	9.4%	891,054
52.8%	50.7%	59.6%	$ 9,929,630	$ 5,342,242	100.0%	$ 9,884,928
			$ 22,165	$ 2,650,120		$ 19,814

2020	2019		2018	
Actual Rev	Budgeted Rev	Actual Rev	Budgeted Rev	Actual Rev
5,254,247	6,783,702	5,055,138	6,572,664	4,927,693
1,842,659	2,503,615	1,503,145	2,300,000	1,730,009
109,950	238,562	154,379	276,000	154,485
10,683	25,000	11,713	2,000	19,272
317,046		182,171		333,401
1,711,773	100,000	353,206	50,000	957,911
257,170	240,000	208,120	210,000	191,508
224,238	3,000	217,953	3,000	14,938
	48,000		3,789,616	
$ 9,727,766	$ 9,941,879	$ 7,685,825	$ 13,203,280	$ 8,329,217
$ 600,535	$ 812,814	$ 583,041	$ 817,508	$ 527,117
2,752,048	3,514,069	2,551,731	3,274,380	2,774,999
380,909	1,265,000	484,110	3,773,241	2,388,395
725,918	3,481,781	773,257	3,485,357	789,430
758,290	868,215	651,161	1,852,795	1,389,596
$ 5,217,700	$ 9,941,879	$ 5,043,300	$ 13,203,281	$ 7,869,537
$ 4,510,066	$ -	$ 2,642,525	$ (1)	$ 459,680

City of Twin Falls
Sanitation Fund
June 30, 2021

9 of 12 months	75.000%

	Budgeted Rev	Actual Rev	% Received to Date
Admin Fee	$ 524,507	$ 383,411	73.1%
User Fees	2,203,316	1,742,300	79.1%
Landfill Fees	789,583	626,480	79.3%
Investment Income	5,000	6,599	132.0%
Miscellaneous	-	612	#DIV/0!
Surplus Reserves	-		
Revenue Totals	$ 3,522,406	$ 2,759,402	78.3%

	Budgeted Exp	Actual Exp	
M & O	3,003,694	1,987,560	66.2%
Transfers	511,478	383,609	75.0%
Expenditure Totals	$ 3,515,172	$ 2,371,169	67.5%

Excess/<Deficit>	$ 7,234	$ 388,233	

2020	2019	2018	2021 Budgeted Rev	2021 Actual Rev	% of Budget	2 Budgeted Rev
77.1%	75.4%	74.7%	524,507	383,411	14.9%	481,918
76.1%	78.0%	74.5%	2,203,316	1,742,300	62.6%	2,209,103
76.3%	66.4%	75.7%	789,583	626,480	22.4%	792,948
170.3%	221.7%	72.4%	5,000	6,599	0.1%	5,000
				612	0.0%	
#DIV/0!	0.0%	#DIV/0!			0.0%	-
76.4%	73.7%	74.8%	$ 3,522,406	$ 2,759,402	100.0%	$ 3,488,969
65.1%	64.3%	66.7%	3,003,694	1,987,560	85.4%	3,004,355
75.0%	75.0%	68.8%	511,478	383,609	14.6%	479,918
66.4%	65.8%	67.0%	$ 3,515,172	$ 2,371,169	100.0%	$ 3,484,273
			$ 7,234	$ 388,233		$ 4,696

2020	2019		2018	
Actual Rev	Budgeted Rev	Actual Rev	Budgeted Rev	Actual Rev
371,794	466,891	352,042	481,009	359,529
1,680,291	2,081,084	1,622,443	1,957,855	1,458,058
605,004	807,000	536,020	700,000	529,746
8,515	3,500	7,760	8,000	5,792
482		336		300
	60,000		-	
$ 2,666,086	$ 3,418,475	$ 2,518,601	$ 3,146,864	$ 2,353,425
1,954,862	2,948,084	1,894,956	2,631,355	1,754,646
359,939	470,391	352,793	515,509	354,757
$ 2,314,801	$ 3,418,475	$ 2,247,749	$ 3,146,864	$ 2,109,403
$ 351,285	$ -	$ 270,852	$ -	$ 244,022

Date: Monday, August 2, 2021

To: Honorable Mayor and City Council

From: Shayne Nope, City Attorney

ACTION ITEM

Request:

Request to increase compensation plan for the Mayor and City Council by Ordinance.

Time Estimate:

10 Minutes

Background:

The City Council requested a draft ordinance that would adjust their compensation plan.

Approval Process:

Standard procedure for adopting a City ordinance are applicable to this action item.

Budget Impact:

Any adjustment(s) made to the compensation plan will be effective January 1, 2022 and reflected in the City's budget for fiscal year 2021/2022

Regulatory Impact:

None

History:

Analysis:

Conclusion:

City staff is prepared to assist the Council as they deliberated toward a decision.

Attachments:

1. 2021 - Council Compensation

ORDINANCE NO. 2021-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TWIN FALLS, REPEALING AND REPLACING ORDINANCE NO. 2913, SETTING FORTH THE COMPENSATION PLAN FOR THE MAYOR AND CITY COUNCIL, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council passed Ordinance No. 2913 in 2007 setting the compensation plan for the Mayor and City Council members at One Thousand Four Hundred Ten Dollars ($1,410.00) and One Thousand One Hundred Sixty Dollars ($1,160.00) per month, respectively, and;

WHEREAS, the Compensation Plan has not been adjusted since 2007 even though the workload, time commitment, and similar demands on elected officials in the City has increased, and;

WHEREAS, the City Council believes that a ten percent (10%) increase in compensation is appropriate.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF TWIN FALLS, IDAHO:

Section 1: That Twin Falls City Ordinance No. 2913 is repealed and replaced as follows:

(a) "The Mayor shall receive monthly total compensation in the amount of One Thousand Five Hundred Fifty-One Dollars ($1,551.00). The Mayor may elect to designate a portion of this compensation to be paid into a Section 125 program to cover qualified program benefits, with the remainder of the compensation to be paid to the Mayor as monthly salary.

(b) Each member of the City Council shall receive monthly total compensation in the amount of On Thousand Two Hundred Seventy-Six Dollars ($1,276.00). Each City Council member may elect to designate a portion of this compensation to be paid into a Section 125 program to cover qualified program benefits, with the remainder of the compensation to be paid to that City Council member as monthly salary.

Section 2: That this ordinance be effective January 1, 2022.

PASSED BY THE CITY COUNCIL, _____.

SIGNED BY THE MAYOR, _____.

_____
MAYOR

ATTEST:

_____
DEPUTY CITY CLERK

Date: Monday, August 2, 2021

To: Honorable Mayor and City Council

From: Mitch Humble, Deputy City Manager

ACTION ITEM

Request:

A request to consider entering into a memorandum of understanding with Twin Falls County regarding building department permitting.

Time Estimate:

The presentation for this item will take about five minutes. Some additional time may be needed for questions and discussion.

Background:

City staff have been working with the County for the last few months to prepare the attached memorandum of understanding (MOU) regarding issuing building department permits in the other entity's jurisdiction. The City and the County both work for, and collect revenue from the same tax payers. We are always looking for ways to provide more efficient service to and save money for those shared tax payers. The County has several properties within the City limits. The City has several properties outside the City limits within the County's jurisdiction. However, both City and County have well qualified building department staff that implement the same building codes. The premise behind this MOU is that both jurisdictions can provide more efficient service and save tax payer costs if each were appointed by the other to administer their permits for their own projects within the other jurisdiction.

The attached MOU includes the following provisions:

1. The City will appoint the County building official to be the permit authority for County projects within the City's jurisdiction. This appointment will include building and mechanical permits only. The City will retain electrical, plumbing, and site plan permits since the County does not have the staff or expertise to administer those permits.
2. The City will waive the permit and plan review fees associated with electrical, plumbing, and site plan permits it issues to the County.
3. The County will appoint the City building official to be the permit authority for City projects within the County's jurisdiction. This appointment will include building, mechanical, and site plan permits only. The State has the authority to issue electrical and plumbing permits in the County's jurisdiction, and the State is not a party to this MOU.
4. If the City has a project outside the City Area of Impact, then the City will submit for site plan review from the County. However, the City does not own any property outside the City Area of Impact, so this provision is unlikely to ever be applicable.
5. The County will also appoint the City building official to be the permit authority for all building, mechanical, and site plan permits, City or private, that happen within the airport property. This provision has been included to meet the spirit of the intergovernmental agreement we have with the County that appoints the City to manage the jointly owned airport properties.

6. The term of the MOU is through this fiscal year, terminating on Sept. 30, 2021. The MOU does include an annual renewal clause, but either party can terminate the agreement with 90 days written notice to the other.

We believe that approval of this MOU will help both jurisdictions provide more efficient service to our shared citizens. We also believe approval of this MOU will represent a cost savings to our shared tax payers through fee waivers and quicker, more efficient projects. We have a long standing strong relationship with the County. We value that relationship. We believe this MOU is the latest in string of cooperative arrangements with the County that show our joint commitment to outstanding service for our shared citizens.

Approval Process:

A simple majority vote of the Council is needed to approve the attached MOU.

Budget Impact:

Approval of the attached MOU will waive all permit and plan review fees from the County for projects during the term of the MOU. We do not know what projects that may include at this point, so it is not possible to estimate the total impact of this waiver. The MOU will also allow City projects within the County's jurisdiction to proceed more efficiently. That efficiency will also have some cost savings. Again, without a firm plan on what those projects will be, it is not possible to estimate the value of those savings.

