

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

April 27, 2026

The Mayor and Council of the City of Coeur d'Alene met for a workshop at the Coeur d'Alene City Library Community Room on April 27, 2026, at 12:00 p.m., there being present the following members:

Dan Gookin, Mayor

Amy Evans	)	Members of Council Present
Dan Sheckler	)	
Dan English	)	
Kiki Miller	)	
Christie Wood	)	
Kenny Gabriel	)	Member of Council Absent

**DEPARTMENT HEADS PRESENT:** Ron Jacobson, Interim City Administrator; Renata McLeod, City Clerk/ Municipal Services Director; Ted Lantzy, Building Official; Katie Ebner, Finance Director; Bill Deruyter, Fire Deputy Chief; Melissa Tosi, Human Resources Director; Elizabeth Westenburg, Library Director; Adam Rouse, Interim Parks and Recreation Director; Hilary Patterson, Community Planning Director; Ryan Hunter, Chief Deputy City Attorney; Dave Hagar, Interim Police Chief; Todd Feusier, Streets and Engineering Director; Mike Anderson, Wastewater Director; and Kyle Marine, Water Director.

**CALL TO ORDER:** Mayor Gookin called the meeting to order. He noted that the purpose of the meeting was to provide an opportunity for the Council to discuss Fiscal Year 2026-2027, including goals and priorities. He added that department heads are present if there are specific questions about their respective departments.

**PRESENTATION ON BUDGET UPDATE:** Finance Director Katie Ebner provided an update on the FY 2024-2025 general fund actuals, current year general fund budget-to-actual analysis, and multi-year general fund financial projections. Preliminary audit figures, with the audit expected to conclude in late May or early June and return to Council for approval at the June 16 meeting, indicate a \$1.65 million use of fund balance, which is significantly better than the originally budgeted \$4 million deficit. For the current fiscal year, spending patterns are tracking consistently with normal seasonal trends, with personnel costs comprising the majority of expenditures and being relatively predictable despite vacancies and anticipated summer impacts from increased tourism on EMS and police staff. Overall, the General Fund is on track, the mid-year focus remains on financial stability and monitoring potential risks, and no Council action is recommended for the current year budget at this time. Current savings in wages and benefits may reduce operational deficit from \$1.8 million to \$ 1.1 million. Key items being monitored include Fire Department constant staffing, intergovernmental revenues and grant reimbursement, overtime trends in key departments, and staffing levels and vacancy projections. Fire Department overtime

related to constant staffing is down 23% year to date following the addition of new firefighter positions, with further improvement expected as more hires are trained and deployed. Intergovernmental revenues, such as state-shared liquor tax, remain variable and are closely monitored. The General Fund 2026 budget for wages and benefits is \$47.8 million with \$24.4 million actual spent from October through March. Projected wages and benefits for the remainder of the fiscal year reflect continued savings driven by current staffing vacancies, resulting in an estimated total of \$47.0 million, an estimated potential savings of \$725,498.00 from general fund wages and benefits could reduce the General Fund operational deficit from \$1.84 million to about \$1.12 million for the year; however, these savings are not ongoing, as they depend on fluctuating vacancy levels and must be recalculated annually. Looking ahead, multi-year projections for FY 2026 assume \$56.8 million in revenue and \$58.7 million in expenditures, resulting in a \$1.1 million annual shortfall and ending reserve level at 28% which is above the GFOA-recommended 25% minimum. Assumptions for future years include modest annual revenue growth from property taxes and foregone taxes and average annual personnel cost increases of \$1.3 million. For FY 2027, the General Fund is projected to have a \$1.9 million annual shortfall. FY 2028 shows a similar shortfall due to projected property tax growth roughly matching anticipated personnel cost increases. By FY 2029, despite slightly higher levy growth, continued cost pressures would lower reserves to about 17.16%.

