



CITY OF DRIGGS  
COUNCIL WORK SESSION  
June 14, 2016

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Pursuant to adjournment of the City Council meeting held June 7, 2016, and to the call of the Mayor, the Driggs City Council met on June 14, 2016 at 6:33 p.m. Present: Council President Jones; Council Members Christensen, Kaufman, & Mazalewski; Mayor Johnson. Also present: Finance Officer Lenz.

Mayor Johnson opened the meeting with a broad overview of what would be discussed at tonight's work session. He explained that he and Lenz had met with all employees to determine their respective budget requests for fiscal year (FY) 2017 and that those requests were included in tonight's handouts.

Lenz continued the meeting by noting that the Council was not in possession of a proposed budget for the **Airport Fund**, nor did they have payroll detail.

Individual budget discussions began with the **Impact Fee fund(s)** budgets with Lenz reminding the Council that the City is no longer collecting Fire Impact fees. Allowed uses for impact fees were briefly reviewed as were reserve balances. Street fund reserves and FY 2017 receipts are being proposed toward funding a 5<sup>th</sup> and Ross intersection alignment project.

A title change for the **Industrial Building Fund**, to the Incubator Fund, was proposed and supported by the Council. Lenz noted that the City's audit firm was notified of the proposed title change with no objections expressed. The name would be changed to encompassed business incubator activities that may occur outside of the physical Industrial Building. Council members also agreed that the addition of janitorial/maintenance salary and benefit lines would be appropriate.

The **Local Improvement District (LID) Fund** discussion focused on outstanding accounts and actions taken by staff to collect/protect the City's interests. Detailed collection options available to the City will be brought to the Council at a later date.

Council members were reminded that the Resort Tax (non-property sales tax) will end December 31, 2017 unless registered voters approve a renewal. The City will have the renewal request on the May 2017 ballot and will have the option to submit for a second renewal vote in November 2017 if the vote in May should fail. Potential rate change(s) and how to track and enforce short-term rental payments rounded out the conversation for the **Resort Tax Fund**.

The City's least robust fund, the **Road Fund**, was discussed at length. Anticipated revenue sources include Teton County ID's two year voted levy that was just approved through FY 2018, the County's special road levy and the State highway user funds. Proposed projects for FY 2017 include a complete realignment of the intersection at 5<sup>th</sup> & Ross, striping of Ski Hill Road (contract out?), and the start of a five-year plan to make Johnson Avenue a truck route alternate. Projects costs exceed anticipated revenue.

The **Sewer Fund** is notable for the end of the Waste Water Treatment Plant (WWTP) project and the need to begin payback of the DEQ Loan at an estimated \$328,000 per year for the next twenty years.

For its share of loan costs the City of Victor will reimburse the City of Driggs on a quarterly basis. A DEQ grant to update the City's Sewer Facilities Study will be applied for to cover 50% of the anticipated cost. Facility Studies must be updated every five years to be considered current when applying for Federal/State funds. Mayor Johnson informed the Council that the City of Victor has committed to providing one of its public works employees at the WWTP every Wednesday for one-half a day. The question was asked, "Does the WWTP need a dedicated employee?"

The 2016 Water Project is moving along with a request for bids expected to be released by the end of June. The bid will be open for four (4) weeks with review and possible award to follow. Proposed **Water Fund** service revenue is recommended with caution due to unknowns associated with (1) the change to an equivalent residential unit (ERU) billing system and (2) the current issue with some meters not reading correctly, replacing 'dead' meters, etc.

The budget work session ended with a broad ranging discussion of the City's proposed **General Fund** budget. Revenue highlights included questions concerning the Driggs Urban Renewal Agency (DURA) and supported projects with Council members interested in what DURA could and could not fund; the State's GEM grant and qualified projects; and the State Transportation TAP grant and the proposed Howard Avenue sidewalk project (match is budgeted in the Resort Tax Fund).

Lenz asked for and received agreement from the Council to expand coding for the Teton Geotourism Center expenditures. Other general fund expenditure highlights included questions concerning proposed new personnel, health insurance costs, Council tablets/software, and Community/Recreation Center Improvements for insulation.

### **Adjournment**

**8:20 p.m. Jones moved to adjourn, Mazalewski seconded.** The motion carried unanimously. The next work session is scheduled for Tuesday, June 28, 2016 at 6:30 p.m.

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Mayor: Hyrum Johnson

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Attest: Carol Lenz, Finance Officer

Dated this \_\_\_\_\_ Day of \_\_\_\_\_, 2016.