Regulatory Impact:

If approved, this MOU will allow the City to administer our own building projects in the County's jurisdiction and the County to administer their own projects in the City's jurisdiction, as described above.

History:

N/A

Analysis:

N/A

Conclusion:

Staff recommends that the Council approve, and authorize the mayor to execute the attached MOU.

Attachments:

1. City County Building Permit MOU 7.29.21 (003)

City of Twin Falls and Twin Falls County

Memorandum of Understanding

Regarding Building Permits within City and County Property

This Agreement is made by and between the City of Twin Falls ("City"), a municipal corporation and political subdivision of the State of Idaho, 203 Main Avenue East, Twin Falls, Idaho, 83301, and Twin Falls County ("County"), a political subdivision of the State of Idaho, 630 Addison Avenue West, Twin Falls, Idaho, 83301, and, collectively, referred to as "The Parties."

Recitals

Whereas, pursuant to Idaho Code § 67-2326, "state and public agencies [are permitted] to make the most efficient use of their powers by enabling them to cooperate to mutual advantage and thereby provide services and facilities and perform functions in a manner that will best accord with geographic, economic, population, and other factors influencing the needs and development of the respective entities";

Whereas, pursuant to Idaho Code § 67-2332, "any one or more public agencies may contract with any one or more public agencies to perform any governmental service, activity, or undertaking which each public agency entering in to the contract is authorized by law to perform…";

Whereas the Division of Building Safety enforces the provision of the state in regards to inspections and building permits;

Whereas, pursuant to Idaho Code § 39-4104, local governments are authorized to adopt the building codes and enforce all of the provisions of the building code that govern application by local governments;

Whereas Idaho Code § 39-4116 states that "Local governments may contract with a public or private entity to administer their building code enforcement program";

Whereas the City and the County each have buildings and real property located within the jurisdiction of the other party;

Whereas the City and the County find it necessary to expedite building permitting to ensure compliance with time sensitive projects and public works on their own buildings; and

Whereas the City and the County have competent and certified building permit and building inspection professionals employed within both jurisdictions; and

Whereas the City and the County have similar standards and the International Building Code (IBC), International Mechanical Code (IMC), and International Energy Conservation Code (IECC) are applied and enforced by both County and City building professionals; and

Whereas the City Manager and Board of County Commissioners wish to appoint respective building officials to act as building permit, building inspection, mechanical permit, and mechanical inspection authorities for their own buildings;

Now, therefore, in consideration of the foregoing and mutual promises and covenants herein contained, the Parties agree as follows:

1. Term

The term of this Agreement shall begin on the date signed and end September 30, 2021. The Agreement shall renew automatically for an additional year on October 1, 2021, and thereafter on October 1 of each subsequent year unless terminated by either party pursuant to Section 7.

2. Consideration

The City and County contract to provide the services listed in this Agreement on their own facilities within the other's jurisdiction for the amount of $0.

3. County Buildings Located Within the City of Twin Falls

The City contracts with the County for building permit services on County property located within the City of Twin Falls as follows:

a. The City will designate the County Building Official as the plan review and permitting authority for County buildings located within City limits.

b. The authority to the County will include both building and mechanical permits and inspections necessary to ensure compliance with all federal, state, and local laws and codes, including the IBC, IMC, and IECC codes.

c. The City will retain authority to review and enforce zoning ordinances, including site plan approval, historic preservation requirements, electrical permit and inspection, plumbing permit and inspection, and fire code compliance. This Agreement does not supersede the State Fire Marshal approvals that may be needed.

d. The City shall waive permit and plan review fees that would otherwise be owed to the City by the County for electrical, plumbing, and site plan permits granted under this Agreement.

e. The County will submit all necessary documents needed to ensure compliance with fire codes and the City's zoning ordinances.

4. City Buildings Located Within the County

The County contracts with the City for building permit services on City property located within the County of Twin Falls and with the Twin Falls City Area of Impact as follows:

a. The County will designate the City Building Official as the plan review and permitting authority for City projects located outside of the City limits, but within Twin Falls County including within the Twin Falls City Area of Impact.

b. The authority to the City will include building, mechanical, and site plan permits and inspections necessary to ensure compliance with all federal, state, and local laws and codes, including the fire codes and IBC, IMC, and IECC codes.

c. If a City building is located in the County outside of the Twin Falls City Area of Impact, the City will submit all necessary documents to the County to ensure compliance with the County's zoning ordinances and the County will retain authority to review and enforce zoning ordinances.

d. The City will need to work with the State to obtain electrical and plumbing permits.

e. This Agreement specifically includes all permits requested at the airport, City projects, and private hangar building permits on property leased from the City. This Agreement shall work in coordination with the Intergovernmental Agreement between the City and the County executed on or about September 23, 2015, as it exists, or as amended.

5. Liability

The County agrees to indemnify and hold the City harmless from any and all liability, loss, damage, or claims of any description which results from the negligence of the County and its employees, officers, and/or agents that the City may suffer arising out of, or in connection with, this Agreement. The City agrees to indemnify and hold the County harmless from any and all liability, loss, damage, or claims of any description which results from the negligence of the City and its employees, officers, and/or agents that the County may suffer arising out of, or in connection with, this Agreement.

6. Authorization

The Parties warrant and agree that the persons signing this Agreement on behalf of the City and of the County are authorized to sign this Agreement and by doing so agree to the terms contained herein.

7. Termination

The Agreement may be terminated by either party by delivering written ninety (90) days' notice.

8. Entire Agreement

This represents the entirety of the Agreement and cannot be modified unless by the written consent of both parties.

Agreed and Committed Upon:

City of Twin Falls

DATED this _____ day of _____, 2021.

_____
Suzanne Hawkins, Mayor

Twin Falls County Board of Commissioners

DATED this _____ day of _____, 2021.

_____
Jack Johnson, Chairman

_____
Don Hall, Commissioner

ATTEST:

_____
Brent Reinke, Commissioner

_____
Kristina Glascock, Clerk

Date: Monday, August 2, 2021

To: Mayor and City Council

From: Travis Rothweiler, City Manager

Request
A presentation of the City Manager's Recommended Budget for FY 2022 followed by citizen input.

Time Estimate
The estimated amount of time this item will take is one hour plus time to answer questions.

Background
The City of Twin Falls is in south-central Idaho along the scenic Snake River canyon. With a population of approximately 51,165 residents, Twin Falls is the eighth largest city in Idaho and encompasses 18.16 square miles. It is located in Twin Falls County, which covers approximately 1,928 square miles of mostly irrigated agriculture land and has a total population of 86,081. Twin Falls is located 135 miles east of Boise and 218 miles north of Salt Lake City.

The State of Idaho defines city government as a municipal corporation. It is with that mindset this budget has been developed. We are pleased to present to you the recommended Budget for Fiscal Year 2021-2022 (FY2022). This budget represents hundreds of hours of thoughtful work by dozens of people in developing the spending plan for our organization for the coming fiscal year.

The proposed budget is presented for your consideration with the commitment and confidence that it effectively funds the varying needs of the community. It provides a strong financial plan, while ensuring a superior level of municipal services to our citizens. We are confident the projections and estimates are conservative, yet reasonable, and accurately reflect anticipated revenues and municipal needs. We look forward to working with you to achieve all the goals set forth in this proposed budget.

Underlying Twin Falls' success is a unifying commitment across the organization to exercise fiscal discipline, deliver services with maximum efficiency, and provide improved results to the entire community. Undoubtedly, we will be continually challenged to maintain a structurally balanced budget once it is achieved.

The City of Twin Falls has 313.25 full-time employees and a taxable value of $4.041 billion. The City's taxable value excludes the taxable value of the properties located in the Twin Falls Urban Renewal Agency revenue allocation areas, which have a total value of $654 million. Collectively, the taxable values for both the City of Twin Falls and the Twin Falls Urban Renewal Agency total $4.695 billion. To put these values into perspective, the City of Twin Falls' taxable value a decade ago (FY 2013) was $2.152 billion.

Most cities, including the City of Twin Falls, have historically focused on the "net budget," which is the total budget, as presented above, less fund transfers. The total net budget for FY 2022 is $69,325,603, or $3,476,771 (4.78%) smaller than the $72,802,374 total for the current fiscal year. Both methods are acceptable. From this point forward, and just as we have done historically, we will be focusing on the net budget.

While the budget does not fund all capital initiatives and projects in the entire organization, it does meet the City Council priorities for service delivery. It recognizes that our local economy continues to experience unprecedented growth.

The budget has been formulated by reflecting on the following philosophies:

- Providing solid, efficient, high-quality, core governmental services
- Effectively allocating resources to meet citizen needs
- Ensuring affordability and long-term sustainability
- Pursuing opportunities to partner with other public providers
- Valuing our employees

Public Input and Transparency

The City of Twin Falls strives to communicate, operate, function, and conduct the business of the people in an open and transparent manner. Equally, we recognize the value and importance of honoring and upholding our fiduciary duties and responsibilities. Because openness and transparency are part of our organizational culture and values, we have taken several steps designed to afford our citizens and stakeholders several opportunities to actively participate and contribute to the budgeting process.