Councilmember English noted that while a 25% fund balance is considered the recommended “gold standard,” there has historically been comfort operating closer to the 15% range, provided the trend does not continue downward. Ms. Ebner replied that the primary concern is the presence of an ongoing structural deficit, which could accelerate fund balance depletion if unexpected costs arise. Councilmember English mentioned about school districts commonly using bridge or tax-anticipation financing to manage cash flow. City Administrator Ron Jacobson noted that while it used to be the norm some years ago, most of the cities are now in a position that has become an issue. He raised concern about the uncertainty of long-term revenue projections given the impact of state legislative actions that can significantly reduce City revenues and are difficult to forecast. Ms. Ebner emphasized that while many revenue factors are outside local control, Council does have flexibility with property tax decisions and greater control over expenditures.

Councilmember Miller asked what the revenue would be if the 1% foregone was taken away. Mr. Jacobson explained that 1% of the City’s current levy is at \$290,000. Even with the full 3% allowable levy increase and an additional 1% of foregone taxes, total new revenue would be just over \$1 million, which is still insufficient to cover the projected \$1.3 million annual increase in employee costs. He further clarified that the 1% foregone tax is not restricted and can be used for operations, while an additional 3% foregone option would be restricted to one-time capital projects use and would reduce future foregone capacity.

Ms. Ebner reviewed financial scenarios and explained that assuming no revenue growth and even with flat expenditures, it would rapidly deplete the fund balance and reduce reserves below acceptable levels by FY 2029. She noted that without a property tax increase, closing the deficit would likely require eliminating approximately 18 positions while also assuming no further increases in wages, benefits, or operating costs. Ms. Ebner emphasized that the City is already operating efficiently, with fewer employees per capita than in 2010. Legislative constraints on revenue growth were also noted as a key challenge, reinforcing the need for additional revenue

options to deal with growth. Limited flexibility exists through foregone property taxes, including a potential one-year additional levy for eligible capital projects, which could generate about \$870,000 in one-time capital funding. Ms. Ebner explained that capital expenditure allows eligible equipment with a useful life of at least 10 years. This requirement excludes most routine vehicles, such as police or departmental cars, but would allow larger long-term investments like certain street projects and other infrastructure improvements. Councilmember English inquired on the eligibility of fire apparatus as capital expenditures, noting that fire trucks typically have an expected useful life of 10 years. Ms. Ebner confirmed that fire apparatus can be included in the category. She also noted that this approach could serve as a financial tool, allowing the City to fund such capital needs on an annual basis and potentially reduce reliance on issuing bonds.

Councilmember Wood reiterated the need for a three-year strategic financial plan supported by clear Council direction and requested that the topic be scheduled for future agenda discussion. Drawing on her experience with a school district and a college, she described how those organizations successfully addressed deficits through intentional strategic planning and difficult but necessary budget decisions. She emphasized that while the City may not adopt those same approaches, it would benefit from evaluating strategies that have proven effective elsewhere. Councilmember Wood cautioned against continued reliance on repeated tax increases and the use of fund balance, noting the cumulative impact on residents already facing rising taxes. She advocated for proactively addressing the deficit to achieve a balanced, dependable budget for departments, and encouraged staff to help develop a plan to reduce at least \$1.5 million from the budget over three years, with the goal of restoring long-term financial stability and potentially reinvesting in priority services in the future.

**COUNCIL PRIORITIES DISCUSSION:** Mayor Gookin shared concern regarding the City's growing reliance on software subscriptions, totaling approximately \$784,000 annually, with costs that are renewed each year and typically increase over time. He suggested that Council explore strategies to reduce dependence on subscription models, including bringing certain systems in-house or identifying alternatives. He shared successful examples within the Police Department, such as the Viper and Venom systems, were cited as proof that internal solutions can yield significant cost savings. Mayor Gookin also discussed anticipated property tax actions, with the likely use of the 3% increase plus 1% foregone to maintain operations, and the option for Council to consider an additional one-time 3% levy restricted to capital projects. He asked Council to prioritize potential uses for this funding, such as street improvements or other eligible capital needs. He noted that the City has historically taken little to none of its available foregone property tax capacity, resulting in a substantial accumulated amount. He expressed concern that future legislative actions could significantly limit or eliminate the use of foregone taxes, suggesting the City may need to exercise this authority while it remains available. He also requested that Council members complete their priority lists to help guide the allocation of any foregone or unexpected revenues. Ms. Ebner stated that the City's foregone balance is about \$6.8 million.

