

MINUTES OF A REGULAR MEETING OF THE CITY
COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO,
HELD AT THE LIBRARY COMMUNITY ROOM

July 21, 2025

The Mayor and Council of the City of Coeur d'Alene met in a continued session of said Council at the Coeur d'Alene City Library Community Room on July 21, 2025, at 12:00 noon, there being present the following members:

Woody McEvers, Mayor

Kenny Gabriel)	Members of Council Present
Christie Wood)	
Dan Gookin)	
Dan English)	
Amy Evans)	
Kiki Miller)	

DEPARTMENT HEADS PRESENT: Troy Tymesen, City Administrator; Renata McLeod, Municipal Services Director/City Clerk; Katie Ebner, Finance Director/ City Treasurer; Ted Lantzy, Building Official; Thomas Greif, Fire Chief; Melissa Tosi, Human Resource Director; Elizabeth Westenburg, Library Director; Bill Greenwood, Parks & Recreation Director; Lee White, Police Chief; Todd Feusier, Streets & Engineering Director; Randy Adams, City Attorney; Mike Anderson, Wastewater Superintendent; and Kyle Marine, Water Superintendent.

CALL TO ORDER: Mayor McEvers called the meeting to order and noted that the purpose of the meeting was to present the preliminary budget for fiscal year 2025-2026 and to give the Council an opportunity to ask questions.

FISCAL YEAR 25-26 BUDGET: City Finance Director Katie Ebner noted that she is providing the budget outline including current revenue and expenditure projections for the General Fund, identify areas of concern, and discuss potential options for aligning the budget moving forward. She noted that she is seeking input from Council to be able to complete a budget that will be supported by Council, while working toward reducing deficit spending. Highlights of her presentation included a review of the general fund changes from last year to this year's proposed budget, noting a request for 4% in property tax revenue (3% allowed by state and 1% from foregone) for a total general fund budget request of \$59,004,637.00. She noted that interest earnings have been good; however, not something that can be assured of in the future. Ms. Ebner provided an explanation of the levy rate and its effect on the possible new growth amounts. She reviewed the interfund transfers noting it would be \$393,928 less for Fiscal Year 2026 as no transfer of impact fees will be budgeted at this time, as qualifying projects are planned. Regarding General Fund expenditures, Ms. Ebner noted they are proposed to be less due to the completion of the Police Department expansion capital project, which reduced the budget substantially. Ms. Ebner noted that the largest growing category is wages/benefits. The proposed budget includes the requested addition of one building department Permit Technician to assist in meeting the

requirements imposed by I.C. 39-4118 and three custodial staff instead of contracted services. Ms. Ebner reviewed the property tax scenarios based on 1% versus 4%, demonstrating a difference between residential and commercial properties. She reviewed the challenges to city finances, noting that growth is not generating substantial new revenue, rather the levy rate dictates that only \$185,000 is expected from new growth revenue next year. Additionally, recent legislation limits the revenue from urban renewal areas to only 80%. Even with the maximum allowable property taxes, the City is projected to be at a budget deficit. She provided a review of growth versus growth revenue for the past 10 years, demonstrating the substantial downward trend. Ms. Ebner recommended that Council approve the 4% property tax increase, keep wages conservative, and evaluate strategic positions to capture savings without impacting core services. She explained that ongoing expenditures versus revenues require \$2,503,638 to be deducted from the General Fund balance, also noting that employee contract negotiations have not been finalized.

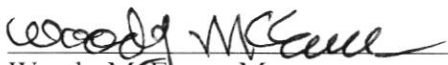
Ms. Ebner explained the City's urban renewal areas and their impact on property tax revenue. She explained the closure process/timing and the impact it would have on the budget, specifically related to the Health Corridor District, which would result in 257,623 in ongoing revenues as well as a one-time payout of \$310,560.00.

DISCUSSION: Councilmember Wood requested the ongoing fees and penalties from the County to be added at \$75,000.00 a year. Ms. Ebner noted that she tries to budget conservatively for some of the smaller accounts and focuses on the larger accounts. Councilmember Wood clarified that they are seeking all revenue sources to avoid unnecessary cuts. Councilmember Wood asked about interfund transfer and a potential easement fee to the utilities for general fund property use and asked for Council to have a future discussion on that topic. Councilmember Gookin asked for clarification regarding the health insurance costs. Ms. Tosi explained the difference in coverages and opting out of the city's plan and VEBA expenses. Councilmember Wood asked for clarification regarding the Fire Department constant manning, with Chief Grief explaining the minimum staffing is based on a negotiated agreement. If someone calls in sick or injured, they are required to call someone in and noted that they have three current vacancies. The manning model is based on a safety standard of three per truck and ambulances with a minimum of two, and overtime is paid if someone is called in to meet those levels. Councilmember Gookin expressed concern regarding the amount of overtime needed to meet the manning requirements and asked when it would be the right time to hire more staff. Chief Grief noted it would depend on the number of injuries and sick leave, so it is a gamble. He does have predictable upcoming retirements and would look to bring people in early to get them to the academy, as it is approximately 4 months before they complete the necessary training to hit the ground running. Councilmember Gookin would like to get off the cycle of seeking G.O. Bonds and would like a line item to phase in the purchases. Chief Grief noted that they have looked at phasing in the purchases and they would have to allocate approximately \$900,000 a year to pay for a fire engine ladder. He felt it would be a challenge to put that kind of money in the budget while the City is looking to reduce the budget already. Councilmember Gabriel clarified that the increase in overlay is to just maintain the roads, not fix the deficiencies. He asked about upcoming Building Inspector retirements, with Building Official Ted Lantzy noting that it will take several months to train an inspector, depending upon their experience and it has been a really hard position to fill. Councilmember Wood noted that she sent out an email with a lot of questions and asked each department to provide options for cutting 1% of their budgets as a way for the Council to have a good conversation regarding the

budget. Ms. Ebner stated that she is collecting that information from departments and will send the response to the Council. Councilmember Gookin suggested asking other cities what they are going to be asking for as far as percentage of property tax requests to demonstrate to the public that we are in concert with our peers. He also asked about offering a retirement incentive, with Mr. Tymesen noting that there has been no projected cost savings when they look at that option. Mr. Tymesen noted that in two weeks, Ms. Ebner will present the highwater mark resolution, noting that new growth numbers have not been provided yet, and the City is still looking at medical. He noted that departments work hard to be efficient and bring in reasonable budget requests. He noted that three quarters of the General Fund consists of expenses related to employees and the City needs to finalize employee contract negotiations. The Council requested another workshop prior to the final budget public hearing.

MOTION: Motion by Gookin, seconded by Gabriel, that there being no other business, this meeting be adjourned. **Motion carried.**

The meeting adjourned at 1:35 p.m.


Woody McEvers, Mayor

ATTEST:


Renata McLeod
City Clerk