The City of Twin Falls has taken additional steps designed to illustrate our commitment to effective community involvement in the annual budget process. The Council provided an opportunity for our citizens and stakeholders to communicate their thoughts about specific programs, strategic initiatives and priorities for the upcoming fiscal year prior to the more customary, internal staff conversations.

A summary presentation of the proposed budget has been placed on the City's website. On August 9, 2021, the City Council will adopt the preliminary budget for FY 2022, with a public hearing and final adoption scheduled to occur on August 23, 2021 at 6:00 PM.

Connection to the City's 2030 Strategic Plan

Twin Falls is a vital, growing, and changing city. We have constructed processes and policies that help us in shaping growth and taking advantage of opportunities as they are presented. We continue to emphasize focus areas contained in the City's 2030 Strategic Plan, just as we have for the past seven budget cycles. The current Strategic Plan was updated in March 2018 after an extensive open, citizen-driven process. The City's FY2022 budget allocates funds for needed projects and critical services collectively designed to help the City take the "next step" in realizing the community's 2030 vision of Twin Falls.

Significant Issues Driving Budgetary Considerations

Uncertainty in our budgeting process remains; albeit for entirely different reasons. The environment within which we are constructing the budget for FY 2022 is entirely different than last year. The Twin Falls economy has recovered. Terms like "boom" and "robust" are now used to describe our local economy. Over the course of the last year, cases and deaths attributed to COVID-19 have peaked and are now in decline. Vaccinations have proven to be effective and are available to anyone over the age of 12 who chooses to get one. Restaurants and retailers are once again open. Single-family home construction continues on a record pace, even with significant building material shortages and supply chain disruptions. As the unemployment rate fell to 3.7% in April 2021, the City is again considered to be at full employment, which has traditionally been defined as anything below 4%. We expect this economic indicator to realize continued improvement. The Dow Jones has recovered. On March 19, 2021, just a few days removed from a year from the 2020 low, the Dow closed at a 32,627.97. Record high closings have once again become common. Masks are no longer required or needed. Offices are open; however, remote work and virtual meetings remain, largely out of convenience.

The environment is ***entirely*** different. The four main drivers that influenced the development of the City Manager's Recommended Budget for FY 2020-2021 were:

1. Property Tax Reform and House Bill 389

   In Idaho, property taxes are the primary source of revenue for local governments. The method for calculating property taxes applies individual tax rates for each taxing entity against the assessed value of the property. When home values are increasing at a faster rate than income levels, the result is a significant increase in a property tax burden to homeowners. Prior to COVID-19, housing prices in Idaho were increasing between 8% and 10% each year. During and after COVID-19, Idaho's property values were among the fastest growing in the country. Even with the City's continual efforts to reduce its tax rate, the increase realized in assessed valuation has caused increases in property taxes to homeowners and businesses.

   At the conclusion of the longest session in Idaho history, the Idaho Legislature passed House Bill 389. Many are still trying to understand the impacts of this legislative measure. The bill is advertised to provide property tax reform; how much is yet to be determined. What is known is House Bill 389 will decrease local government's ability to collect sustainable revenues, in some cases significantly, to help pay for expenses attributed to growth. While we do not want to downplay the concern about rising home values and increasing property taxes, overall, Twin Falls remains affordable with a low cost of living in comparison to larger cities like Boise and Meridian. House Bill 389 contained an emergency provision. As a result, many parts of the bill are retroactive to January 1, 2021 and are required to be implemented immediately.

   The City will continue to bring forward a balanced budget regardless of the actions at the State level, with the understanding that if our revenues from property taxes are significantly decreased, there will be a resulting decrease in services the City is able to provide.

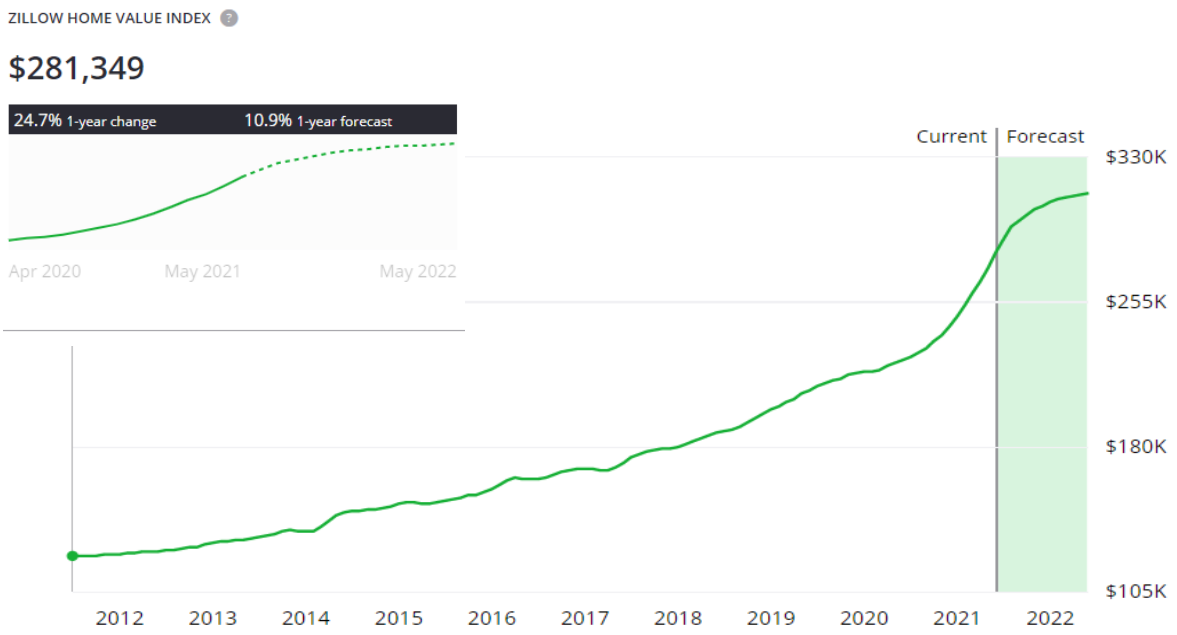
2. Housing Costs

   Just as we witnessed last year, there has been a lot of attention on housing prices across Idaho recently. Housing prices are rapidly increasing when compared to income levels, which has caused concerns about affordability. Idaho continues to lead the nation in population growth. For the last few years, Idaho's population increases have been among the largest in the country. Population increases, low housing inventories, significant material increases, and labor shortage are all contributors to the problem. Large increases in the price of homes can equate to an increase in property taxes for Idahoans, due to the means by which property taxes are assessed.

   Each year, the county assessor's office must estimate how much a typical buyer would pay for your property as of January 1. It's assessed at 100% of market value, less any exemptions. Generally, assessors use sales prices from properties in the county to develop guidelines. They also consider features that could influence what a buyer would pay for the property. These features include size, location, quality of construction, age, and condition.

   In January 2019, the median home value in the City of Twin Falls was $201,000. It increased to $219,000 in January 2020, which represents a 9% increase. In January 2021, the value of a median home in Twin Falls grew to an estimated $253,000, which represents a 16% increase. In the first five months of 2021, a median home in Twin Falls has increased by more than $28,000 (January 2021 to May 2021) and has a value of $281,349. This represents a year-over-year (May 2020 compared to May 2021) increase of 24.7%. Zillow is conservatively estimating the median home

in Twin Falls will continue to grow in value by nearly an additional 11% over the next calendar year.



The following table illustrated the median home value in Twin Falls, Idaho and the nation.

	Twin Falls	Idaho	National
Median home value	$281,349	$389,218	$287,148
Increase in value of the prior 12 months	24.7%	27.8%	13.2%
Project increase in value over the next 12 months	10.9%	uncertain	14.90%

Even though Idaho is seeing housing prices increase at rates similar to other states, Twin Falls remains a very affordable place to live.

In addition, Salary Expert powered by ERI updates the cost-of-living index for urban areas and each of the fifty states, assigning each area a value as a percent of the average of all sampled. This index bundles a variety of goods and service costs, like food, transportation, housing, and health. For years, Twin Falls has consistently ranked well below the national average. That trend appears to be continuing. The following table illustrates the cost of living in Twin Falls, Idaho Falls and Boise compared to national and state averages.

