

CITY OF WILLIAMS CITY COUNCIL

**ANNOTATED MINUTES
AGENDA ITEM**

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**April 11, 2017
COUNCIL ACTION**

PROCEDURES

- A. Call to Order**
Mayor Moore called the meeting to order at 5:00 p. m.
- B. Roll Call**
Mayor John W. Moore, Vice-Mayor Don Dent, Councilmembers Bernie Hiemenz (arrived at 6:10), Frank McNelly, Lee Payne (arrived at 5:20), Dawn Trapp and James Wurgler were present and constituted a quorum. Present from City Staff were City Manager Skylor Miller, Finance Director Keith Buonocore, and City Clerk/HR Director Pamela Galvan.
- C. Adopt Agenda**
Councilmember McNelly made a motion to adopt the Agenda as presented. Vice-Mayor Dent seconded the motion, and it carried 4-0.

II. BUDGET WORK SESSION

Mayor Moore confirmed this is a discussion for the upcoming FY 207-2018 Budget, and turned it over to City Manager Skylor Miller.

- A. Introduction/Overview: Skylor Miller, City Manager**
Skylor Miller addressed the Mayor and Council. He began by pointing out that what they have before them are work sheets they developed with the department heads. He references the budget calendar indicating they are now on step 6, Council review. His goal for today is to receive policy direction from Council. He pointed out that we are pushing our expenditure limit with the proposed worksheets, but are within \$100,000.00.

We have not yet received the State Shared Revenue final numbers so we are estimating some of our revenue sources on the worksheets. Ultimately, we have to adopt the tentative budget on May 25, 2017; the final will come before July 1, 2017.

- B. Status of Current Budget: Keith Buonocore, Finance Director**

Keith presented that he is going to go over cash and debt and where we are; he proceed to handout: a Financial Status & Recap Report, Schedule of Debt Outstanding as of March 31, 2017, and Year-To-Date Actual verses Annual Budget.

Keith began with the Cash Information, National Bank Balance, onto our Cash Position, National Bank Cash Flow in and out, moving onto Investment Position noting that the City is doing better this year, and is on track. Next, he spoke on the Cash Amounts Reserved, \$6,192,106, going over each line item, then Fee Based Enterprise Operations explaining each, Electric, Water, Sewer, Sanitation, which he

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noted is pretty much breaking even and Golf also breaking even right now. He went Debt Position pointing out that the Governmental, \$4,232,289 and Enterprise \$19,050,873 numbers are after our refunding of the GADA and Zion debt. Next, Project Information is projects still waiting to be done or finished. Tabor tank, the H2O storage, is to be discussed this Thursday and Budget Information the Fiscal Year Budget and Fiscal Year to Date Actual.

Mayor Moore confirmed his understanding, based on Keith's presentation, that the City's financial wellbeing, as compared to last year, is much better. The answer was yes, quite a bit.

Keith moved onto the Schedule of Debt Outstanding. This is a recap showing what is governmental and what the enterprise debt is. He hopes over the next few years we will get some of this paid off allowing us advantage to perform larger projects.

Year -To-Date Actual verses Annual Budget, Keith stated we are on target with the budget based on total general expenditures at 71%, with everyone holding the line so far; transfers have been made yet, that will be done in June.

BBB is at 67%, after 75% of the year. We will see how that ends up because we are coming into the stronger part of the year.

On the expense side, we still have facilities projects to go we are at about 27%; hopefully we will get the projects done before physical year-end. The Marketing and Visitor Center are right on target. Street projects hopefully will get done, we should get things done before year end and that will catch things up. We have money set aside; Council put .5 a cent aside for street projects so that money is there about \$893,000, some of that will go to striping and materials that Street buys before season comes in. We will send \$105,000 of the \$893,000, which will leave us with about \$700,000.

Councilmember Wurgler asked what Keith has heard about the plans to sweep the HURF Fund. He responded that we are feeling that now, we usually receive around \$33,000.00 per month; we received \$26,000.00 last month. He believes it is taking place, as they do not send an explanation, just the money. He hopes does not continue because the HURF funds pays for just over a third of our streets budget and if not, the money will have to come from the general fund.

