

JUNE 29, 2026

A SPECIAL CITY COUNCIL MEETING was called to order by Council President Larry Hogg at 5:00 PM with the following present:

ROLL CALL:

PRESENT: Joseph Vaughn, Katie von Brethorst, Stephen Fenske, Larry Hogg and John Srholec.

ABSENT: Herb Haun and Lisa Horzen.

STAFF: Natasha McDaniel, Mike Campbell, Margaret Taggart, Ron McDaniel, Lonnie Chambers, Mackenzie Kissell, Bill Taylor, Riley Hall, Timbra Long, Troy Krahn and Sherri Breaux.

GUESTS: None.

Pledge of Allegiance was led by Mackenzie Kissell. **5:04:08 PM**

NEW BUSINESS:

APPROVE APPOINTMENTS TO THE FIRE DEPARTMENT PANEL – Action Item. 5:04:36 PM. Council President Larry Hogg requested a motion to remove this item from tonight’s agenda to allow Mayor Haun to present his appointments.

Motioned by Katie von Brethorst and seconded by Joseph Vaughn to remove item one from tonight’s agenda.

AYES: Larry Hogg, Katie von Brethorst, Stephen Fenske, John Srholec and Joseph Vaughn.

NAYES: None.

ABSTAINED:

MOTION CARRIED.

CONSIDER THE CLOSURE OF THE GREEN HOUSE – Action Item. 5:05:19 PM

City Clerk Natasha McDaniel requested City Council consider closing or dissolving the Green House After School Program. A thorough discussion followed including questions and comments from Council Members, Clerk McDaniel, Chief Krahn and Mike Campbell.

Discussion covered current uses of the Green House, program statistics from 2024 to 2026, asset reallocation, cost savings, possible interest in the Green House by the Boys & Girls Club, and the possible availability of scholarships and/or funding for kids not able to pay the \$40.00 per year Boy & Girls Club fee.

5:18:39 PM - Motioned by John Srholec and seconded by Stephen Fenske to dissolve the After School Program at the Green House on July 31, 2026.

ROLL CALL VOTE

AYES: Larry Hogg, Stephen Fenske, John Srholec, Joseph Vaughn and Katie von Brethorst.

NAYES:

ABSTAINED:

MOTION CARRIED.

DEPARTMENTS TO PRESENT BUDGET ITEMS FOR FY2027 – Action Item. 5:19:17 PM

Mike Campbell, all the incomes are pretty well set pending any changes to rates. We could also see a small fluctuation in tax revenues before the budget is set. There is a 3% Cola and scheduled step increases reflected in line items -11 through -30 in every budget. Supervisors will cover capital expenditures they are asking for.

GENERAL FUND:

Police Department: Page 4 – 5 5:22:45 PM

- 11 Personnel Services increase 122,792. 3% Cola and Steps.
- 19 Overtime decrease 5,000.00 moved to -20.
- 20 Sickleave Payout & Cobra 7,500.00. moved from -19 plus increase.
- 21 Social Security decrease 3,977.00. included SRO last year.
- 22 State Retirement decrease 8,873.00. included SRO last year.
- 25 Group Insurance increase 26,040.00.
- 26 SRO Payroll Expense. Same. Social Security and State Retirement are included in this amount. Last year it was included in -21 and -22 above so was accounted for twice, that is why we are negative in those line items this year.

Reviewed by Police Chief Troy Krahn. **5:23:01 PM**

- 27 Uniform and Clothing Allowance, increased 22,000.00. Daily wear vests.

They are trying to get two grants. A Federal Bullet Proof Vests Grant that will cover about 30% and a Lohr Grant for parts on the vests. Daily wear vests hit their 5-year expiration limit this year

- 32 Operating & Special Dept Supplies, decreased 31,000.00. Moved funds into three separate line items -36, -37, and -38.
- 36 Lexipol - 10,500.00. Law enforcement operating policy.
- 37 Taser – Axon 9,660.00. 5-year contract ends next year.
- 38 Body Cams – Axon current contract about 13,000.00 with AI Draft One 33,500.00. Current Axon contract ends 1/1/2028.
- 39 ILETS – increase 15,200.00 moved funds from line item -54 plus cost increase.
- 42 Professional Services – increase 2,000.00.
- 50 Custodial – increase 200.00.
- 52 Utilities – increase 200.00.
- 54 Rental Property and Equipment – decreased 15,200.00, moved to -39.
- 64 Dispatch – increase 3,351.00. 3% annual increase.
- 69 Drug Testing – increase 500.00.
- 72 After School Program – decreased 2,000.00.
- 74 New Police Cars – 80,000.00. Would like to replace one car per year for safety and reliability reasons.