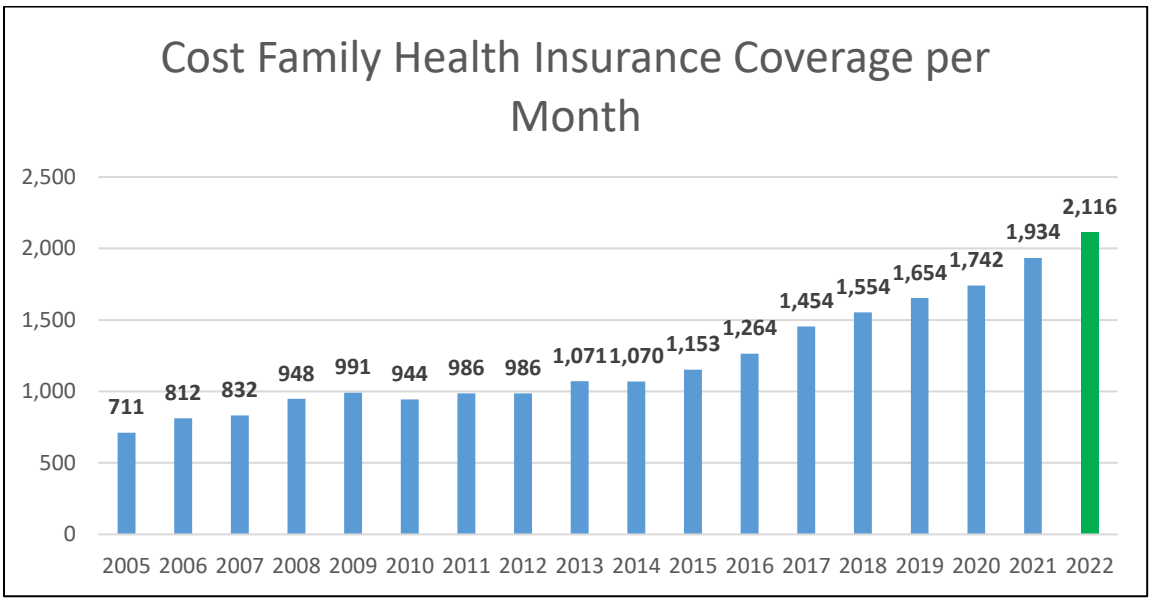
	Twin Falls	Idaho Falls	Boise
Compared to National Average	-10%	-7%	+2%
Compared to Idaho Average	-6%	-2%	+6%
Rank Among Idaho Cities	60th	36th	7th

Its reputation for political stability, quality management, and a commitment to long-term planning puts Twin Falls in the right place to continue its healthy financial position. The City has adopted financial policies for the overall operation of the City of Twin Falls, which help us achieve and maintain a long-term positive financial condition. The policies include direction on providing a conservative approach to budgeting that generally means expenditures are calculated using the best estimate of a true cost without discounting, and revenues are estimated at a level that would reasonably be collected within the fiscal year based on historical collection data, as well as realistic

expectations about existing and future economic conditions and activities. Overall, the City maintains a strong financial position by continuing to utilize conservative fiscal practices and by making strategic decisions that support the community's vision.

3. Health Insurance and Compensation

Providing quality benefits to our employees remains an important ingredient in our overall attraction and retention strategy. As we have stated for the past five years, health insurance continues to be a difficult subject to navigate in our budgeting efforts. Members of the City's executive leadership team recognize the importance of continuing to offer competitive benefit packages as a critical component in our efforts to be an employer of choice. However, the cost of our health plan continues to outpace the Consumer Price Index, the Municipal Cost Index, and available resources. Because members of our employee family have dealt with serious and costly health challenges, our overall experience rate (our group's medical history and claims experience) have caused our organization to realize significant increases in overall health insurance costs. The cost of our insurance monthly premium to cover an employee and his/her family has almost doubled in the last ten years. The table below shows the changes to our monthly health insurance premiums since 2005.



Significant changes were made to both the traditional and high deductible plans in FY 2020 in response to a proposed increase of 14%. Employees saw modest increases to co-pays, deductibles, and out of pocket maximums, as well as a prescription deductible to the traditional plan. Not only was this increase too large to fund in FY 2020, it was completely unsustainable moving forward in subsequent years. With these plan changes, the insurance premium cost increase was reduced to 5% in FY 2020.

This year, the City of Twin Falls realized a 9.4% increase in our overall premiums, which will cost the organization $415,093 to simply maintain the same level of benefits. In FY 2021, the City realized a 10% increase. When considering options to reduce this increase, we compared our offering to what other public employers are offering their employees. Our health care benefit remains competitive, but further changes to our plan could affect that competitive position.

One of the philosophies that has continued to guide the creation of the City's budget is that of valuing our employees. They appear at the center of our strategic plan. Without the service of our

employees, we cannot accomplish any of our strategic planning goals. Caring for our employees continues to be a guiding principle of our budget. The FY 2022 budget includes funding for the following changes in compensation:

- A 3% performance adjustment
- A continuation of our retention pay program

As an organization, we have made significant strides toward improving our competitive place in the hiring market over the last several years. Our salary tables have increased by almost 50% since 2011, and we began offering our retention pay program in December 2018. Compensation is a key component in being an employer of choice, and we feel that these continued adjustments will help us do that. We also believe that we still have room to improve the competitiveness of our salaries for specific positions. We plan to continue to push salaries forward in the coming fiscal years as the economy recovers.

4. Leveraging CDBG (Community Development Block Grant) Entitlement Community

   The City of Twin Falls accepted the status of an Entitlement Community through the U.S. Department of Housing and Urban Development (HUD) in September 2019. With our population estimated to be in excess of 50,000 residents, Twin Falls is now considered small urban and is subject to additional federal requirements. The CDBG program provides annual formula grants based on population to states, cities and counties, to develop programs that provide decent housing and suitable living environments and to expand economic opportunities for low and low-moderate income persons.

   In 2021, the City developed a Consolidated Plan and corresponding annual Action Plan, which will guide us in developing programs and services for members and areas of our community that fall into the low-to-moderate income category. For FY 2022, the City will be carrying over its 2020 allocation of $340,897, the COVID-19 enhanced allocation of $403,407 and the 2021 allocation of $356,536. In accordance with the City's plans, the City will fund capital projects (sidewalks, curbs and gutter, homelessness, affordable housing initiatives) and partner with community groups working with low-to-moderate services lanes to cover administrative costs.

Economic Indicators Considered in the Recommended Budget

The City of Twin Falls closely monitors and examines international, national, state, and local economic indicators when developing and tracking its annual appropriation measures. Over the course of the last several years, economic conditions on all levels have reflected growth and prosperity, but the effects of the Covid-19 pandemic created a swift and destabilizing level of economic uncertainty not seen since the Great Depression. When analyzing the statistics of the City of Twin Falls and as a nation, comparatively, there is an expected prosperity that is simultaneous with caution, creating an uncertainty that will influence budgetary decisions for the foreseeable future.

National

- U.S. house prices rose 12.6% in the first quarter of 2021 according to the Federal Housing Finance Agency (FHFA) House Price Index (HPI). House prices rose 3.5% from the fourth quarter of 2020 to the first quarter of 2021. The impact of COVID-19 has strongly impacted the housing market and the United States is seeing unsurpassed housing prices and demand for homes. As cited in the FHFA HPI, "House price growth over the prior year clocked in at more than twice the rate of growth observed in the first quarter of 2020. . . and In March, rates of appreciation continued to climb, exceeding 15 percent over the year in the Pacific, Mountain and New England census divisions."

- Nationwide unemployment rates increased significantly in the first half of the year, then continued a gradual decrease throughout the remainder of the year 2020 and into 2021, ending at 5.8% in May 2021. According to the Bureau of Labor Statistics, the national unemployment rate increased from January 2020's 3.5% to a high of 14.8% in April 2020, decreasing around 1-2% each month from May to October, 2020 and then hovering around 6% through May 2021.
- The stock market experienced eight of the ten largest point losses in its history in the first six months of 2020 (June 2020 – June 2020) and the Dow Jones fell to a low of 18,591 on March 23, 2020, from a high of 29,423 that had occurred just six weeks before on February 12, 2020. On March 19, 2021, just a few days removed from the 2020 low, the Dow closed at a 32,627. Record high closings have once again become common.
- Since the start of the COVID-19 pandemic, consumer confidence has continued to rebound, but has a long way from being back to pre-pandemic levels. The University of Michigan compiles a consumer sentiment rating, in which the rating for June 2021 was 86.4, up from 82.9 in May but still below April's 88.3. Confidence remains down more than 14 points from February of last year, before the pandemic. Consumers are less enthusiastic about the future, based on expectations of decelerating growth and softening labor market conditions in the months ahead. Consumers are less optimistic due to rising inflation expectations that seem to be eroding their purchasing power, as witnessed by the decline in their plans to buy cars, homes, and major appliances. Inflation expectations reversed about half of their April gain.

State of Idaho

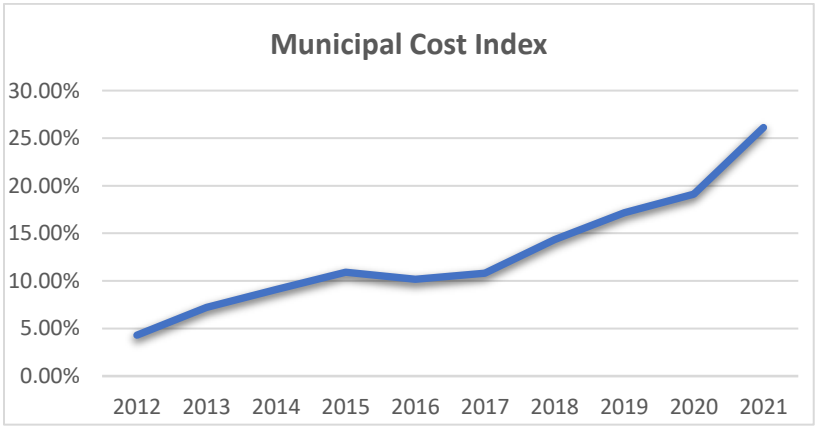
- Home prices rose in all 50 states and the District of Columbia between the first quarter of 2020 and 2021. Idaho realized the highest level of annual appreciation in the nation at 23.7%.
- Home prices rose in 99 of the 100 largest metropolitan areas in the U.S over that four quarters. Annual price increases were the greatest in Boise, Idaho at 28.2%.
- The median home value in Idaho is $389,218, an increase of 27.8% over the past year. The median list price per square foot in Idaho is $255. The median price of homes currently listed in Idaho is $575,000. Housing prices are rapidly increasing when compared to income levels, which has caused concerns about affordability.
- Statewide unemployment was 3.1% in April 2021. Year over year, April's labor market changes are dramatic and represent the magnitude of Idaho's rebound to economic recovery. Idaho's labor force is the only exception and did not experience a sharp decline during the pandemic.
- Non-farm employment, which is one of the key metrics of the state's economic health, continued to experience strong increases. In April 2021, Idaho's nonfarm jobs were up 13.1% (91,100) over last year, with every sector showing year-over-year gains after a precipitous loss of 61,700 jobs (-8.2%) in April 2020.
- Today, Idaho's total employment number is up 12.5% to 872,168, recovering from the pandemic low of 775,219 in April 2020.
- Per capita personal income (PCPI) continues to grow, but at a slower pace than in previous years. PCPI in Idaho grew by 5.8% from 2019 to 2020. At $48,616, Idaho is ranked 44th in the United States and was 81 percent of the national average of $59,729. Idaho was 24th in the nation for real personal income growth, which takes into account the cost of living, measured by regional price parity (the average price paid by consumers for the mix of goods and services in each region). Idaho's real personal income growth was 4.64% for 2019-2020.
- The May 2021 revenue projections for the State of Idaho were up significantly from what was anticipated, but much of the comparative revenue analysis is distorted because of the differing income tax filing deadlines in 2020 and 2021. Of the revenue projections: sales tax distributions are up 45.5% or $273.6 million compared to this point in the previous fiscal year, while individual income taxes are running a total of $452.2 ahead of the forecast or 61.4% more than anticipated.

