

A SPECIAL COMMISSION MEETING OF THE LEWISTOWN CITY COMMISSION ON AUGUST 29, 2022 WHICH WAS HELD AT THE CENTRAL MONTANA COMMUNITY CENTER AND STARTED AT 6:00 P.M.

CALL TO ORDER

Chairman Doney called the meeting to order.

PLEDGE OF ALLEGIANCE

Chairman Doney asked everyone to stand and say the Pledge to the Flag.

ROLL CALL

Present were Commissioners: Day, Doney, Hrubes, Scotten, Spika and Terry. Commissioner Hewitt was absent.

SPECIAL AGENDA – Resolutions, Ordinance & Other Action Items:

1. Discussion and action on approving Resolution No. 4095, a resolution redefining the boundaries of Street Maintenance District No. 1 in the City of Lewistown

City Manager Phelps explained that there is only one Street Maintenance District in the City of Lewistown. The district is the entire City limits and each year the district is redefined as part of the budget process. Commissioner Hrubes asked if this had changed from last year. City Manager Phelps explained that purpose of the resolution is to reestablish the boundaries of the district and it is the same as last year. Commissioner Doney commented that any property annexed would require a change to the boundaries. Commissioner Terry made the motion to approve Resolution No. 4095, a resolution redefining the boundaries of Street Maintenance District No. 1 in the City of Lewistown and Commissioner Scotten seconded the motion. Commissioner Doney asked for comments from the audience and Commission. There being none, Commissioner Doney asked for the clerk to do a roll call vote. The motion was read and the roll call vote was done and the motion passed unanimously.

2. Public hearing on the cost of maintenance of Boulevard District No. 12, cost of maintenance reserve and administration for Lighting Districts and cost of maintenance in Street Maintenance District No. 1

Chairman Doney opened the public hearing to hear comments on the cost of maintenance of Boulevard District No. 12, cost of maintenance reserve and administration for Lighting Districts and cost of maintenance in Street Maintenance District No. 1. City Manager Phelps explained that the boulevard maintenance was discussed and the Commission made the decision to do a 12.5% increase going up to 75 cents a lineal foot for the 59 properties that are adjacent to the boulevards. City Manager Phelps further explained that after three years of no increases the Commission chose to do 6% increase to .035 centers per square foot. Mr. John Carlson, lives on the corner of 4th Ave and Boulevard, asked if it was one fund for the boulevard or several funds for the different areas. City Manager Phelps answered the boulevard maintenance district includes the properties adjacent to the center median along boulevard and 7th Ave. The assessment for the boulevard is included in the general fund and generates \$3,700. Mr. Carlson asked when the boulevard district was created and City Manager Phelps answered that it was created when the boulevards were installed. Mr. Carlson asked about the maintenance of the boulevards and that there has been little maintenance done over the years. Mr. Carlson also asked if there was a reserve fund for the boulevards why was there no maintaining or improving being done. City Manager Phelps explained that the boulevards have been discussed many times over the last several years. City Manager

Phelps stated that up to 2019 the boulevard district was generating \$566 annually. In 2019, it was the direction of the Commission to move forward with a major overhaul of the boulevards. City Manager Phelps explained some of the improvements the Commission would like to see done. Mr. Carlson expressed some of his concerns and hopes that if changes to the boulevard are done, they are done correctly. City Manager Phelps commented it is still the intention of the City to move forward with the boulevard improvements. Mr. Jason Carlson, son of John Carlson, expressed his concern for the increase and all the work that his dad has done over the years. Commissioner Doney explained that the Commission looks at boulevard and street maintenance rates annually. Mr. Brandon Beriault expressed he is against property tax increases. Mr. Beriault explained that he would like to see taxes based on the census. Mr. Carlson asked about lighting district 3. City Manager Phelps answered that there are close to 20 lighting districts throughout the City and those lighting districts assessments are generated to pay the Northwestern Energy bills. Mr. Rob Langford, Casino Creek Road, asked if the City receives funding from the State for essential road services. City Manager Phelps answered no. Chairman Doney asked for more comments from the audience and Commission. There being none, the public hearing was closed.