TOTAL POLICE DEPARTMENT: \$2,325,083.00 increase of \$115,893.00.

Fire Department: Page 5 6:08:04 PM

Mike Campbell will review the following budgets: Fire, Building Inspection, Animal Control, Swim Pool, Vendome, Special Events, Building Maintenance, Shop and Stores. Ron McDaniel will review the Parks when he does the Streets budget.

- 32 Operating & Special Department Supplies – increase 8,875.00. 3% annual increase.
- 42 Professional Services – increase 10,000.00. Funds to form district.

TOTAL FIRE DEPARTMENT: \$314,625.00 increase of \$18,875.00.

Building Inspection Department: Pages 5 – 6 6:08:37 PM

- 11 Personnel Services – increase 3,705.00. 3% Cola and Step Increase.
- 21 Social Security – increase 283.00.
- 22 State Retirement – increase 435.00.
- 25 Group Insurance – increase 1,860.00.

TOTAL BUILDING INSPECTION DEPARTMENT: \$134,331.00 increase of \$6,283.00.

Animal Control Department: Page 6 6:08:50 PM

- 11 Personnel Services – increase 3,619.00. 3% Cola and Step.
- 21 Social Security – increase 181.00.
- 22 State Retirement – increase 415.00.
- 26 Group Insurance – increase 1,860.00.
- 52 Utilities – increase 500.00.
- 61 Repair & Maintenance – Auto – increase 500.00. Repair cost on 2000 Ford Ranger.

TOTAL ANIMAL CONTROL DEPARTMENT: \$146,311.00 increase \$7,075.00.

Swim Pool Department: Page 7 6:09:21 PM

- 11 Personnel Services – increase 400.00.
- 21 Social Security – increase 189.00.
- 32 Operating/Special Department Supplies – increase 2,000.00. Required Red Cross Lifeguard equipment and chemical supplies cost increases.
- 49 Personnel Training – increase 1,000.00. Covers certification costs.
- 51 Telephone & Communications – increase 100.00.
- 62 Repair & Maintenance – Other – increase 2,000.00.

TOTAL SWIM POOL DEPARTMENT: \$68,630.00 increase \$5,689.00.

Vendome Maintenance: Pages 7 – 8 6:10:08 PM

- 11 Personnel increase 2,888.00. 3% Cola and Step.
- 19 Overtime increase 200.00.
- 20 Sickleave Payout & Cobra increase 850.00.
- 21 Social Security increase 222.00.
- 22 State Retirement increase 345.00.
- 25 Group Insurance increase 1,860.
- 76 Other Machinery & Equipment increase 6,000.00.

VENDOME MAINTENANCE BUDGET: \$158,348.00 increase \$6,365.00.

Special Events: Page 8 6:10:23 PM

- 45 Events – Fireworks 20,000.00. Most of the cost is covered by donations.
- 64 and -85 Grant lines are always a net zero, we don't use them unless we receive them and we only spend what we take in. They do not impact the bottom end.

SPECIAL EVENTS: \$857,500.00. No change.

Building Maintenance Department: Page 8 6:11:46 PM

- 50 Custodial & Cleaning Services increase 584.00. Just rounded it up.

TOTAL BUILDING MAINTENANCE DEPARTMENT: \$46,000.00 increase \$584.00.

Shop Department: Page 8 6:12:07 PM

TOTAL SHOP DEPARTMENT: \$7,668.00. No changes.

Stores Department: Pages 8 – 9 6:12:09 PM

- 32 Inventory Adjustment Account increase 500.00.

TOTAL STORES DEPARTMENT: \$40,825.00 increase \$500.00.

TOTAL GENERAL FUND REVENUES: \$4,137,013.00

TOTAL GENERAL FUND EXPENDITURES: \$4,873,519.00

TOTAL GENERAL FUND: \$736,506.00- deficit (includes all requests).