Mr. Jacobson commented that having a list of priorities from Council has proven effective in other cities. Having established priorities helps both staff and Council quickly identify where additional funds should be applied and supports clearer decision-making. He shared Councilmember Gabriel's top two priorities: restoring street overlay and chip seal funding to at least \$1.5 million to maintain a safe, up to date roadway system; and addressing software updates for Building and

other departments. The latter reflects a balance between improving efficiency through technology while carefully evaluating the long-term cost of expensive software subscriptions versus potential in-house solutions. Mayor Gookin mentioned that the Building Department is self-funded and that any investments such as software upgrades would be supported through departmental revenues

Councilmember English and Councilmember Sheckler noted they had not yet completed their priority lists but committed to submit to Ms. Ebner before the next budget discussions.

Councilmember Wood shared her priority list focused primarily on public safety and infrastructure needs. Top priorities included police and fire services, streets, and essential Police Department capital items, such as purchasing nine police vehicles, installing a secure gate at the Police Department to protect officers in the vehicle access area, and acquiring a command vehicle, and a lift station for the Streets Department to repair all the cars. The second major priority identified was the Fire Department, specifically re-roofing Fire Station 3. The roof, which is 26 years old and nearing the end of its life, is not covered by bond funding and was noted as a preventative maintenance need.

Councilmember Evans indicated she would submit her priority list to Ms. Ebner. She stated the need to closely review street overlay, concerns about staffing levels and workload in the prosecutor's office, and whether additional positions might help address caseload pressures. She also noted interest in reviewing staffing needs at the Fire Department, including whether adding positions could help.

Councilmember Miller said that she would like to gather more information from this meeting to be more factual. She asked for clarification on the proposed strategic plan if the goal is to pursue a three-year strategic financial plan, led by the Finance Director, with the goal of achieving a balanced budget by the end of that period, potentially through reducing approximately \$1.5 million from expenses. Councilmember Wood confirmed that the goal is to have a balanced budget at the end of three years. She acknowledged that this would be a difficult process, but she sees it as necessary given concerns that the City's current financial model is not sustainable. Councilmember Miller agreed but cautioned that frequent and significant changes at the state level could limit the usefulness of long-term planning. She further asked about the roof repair at the Fire Department that was mentioned as a priority, whether this item can be covered by the 3% capital improvement additional tax. Ms. Ebner explained that there is typically a difference between repair and maintenance, but projects that extend the useful life of a building, such as adding ten years to its lifespan, may qualify as capital improvements. She added that she will get clarification from the State Tax Commission.

Councilmember Miller asked whether road projects, such as overlays, are eligible under the 3% tax request and whether the tax rate would need to be adjusted if additional state-allocated funding became available, or if it would remain unchanged. Mr. Jacobson expressed the view that the 3% capital improvement tax should remain unchanged even if additional funds become available. The tax revenue is intended to address identified, unfunded capital needs, such as roof or gate repairs, that would otherwise have to be deferred and budgeted in future years. Any additional state or other funding received should be used to mitigate shortcomings or help address those same unmet needs, rather than to reduce the tax. Given that the projected 3%, approximately \$870,000, would

cover only limited projects, the funds are not considered extra or discretionary, but rather necessary to address critical needs identified by Council and staff. Ms. Ebner stated that if the Council chooses to pursue the additional 3% for capital funding, project priorities should be identified as early as possible. Many capital projects require significant lead time for planning, permitting, and potentially hiring engineers, so early action would help ensure projects can be completed within the fiscal year.