City of Twin Falls

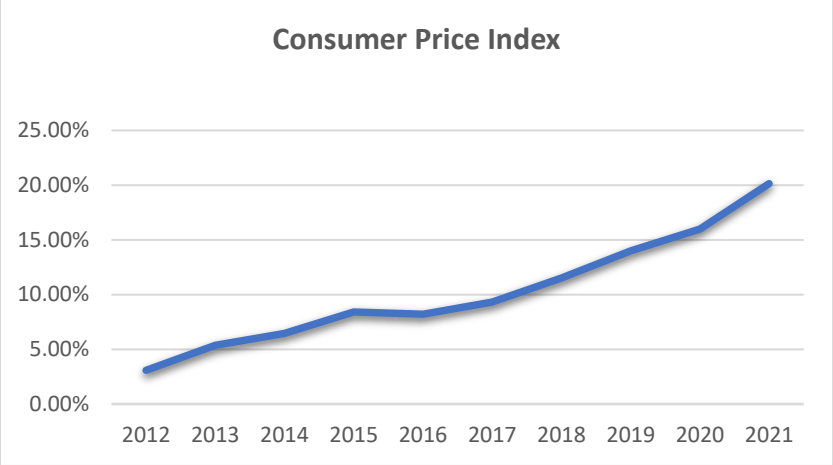
- According to the Idaho Department of Labor's Workforce Trends report, the Twin Falls metropolitan statistical area had an unemployment rate of 3.4% in April 2021. This compares to the State of Idaho unemployment rate of 3.1% and a national unemployment rate of 5.8%. The uncertainty over the danger of the virus, plus the shuttering of many businesses and industries as states implemented shut-down orders, damaged many sectors of the economy. Investors predicted that workers would be laid off, resulting in high unemployment and decreased purchasing power. Unemployment rates tripled, and in some placed quadrupled, over the span of a few weeks. In April 2020, the unemployment rate in the City of Twin Falls grew to 12.8%.
- Construction activity for Twin Falls continued on a similar pace in 2020 in terms of single-family building permits issued. There were 573 single family permits issued in 2020, which was the highest level since 2006. There have been 388 permits issued to- date in FY 2021, which exceeds the same period in 2020 by 75 permits and is 123.6% of total FY2021 permits with four months left in the fiscal year. It remains to be seen what, if any, long term impacts COVID-19 will have on the housing market and if the pace of construction will be affected.
- There were 78 new commercial building permits issued in FY2019, far surpassing the high of 61 in 2008. In FY2021, there were 58 new commercial building permits issued and to-date there have been 49 issued in the first eight months of FY2021.

Municipal Cost Index

- The economy has been improving on many fronts, the cost of offering public services and programs has also increased. The Municipal Cost Index (MCI) is designed to show the effects of inflation on the cost of providing municipal services.
- State and local government officials rely on American City & County's Municipal Cost Index to stay on top of price trends, help control price increases for commodities, make informed government contract decisions and intelligent budget planning. The MCI draws on the monthly statistical data collected by the U.S. Departments of Commerce and Labor as well as independently compiled data to project a composite cost picture. From April 2020 to April 2021, the most recent data available, the MCI increased 17.56 points or 6.99% to 268.69. The graph below shows the increase in the MCI since 2012.



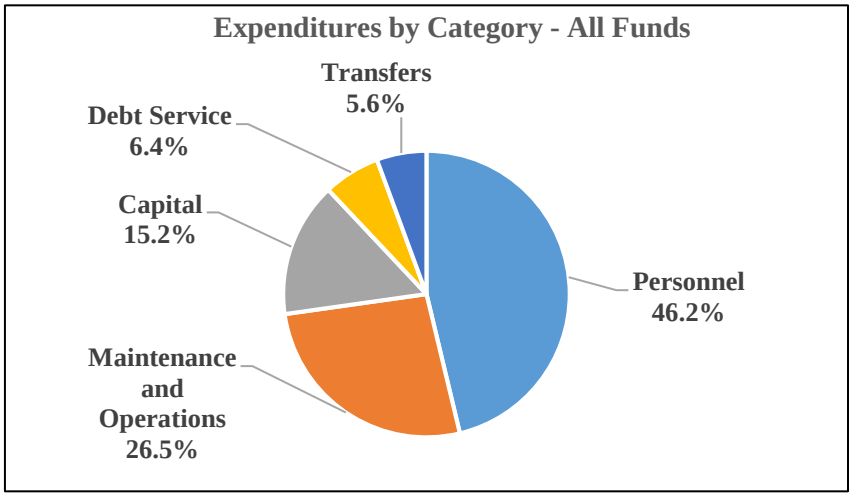
- The Consumer Price Index (CPI) is designed to show the effects of inflation on typical household goods and services. The Consumer Price Index increased 1.4 in February, 1.8 in March, and 2.2 in April 2021 for a final 267.05. The graph below shows the increase in the CPI since 2012.



2021 Fiscal Year Budget Summary

Most cities, including the City of Twin Falls, have historically focused on the "net budget," which is the total budget, as presented above, less fund transfers. The total net budget for FY 2022 is $69,325,603, or $3,476,771 (-4.78%) smaller than the $72,802,374 total for the current fiscal year.

Expenditures in this budget are classified under one of five major categories: Personnel, Maintenance and Operations, Capital, Debt Service and Transfers. The graph below shows the relative percentage of FY 2022 budget expenditures for the five major categories in all funds combined.



In most government agencies, personnel costs (salaries, wages and benefits) normally represent the largest of the expenditure categories. While municipal governments also devote a large amount of their resources to personnel, the significant investment in infrastructure drives the percentage of the budget devoted to operating and capital costs higher than most other government agencies.

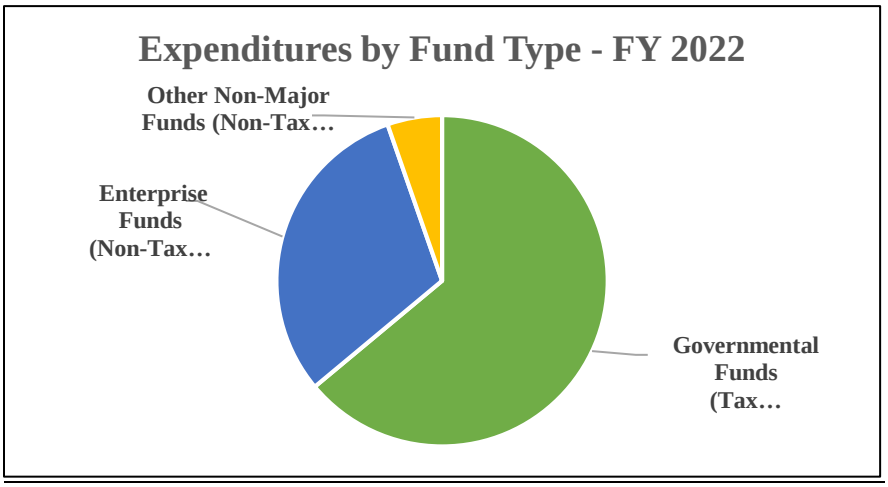
Fiscal Year 2021-2022 Expenditures

The most commonly recognized government activities are conducted through **Tax Supported or Governmental Funds**. The Tax Supported or Governmental Fund umbrella includes the following funds: General, Street, Street Light, Airport, Library, Capital Improvement, Pool, Insurance, and Fireworks. Revenues in these funds are derived primarily from property taxes, licenses and permits,

intergovernmental grants, shared revenues from the state of Idaho (sales tax, gas tax, etc.), and federal entitlements. The governmental funds include funding to support personnel, maintenance and operations, contractual services, equipment acquisitions, and capital construction projects.