LIBRARY FUND: Pages 10 – 11 6:13:07 PM

Reviewed by Timbra Long.

- 11 Personnel Services increase 1,969.00. 3% Cola
- 12 Library Clerks increase 1,775.00.
- 21 Social Security increase 338.00.
- 22 State Retirement increase 240.00.
- 25 Group Insurance increase 1,860.00.
- 53 Internet Expense increase 2,600.00
- 79 Building Acquisition 150,000.00. Library expansion fund.

Mike Campbell, they have the fund balance to cover this if the opportunity arises. Timbra added that they would like to purchase the building south of them and add on to the library if that opportunity arises.

LIBRARY FUND REVENUE TOTAL: \$241,060.00.

LIBRARY FUND EXPENDITURE TOTAL: \$393,534.00.

TOTAL LIBRARY FUND: \$152,474.00- deficit.

Park Department: Pages 6 – 7 6:18:35 PM

Ron McDaniel will review the Park Department and the Street Fund expenditures.

- 11 Personnel Services increase 3,476.00. 3% Cola and Step.
- 21 Social Security increase 266.00.
- 22 State Retirement increase 415.00.
- 25 Group Insurance increase 930.00.
- 34 Minor Equipment increase 300.00.
- 51 Groundskeeping increase 1,236.00.
- 75 Major Equipment increase 6,500.00. ½ cost for new Side-by-Side split with Streets.
- 79 Fishpond no change. Melon Foundation Grant. Shows in fund balance but we already received the money last year.
- 01-79 Parks Dept Grant decrease 120,000.00. No grant budgeted.

TOTAL PARK DEPARTMENT: \$142,908.00 decrease \$106,870.00.

STREET FUND: Pages 12 – 14 6:22:07 PM

Mike Campbell noted that in the street revenues under State Fees -02 Idaho Highway Distribution there was a significant decrease of \$123,640.00.

04-431.01

- 11 Personnel Services-Streets increase 4,586.00. 3% Cola and Steps.
- 12 Seal Coating – Snow Removal decrease 55,000.00. The remaining 20,000.00 is set aside for savings.
- 19 Overtime increase 2,900.00
- 20 Sickleave Payout & Cobra increase 2,100.00.
- 21 Social Security increase 351.00.
- 22 State Retirement increase 550.00.
- 25 Group Insurance increase 4,650.00.
- 31 Office Supplies increase 50.00.
- 32 Operating & Special Dept Supplies increase 971.00.
- 42 Professional Services decrease 40,000.00 from the Traffic Study.
- 49 Personnel Training decrease 695.00.
- 51 Telephone increase 200.00.
- 61 Repair & Maintenance – Auto decrease 2,500. Moved to -62.
- 62 Repair & Maintenance – Other increase 2,500.00.
- 64 Dispatch increase 75.00.
- 75 Pathway Grant Projects decrease 250,000.00.

- 76 Machinery and Equipment decrease 60,000.00. Leave 75,000.00 to purchase 1/3 of Backhoe with hydraulic thumb and ½ of Side-by-Side.
- 79 Projects decrease 1,258.00.
- 80 Transportation Plan Grant 255,000.00 still in there, we don't know when it finalizes.
- 81 Transportation Plan Match-Grant still has 19,000.00, it could be gone in final budget.

04-431.02

- 11 Personnel Services-Storm Sewer. No change.
- 32 Operating & Special Dept Supplies decrease 1,400.00.

04-431.03

- 11 Personnel Services-Street Light increase 3,738. 3% Cola and Step.
- 19 Overtime increase 250.00.
- 21 Social Security increase 286.00.
- 22 State Retirement increase 449.00.
- 25 Group Insurance increase 1,860.00.
- 32 Operating & Special Dept Supplies increase 500.00.

04-433.00

- 11 Personnel Services-Sanitation increase 3,740.00. 3% Cola and Step.
- 19 Overtime increase 200.00
- 21 Social Security increase 286.00
- 22 State Retirement increase 449.00
- 25 Group Insurance increase 1,860.00

STREET FUND REVENUE TOTAL: \$1,124,734.00

STREET FUND EXPENDITURE TOTAL: \$1,255,534.00

TOTAL STREET FUND: \$130,800.00- deficit.