Councilmember Miller raised several budget and program review priorities beyond individual line items, including evaluating the true costs of city events, reviewing franchise fee agreements to ensure rate increases are up to date and all revenues are being collected, and examining departmental programs for efficiency. She mentioned that the Parks Department had prior staffing challenges that led to adding full-time positions and suggested a review to determine whether those positions are still necessary year-round. She emphasized evaluating programs and staffing holistically rather than making isolated service cuts.

Councilmember English supported the idea of developing a strategic plan, noting that it would provide stability and continuity, particularly with an upcoming election year and the possibility of Council turnover.

Councilmember Wood noted the need for difficult cost-saving decisions, such as leaving an interim position unfilled, and addressed broader financial challenges facing cities due to strained, partisan state-local relations. She stressed that cities are nonpartisan and focused on local needs, but limited state support and revenue constraints have forced tax increases on residents. She underscored the importance of acknowledging these political realities and working to rebuild relationships at the state level to better advocate for city interests.

Mayor Gookin shared that the Mayors of Coeur d'Alene, Rathdrum, Post Falls, and Hayden have met to coordinate efforts to lobby the legislature and communicate shared concerns. He noted that the Mayors indicated they plan to take the full 4% property tax increase this cycle. One idea raised by a mayor was to base property tax increases on total property value rather than the prior year's budget to better account for growth, although it is unlikely the legislature would support such a change.

**AMENDMENTS TO MUNICIPAL CODE SECTION 2.72.010:** Municipal Services Director Renata McLeod, in her staff report, noted that Council last reviewed potential changes to the Municipal Code related to Mayor and City Council salaries in 2023. Since then, clarification has been needed to align the code with existing policy regarding Medicare eligibility. Staff recommends the language that ends City medical plan eligibility for the Mayor or Council members (and spouses) once they become Medicare eligible, while allowing non-Medicare-eligible spouses or dependents to remain covered under certain conditions. Additionally, the Mayor has requested discussion on how future salary increases should be handled, noting that the current provision for automatic annual cost-of-living adjustments is unclear to the public and does not provide Council an easy mechanism to forgo increases. Options include addressing salary changes during the annual budget workshop or revisiting the issue in an election year, with consideration of Idaho Code 50-203, which requires compensation ordinances

to be adopted and published at least 75 days before any general city election and effective January 1 following the election, meaning any amendments would not take effect until January 1, 2029.

**DISCUSSION:** Mayor Gookin explained that this stemmed from a conflict between existing city code, which entitles elected officials to the same benefits as city employees, and a 2015 Council resolution requiring officials to enroll in Medicare at age 65. The proposed amendment clarifies Medicare eligibility and related spousal benefits to resolve this inconsistency. The other concern is about the transparency of the current salary language for elected officials, noting that while base salaries are listed, annual cost-of-living adjustments are described as a formula rather than clear dollar amounts. For greater public transparency, Mayor Gookin suggested expressing salaries as discrete annual amounts, similar to how other cities, such as Boise, structure their code, and requested Council input on how future salary information should be presented.

Mr. Jacobson shared that Post Falls' approach to elected official compensation has evolved over time. Although earlier plans included built-in increases that were rarely used, salary adjustments are now addressed every two years during the budget process rather than being automatic. In election years, the Mayor and Council are consulted to determine whether to include a pay increase. Ms. McLeod asked if they were changing their municipal code every two years. Mr. Jacobson explained that salary adjustments for elected officials in Post Falls are no longer handled through standing provisions in the municipal code but are instead addressed during the budget process every other year, with the code amended only if a change is approved. Regarding benefits, it was noted that in Post Falls, the Mayor and Council may continue participating in the city's health benefits even after turning 65.

Mayor Gookin explained that a 2015 Mayor and Council decision required elected officials to move to Medicare at age 65 to reduce healthcare costs, and the current action item simply corrects the inconsistency between that decision and the city code. He emphasized the need for clarity and noted that Council may proceed now or postpone the item to add language delaying any salary-related changes until two future budget cycles.

