

# MINUTES OF THE CITY COUNCIL OF LAUREL

September 6, 2022

A special meeting of the City Council of the City of Laurel, Montana, was held in the Council Chambers and called to order by Mayor Dave Waggoner at 7:52 p.m. on September 6, 2022.

COUNCIL MEMBERS PRESENT:      Emelie Eaton      Heidi Sparks  
   Michelle Mize      Richard Herr  
   Casey Wheeler      Irv Wilke  
   Richard Klose      Bill Mountsier

COUNCIL MEMBERS ABSENT:      None

OTHER STAFF PRESENT:      Michele, Braukmann, Civil City Attorney  
   Kelly Strecker, Clerk/Treasurer  
   Nancy Schmidt, Library Director

Mayor Waggoner led the Pledge of Allegiance to the American flag.

MINUTES: None.

CORRESPONDENCE: None.

COUNCIL DISCLOSURE OF EX PARTE COMMUNICATIONS: None.

PUBLIC HEARING:

- Public Hearing: Budget and Tax Resolution for Fiscal Year 22-23.

Mayor Waggoner opened the public hearing and asked Staff to present the item.

Kelly Strecker, Clerk/Treasurer, briefly reviewed the attached budget message.

Mayor Waggoner opened the floor for public comment and stated that copies of the rules governing the public hearing were posted in the council chambers.

Mayor Waggoner asked three (3) times if there were any proponents. There were none.

Mayor Waggoner asked three (3) times if there were any opponents. There were none.

Mayor Waggoner stated that he would not have Staff respond to questions as there were none.

CONSENT ITEMS: None.

CEREMONIAL CALENDAR: None.

REPORTS OF BOARDS AND COMMISSIONS: None.

AUDIENCE PARTICIPATION (THREE-MINUTE LIMIT): None.

SCHEDULED MATTERS:

- Resolution No. R22-47: A resolution approving and adopting the Final Budget for the City of Laurel for the fiscal year 2022-2023.

Motion by Council Member Sparks to approve Resolution No. R22-47, seconded by Council Member Wilke. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

*DW*

- **Resolution No. R22-48: A resolution levying taxes for general and specific purposes for the City of Laurel, Montana, for the fiscal year beginning July 1, 2022.**

Motion by Council Member Herr to approve Resolution No. R22-48, seconded by Council Member Sparks. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-49: A resolution levying and assessing all of the property embraced within Special Improvement Lighting District No. 2 of the City of Laurel, Montana, for the entire cost of maintenance and electrical current for the fiscal year 2022-2023.**

Motion by Council Member Wilke to approve Resolution No. R22-49, seconded by Council Member Mountsier. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-50: A resolution levying and assessing all of the property embraced within Special Improvement Lighting District No. 3 of the City of Laurel, Montana, for the entire cost of maintenance and electrical current for the fiscal year 2022-2023.**

Motion by Council Member Mountsier to approve Resolution No. R22-50, seconded by Council Member Sparks. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-51: A resolution levying and assessing all of the property embraced within Street Sweeping District No. 1 of the City of Laurel, Montana, for the purpose of the sweeping of streets in the downtown or Business District for the fiscal year 2022-2023.**

Motion by Council Member Klose to approve Resolution No. R22-51, seconded by Council Member Sparks. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-52: A resolution levying and assessing the cost of street maintenance and/or improvements for Street Maintenance District No. 1 that constitutes all streets and alleys embraced within the City of Laurel, Montana, for fiscal year 2022-2023.**

Motion by Council Member Wheeler to approve Resolution No. R22-52, seconded by Council Member Wilke. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-53: A resolution levying and assessing the cost of street improvements for Special Improvement District No. 113 within the City of Laurel, Montana, for fiscal year 2022-2023.**

Motion by Council Member Mize to approve Resolution No. R22-53, seconded by Council Member Eaton. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-54: A resolution levying and assessing the cost of sidewalk improvements for Special Improvement District No. 115 within the City of Laurel, Montana, for fiscal year 2022-2023.**

Motion by Council Member Eaton to approve Resolution No. R22-54, seconded by Council Member Sparks. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-55: A resolution levying and assessing the cost of sidewalk improvements for Special Improvement District No. 116 within the City of Laurel, Montana, for fiscal year 2022-2023.**

Motion by Council Member Sparks to approve Resolution No. R22-55, seconded by Council Member Wilke. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-56: A resolution levying and assessing the cost of sidewalk improvements for Special Improvement District No. 117 within the City of Laurel, Montana, for fiscal year 2022-2023.**

