**MINUTES**

**SPECIAL MEETING**

**DOWNEY CITY COUNCIL**

**TUESDAY, AUGUST 25, 2020**

**7:00 PM**

**ATTENDANCE:** Mayor Rex Nielsen, Gary Barnes, Dan Wilson, Grant Johnson, Bonnie

Hill and Brenda Kay.

**PATRONS:** Barbara Hill and Bryce Hollingshead. Michael Ewing arrived late.

**Call to Order:** Mayor Nielsen called the meeting to order at 7:00 p.m. and

welcomed everyone.

 Gary Barnes offered the invocation and led the group in the Pledge of Allegiance.

**ACTION ITEM: Consider Approval of a Lease Agreement with Jessica Murray to lease the Downey Community Center Office Space at 21 South Main: Dan Wilson moved to approve the Lease Agreement with Jessica**

**Murray to lease the Downey Community Center office space at 21 South Main, for $100 per month, seconded by Bonnie Hill, by roll call vote: Gary Barnes, aye; Dan Wilson, aye; Bonnie Hill, aye; and Grant Johnson, aye.**

**ACTION ITEM: Public Hearing – Proposed Fiscal Year 2020-2021 Budget:** Mayor Nielsen opened the Public Hearing for comment. There were no

comments.

**ACTION ITEM: Public Hearing – Proposed Fiscal Year 2020-2021 Foregone Balance:** Mayor Nielsen opened the Public Hearing for comment.

There were no comments.

Mayor Nielsen explained Bryce Hollingshead is here tonight regarding a possible budget matter due to concerns Bryce has about the Yahoo email accounts the City is planning to change over to.

Bryce reported Yahoo recently had another breach, just like they did in 2013, when they had the world’s largest breach. The current breach exposed over 30,000 records. These are paid accounts with Yahoo. Bryce is a cyber security specialist, so he studies this because he cares about his clients. With the City being one of his clients, he feels the City should be made aware that there are not only security risks by going with Yahoo email, but now there is going to be worse issues because the information has been leaked and the hackers now have a back door into Yahoo. This is another issue he told the City about when he first talked about Yahoo’s free or paid email accounts. After talking with the City, he went back to the drawing board and found that our expense initially sounds fantastic. However, Yahoo gives temporary admin controls, but eventually they start charging for it when one wants the “good stuff” on the admin controls. It is a common practice for these companies because that is how they make their money. The City’s cost then jumps exponentially. The next cost he was unaware of, is when Brenda checked with Yahoo and they said they are only willing to create email accounts, not move data.

If one has not been backing up information correctly off-site, one’s data integrity is in jeopardy. The moment one thinks about migrating to a new service, one must create an assessment by a migration plan. It will take 60 to 90 days to transfer data perfectly. He reported the City has a great thing going with GoDaddy, and it is expensive, but the City is getting a lot of things with security that is behind the scene.

Bryce explained the data integrity is extremely important because it has our people, here in Downey’s information, including names, sometimes social security numbers, phone numbers, email addresses and even IP Addresses, which we do not see, which is all a hacker needs to have a great time. Yahoo is 100% vulnerable to this. Gmail hashes, which means it compares everything you are doing to what it sees on the server, so it is 100% what you are getting.

Bryce feels going to Yahoo is going to be a nightmare. Transferring all the City’s data, with integrity, will cost close to $2,000. Bryce stated if the downeyidaho.us email is important to everyone; he can do that on another platform. Bryce talked to a lot of his friends who do tech work for other cities throughout the state and found most people fall back to what is free. The reason for this is free Gmail accounts are more secure than paid Yahoo accounts because of the cyber security penetration testing done by Gmail. It is a very secure platform. If the City wants to save money, going to a free Gmail obviously saves money because it is free, but no one can manage it. No one can look at your email. If one goes to the paid accounts, admin has access to the email accounts. As far as the budget, Bryce is concerned because he is afraid as the City gets into this, it is going to get very costly. The budget item is going to increase, and he will not support the City on an admin page with Yahoo. He will support the City on everything else, but his company name is on the line. He does not support Yahoo primarily because of cyber risk security breaches that he cannot have on his record. A blemished record ruins one in IT. Bryce wants to make sure the City has all the facts before they go with Yahoo.