Councilmember English expressed support for reviewing and potentially increasing compensation for the Mayor and Council, noting that the current annual pay of \$15,000 does not meaningfully keep pace with the cost of living. He stated that realistic compensation is important for attracting and retaining qualified individuals. He suggested tying elected official compensation to a small percentage of the average salaries of key city leadership positions, such as the City Administrator, City Attorney, and fire and police chiefs, to ensure fair and consistent adjustments over time.

Councilmember Sheckler appreciated the idea of transparency to the public and supported maintaining automatic cost-of-living adjustments for elected officials' salaries to avoid frequent ordinance changes. He suggested that publishing the current annual salaries on the city website each year could provide clear public information without requiring the code to be revised regularly. Councilmember Miller expressed support for Councilmember Sheckler's idea and asked whether staff could bring it forward as a formal action item at a regular council meeting, with appropriate language drafted. Ms. McLeod confirmed that an ordinance will be brought forward to make the needed amendment.

**FIRST MOTION:** Motion by English, seconded by Wood to direct staff to draft an Ordinance amending M.C. 2.72.010, to add the Medicare language and to add salary language as follows: that the annual increase for Mayor and Council would be determined by allowable increase on a defined percentage of the average annual salaries of the Police Chief, Fire Chief, City Administrator, and City Attorney.

**DISCUSSION:** Councilmember English explained that the intent of his motion is to establish a clear, formula-based method tied to key leadership compensation that adjusts over time without requiring frequent revisits by Council.

Mayor Gookin indicated that the need is to have a specific dollar amount or a clear calculation method for elected officials' compensation. He noted that the current system relies on a percentage-based cost-of-living adjustment tied to non-exempt employees.

Human Resources Director Melissa Tosi noted that compensation data for Mayors and Councilmembers is frequently requested by other cities and is often included in classification or compensation studies. She stated that elected official salaries are commonly compared across jurisdictions, similar to other positions within an organization, and suggested that establishing pay based on market comparisons with peer cities would provide a reasonable and widely accepted baseline for determining appropriate compensation.

**AMENDED FIRST MOTION:** Motion by English, seconded by Wood to direct staff to draft an Ordinance amending M.C. 2.72.010, to add the Medicare language and to add salary language as follows: the Mayor and Council salaries would increase from \$15,000 to \$20,000 annually, and the Mayor's salary would increase by \$10,000 from its current level.

**DISCUSSION:** Mayor Gookin asked if the proposed increase would take effect in two years, remaining static thereafter. Councilmember English explained that his proposal to raise Mayor and Council salaries by fixed amounts is meant to keep it simple and get compensation to a more reasonable level, and leave it to future Councils to revisit if needed.

Councilmember Sheckler noted his earlier suggestion to keep the existing municipal code language unchanged regarding salary adjustments, stating that the current cost-of-living methodology is workable and not difficult to calculate. To improve transparency, he suggested simply having the City Clerk publish the Mayor and Council salaries annually on the city website as they change. He added that if Council wishes to reconsider whether salaries should be increased or decreased, that discussion could be placed on a future agenda, but a code amendment is not necessary to achieve public transparency.

Ms. Tosi explained that the current salary adjustment process is straightforward and easy to calculate. When the ordinance was first adopted, Council salaries were set at \$15,000, and the following year a 3% market adjustment applied to staff resulted in a simple \$450 increase.

Councilmember Wood abstained to vote as she is not directly opposed to the motion. She stated that she would like to look at the idea of having a market analysis. Councilmember English voted Aye while Councilmembers Sheckler, Evans, and Miller voted No.

**Motion failed.**

**SECOND MOTION:** Motion by Sheckler, seconded by English, to direct staff to draft an Ordinance amending M.C. 2.72.010, to add the Medicare language and to leave the existing salary language as it is, but to direct staff to do a market analysis.

**DISCUSSION:** Councilmember Miller asked if the intent is also to request staff to publish the Mayor and Council salaries annually on the city website as they change.