Enterprise Funds account for services financed through the assessment of user fees. The main goal or purpose of these business-like funds is to provide services to customers at a price that will cover both the current cost of operations and the purchase and maintenance of necessary capital assets. The City has five separate and distinct Enterprise Funds, which include the City's Water (supply, distribution, irrigation and utility services), Wastewater (collection and treatment), Sanitation, Dierkes/Shoshone Falls, and Common Area Maintenance Funds.

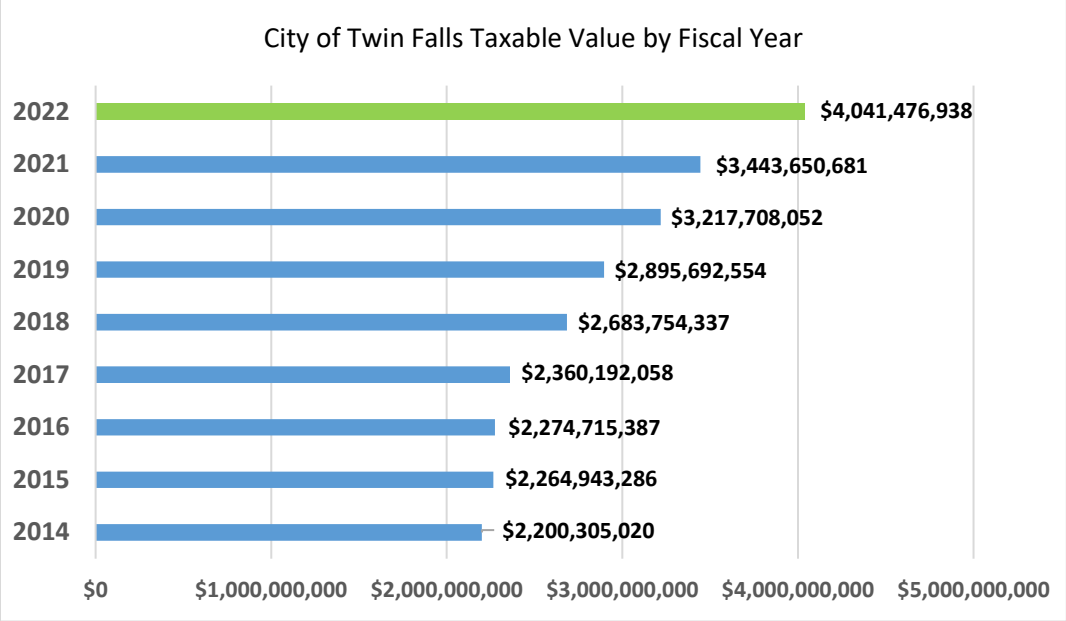
Other Non-Major Funds account for capital project, internal service, and miscellaneous funds. Included are the Impact Fee, Historic Preservation, Airport Construction, Shop, Seizures & Restitution, and CDBG Funds.



Total Assessed Valuation

According to the Twin Falls County Assessor's Office, from FY 2021 to FY 2022, the City of Twin Falls' total taxable valuation increased by $597,826,257, or 17.36%, from $3,443,650,681 to $4,041,476,938, of which $103,086,201 is the from the net new construction roll (90% of the total valuation of $114,540,223). The total increase in valuation is in addition to the $225,942,629 that was realized in the prior fiscal year. Over the course of the past two fiscal years, the City's total taxable valuation has increased by $832,768,886, or by 25.6%

As illustrated below, the taxable value used to calculate the FY 2022 tax rate for the City of Twin Falls is the largest in its history.



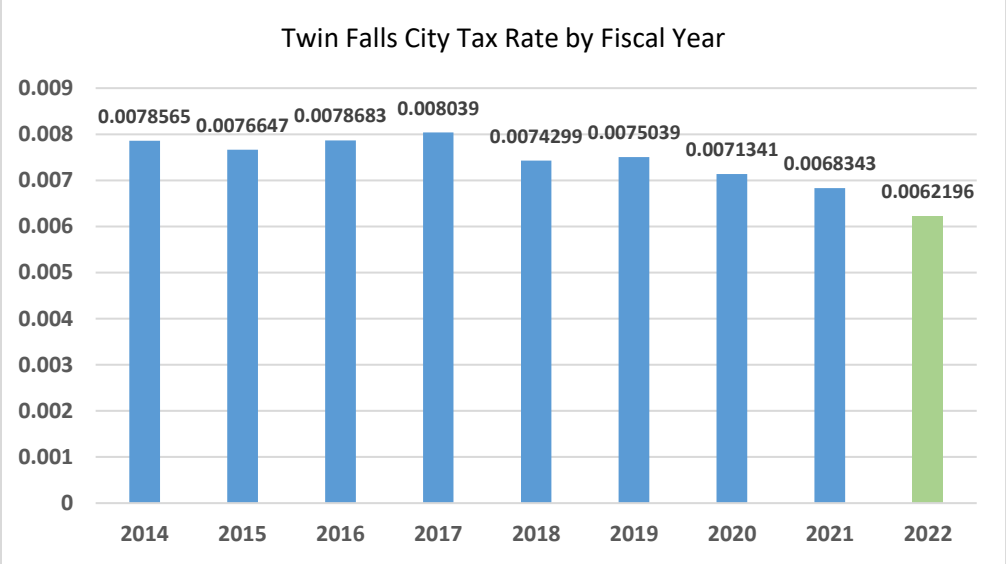
It is important to note the City's taxable value excludes the taxable value of the properties located in the Twin Falls Urban Renewal Agency revenue allocation areas. The entirety of the URA properties are in the City and have a value of in excess of $654 million. Collectively, the taxable values for both the City of Twin Falls and Twin Falls Urban Renewal Agency exceed $4,695,000,000. There are many factors that influence the City's total taxable value. Some of the larger factors include an increase in the base value from reappraisals performed by the Twin Falls County Assessor's Office, growth from new construction, and property incorporated into the City through annexation.

Property Taxes

For FY 2022, the City of Twin Falls has an estimated total taxable value of $4,041,476,938; an increase of $597,826,257 compared to the FY 2021 value of $3,443,650,681. The New Construction Roll for FY 2022 is $103,086,201, which will yield $626,259 in new property tax revenue. The Annexation Roll is $363,589, which will yield an additional $1,785. Property tax revenue derived from the New Construction and Annexation Roll is commonly referred to as the "growth formula."

The FY 2022 budget relies on property taxes to raise 55.9% of the funds needed to support municipal operations in the Governmental and Tax Supported Funds. In June 2021, the City Council and City Manager made the decision to assess the statutorily allowed three percent (3%) property tax increase as provided for in Idaho Code §63-802, plus revenue from the growth formula, and the equivalence of one-percent revenue from the City's forgone balance. The City's projected tax rate for FY 2022 is expected to decrease from $6.83/$1,000 to $6.22/$1,000 of taxable value. Based on the median value of an owner-occupied home, this will create an estimated savings of $16.61. It is anticipated total property tax collections for FY 2022 will be $25,432,235, or $1,594,967 more than the FY 2021 total of $23,837,268.

Over the last ten fiscal years, the City's tax rate has fluctuated significantly, ranging from a high of $8.04/$1,000 (FY 2017) of taxable value to a low of $6.83/$1,000 (FY 2021) of taxable value. The average of the tax rate assessed over the course of the last seven fiscal years (2015-2021) is $7.50/$1,000 of taxable value. It is important to recognize the tax rate does not necessarily indicate an individual's tax burdens. The tax rate is simply a multiplier used to determine a property owner's proportionate share of property tax liability. It is a fraction of a local government's total property tax collections divided by the total taxable value of that local government unit.



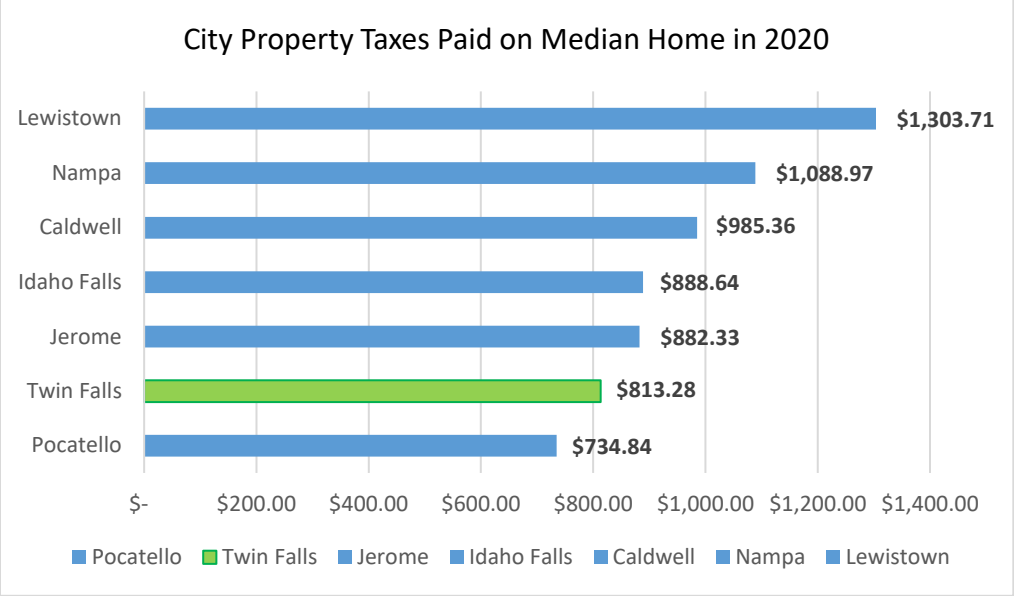
How does our Tax Rate compare to the other, large full-service Idaho cities?