Motion by Council Member Herr to approve Resolution No. R22-56, seconded by Council Member Sparks. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-57: A resolution levying and assessing the cost of sidewalk improvements for Special Improvement District No. 118 within the City of Laurel, Montana, for fiscal year 2022-2023.**

Motion by Council Member Wilke to approve Resolution No. R22-57, seconded by Council Member Eaton. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-58: A resolution levying and assessing the cost of sidewalk improvements for Special Improvement District No. 119 within the City of Laurel, Montana, for fiscal year 2022-2023.**

Motion by Council Member Mountsier to approve Resolution No. R22-58, seconded by Council Member Wilke. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-59: A resolution levying and assessing the annual cost of sidewalk improvements for residential properties pursuant to the City's Residential Sidewalk Replacement Program within the City of Laurel, Montana, for fiscal year 2022-2023.**

Motion by Council Member Klose to approve Resolution No. R22-59, seconded by Council Member Mountsier. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-60: A resolution levying and assessing a special tax against certain property in the City of Laurel for delinquent water charges.**

Motion by Council Member Wheeler to approve Resolution No. R22-60, seconded by Council Member Sparks. There was no public comment.

Council questioned if someone would lose their home for a delinquent water charge. It was clarified that the City could place a lien against the property that would not foreclose on the home.

A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-61: A resolution levying and assessing a special tax against certain property in the City of Laurel for delinquent sewer charges.**

Motion by Council Member Mize to approve Resolution No. R22-61, seconded by Council Member Mountsier. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

- **Resolution No. R22-62: A resolution levying and assessing a special tax against certain property designated as garbage districts in the City of Laurel, Montana, for the removal of garbage and refuse.**

Motion by Council Member Eaton to approve Resolution No. R22-62, seconded by Council Member Wilke. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

**ITEMS REMOVED FROM THE CONSENT AGENDA:** None.

**COMMUNITY ANNOUNCEMENTS (ONE-MINUTE LIMIT):** None.

**COUNCIL DISCUSSION:**

There will be a 9/11 Ceremony on Sunday at the Firemen's Memorial Park.

Council thanked the Mayor for presenting a responsible budget. The Mayor noted that all Staff has stepped up, especially the new Clerk/Treasurer.

**MAYOR UPDATES:** None.

**UNSCHEDULED MATTERS:** None.

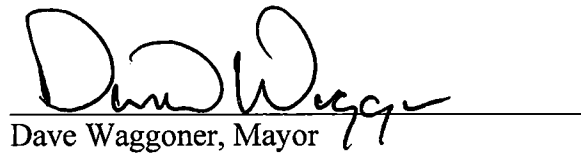
**ADJOURNMENT:**

Motion by Council Member Sparks to adjourn the council meeting, seconded by Council Member Eaton. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

There being no further business to come before the council at this time, the meeting was adjourned at 8:19 p.m.

  
Brittney Moorman, Administrative Assistant

Approved by the Mayor and passed by the City Council of the City of Laurel, Montana, this 27<sup>th</sup> day of September 2022.

  
Dave Waggoner, Mayor

Attest:

  
Kelly Streckler, Clerk/Treasurer

**CITY HALL**

115 W. 1st. St.

**PUB WORKS: 628-4796**

PWD FAX: 628-2241

**WATER OFFICE: 628-7431**

WTR FAX: 628-2289

**MAYOR: 628-8456**

# City of Laurel

P.O. Box 10

Laurel, Montana 59044



MAYOR

DEPARTMENT



September 6, 2023

Dear City of Laurel Governing Body:

Transmitted herewith is the annual operating and capital budget recommendations for the City of Laurel for the fiscal year ending June 30, 2023. This year's budget was a difficult one, as you know. Hard decisions have already been made, and I

anticipate additional ones will have to be made. However, wonderful things have come to fruition this past fiscal year, and I am incredibly proud of the City of Laurel staff, Council, and community for coming together to get these projects completed.

The mill value came in at \$8,989.845/mill this year, which is an increase of \$179.788/mill over last year. The mill value in 2021-2022 was \$8,810.057/mill. Last year, the City's total mill levy was \$154.79, and this year it is \$152.25. Overall, the City will receive a decrease of \$1,171.86 in taxable revenue.

