

MINUTES OF THE CITY COUNCIL OF LAUREL

August 27, 2024

A regular 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 6:29 p.m. on August 27, 2024.

COUNCIL MEMBERS PRESENT:

Thomas Canape	Heidi Sparks
Michelle Mize	Jessica Banks
Casey Wheeler	Irv Wilke
	Jodi Mackay

COUNCIL MEMBERS ABSENT:

Richard Klose

OTHER STAFF PRESENT:

Kelly Strecker, Clerk/Treasurer
Britney Harakal, Administrative Assistant
Kurt Markegard, Planning Director
Nancy Schmidt, Library Director

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

MINUTES:

Motion by Council Member Wilke to approve the minutes of the regular meeting of August 13, 2024, as presented, seconded by Council Member Sparks. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

CORRESPONDENCE: None.

COUNCIL DISCLOSURE OF EX PARTE COMMUNICATIONS: None.

PUBLIC HEARING:

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:

- **Claims entered through August 23, 2024.**
A complete listing of the claims and their amounts is on file in the Clerk/Treasurer's Office.
- **Approval of Payroll Register for PPE 8/18/2024 totaling \$245,579.12.**
- **Council Workshop Minutes of August 20, 2024.**

The Mayor asked if there was any separation of consent items.

DW

Motion by Council Member Mizze to remove the payroll register for PPE 8/18/2024, seconded by Council Member Sparks. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

Motion by Council Member Mizze to approve the consent items as amended, seconded by Council Member Sparks. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

CEREMONIAL CALENDAR: None.

REPORTS OF BOARDS AND COMMISSIONS:

- Budget/Finance Committee Minutes of August 13, 2024.
- Public Works Committee Minutes of July 15, 2024.
- Emergency Services Committee Minutes of July 22, 2024.

AUDIENCE PARTICIPATION (THREE-MINUTE LIMIT): None.

SCHEDULED MATTERS:

- **Resolution No. R24-62: A resolution approving and adopting the Final Budget for the City of Laurel for the fiscal year 2024-2025.**

Motion by Council Member Sparks to approve Resolution No. R24-62, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-63: A resolution levying taxes for general and specific purposes for the City of Laurel, Montana, for the fiscal year beginning July 1, 2024.**

Motion by Council Member Banks to approve Resolution No. R24-63, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-64: 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 2024-2025.**

Motion by Council Member Mackay to approve Resolution No. R24-64, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-65: 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 2024-2025.**

Motion by Council Member Wheeler to approve Resolution No. R24-65, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-66: 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 2024-2025.**

Motion by Council Member Mizze to approve Resolution No. R24-66, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-67: 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 2024-2025.**

Motion by Council Member Canape to approve Resolution No. R24-67, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.



- **Resolution No. R24-68:** 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 2024-2025.

Motion by Council Member Sparks to approve Resolution No. R24-68, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-69:** 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 2024-2025.

Motion by Council Member Banks to approve Resolution No. R24-69, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-70:** 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 2024-2025.

Motion by Council Member Wilke to approve Resolution No. R24-70, seconded by Council Member Mize. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-71:** 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 2024-2025.

Motion by Council Member Mackay to approve Resolution No. R24-71, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-72:** 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 2024-2025.

Motion by Council Member Sparks to approve Resolution No. R24-72, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-73:** 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 2024-2025.

Motion by Council Member Wheeler to approve Resolution No. R24-73, seconded by Council Member Mize. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-74:** 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 2024-2025.

Motion by Council Member Mize to approve Resolution No. R24-74, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-75:** A resolution levying and assessing a special tax against certain property in the City of Laurel for delinquent water charges.

Motion by Council Member Canape to approve Resolution No. R24-75, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

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- **Resolution No. R24-76: A resolution levying and assessing a special tax against certain property in the City of Laurel for delinquent sewer charges.**

Motion by Council Member Sparks to approve Resolution No. R24-76, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-77: 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 Banks to approve Resolution No. R24-77, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-78: A Resolution Of The City Council Approving And Accepting Quote From Morrison-Maierle Systems Technology Consultants For Managed Network Services.**

Motion by Council Member Mackay to approve Resolution No. R24-78, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R24-79: A Resolution Of The City Council Approving And Accepting Possible Nomination Of Riverside Park To The National Register Of Historic Places.**

Motion by Council Member Canape to approve Resolution No. R24-79, seconded by Council Member Mize.