6:25:55 PM –Larry noted that if we remove the \$75,000.00 in capital expenses from this fund balance, as this is what fund balance is designed for. And if the \$19,000.00 from line item -81 finalizes that will leave a fund balance of \$36,800.00-. Larry Hogg asked Ron McDaniel to think about how to get the Fund Balance to zero. A lengthy discussion followed.

TORT FUND: Page 15 6:32:50 PM

Reviewed by Mike Campbell. Mike noted that this is where most our Liability Insurance is paid for, the rest of the \$194,00.00 comes out of the department budgets.

TORT FUND REVENUE TOTAL: \$116,463.00

TORT FUND EXPENDITURE TOTAL: \$116,463.00

TOTAL TORT FUND: \$0.00 Balanced Budget.

CAPITAL MAINTENANCE FUND: Page 16 6:33:28 PM

Mike Campbell, this is funded through miscellaneous rebates and things.

- 73 City Hall ADA/Safety Upgrade. Left the \$40,000.00 in this budget, we made a dent in upgrades this year but we will have to continue the work for the next few years. We have some major door replacements and more ADA upgrades that have to be completed including lowering the front counter.

CAPITAL MAINTENANCE REVENUE TOTAL: \$0.00

CAPITAL MAINTENANCE EXPENDITURE TOTAL: \$40,000.00

TOTAL CAPITAL MAINTENANCE FUND BALANCE: \$40,000.00-

RECREATION FUND: Page 17 – 18 6:34:10 PM

Reviewed by Mike Campbell.

- 11 Personnel Services increased 5,545.00
- 12 Assistants decreased 2,500.00
- 19 Overtime increased 500.00
- 20 Sickleave Payout & Cobra increase 2,100.00. New line item.
- 21 Social Security increased 424.00
- 22 State Retirement decreased 338.00
- 25 Group Insurance increased 2,800.00
- 32 Operating & Special Dept Supplies decreased 2,339.00
- 51 Telephone & Communications increased 100.00
- 54 Rental Property and Equipment decreased 300.00

RECREATION FUND REVENUE TOTAL: \$287,314.00

RECREATION FUND EXPENDITURES TOTAL: \$289,414.00

TOTAL RECREATION FUND BALANCE: \$2,100.00- deficit.

AIRPORT FUND: Page 19 6:35:00 PM

Reviewed by Mike Campbell.

Source: 338

10-338.00-03 County Taxes – Airport no change 53,560.00. Asked County for increase.

Department 437:

- 46 Liability Insurance increase 400.00
- 60 Repair & Maintenance – Bldgs decrease 15,000.00.
- 62 Repair & Maintenance – Other increase 60,000.00. Upgrade Transformer and Asphalt.
- 01-77 F.A.A. Grant No change. May go away, waiting for pay-out.
- 02-77 State Grant. No change. Pay-out about May 2027.

AIRPORT FUND REVENUE TOTAL: \$1,209,960.00

AIRPORT FUND EXPENDITURE TOTAL: \$1,316,984.00

TOTAL AIRPORT FUND: \$107,024- deficit.

Mike Campbell noted that this is worst case scenario and added that he thinks we can balance this budget by reducing some of the building improvements that do not have to be done at this time including the transformer upgrade. Mike added that half of it can be mitigated by timing, and how new hangers can help contribute to extending the power.

WATER SERVICE FUND: Pages 20 – 21 6:39:16 PM

Mike Campbell explained that the Water Taps revenue 30-347.00-00 is an estimate, this year it looks like we could exceed that number again. It depends on new development. No change.

Expenditures:

- 11 Personnel Services increase 24,689.00. 3% Cola and Steps.
- 13 Admin/Office Staff increase 2,645.00
- 14 Fleet/Purch/Public Work Staff increase 1,671.00
- 19 Overtime decrease 4,600.00. moved to -20.
- 20 Sickleave Payout & Cobra increase 4,600.00. new line item.
- 21 Social Security increase 1,752.00
- 22 Retirement increase 2,747.00
- 25 Group Insurance increase 11,160.00
- 26 Support Staff Insurance increase 2,610.00

Reviewed by Bill Taylor. **6:40:42 PM**

- 32 Operating & Special Dept Supplies increase 10,000.00.
- 42 Professional Services No change but it could go up.
- 43 DEQ Connection Fees increase 9,900.00. The cost per connection could double to \$8.00 if Congress approves it so we have to add it into our budget.