The following are the changes in apportionment of the levies from 2021-2022 to 2022-2023:

<b>Fund:</b>	<b>22-23 Levy</b>	<b>21-22 Levy</b>	<b>Difference</b>
General Fund	74.21	75.74	-1.53
Library	31.00	31.30	-0.30
Comprehensive Liability	13.43	12.99	+0.44
PERS	10.00	11.46	-1.46
Group Health	19.61	20.00	-0.39
Fire Disability	4.00	4.00	+0.00
Total	152.25	155.49	-3.24

The Comprehensive Liability Fund premiums have increased by \$20,051. This is due to liability and workers' compensation claims against the City. The last fiscal period (by which our Montana Municipal Interlocal ("MMIA") claims are adjusted saw a slight increase in both liability and workers' compensation claims. Claims against the City are on a three-year rolling calendar. The City of Laurel received a \$9,257.00 retro adjustment, due to excess reserves MMIA had at the end of the 2020 Fiscal Year. This was a decrease to last year's adjustment of \$3,706.00. With the passage of the Safety Plan, the City is hoping to reduce the amount of Worker's Compensation claims and improve safety. We are actively working on increased safety and informative measures, for all City employees, that we hope will help to continue to "bring down these numbers" in years to come. This year, the Comprehensive Liability Fund should have 13.43% reserves in preparation for next year. At this time last year, there were 11% reserves in this fund. So, we have seen a significant improvement in reserves for the City's liability fund.

PERS rates have increased by 0.1% for the seventh year in a row. Per PERS, this amount will be increased on the City's side 0.1% per year through 2024. Please

note that this fund only covers the General Fund employees. All other funds must budget for their employees' PERS. As wages increase in the General Fund, so does PERS. With the lack of additional tax revenues to support the General Fund, and other non-voted levied funds, the reserves in the PERS fund are at up to 38% this year. At this time last year, they were at 18%. This is not an amount controllable by the City, as it is set based solely upon wages. While we are cognizant of increased wages, various factors have impacted those wages the last fiscal time period, and PERS automatically accounts for these changes. Of course, we will make it a focus to be very cognizant of General Fund employee wages for the City, while also ensuring we have a safe and functional employee pool.

Group Health, along with the Permissive Health Levy Fund, will provide insurance payments to the General Fund.

The Fire Disability Fund remains at 4.00 mills this year. The City has an obligation to fund the Fire Pension for volunteers. These 4.00 mills amount to \$35,960.00 and will be given to the Firemen's Relief Association for pension payments. The total pension that is expected to approximately be distributed in the year 2022-2024 is \$57,011.00. The cash balance at the end of June 2022 was \$0. The 4.00 mills are to supplement the balance of the Pension Fund.

<b><u>Fund:</u></b>	<b><u>22-23 Levy</u></b>	<b><u>21-22 Levy</u></b>	<b><u>Difference</u></b>
Airport Authority	3.06	3.21	-0.15

The Airport Authority Board has its own taxing authority. This year, the fund will receive 0.15 mills less than last fiscal year, however, the total tax revenue is \$770.00 less.

<b><u>Fund:</u></b>	<b><u>22-23 Levy</u></b>	<b><u>21-22 Levy</u></b>	<b><u>Difference</u></b>
Permissive Levy for Health Ins. (HB409)	27.00	27.74	-.074

The permissive mill value was \$212,541.30 in 2020-2021, \$244,395.48 in 2021-2022 and valued at \$256,655.78 this fiscal year.

#### Employee Wages and Benefits

Unemployment insurance has remained the same from last year with a contribution rate of .0025%, on gross wages. This is set by the Montana Department of Labor, and the City does not control these contributions, except to

the extent that we address UID claims. We have taken an active role, this past year, in working to reduce UID claims, by way of responding with reasons for discharge and other factors that may affect whether an employee receives UID benefits.

Workers' compensation rates overall went up this year. The City's mod factor, however, increased from 1.02 in 2019-2020 to 1.04 in 2020-2021, and this year decreased to .9561. Workers' compensation rates have increased for all municipalities in Montana, the past three to five years, so this overall increase was not unexpected.

The Public Works Union was budgeted a 2% wage increase, as per their Collective Bargaining Agreement. The Police Union was budgeted a 3% increase, according to the terms of their Collective Bargaining Agreement.

I am recommending a 3% increase to wages for non-union employees. This is consistent with market wages, and it will allow the City to remain somewhat-competitive in hiring and retaining non-bargaining employees. It is, in fact, less than the COLA recommended increase, but I feel like it is a fair increase, considering the budget constraints the City is facing, while still acknowledging inflationary COLA for non-bargaining employees.