The Council agreed to hold off on switching to the Yahoo email accounts.

**ACTION ITEM:** **Consider Approval of Annual Appropriation Ordinance:**

**CITY OF DOWNEY**

**ORDINANCE NO. \_\_\_\_\_\_\_\_\_\_\_**

**ANNUAL APPROPRIATION ORDINANCE**

**AN ORDINANCE ENTITLED THE ANNUAL APPROPRIATION ORDINANCE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020, APPROPRIATING THE SUM OF $601,628 TO DEFRAY THE EXPENSES AND LIABILITIES OF THE CITY OF DOWNEY FOR SAID FISCAL YEAR, SPECIFYING THE OBJECTS AND PURPOSES FOR WHICH SAID APPROPRIATION IS MADE, AUTHORIZING A LEVY OF A SUFFICIENT TAX UPON THE TAXABLE PROPERTY, PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, DIRECTING THE CITY CLERK TO FILE CERTIFIED COPIES OF THIS ORDINANCE WITH THE COUNTY COMMISSIONERS AND IDAHO SECRETARY OF STATE, AND PROVIDING AN EFFECTIVE DATE.**

**BE IT ORDAINED, by the Mayor and City Council of the City of Downey, Bannock County, Idaho:**

**Section 1:** That the sum of $601,628 be, and the same is appropriated to defray the necessary expenses and liabilities of the City of Downey, Bannock County, Idaho for the fiscal year beginning October 1, 2020.

**Section 2:** That the objects and purposes for which such appropriation is made, and the amount of each object and purpose is as follows:

**ESTIMATED EXPENDITURES:**

**GENERAL FUND**

 **Administration $107,745**

 **Professional Services 41,014**

 **Insurance 10,681**

 **Other Government Expense 60,077**

 **Capital Outlay 9,118**

**TOTAL GENERAL FUND $228,635**

**ROAD FUND 101,493**

**WATER FUND 154,500**

**SEWER FUND 69,000**

**GARBAGE FUND 48,000**

 **TOTAL EXPENDITURES $601,628**

**Section 3:** That a general tax levy of $151,416 on all taxable property within the City of Downey be levied for the general purposes of said City, for the fiscal year beginning October 1, 2020.

**Section 4:** All ordinances and parts of ordinances in conflict with this ordinance are hereby repealed.

**Section 5:** The City Clerk of the City of Downey is hereby directed to file a certified copy of this Ordinance with the County Commissioners of Bannock County, Idaho, and the Idaho Secretary of State, in accordance with Idaho Code 50-1003 and 63-804.

**Section 6.** This ordinance shall take effect and be in full force upon its passage, approval and publication in one issue of the Idaho State Journal, the official newspaper of the City of Downey.

**PASSED under suspension of rules, by roll call vote of the City Council at a convened meeting of the Downey City Council held on the 25th day of**

**August 2020.**

**APPROVED by the Mayor of the City of Downey, Idaho, this 25th day of**

**August 2020.**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Rex Nielsen, Mayor**

**ATTEST:**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Brenda Kay, City Clerk/Treasurer**

**DATED: August 25, 2020**

**Published: September 8, 2020**

**Bonnie Hill moved to suspend reading the proposed Ordinance on three different days and to have the Title of the proposed Ordinance read once, seconded by Gary Barnes, by roll call: Gary Barnes, aye; Dan Wilson, aye; Bonnie Hill, aye; and Grant Johnson, aye; motion carried.**

 Bonnie read the Title of the Ordinance.