Motion by Council Member Mackay to table Resolution No. R24-79, seconded by Council Member Sparks.

The Planning Director stated that he looked into this issue before tonight's meeting. Over the last four years, detailed research has been conducted. A 105 page report has been submitted to the Board making the recommendations.

Council asked if there are any restrictions for receiving the designation.

A vote was taken on the motion to table. All seven Council Members present voted aye. Motion carried 7-0.

ITEMS REMOVED FROM THE CONSENT AGENDA:

- **Approval of Payroll Register for PPE 8/18/2024 totaling \$245,579.12.**

There was a typo on the payroll register total. The correct total is \$248,739.12.

Motion by Council Member Mize to approve the Payroll Register as amended, seconded by Council Member Sparks. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

COMMUNITY ANNOUNCEMENTS (ONE-MINUTE LIMIT): None.

COUNCIL DISCUSSION: None.

MAYOR UPDATES:

The auction wrapped up. The City will get a check for \$26,400.

UNSCHEDULED MATTERS:

- **Appointment of Matt Vanderpool, Orion Remington, and Zach Crone to the Laurel Volunteer Fire Department.**

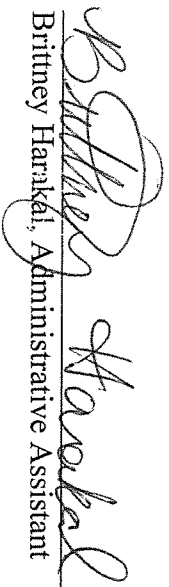
DW

Motion by Council Member Mackay to approve the Mayor's appointment of Matt Vanderpool, Orion Remington, and Zac Crone to the Laurel Volunteer Fire Department, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

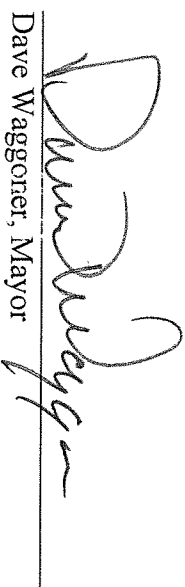
ADJOURNMENT:

Motion by Council Member Wilke to adjourn the council meeting, seconded by Council Member Mize. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

There being no further business to come before the council at this time, the meeting was adjourned at 7:09 p.m.


Britney Harakel, Administrative Assistant

Approved by the Mayor and passed by the City Council of the City of Laurel, Montana, this 10th day of September 2024.


Dave Waggoner, Mayor

Attest:


Kelly Streckler, Clerk/Treasurer







Budget Transmittal Letter

August 27, 2024

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, 2025. 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 \$9,956.451/mill this year, which is a decrease of \$195.937/mill over last year. The mill value in 2023-2024 was \$10,152.388/mill. Last year, the City's total mill levy was 138.13, and this year it is 151.66. The city had unused mills from last year of 6.22 which helped cover the costs for this fiscal year. Overall, the City will receive an increase of \$45,716.74 in taxable revenue.

The following are the changes in apportionment of the levies from 2023-2024 to 2024-2025:

Fund:	24-25 Levy	23-24 Levy	Levy Difference
General Fund	70.53	64	+6.53
Library	35.00	31.00	+4.00
Comprehensive Liability	11.00	9.00	+2.00
PERS	9.00	8.00	+1.00
Group Health	22.13	22.13	-0.00
Fire Disability	4.00	4.00	-0.00
Total	151.66	138.13	+13.53

The Comprehensive Liability Fund premiums have increased by \$11,693.00. This is due to the increase in liability and workers' compensation claims against the City. The last fiscal period (in which our Montana Municipal Interlocal ("MMA") 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 an \$11,859.00 retro adjustment, due to excess reserves MMA had at the end of the 2023 Fiscal Year. This was an increase on last year's adjustment of \$1635.00. With the passage of the Safety Plan, the city reduced the amount of Worker's Compensation claims, and safety is improving. We are actively working on increased safety and informative measures for all City employees. This year, the Comprehensive Liability Fund should have 27% reserves in preparation for next year. At this time last year, there were 13.43% reserves in this fund. So, we have seen a significant improvement in reserves for the City's liability fund.

PERS rates did not increase this year due to the contract statewide expiring. Per PERS, this amount would only increase 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 29% this year. At this time last year, they were at 39%. 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 \$38,825.80 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 2024-2025 is \$38,825.80. The cash balance at the end of June 2024 was \$0. The 4.00 mills are to supplement the balance of the Pension Fund.