3. Discussion and action on approving Resolution No. 4096, a resolution of the City Commission of the City of Lewistown levying and assessing a special tax to cover the cost of maintenance of Boulevard District No. 12, in the City of Lewistown, Montana for the fiscal year beginning July 1, 2022 and ending June 30, 2023

City Manager Phelps explained this district is the property owners that have property frontage adjacent to boulevards in the middle of the streets. City Manager Phelps explained there are 59 property owners, the rate of 75 cents a lineal foot to generate \$3,744.25. Commissioner Spika made the motion to approve Resolution No. 4096, a resolution of the City Commission of the City of Lewistown levying and assessing a special tax to cover the cost of maintenance of Boulevard District No. 12, in the City of Lewistown, Montana for the fiscal year beginning July 1, 2022 and ending June 30, 2023 and Commissioner Day seconded the motion. Commissioner Terry asked if there was a way to make sure these issues don't fall off the radar. City Manager Phelps explained that it could be done as a plan during a Commission meeting. There was discussion regarding engineering costs to move forward with boulevard improvements. Commissioner Doney asked for comments from the audience and Commission. There being none, Commissioner Doney asked for the clerk to do a roll call vote. The motion was read and the roll call vote was done and those Commissioners voting in favor were: Day, Doney, Scotten, Spika and Terry. Commissioner Hrubes voted against and Commissioner Hewitt was absent.

4. Discussion and action on approving Resolution No. 4097, a resolution levying and assessing the cost of maintenance reserve and administration, and supplying of electrical current for the street lights within the City of Lewistown, to properties within particular lighting districts

City Manager Phelps explained the assessments are to offset the cost of the maintenance, supplying of electricity and to build a reserve. The different districts are assessed enough to cover the cost of the respective district. Commissioner Terry made the motion to approve Resolution No. 4097, a resolution levying and assessing the cost of maintenance reserve and administration, and supplying of electrical current for the street lights within the City of Lewistown, to properties within particular lighting districts and Commissioner Spika seconded the motion. Commissioner Doney asked for comments from the audience and Commission. There being none, Commissioner Doney asked for the clerk to do a roll call vote. The motion was read and the roll call vote was done and the motion passed unanimously.

5. Discussion and action on approving Resolution No. 4098, a resolution estimating the cost of maintenance in Street Maintenance District No. 1, specifying the assessment option and levying an assessment on properties for Street Maintenance

City Manager Phelps explained that the street maintenance assessment was discussed and voted on and set at a prior Commission meeting. The approved street maintenance assessment is .035 cents per square foot which is a 6.1% after three years of no increases. The entire district, which is the City limits, estimated revenues is \$1,148,101. The assessments are based on square footage and there is a 15,000 square foot cap on residential lots. There are provisions for homeowners in residential areas that do not have public roads next to their property. Commissioner Day made the motion to approve Resolution No. 4098, a resolution estimating the cost of maintenance in Street Maintenance District No. 1, specifying the assessment option and levying an assessment on properties for Street Maintenance and Commissioner Scotten seconded the motion. Commissioner Hrubes asked about some of the exceptions outlined in the resolution. City Manager Phelps explained the exceptions, which included the cap on residential square footage of 15,000. Commissioner Doney asked for comments from the audience and Commission. There being none, Commissioner Doney asked for the clerk to do a roll call vote. The motion was read and the roll call vote was done and the motion passed unanimously. Commissioner Doney clarified that the street maintenance money is already committed to street projects. The street projects are within the entire City. Commissioner Doney further stated that she would encourage citizens to talk with the Public Works Director if they have concerns with streets.

6. Public hearing on the 2022-2023 budget for the City of Lewistown

Chairman Doney opened the public hearing to hear comment on the 2022-2023 budget for the City of Lewistown. City Manager Phelps explained that she is presenting the Commission tonight with a balanced budget. The budget has been discussed in detail over the last three months. The Commission has seen the proposed revenues, expenditures and any reserves. City Manager Phelps explained that when the Commission looks at the one sheet showing the entire budget to remember that even though the Commission doesn't have any intent on spending in some of the funds, there still needs to be expenditures budgeted to meet state law. Commissioner Doney asked for any additional comments from the audience and the Commission. There being none, the public hearing was closed.

7. Discussion and action on approving Resolution No. 4099, a resolution relating to final budgets, budget authorities and annual appropriations for the fiscal year beginning July 1, 2022 and ending June 30, 2023

City Manager Phelps explained that this resolution is done in accordance with state law, as local government with self-governing powers the Commission has additional flexibility and authorities. City Manager Phelps reviewed some of the additional authorities the Commission has with regard to debt service, grants and proceeds from sales. City Manager Phelps explained that the City is required to approve a balanced budget noting the cash carry forward, revenues, expenditures and cash reserves. Commissioner Spika made the motion to approve Resolution No. 4099, a resolution relating to final budgets, budget authorities and annual appropriations for the fiscal year beginning July 1, 2022 and ending June 30, 2023 and Commissioner Terry seconded the motion. Commissioner Terry asked about the staff funding in dispatch. City Manager Phelps explained that what is budget for dispatch is nine full time employees. The full-time position bumps the wage 50 to 60 cents an hour. City Manager explained that herself and Commissioner Day looked extensively at the wages and other ideas for the dispatch. Commissioner Doney asked for comments from the audience and Commission. There being none, Commissioner Doney asked for the clerk to do a roll call vote. The motion was read and the roll call vote was done and the motion passed unanimously.