#### **Fund 1000 - General Fund:**

The General Fund appropriations are budgeted at \$4,620,758.00, with revenues coming in at \$4,617,894.00. We should not be using cash reserves this year. General Fund should have 50% reserves at the end of the Fiscal Year.

Notable changes to the General Fund this year include:

#### ***Revenues:***

- General Fund tax revenue stayed the same this year.

#### ***Expenditures:***

- Department Heads were asked to keep Expenditures to the bare minimum, while new administration address new budget concerns.





### **Fund 2220 – Library**

#### ***Revenues:***

- The projected tax revenues are \$281,165 for this fiscal year.

#### ***Expenditures:***

- The Library Board has submitted their budget to the governing body for approval.

### **Fund 2250 – Planning**

#### ***Revenues:***

- The projected revenues from the County are \$99,050 for this fiscal year, and this is 6% more than last year.

***Expenditures:***

- The City is actively looking for a new Planner. This has been an incredibly difficult position to fill, because of the competitive market, but it is a priority for the City, in order to address expenditures in this Department, related to hiring of outside resources.

**Fund 2260 – Emergency Disaster**

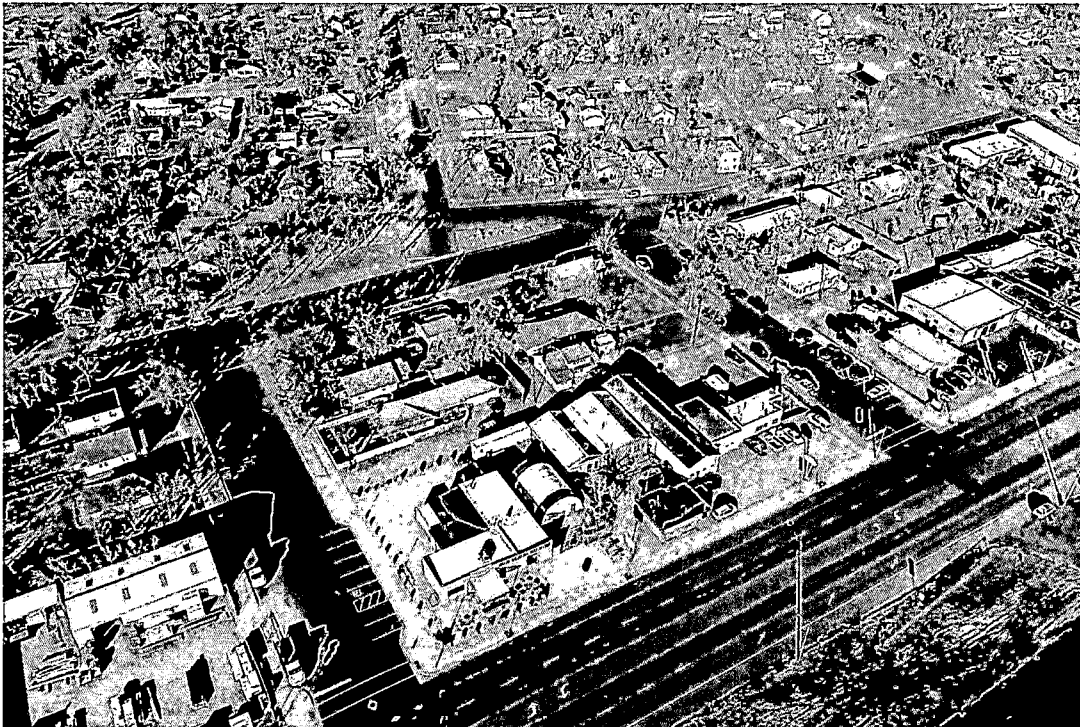
***Revenues:***

- The City will not levy 2 mills this fiscal year.

**Fund 2310 - Tax Increment Financing**

***Revenues:***

- Revenues are calculated at \$883,439 for this fiscal year.



***Expenditures:***

- The Large Grant Programs will continue this year at an increased amount of \$275,000. This is available to accommodate large projects for businesses in the district. The Small Grant program, Facade, and Technical Assistance grant programs are still available as well.

**Fund 2400 & 2401 – Light Districts #2 & 3*****Revenues:***

- Light District #2 will be assessed at a rate of \$39,418.04, and Light District #3 will be assessed at a rate of \$22,799.96.