Forest Service Building Fund: It is starting to show its age and we need to invest back into it. A few projects need to be done before the physical year-end. Skylor Miller mentioned because of elevation we are having some water issues and would like to have someone come and look at it; possibly re-grade it to move water away.

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Debt Service Fund: The percentages are very high because we did the refunding. We saved about \$280,000. That gives us more money both for the general and for the enterprise funds.

Electric Fund: the revenues are where they should be at 72%. This does not include the billing for the last two months. We usually make about \$2,000,000.00 off the electric fund.

Water Fund: revenues at 45%, expenses are at 69% and we will have to transfer monies because it is at a deficit of \$514,000 right now. We will have to supplement \$700,000 to \$800,000.00 from the electric. Councilmember McNelly asked about the lakes being full of water and not wanting to use the wells so much, would we do better. We should do better, but we are seeing water conservation on the part of payers because of the rate structure; we are seeing an offset. The only thing we have to worry about with the lake water is processing and travitivity. We have to dilute it with lake water to achieve quality. We are told we will have to turn to the wells at the turn of the season. Vice-Mayor Dent inquired on the projected revenues that the experts suggested we might see, based on the installation of the new meters; Keith said that it is being offset by conservation; people not wanting to pay higher bills so they are cutting back. Skylor Miller noted that the system is more efficient now; we re producing less, and billing for an accurate amount and that has changed people's usage patterns.

Sewer Fund: is in a much better situation than it used to be. Our revenues are at 1.6 million right now and expenses about \$900,000.00 leaving us \$754,000.00 net, but when June rolls around we have about \$1,200,000.00 of debt to pay. We will see how much of that is left in June to supplement the waterside. The rates really made an impact.

Sanitation Fund: is breaking even at about \$542,000. It is expected to carry through June. The fund is self-sufficient right now. It is managed better than before. The rates have not been raised in 10 years.

Golf Course: is breaking even or better, however, they are going into season now. Staff will be doing much more work they have to purchase and apply chemicals, pump repair. This should carry through June and should not require any funds from the general fund.

Councilmember Wurgler inquired on how each department has a gasoline line item and it appears to be substantially high or higher than in the past. We were not able to allocate last year because of the nonfunctioning fuel system, which is now replaced, and we can now allocate the fuel costs for each department.

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Councilmember McNelly asked for clarification on taking money out of the general fund; that it is not necessarily something we want to do because the general fund monies can be allocated to other things allowing financial flexibility. The Enterprise Fund should be self-sufficient and the General fund is tax money that needs to be kept intact unless there is a good reason to take money out. It funds public safety. This next physical year we should be able to get other projects done.

Skylor Miller directed Council to turn to page 31 to begin departmental budget review.

Mayor and Council: The budget is not changing from last year.

Magistrate: We have the judge's compensation under personnel. We pay directly for prosecution services as well as our public defender when needed. An IGA still needs to be finalized, the numbers may change.

General and Administration: There is an overall reduction due to the transfer of administrative staff to the finance department. Legal cost is kept the same. Administration would like to purchase a vehicle for staff this year. Because of Expenditure Limitation issues, PD's line item for a vehicle was not used because of a grant, so the funds are available to be used or transferred. Mayor Moore suggested we look at our impounded/used vehicles, sell them at auction, and use the proceeds to purchase a used vehicle. Administration is to look at all options.

Finance: Their compensation increased because of employee transfer into their department. The capital is to cover equipment and enhancements in software.

Maintenance: There was an increase in personnel by two full-time employees. There is no intention to hire seasonal workers this year. Vice-Mayor Dent inquired on the line item "Other" for \$15,000.00. It is for equipment and the possibility of a used truck, that may change because of the acquisition of the truck that was previously used by Public Works Director.

Library: There is an increase in personnel cost due to employee in the department is full-time now and no longer shared with another department. The current librarian is going to retire and is training an employee to take on her position.

Mayor Moore pointed out that he might like to go back to the Maintenance department budget after completion of the other departments.

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Parks and Recreation: There is a bit of increase in the employee compensation. The department Director is doing succession planning as she is possibly going to retire in the next 5 years. She is training her staff to take on roles within the departments.