6:42:53 PM - Bill Taylor noted that our 1970's model intakes in the middle of the river are at the end of their life cycle, that will be about a \$10,000,000.00 project to replace them, so the more we can put in our savings the less the bond will be.

6:43:16 PM – Clerk McDaniel noted that when you go out for those bonds a lot of times they look at your rates to see if the rates will cover the bond payment. At this time our rates won't touch what the bond payment would be, we would not qualify for a bond. When we tell you we need to look at our rates and do rate studies it's not just to cover infrastructure or operating costs, it affects everything. Mike Campbell added that all this will be reflected in the rate study. Bill Taylor noted that a few years ago we cut our tap fees in half, we were looking pretty good until we did that.

- 46 Liability Insurance increase 400.00
- 75 Update Plant Equipment increase 150,000.00. Predictive holder to replace critical Plant functioning equipment if it fails. We have critical equipment getting to the end of their life cycles.
- 76 Other Machinery and Equipment increase 50,000.00. Purchase mid-size pickup.
- 79 Construction Projects decrease 284,231.00. Last year this included part of the Reservoir 1 Rehab.
- 83 Bond Principle increase 558.00
- 84 Bond Interest decrease 6,526.00

WATER SERVICE FUND REVENUE: \$1,887,280.00

WATER SERVICE FUND EXPENDITURES: \$2,087,280.00

TOTAL WATER SERVICE FUND: \$200,000.00- deficit.

ELECTRIC SERVICE FUND: Pages 22 – 23 6:51:53 PM

Mike Camppbell reviewed the Miscellaneous revenues on page 22.

- 00 Miscellaneous Receipts decreased down to \$25,000.00. Reduced to a more realistic number so, we do not inflate the bottom line in revenue. This revenue is from infrastructure upgrades from subdivisions.
- 01 Rebates / UAMPS increase 100,000.00. New line item to receive and pay out rebate funds.
- 54 is the funds out line item.

Expenditures:

- 11 Personnel Services increase 28,461.00. 3% Cola and Steps.
- 13 Admin/Office Staff increase 2,647.00
- 14 Fleet/Purch/Public WK Staff increase 1,674.00
- 20 Sickleave Payout & Cobra increase 1,120.00
- 21 Social Security increase 1,900.00
- 22 Retirement increase 3,700.00
- 25 Group Insurance increase 7,440.00
- 26 Support Staff Insurance increase 2,604.00

Reviewed by Wayne Wallace: **6:53:55 PM**

- 31 Postage & Office Supplies increase 500.00
- 32 Operating & Special Dept. Supplies decrease 300.00
- 46 Liability Insurance increase 400.00
- 49 Personnel Training increase 1,300.00
- 51 Telephone increase 300.00

- 53 Bonneville Power increase 200,000.00
- 54 Rebates / UAMPS increase 100,000.00. This is the out for miscellaneous revenue -01.
- 59 System Transformers increase 150,000.00. Transformers for subdivisions. New line item.

6:55:03 PM – Mike Campbell, we buy the transformers then get reimbursed by the developer, but we also have to buy a backup for every transformer in our system.

- 64 Dispatch increase 150.00. 3% annual increase.
- 72 Pole Yard Building Upgrade decrease 75,000.00. 50,000 to finish Pole Yard Building.
- 76 Other Machinery and Equipment increase 50,000.00. Shared cost for backhoe.
- 79 Construction Projects decrease 36,000.00

ELECTRIC SERVICE FUND REVENUE: \$3,748,270.00
 ELECTRIC SERVICE FUND EXPENDITURES: \$4,520,211.00

TOTAL ELECTRIC SERVICE FUND: \$771,941.00- deficit.

7:01:19 PM – Mike Campbell, \$200,000.00 of the fund balance is the reduction in the miscellaneous revenue line and \$200,000.00 in Bonneville Power cost. \$144,000.00 of that is our portion of a judgement against Bonneville that we will pay for the next two years on top of a rate increase. That still leaves a \$371,941.00- deficit. This is definitely leaning on a rate study.