Fund:	24-25 Levy	23-24 Levy	Difference
Airport Authority	2.61	2.78	-0.17

The Airport Authority Board has its own taxing authority. This year, the fund will receive 0.17 mills less than last fiscal year.

Fund:	24-25 Levy	23-24 Levy	Difference
Ambulance Mill Levy	46.14	0	+46.14

The Ambulance Department received their own mill levy this year to help cover some of the costs for their department. They are still in the General Fund but will receive 46.14 mills this year to help fund their budget.

Fund:	24-25 Levy	23-24 Levy	Difference
Permissive Levy for Health Ins. (HB409)	20.50	23.17	-2.67

The permissive mill value was \$256,655.78 in 2022-2023, \$235,231.85 in 2023-2024 and valued at \$166,497.80 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, decreased from .9561 in 2023-2024 to .9300 in 2024-2025. Workers' compensation rates have increased for all municipalities in Montana, the past year, so this overall increased was not unexpected.

The Public Works Union was budgeted a 4% wage increase, as per their Collective Bargaining Agreement. The Police Union was budgeted a \$3.00 increase for police officers and \$1.50 for dispatch and animal control, according to the terms of their Collective Bargaining



Agreement.

I am recommending a 4% increase in 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 \$6,172,686.00, with revenues coming in at \$6,172,969.00 We should not be using cash reserves this year. The General Fund should have 37% reserves at the end of the Fiscal Year.

Notable changes to the General Fund this year include:

Revenues:

- General Fund tax revenue increased slightly this year.

Expenditures:

- Department Heads were asked to keep Expenditures fair and reasonable while we address budget concerns.

Fund 2220 – Library:

Revenues:

- The projected tax revenues are \$308,649.98 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 \$126,000 for this fiscal year, and in slightly higher than last year.

Expenditures:

- The City is using current staff, Kurt Markgard, as the planning director. The City is also contracting with KLJ Engineering when needed. The City is currently cross training with the building department as well

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 \$1,487,900.00 for this fiscal year

Expenditures:

- Zoning, Subdivision and growth expenditures should be expected.

Fund 2400 & 2401 – Light Districts #2 & 3

Revenues:

- Light District #2 will be assessed at a rate of \$39,791.60, and Light District #3 will be assessed at a rate of \$23,191.35.

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 1st Avenue.
- The Street Maintenance assessment to the citizens of Laurel will be \$930,250.33 for street maintenance and \$18,006.90 for the sweeping district.
- The Street Maintenance Fund will continue to receive the R-O-W fees.

Expenditures:

- Currently there are no projects scheduled.

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 2702 – Expendable Grant

- Amount available for reconstruction on the North Shore of the Yellowstone River is \$134,000.

Fund 2820 – Gas Tax

Revenues:

- The total revenue for the gas tax allotment this year is \$304,983.80, which is down from last year.

Expenditures:

- The 5th Avenue through 7th Avenue Sewer and Street project will be partially funded from gas tax.

Fund 2821 – HB 473-Gas Tax

Revenues:

- The revenues budgeted from the State this fiscal year are \$233,000.

Expenditures:

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

Fund 2917 – Crime Victims Assistance

- This fund has \$105,194.00 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 \$43,936.00 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:



- \$39,523.00 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 \$456.75.

Expenditures:

- The sidewalk program will be expended out of this fund up to the available amount of \$88,090.49.

Fund 5210 – Water Fund

Revenues:

- The total anticipated revenue to be received is \$4,037,940.

Expenses:



- A new water tank project is in the works. This project will extend to 2026 and will cost about \$20,000,000.00. The City will be applying for several grants to help fund this project.

Fund 5310 – Sewer Fund

Revenues:

- The total anticipated revenue to be received is \$2,301,700.00.

Expenses:

- Anticipated for this year is the replacement of a new sewer main, which is located between 5th and 7th Ave, on 1st and Main Street.

Fund 5410 – Solid Waste

Revenues:

- The total anticipated revenue to be received is \$1,346,500.00.

Expenses:

- Dumping Fees increased by about \$20,000 this year.

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).

The FY 2025 budget, as presented, will continue to support the City's endeavor to provide exceptional service to our community, adjust to growth and demand, and improve our facilities all while considering the impacts on the City's property taxpayers.

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, 2024-2025. 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,

Dave Waggoner
Mayor