We are often asked the question, "how does our tax rate compare?" The table and graph provided below are intended to provide an approximate answer to that question. Although only intended to be a rough illustration, the table and graph represent the amount of property tax paid on a median-valued, owner occupied home in each of the larger, full-service cities in Idaho. The information used in the table was collected from the Associated Taxpayers of Idaho's 2020 Levy Book (tax rate) and Zillow.

	Total Taxes Paid	Median Home Value January 2020	Tax Rate FY 2020
Pocatello	$ 734.84	$189,000	0.0077761
Twin Falls	$ 813.28	$219,000	0.0068343
Jerome	$ 882.33	$211,000	0.0079490
Idaho Falls	$ 888.64	$233,500	0.0066565
Caldwell	$ 985.36	$244,000	0.0068428
Nampa	$ 1,088.97	$255,000	0.0070256
Lewistown	$ 1,303.71	$260,000	0.0081482

Note: Idaho's median value of an owner-occupied home for this same period of time was $293,000.

For purposes of analysis, the property tax rate used is the pre-CAREs Property Tax Relief rate because not all cities elected to participate in the program due to legal concerns.

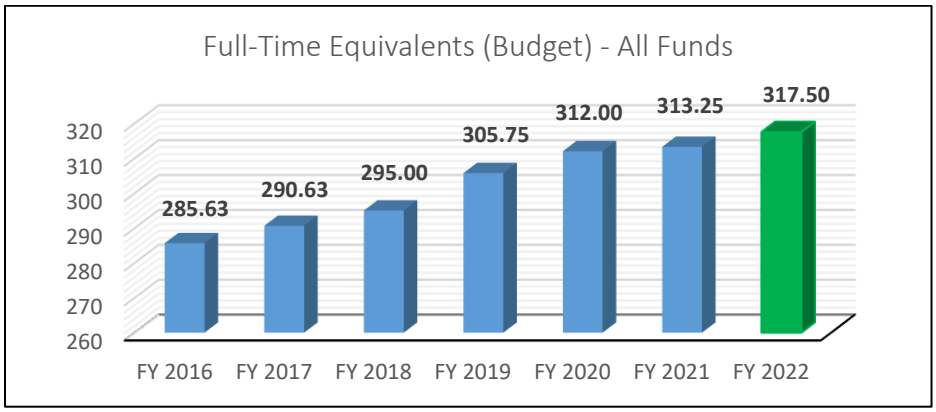


For the purposes of this analysis, the cities of Boise and Meridian were intentionally excluded because they are not directly responsible for the transportation systems in their communities; that responsibility lies primarily with the Ada County Highway District (ACHD). ACHD is an independent taxing authority specifically created for the purpose of maintaining the transportation system in these communities. For FY 2022, the Street Fund budget for the City of Twin Falls is $5,103,149, or approximately 11.22% of the total for tax supported funds.

Personnel

Focus area 8 of the City's 2030 Strategic Plan states, *"The City of Twin Falls strives to carry out its mission with unquestioned integrity, and the highest ethical standards…In support of the desired effectiveness, the elected leadership works in close partnership with appointed professionals carrying out clear policy directives. A high level of competency is provided from a lean, properly compensated and respected core staff."*

The City has a philosophy of adding full-time employees only when "need" and "sustainability" can be demonstrated. The City has an estimated population of 51,165. Based on that estimate, it has six employees per 1,000 of population. However, as the regional and urban center for a geographic area having a population of approximately 250,000, the City's daily census population grows to an estimated 90,000. This daily increase causes the number of City employees per 1,000 of population to drop to less than four.



For FY 2022, a net total of 4.25 Full-Time Equivalents were added to the budget. These additions bring the FTE count for the City of Twin Falls to 317.5.

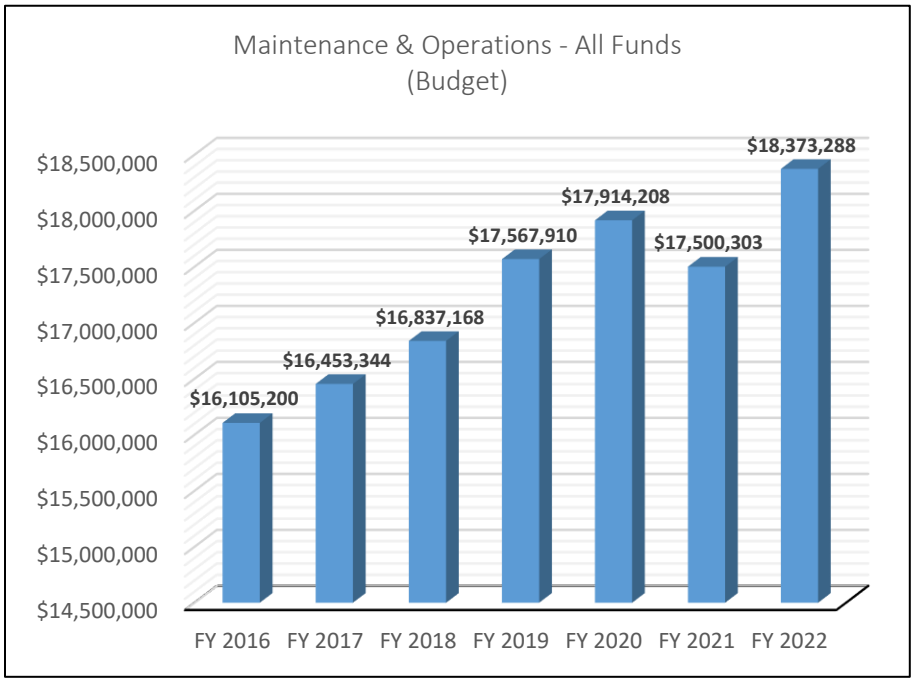
The other increased expenditures associated with personnel in the FY 2022 budget:

- Performance-based adjustment for all employees (3%)
- Increased funding for health care insurance (9.4%)

Maintenance & Operational Costs

This category includes funding for a wide range of typical activities, including office supplies, fuels, electricity, travel, training, uniforms, building/equipment repair and maintenance, and expenditures for durable goods. The City makes allocations in these areas that are based on actual expenditures from previous fiscal years, economic trends, and the municipal cost index.

The FY 2022 budget allocates $18,373,288 to cover expenses associated with maintenance and operations. In comparison, the allocation for FY 2021 was $17,500,303. This is an increase of $872,985 (4.99%) across all funds. CDBG amounts for FY 2021 ($342,000) and FY 2022 ($1,100,840) are not included in the totals. The FY 2022 CDBG amount is under a M&O line in the budget, but will be re-distributed to Personnel and Capital as needed.



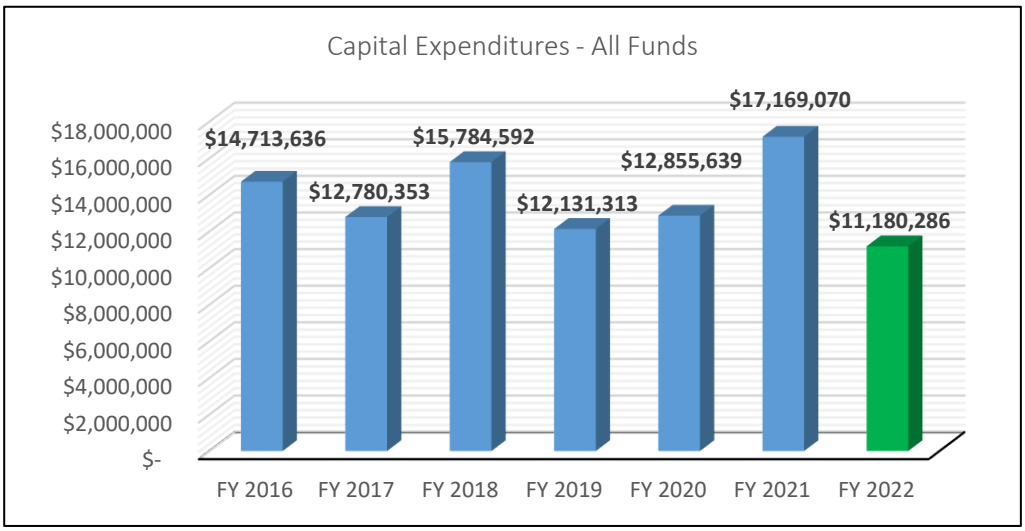
Capital Improvements

Capital improvements are investments made in our infrastructure. Six of the eight primary focus areas in the City of Twin Falls 2030 Strategic Plan are considered “capital dependent.” Capital financing is necessary for the ongoing development, expansion, maintenance, and repair of these capital assets, recognizing the critical value of civic infrastructure to the economic, aesthetic, and functional viability of the City.

The City of Twin Falls owns and maintains a diverse collection of assets and facilities, which include:

- 103 buildings and structures throughout Twin Falls, ranging from the Magic Valley Regional Airport to administrative buildings; from police and fire stations to water delivery and treatment structures;
- 1,476 acres of open spaces and developed park lands, including world-class amenities such as Auger Falls, Shoshone Falls and Dierkes Lake; and
- 640 lane miles of roadways.