7:03:18 PM – Larry Hogg, if we approve this budget we are pretty much tying ourselves into some kind of rate increase for electricity. Mike Campbell, either that or we will be digging into their fund balance for a while.

7:03:42 PM – Clerk McDaniel, even if we increased rates 3% or 4% across the board annually, it would only add \$10 to \$15 per month to resident's bills. Discussion followed. Mike stated that we should have the Electric Rate Study by the August meeting.

GARBAGE COLLECTION FUND: Pages 24 – 25 7:06:10 PM

Reviewed by Mike Campbell.

Expenditures:

- 11 Personnel Services increase 3,075.00. 3% Cola and Steps.
- 13 Admin/Office Staff increase 1,645.00
- 14 Fleet/Purch/Public WK Staff increase 1,671.00
- 21 Social Security increase 325.00
- 22 Retirement increase 1,325.00
- 25 Group Insurance increase 3,720.00
- 26 Support Staff Insurance increase 2,604.00
- 46 Liability Insurance increase 400.00
- 61 Repair & Maintenance – Auto increase 1,000.00
- 62 Repair & Maintenance – Other increase 50,000.00. Have arm failing on a truck.
- 64 Dispatch increase 80.00. 3% annual increase.
- 76 Purchase New Garbage Truck decrease 55,765.00. -62 expense reduces amount we could have saved toward a new truck.
- 77 Mosquito Abatement decrease 1,000.00. Zeroed out.

Transfers Department:

- 48 Transfer to Sewer for wage decrease 2,080.00

GARBAGE COLLECTION FUND REVENUE: \$612,450.00
 GARBAGE COLLECTION FUND EXPENDITURES: \$612,450.00

TOTAL GARBAGE COLLECTION FUND: \$0.00. Balanced Budget.

SEWER FUND: Pages 26 – 27 7:08:00 PM

Sewer Receivables:

- 00 Sewer Revenues decrease 127,000.00. Winter water usage is down which then decreases sewer rates for a whole year. Our sewer rate is also significantly lower than I think it should be. The Sewer Rate Study should be done by our August meeting.

Expenditures:

- 11 Personnel Services increase 33,500.00
- 13 Admin/Office Staff increase 2,647.00
- 14 Fleet/Purch/Public Wk Staff increase 1,671.00
- 19 Overtime increase 1,100.00
- 20 Sickleave Payout & Cobra increase 3,250.00
- 25 Group Insurance increase 11,160.00
- 26 Support Staff Insurance increase 2,604.00

Reviewed by Lonnie Chambers: **7:09:48 PM**

- 41 Fry Foods Lab Test Expenditures increase 35,000.00 new line item. Fry Foods Samples.
- 42 Professional Services decrease 148,000.00. No engineering for new design.
- 46 Liability Insurance increase 400.00
- 51 Telephone & Alarms increase 1,000.00
- 64 Dispatch increase 150.00. 3% annual increase.
- 76 Other Equipment increase 650,000.00. Combo Truck (\$611,000.00) and Backhoe share.

7:22:46 PM - Mike Campbell noted that we really have to start digging into I.N.I. we are taking in a lot of ground water and by the time we find it, dig it up and repair it, it is expensive. We are treating double the water Bill is making so we are getting significant I.N.I.

7:23:42 PM – Joseph Vaughn reminded Council that during the audit report this was the department that was called out to look at raising rates.

- 79 Projects decrease 107,308.00
- 81 Bond-Principle increase 2,535.00
- 82 Bone-Interest decrease 2,732.00

SEWER FUND REVENUE TOTAL: \$1,367,080.00
SEWER FUND EXPENDITURE TOTAL: \$2,283,475.00

TOTAL SEWER FUND: \$916,395.00- deficit.

\$916,395.00 - \$650,000.00 (capital expenditures) = \$266,395.00- deficit.

ADJOURNMENT – Action Item. 7:30:46 PM

Motioned by Joseph Vaughn and seconded by Katie von Brethorst to adjourn.

AYES: Larry Hogg, Katie von Brethorst, Stephen Fenske, John Srholec and Joseph Vaughn.

NAYES:

ABSTAINED:

MOTION CARRIED.

THIS SPECIAL CITY COUNCIL MEETING WAS ADJOURNED AT 7:30:51 PM

Larry Hogg, Council President

Natasha McDaniel, City Clerk