***Expenditures:***

- Expenditures have increased slightly due to an increase in utility costs.

**Fund 2500 – Street Maintenance*****Revenues:***

- The State is still responsible for street cleaning on Main Street and South 1<sup>st</sup> Avenue.
- The Street Maintenance assessment to the citizens of Laurel will be \$900,001.46 for street maintenance and \$18,031 for the sweeping district.
- The Street Maintenance Fund will continue to receive the R-O-W fees in the amount of \$360,173.

***Expenditures:***

- This year's Street Maintenance Project is South 4th Street.



**Fund 2600 – Elena Park Maintenance District**

***Revenues:***

- Elena Park Maintenance District will not be assessed this fiscal year due to excess cash reserves.

***Expenditures:***

- \$9,500 has been budgeted for Elena Maintenance District.

### **Fund 2701 – Memorial/Endowment (Pool)**

#### ***Expenditures:***

- The entire amount of \$114,500 is available for expenditure, should the Council decide to pursue a water-related project. This remains a point of discussion for Council, depending upon what direction the City wants to move on either remodeling the pool or constructing some other water feature Laurel residents.

### **Fund 2702 – Expendable Grant**

- Amount available for reconstruction on the North Shore of the Yellowstone River is \$214,300.

### **Fund 2820 – Gas Tax**

#### ***Revenues:***

- The total revenue for the gas tax allotment this year is \$123,505, which is up from last year.

#### ***Expenditures:***

- No projects are being budgeted from this fund at this time.

### **Fund 2821 – HB 473-Gas Tax**

#### ***Revenues:***

- The revenues budgeted from the State this fiscal year are \$155,130.

#### ***Expenditures:***

- \$250,000 was budgeted for Street Maintenance project this fiscal year.

### **Fund 2917 – Crime Victims Assistance**

- This fund has \$96,500 budgeted for a Crime Victims' Program. The City Prosecutor and the Civil City Attorney are working on defining the necessity of this program for Laurel, how funds can be used, and what would best serve the community, moving forward. If these funds cannot be used towards a Victim/Witness Advocate program, they will be returned to the State, by State law.

## **Fund 2928 – Transit Bus Grant**

### ***Revenues:***

- The City's \$31,308 grant to manage the bus transit system has been renewed for this fiscal year.
- General Fund will be transferring the City's match to the Transit Fund.

### ***Expenditures:***

- \$57,000 has been budgeted for the bus drivers that are employed by the Adult Resource Alliance of Yellowstone County.

## **Fund 2952 – Federal Equitable Sharing**

### ***Revenues:***

- These revenues come from property confiscated by the Department of Justice during drug seizures. The property is sold, and the revenues are distributed to those agencies that are part of the DEA program. The use of the revenues received by the City is left to the discretion of the Police Chief.
- The revenues can no longer be budgeted per the Department of Justice Standard Operating Procedure for this fund.

### ***Expenditures:***

- The expenditures for this fund can no longer be budgeted per the Department of Justice Standard Operating Procedure for this fund.

### **Fund 3400 – SID Revolving**

#### ***Expenditures:***

- The cash in this fund is held for purposes of possible defaults on SID property payments. If, for some reason, there is not enough cash in the SID Funds when debt service payments are due, the cash in this fund may be transferred to the Debt Service Fund (3500 funds) to make the payment.

### **Fund 3401 – SID 118 Reserve**

#### ***Expenditures:***

- The cash in this fund is held for purposes of possible defaults on SID No. 118 property payments. If, for some reason, a property owner defaults on their payment, the cash in this fund may be transferred to the Debt Service Fund 3508 to make the payment. SID No. 118 Reserve Fund may only be used for this purpose, and monies may not be transferred to any other SID Fund.

### **Funds 3503 – 3508 – SID Debt Service Funds**

- These funds will handle the debt service for SID's. Money is collected through the tax rolls as assessments to pay the SID bond payments.

### **Fund 4000 – Capital Improvement Fund /CIP**

#### ***Revenues:***

- The General Fund will not be transferring any funds to the CIP Fund this year.