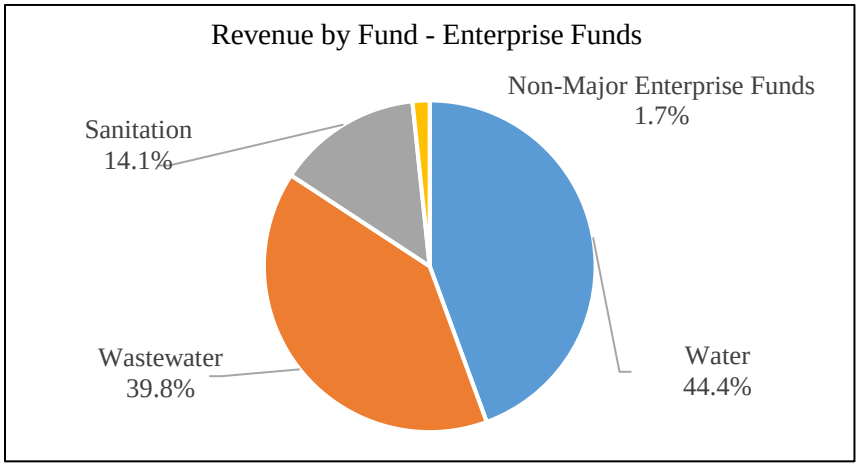
In total, the FY 2022 budget allocates $11,180,286 to fund needed, critical, and desired capital improvements, one-time equipment purchases and projects, and community amenities. Compared to the FY 2021 budget of $17,169,070, this is a decrease of $5,988,784, or 34.88%.



As illustrated in the graph above, the City of Twin Falls has budgeted $96,614,889 for capital expenditures since 2016. In addition (not included in graph), since 2012, $57,429,311 has been spent on the Wastewater Treatment Plant Improvement ($45,570,000), City Hall ($7,695,204), and Public Safety Complex ($4,164,107) projects.

Major Enterprise Fund Revenues

Enterprise Funds account for $27.88 million of the total revenues and reserves in the FY 2022 budget. Of this amount, $.29 million is cash reserves being used for capital projects.



Water Fund
The Water Fund supports the following water-related activities: water supply, water distribution, pressurized irrigation, and utility billing. For FY 2022, the City Manager is recommending a series of changes to the City's water rate structure. In 2010, the City issued a water bond to pay for improvements to the City's water system to comply with enhanced arsenic standards established by the EPA. The project paid for capital improvements (booster pump station, 24" and 30" water mainlines, and blending station) and water rights at Pristine Springs and Sunnybrook Springs. The total bond was $18.595M and each user has been paying a flat fee of $10.75 per month since its issuance.

The City has collected twenty-five percent (25%) more than what was required to make its annual debt service payment and has earmarked the additional amount for early repayment. Since its issuance, the City has collected a total of $6,410,000 and is able to pay off the bond in September 2021. Early repayment will save the City $578,000 in interest costs.

The City Manager is recommending the City Council increase its existing base water fee from $11.73 per month to $20.33 per month and its consumption fee by $0.11/1,000 gallons consumed after the first 2,000 gallons. It is anticipated the City will generate revenues similar to the mandatory arsenic compliance fee that was able to capture ($2,318,083). Residential customers and small-to-medium commercial users will see a slight decrease in their overall rate (-$1.82 per month for a 5,000 gallon per month user and -$1.27 per month for a customer using 10,000 gallons per month). Larger water users will see slightly larger monthly water bills. If adopted, the City Manager is recommending the proceeds be used to fund capital projects and mainline maintenance/replacement.

The City will have two bond issuances in the water fund remaining after the 2021 payment is made: the 2012C Bond Issuance that has one payment left of $372,000 and; the 2017A Bond that has $2.3M left, with annual payments around $850,000 until 2024.

Budgeted revenue in the Water Fund totals $13,154,559. Compared to the FY 2021 revenue and reserve total of $12,908,486, this is an increase of $246,073 (1.91%).

Wastewater Fund
The Wastewater Fund is used to support all wastewater services provided by the City of Twin Falls, namely wastewater collection and wastewater treatment. FY 2022 wastewater user rates remain the same as they were in FY 2020 and FY 2021. Budgeted revenues and reserves in the Wastewater Fund total $10,348,425, which compared to FY 2021 funding of $9,951,795 is an increase of $396,630 (3.99%).

Sanitation Fund
The City's Sanitation Fund supports the City's sanitation and recycling programs. FY 2022 sanitation user rates are projected to increase by .68%, or on average, by $.13 per customer, per month. Budgeted revenue in the Sanitation Fund totals $3,781,162, which compared to the FY 2021 total of $3,522,406 is an increase of $258,756 (7.35%)

Discussion on the City's Foregone Balance

Over the past several years, considerable time has been spent illustrating the cost-benefit analysis of using the City's forgone balance. Each year the City has elected not to take the statutory maximum increase has impacted the amount of revenue available in the following fiscal year. Simply, the base by which the three percent is calculated is smaller.

With the recent changes to local government budgeting laws (House Bill 389), cities in Idaho can only take the equivalence of 1% revenue to support ongoing operational costs and up to 3% from one-time capital projects. The forgone balance is not required to fall under the 8% property tax revenue cap.

The City of Twin Falls has had a forgone balance since the adoption of the 2009-2010 fiscal year budget. The forgone balance grew to a high of $2,186,253 in FY2017 and FY2018. Each year the Council elected not to take the statutory allowed increase; the forgone balance increased.

During the creation of the FY 2019 budget, the Council had extensive discussions about funding Council priority capital projects with forgone revenue. At the conclusion of these discussions, the Council elected to incorporate a portion of the forgone balance into the FY 2019 budget. That budget included $770,000 for the completion of several capital projects, including parks, street overlays, and the installation of curbs and gutters. The FY 2022 Budget also sets aside the $770,000 for one-time City Council directed capital projects. The list of projects will be defined during the budgeting process.

Additionally, the City Manager is requesting the City Council include the equivalence of one percent revenue, or $251,804, of forgone balance into the City's operations budget.

The table below illustrates the changes to the City's forgone balance since FY2010.

	Amount by Year	Cumulative Amount
FY 2010	$539,902	$539,902
FY 2011	$476,376	$1,016,278
FY 2012	$463,422	$1,479,700
FY 2013	-$1,123	$1,478,577
FY 2014	$8,630	$1,487,207
FY 2015	$395,464	$1,882,671
FY 2016	$266,548	$2,149,219
FY 2017	$37,034	$2,186,253
FY 2018	$0	$2,186,253
FY 2019	-$770,000	$1,416,284
FY 2020	$530	$1,416,814
FY 2021	$697,681	$2,114,495
FY 2022	-$251,804	$1,862,691

Will it cost more for City Services?

As developed and submitted for consideration, City staff projects the average citizen will save $1.64 per month or just under $20.00 per year ($19.68). The table illustrates the projected impact on the average resident in Twin Falls.

	FY 20-21 Adopted Budget	FY 21-22 Proposed Budget	Variance
Property Tax	Tax Rate: $6.83/$1,000 of taxable value	Tax Rate: $6.22/$1,000 of taxable value	Tax Rate: -$.61/$1,000 of taxable value
Median Value of Owner-Occupied Home:			
	$812.77	**$796.16**	**-$16.61**
FY 2022 - $253,000 (January 2021)	*(annual)*	*(annual)*	*(annual)*
FY 2021 - $219,000 (January 2020)	**$67.73**	**$66.35**	**-$1.38**
	(monthly)	*(monthly)*	*(monthly)*
Utility Bills			
Average Residential Customer			
Comsumption of:			
Water - 18,000 gallons	$52.27	$51.88	-$0.39
Sewer - 12,000 gallons	$30.07	$30.07	$0.00
Sanitation & Recycling	$19.06	$19.19	$0.13
Total Utility Bills	$101.40	$101.14	-$0.26
Monthly Total of Property Tax and Utility Bills	**$169.13**	**$167.49**	**-$1.64**

Approval

There is no approval process at this point in the process. The City Council will be holding a series of public hearings prior to adopting the Appropriations Ordinance for the 2021-2022 Fiscal Year. The public hearings are scheduled for August 9, 2021 (rate and fees) and August 23, 2021 (preservation for forgone balance and appropriations ordinance). Final adoption of Appropriations Ordinance is also scheduled for the evening of August 23, 2021.

Budget Impact:

There are no current budgetary or financial impacts from the conversation. From this process, we will establish the Fiscal Year 2021-2022 City Manager's Recommended Budget.

Regulatory Impact:

- Idaho Code Section 50-811 states the City Manager shall "...keep the council fully advised of the financial condition of the city and its future needs..." and "…prepare and submit to the council a tentative budget for the next fiscal year."
- Idaho Code §50-235 empowers each city council of each city to levy taxes for general revenue purposes
- Idaho Code §50-1002 requires the city council of each city in the State of Idaho to pass a budget, referred to as an annual appropriation ordinance
- Idaho Code §63-802 sets limitations on all taxing district budget requests on the amount of property tax revenues that can be used to fund programs and services. This section also states that taxing entities can only increase property tax collections by a maximum of three percent (3%) annually, plus value of new construction and annexation added during the previous calendar year, and forgone taxes that have been accumulated and reserved in prior fiscal years

Attachments

Recommended Budget for FY 2022 can be found online.