An Ordinance entitled the Annual Appropriation Ordinance for the fiscal year beginning October 1, 2020, appropriating the sum of $601,628 to defray the expenses and liabilities of the City of Downey for said fiscal year, specifying the objects and purposes for which said appropriation is made, authorizing a levy of a sufficient tax upon the taxable property, providing for repeal of conflicting ordinances, directing the City Clerk to file Certified Copies of this Ordinance with the County Commissioners and Idaho Secretary of State, and providing an effective date.

 **Dan Wilson moved to approve the Annual Appropriation Ordinance in the**

**sum of $601,628, seconded by Gary Barnes, by roll call vote: Gary Barnes, aye; Dan Wilson, aye; Bonnie Hill, aye; and Grant Johnson, aye; motion carried.**

This Ordinance will be Ordinance No. 2020-03.

**ACTION ITEM:** **Consider Approval of Resolution Reserving the**

**Forgone Amount for the Fiscal Year 2021:** Grant Johnson read the

Resolution.

**RESOLUTION NO. \_\_\_\_\_\_\_\_\_\_**

 **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DOWNEY,**

**IDAHO, RESERVING THE FORGONE AMOUNT FOR FISCAL YEAR 2021**

**FOR POTENTIAL USE IN SUBSEQUENT YEARS AS DESCRIBED IN**

**IDAHO CODE §63-802, et al.**

WHEREAS, Idaho Code §50-235 empowers the city council of each city to levy taxes for general revenue purposes; and,

WHEREAS, 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; and,

WHEREAS, 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; and,

WHEREAS, Idaho Code §63-802(1)(a) allows each taxing entity to increase property tax budgets by a maximum of 3%, plus an amount calculated based on the value of both new construction and annexation added during the previous calendar year, plus an amount of foregone taxes; and,

WHEREAS, Idaho Code §63-802(1)(f) requires that the City adopt an annual resolution to reserve the additional foregone amount in order to utilize that amount in subsequent years; and,

WHEREAS, the City has met the notice and hearing requirements in Idaho Code §63-802(1)(f) to reserve the current year’s increase in the foregone amount; and,

WHEREAS, the City intends to reserve $2,360 of its current year’s increase in allowable foregone amount.

 NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DOWNEY, IDAHO, that $2,360 of the current year’s allowable increase in its foregone amount is reserved and included in the City’s total forgone balance for potential use in subsequent years.

PASSED by the DOWNEY CITY COUNCIL on the 25th day of August 2020.

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 REX NIELSEN, MAYOR

ATTEST:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 BRENDA KAY, CITY CLERK

**Gary Barnes moved to approve the Resolution Reserving the Forgone Amount, for fiscal year 2021 for potential use in subsequent years as described in Idaho Code Section 63-802, et al, seconded by Bonnie Hill, by roll call vote, Gary Barnes, aye; Dan Wilson, aye; Bonnie Hill, aye; and Grant Johnson, aye; motion carried.**

 This Resolution will be Resolution No. 2020-03.

**ACTION ITEM: Consider Approval of Purchasing new Budget Software from American Business Software Company:** **Dan Wilson**

**moved to approve purchasing the new budget software from American Business Software Company for $635.00, plus additional training if required, seconded by Gary Barnes, all voted aye; motion carried.**

**ACTION ITEM: Executive Session pursuant to Idaho Code 74-206(1)(a):**

**Gary Barnes moved to enter into Executive Session pursuant to Idaho Code 74-206(1)(a), at 7:58 p.m., seconded by Dan Wilson, by roll call vote: Gary Barnes, aye; Dan Wilson, aye; Bonnie Hill, aye; and Grant Johnson, aye; motion carried.**

**Grant Johnson moved to return to regular session at 8:40 p.m., seconded by Gary Barnes, all voted aye, motion carried.**

**ACTION ITEM: Adjournment:** **Dan Wilson moved to adjourn moved to adjourn**

**at 8:42 p.m., seconded by Grant Johnson, all voted aye, motion carried.**

 **APPROVED\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **REX NIELSEN, MAYOR**

**ATTEST\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Brenda Kay, City Clerk**