

BUDGET REVIEW SESSION
Rapid City, South Dakota
August 7, 2007

Pursuant to due call and notice thereof, a Budget Review Session of the City Council of the City of Rapid City was held at the City/School Administration Center in Rapid City, South Dakota on Tuesday, August 7, 2007 at 8:00 A.M.

The following members were present: Mayor Alan Hanks, Council President Malcom Chapman and the following Alderpersons: Lloyd LaCroix, Tom Johnson, Deb Hadcock, Bill Okrepkie, Ron Weifenbach, Karen Olson, Ron Kroeger, and Sam Kooiker. The following Alderperson arrived during the course of the meeting: Bob Hurlbut; and the following were absent: None.

The meeting was called to order by President Chapman. He acknowledged Mayor Hanks, who presented a budget overview, stressing that his budget is balanced without the use of a tax increase from the 3% CPI. The Council was presented with the 2008 proposed budget and a list of unfunded requests. Chapman informed the Council that a proposed timeline for adoption would be discussion at Legal & Finance Committees on August 29 and September 12, followed by adoption of the appropriation ordinance on September 17.

Mayor Hanks presented the Mayor/Council budget, the Emergency or Contingency budget which he recommends be funded at \$150,000 and the budget for the proposed Community Resource Officer. He discussed his expectations of this new department, which was funded by reallocating rather than adding positions.

Linda Anderson appeared to explain the budget request for the expanded Dahl operations. She is requesting \$29,208 over the Mayor's recommendation for management costs, in addition to increased utilities and other operating costs. Johnson indicated that at a future time he wished to discuss using 2012 funds to cover additional operating costs of facilities constructed with 2012 funds.

Police Chief Allender discussed budgets for Police, Detoxification Center, Dispatch, and Jail. He noted that two officers are being funded by a DUI Grant, but that just replaced the two officers being funded by the STOP Grant. He requested that the additional two officers be funded if money is available. He was asked to provide additional information on the impact of not funding these officers, and also the impact of the County's decision not to fund Animal Control and Shelter. Legislation is being considered to increase and expand the 911 surcharge which partially funds the Dispatch Center. Allender also discussed the \$65,920 budget for jail and the \$409,831 for the Detoxification Center. Johnson noted that these are County functions to which the City voluntarily contributes. Kooiker recommended that both activities be included in one department so citizens can see the impact they have on City taxpayers. The Council determined to further discuss functions to which the City voluntarily contributes, and also to discuss the County Library contract.

Growth Management Director Elkins discussed budgets for her departments. She noted that the budgets included three additional inspectors that would be funded for at least two years due to the new mall that will be constructed. Revenue from permits, etc. for the mall will provide the funding. Johnson indicated the City should consider adding inspectors, because not providing sufficient inspectors is "pound wise and penny foolish." He indicated that lack of proper

inspections leaves the City with poorly constructed infrastructure, causing an additional burden on taxpayers.

Library Director Chapman discussed the general library budget and noted that negotiations were continuing with the County. They have requested funding of a satellite library at General Beadle School, which would make financial sense because they could share facilities with the School. The \$114,524 cost and 1.5 positions are not funded at this time. They also requested funding of a space use study.

Alderman Hurlbut entered the meeting.

CVB Director Lintz requested an additional 3% funding from the "Bed & Booze" excise tax, plus \$75,000 from the General Fund. Economic Development Director Demersseman presented his request for \$225,000 and was asked to provide a current line item budget and a breakdown of how the current allocation is being spent. Representatives from the Chamber of Commerce were also present to answer questions regarding their \$30,000 request, which was unchanged from 2007.

Fire Chief Shepherd discussed budgets of the Fire & Emergency Services, Ambulance, Dive Team and Hazardous Materials budgets. He noted that the Council has recently approved adding an additional front line ambulance and crew. He is planning for a new east side station which will require an addition of 12 employees in approximately 2010. Okrepkie noted the need for a facility where the dive team could keep their boats, dry out wet suits, etc.

Parks and Recreation Director Cole discussed the budgets of Parks, Cemetery, Golf Courses, Recreation, Swimming and Ice. He noted budgeting includes a 12-month operation of the Ice facility. He also presented a request of \$10,000 for an urban wildlife plan, which will be placed on the unfunded list. He requested that the Council review his request for a landscape architect to be funded from the 2012 Fund rather than hiring outside consultants for this purpose. He indicated he is attempting to negotiate a contract with the new hockey team for ice time. If he is successful, the City subsidy for the Ice facility would decrease considerably.

Discussion was also held on the budgets of the City Attorney, Advocates for Community Enhancement (ACE) and Community Development. The Mayor has proposed that 50% of the time of the ACE employee be spent on code enforcement, and that grant funds be located to fund this position in the future. A group was also present to discuss the need for funding affordable housing and how the City could assist. Discussion was held regarding requiring developer to provide affordable lots or housing, or having the City explore resources that would be available to assist with affordable housing. Community Development Specialist Garcia was requested to provide further information.

The meeting adjourned at 4:00 p.m.