**AMENDED SECOND MOTION:** Motion by Sheckler, seconded by English, to direct staff to draft an Ordinance amending M.C. 2.72.010, to add the Medicare language and to leave the existing salary language as it is, but to direct staff to do a market analysis and to publish the Mayor and Council salaries annually on the city website as they change.

**DISCUSSION:** Councilmember Evans asked if the comparison of Mayor and Council salaries to other cities can be included in the upcoming wage study and Ms. Tosi replied that she can likely complete the analysis sooner on her own. Councilmember Sheckler asked whether there will be any cost to doing the evaluation, and Ms. Tosi confirmed that there is no cost. She added that some cities provide the same benefits to Mayor and Council as to regular employees, while others do not, so the benefits package is an important part of comparing total compensation.

**Motion carried.**

**DISCUSSION ON MAYOR TERM:** Mayor Gookin introduced a discussion about whether the City of Coeur d'Alene should consider transitioning from a part-time to a full-time mayor, prompted by public interest online and the ongoing interviews for a City Administrator. He noted that many Idaho cities, both larger and some smaller than Coeur d'Alene, already have full-time mayors who act as the chief administrative officer, often with a Chief of Staff instead of a City Administrator. He emphasized that this proposal is not for the current term but would be presented to voters for future consideration, with implementation aligned to a later mayoral election so candidates clearly understand the role. The intent is to seek Council's approval to place the question on the ballot and to begin a discussion that weighs potential cost savings.

Councilmember Sheckler responded that if the City were to transition to a full-time mayor model, the mayor salary would need to be significantly increased to attract qualified candidates with the necessary leadership experience. He stated that the role would require a mid- to late-career professional who is capable of effectively leading the City. Without a substantial salary adjustment, he cautioned that strong candidates may be unable to afford to take the position, ultimately limiting the city's ability to recruit top talent. Mr. Jacobson agreed that transitioning to a full-time mayor would require a higher salary to attract qualified candidates and noted that, outside of Boise, many Idaho mayors earn less than might be expected for the responsibilities of the role. He cited examples where mayoral salaries are relatively modest given the size and complexity of those cities. While acknowledging that overall costs might balance out by pairing a full-time mayor with lower-cost support staff instead of a City Administrator, he stated that the mayor's salary would still need to be competitive enough to attract a qualified mayor.

Councilmember Miller asked whether comparative work is being done to clearly define how responsibilities would shift among the Mayor, potential Chief of Staff, and existing roles, and how that structure would function over time. She also highlighted the value of a City Administrator in maintaining institutional knowledge and organizational continuity, pointing out that frequent mayoral turnover due to elections could make it difficult to provide stable leadership if the Mayor serves as the chief operating officer. Mayor Gookin noted that shifting to a full-time mayor would be a major change but one that other cities have successfully implemented. Drawing from conversations with mayors in cities like Lewiston and Meridian, he emphasized the importance of experience and strong staff support like having a Chief of Staff. He clarified this is not an immediate proposal but an idea worth studying for the future. Councilmember Miller suggested getting an overview of the pros and cons from other cities that have made the change and the reasons behind their decisions. Councilmember Wood agreed to bring forward comparative information for review.

Mayor Gookin reiterated that there is no intention to make any change to the Mayor's role during the current term. Instead, the goal is to present the question to voters and ensure that the structure is in place before the next mayoral election so future candidates clearly understand whether they are running for a full-time or part-time position.

Mayor Gookin noted that Council will do a recess and hold a workshop for the City Administrator applicant interviews on April 29. He explained that the said workshop would be conducted during an executive session, with the Interim City Administrator facilitating the questions to streamline the process. Councilmembers were invited to submit any specific questions they would like to ask of the candidates to Mr. Jacobson and Ms. Tosi.

**RECESS: MOTION:** Motion by Wood, seconded by Miller to recess to April 29, 2026, at 1:00 p.m. at City Hall Ron Edinger Conference Room, 710 E. Mullan Ave., for a workshop regarding City Administrator applicant interviews. **Motion carried.**

The meeting adjourned at 1:19 p.m.