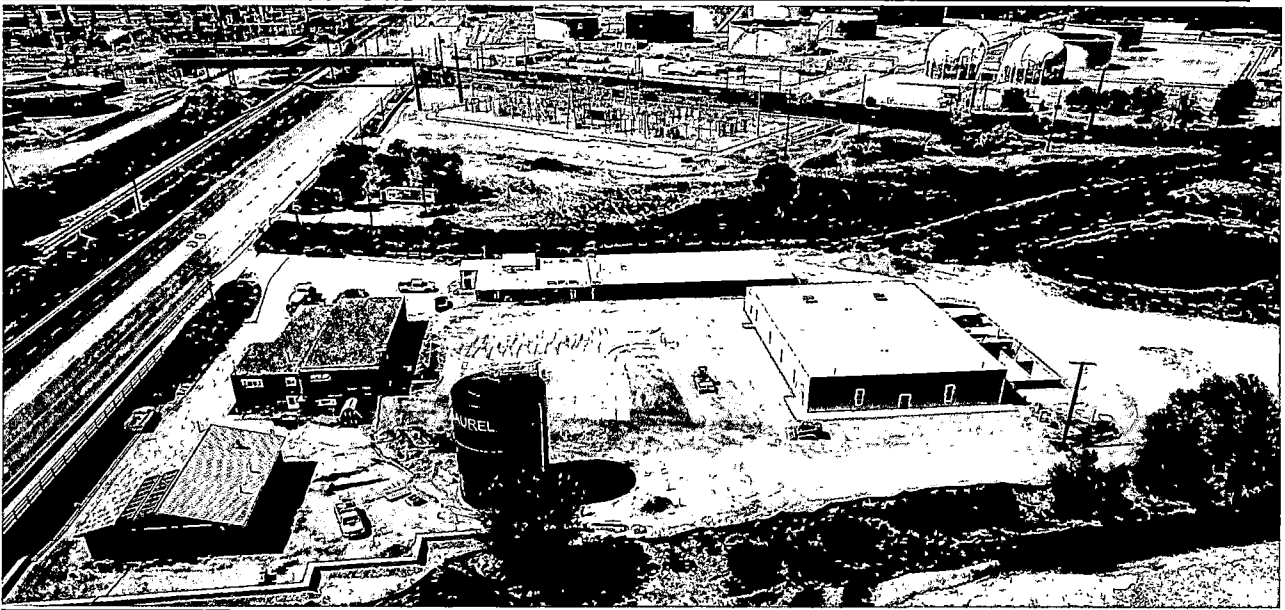
### **Fund 4001 – Capital Improvement, Streets, Sidewalks and Parks**

#### ***Revenues:***

- The Sidewalk Assessments will be received in this revenue. The amount this year is \$2,405.

#### ***Expenditures:***

- The sidewalk program will be expended out of this fund up to the available amount of \$81,929.00.

**Fund 5210 – Water Fund*****Revenues:***

- The total anticipated revenue to be received is \$4,428,404. This is significantly up, since the City received \$1,000,000 from the State for the State's contributions, related to the 2011 flooding event.

***Expenses:***

- Paying \$1,000,000 on the Intake Loan.
- Purchasing Jet Rodder (25% Water Fund=\$75,000/75% Sewer Fund=\$225,000). Already approved by City Council.
- Lift Well Replacement \$1,500,000.00. Already approved by City Council.
- Purchase of new Dredge \$300,000. Already approved by City Council.



### **Fund 5310 – Sewer Fund**

#### ***Revenues:***

- The total anticipated revenue to be received is \$2,043,635.00.

#### ***Expenses:***

- Purchasing Jet Rodder (25% Water Fund=\$75,000/75% Sewer Fund=\$225,000) . Already approved by City Council.
- Screw Pump B replacement \$235,000. Already approved by City Council.
- New Roll Off Truck \$260,000. Already approved by City Council.

### **Fund 5410 – Solid Waste**

#### ***Revenues:***

- The total anticipated revenue to be received is \$943,670.00.

#### ***Expenses:***

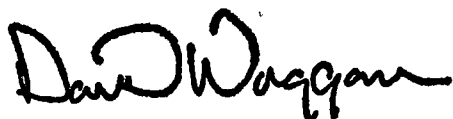
- Dumping Fees increased by \$50,000
- New Roll Off Container \$17,000

### **7000 Funds – Trust and Agency Funds**

These funds are considered pass-through accounts. The City collects the revenues and disperses the revenue to other entities (agencies).

Should you have any further questions about this year's budget, feel free to contact Myself or Clerk/Treasurer Kelly Strecker. We have provided a responsible and balanced budget that meets all the needs of the Department Heads through this fiscal year, 2022-2023. We strive every year to utilize the public funds in the best interest of the citizens, and I hope that you feel we have succeeded.

With Appreciation;



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Dave Waggoner  
Mayor