Pool: the budget is maintained with slight increase for travel. We have to send employees to be trained as lifeguards; train the train program will be attended offsite.

Police Department: the overall budget is about the same. There will be two new hires; one dispatcher and an officer. Chief is trying to manage his overtime. The overtime should come down this next fiscal year. Councilmember McNelly asked about RICO funds. Mayor Moore explained RICO and how it works. Councilmember McNelly inquired on the MTR one time match of \$10,000.00. This is strictly a onetime match to SAVE MTR.

Fire Department: personnel costs are holding the line. There are grant monies for radios upgrade. It is a 50% match; we pay total cost upfront and will be reimbursed. They are looking to purchase a staff truck for travel as well. There was discussion regarding a "Quint truck" for the department in the future. The process needs to start now; numbers are needed. Skylor Miller is going to put together a proposal.

Public Works: does not have a Public Works director and there are no plans to fund one. We are taking the funds and putting them towards other capital projects; tangible improvements to the community. Take the dollars and place it in capital to supplement streets, electric or water projects in the future. These funds are currently not allocated. It is a fund we can use if needed.

Building Department: this covers an increase to the Chief Building Inspectors compensation due based on increase of personnel management.

Central Garage: 12% decrease because the new fuel system is in place and this reflects the actual fuel charges. Their budget is staying the same.

Airport: the fund stays the same. We have some potential fuel system repairs that may need to happen in the near future. Councilmember Trapp began a discussion on marketing for the hangars; it needs to be address and stepped up. There was discussion of resurrecting the Airport Commission for input and support.

Senior Center: a roof replacement is due and we have \$35,000.00 set aside for work. Mayor Moore mentioned the county staff would be reaching out to us because of budgets cuts.

Forest Service Building: this fund is not changing; Sylvester is being paid out of another fund. There is a \$200,000.00 transfer out of this fund to the general fund.

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Painting was completed and carpet cleaning is going to be performed. The building is starting to show its age and a punch list is being compiled.

Tourism: Front Burner Media is comfortable with maintaining \$221,000.00. Heather Herman feels she can do more with it this upcoming year. More monies will go into advertisement, as Experience Williams website was redesigned and new brochures were produced this past year, and will not require updating next year.

Recreation Facilities: is hoping to get projects done this spring that had been proposed and promised in the last budget; do not want them to roll over into next year; we need to stay on schedule. The rodeo grounds needs electrical and arena work. The panels for the stables should start to go up soon. Playground equipment replacement is needed at Cureton Park it does not meet current standards. Councilmember Payne requested that the grills and horseshoe pit also be updated. ADA parking is being allotted at the south side and by the snack shack. Councilmember McNelly has requested drainage be corrected and then proper sand be placed in the rodeo arena. Skylor Miller will provide an itemized list of repairs.

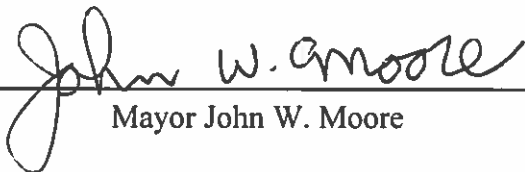
Visitor Center: there are contingencies for employees. The Forest Service is going to supply two seasonal employees. Commissions are paid for the concierge services provided.

Streets: is maintaining same number of employees. The big change here is in the materials; we are increasing our construction material from \$250,000.00 prior year to \$500,000.00. Councilmember Payne inquired on Airport Road, but no solution was presented. Mayor Moore knows of a benefactor that would like to donate funds to fix our roads. Councilmember Hiemenz has requested that the cracks be filled.

Mayor Moore has requested to stop here on the budget work session and come back this Thursday, April 13 to complete. Budget work session will be added to the current agenda, which will be amended and posted.

Addressing flood mitigation was mentioned, residential streets with cracks needs imminent attention.

III. ADJOURN Councilmember Wurgler made a motion to adjourn the meeting at 7:00 p.m. Councilmember Payne seconded the motion, and it carried 6-0.



Mayor John W. Moore

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ATTEST:



Samella Allen
City Clerk