8. Public hearing on Resolution No. 4100, a resolution authorizing an increase in the City of Lewistown's mill levy in order to fund increases in premium contributions for medical group benefits for City employees and exempting the same from the mill levy calculation limitation provided for by law

Chairman Doney opened the public hearing to hear comments on Resolution No. 4100, a resolution authorizing an increase in the City of Lewistown's mill levy in order to fund increases in premium contributions for medical group benefits for City employees and exempting the same from the mill levy calculation limitation provided for by law. City Manager Phelps explained that in 2000 the state legislature passed a law allowing municipalities and counties to move forward with levying a portion of the premiums for group health insurance. The City can only levy on the premium increase and on the number of employees paid for out of the general fund. Mr. John Carlson asked for an explanation on the statement exempting the same from the mill levy calculation limitation provided for by law. City Clerk Brummond explained that the legislature put a cap on what Cities can mill and this levy is outside of that limit. City Clerk Brummond commented that the City of Lewistown has been doing this mill since it was allowed. Commissioner Doney commented that the County does this also and to keep employees and offer a benefit the State came up with this option to help offset the cost increase of the benefit. City Manager Phelps explained that the health premium increased \$188,769 since 2000 for the same number of employees. The City can only levy on the increase. Commissioner Doney asked for any additional comments from the audience and the Commission. There being none, the public hearing was closed.

9. Discussion and action on approving Resolution No. 4100, a resolution authorizing an increase in the City of Lewistown's mill levy in order to fund increases in premium contributions for medical group benefits for City employees and exempting the same from the mill levy calculation limitation provided for by law

City Manager Phelps explained that this is an increase from 2000 to current based on the employer's premium increase. This is a total of \$188,769, which equates to 26.35 mills. City Manager Phelps stated that she is asking the Commission to approve the resolution. Commissioner Hrubes asked if the City employees covered under this are exempt from paying taxes. City Manager Phelps answered no, the City is limited to an increase in taxes to no more than $\frac{1}{2}$ the rate of inflation over the last three years and these mills are not included in the general tax levy. City Clerk Brummond stated the exempt is referring to the tax limit on the general tax levy. Commissioner Hrubes made the motion to approve Resolution No. 4100, a resolution authorizing an increase in the City of Lewistown's mill levy in order to fund increases in premium contributions for medical group benefits for City employees and exempting the same from the mill levy calculation limitation provided for by law and Commissioner Scotten seconded the motion. Commissioner Doney commented that in the last two years it has gotten harder to find and hire employees. Commissioner Doney further commented that if the benefits are taken away it would be more difficult to hire employees. Commissioner Doney asked for comments from the audience and Commission. There being none, Commissioner Doney asked for the clerk to do a roll call vote. The motion was read and the roll call vote was done and the motion passed unanimously.

10. Discussion and action on approving Resolution No. 4101, a resolution providing for the annual tax levy mills for fiscal year beginning July 1, 2022 and ending June 30, 2023

City Manager Phelps explained that this resolution sets the levies for the City of Lewistown for the fiscal year. City Manager Phelps stated that the City's taxable value is \$7,532,772, which equates to 219.06 mills for a total of \$1,569,465 to fund the general fund. City Manager Phelps further stated that also included in this resolution is the mill levy for the permissive medical tax levy which is 26.35 mills. Commissioner Spika made a motion to approve Resolution No. 4101, a resolution providing for the annual tax levy mills for fiscal year beginning July 1, 2022 and ending June 30, 2023 and Commissioner Day seconded the motion. Mr. John Carlson asked about some of the tax information on his personal tax

statement. Commissioner Doney asked for comments from the audience and Commission. There being none, Commissioner Doney asked for the clerk to do a roll call vote. The motion was read and the roll call vote was done and the motion passed unanimously.

CITIZENS' REQUESTS

Mr. Robert Langford asked why the City Manager did not get back to her about clearing up the frog ponds. Mr. Langford stated that the City Manager was going to talk with fish and game and they have no jurisdiction over the frog ponds. City Manager Phelps answered that the City must work with fish and game, because if something needs to be done at the frog ponds it needs to be permitted with fish and game. City Manager Phelps stated that she is willing to have another conversation, but at this time the City is not going to treat the frog ponds. Commissioner Doney asked that he talk with the City Manager regarding his concerns.

Mr. Robert Langford commented that several years ago the Commission committed to putting a light up at the alley near the trail for the kids to use the sledding hill after dark. Commissioner Doney stated that she knows the people own the property and can't force them to allow children to use it. City Manager Phelps stated that it was her understanding the Commission chose to not move forward with that request because the sledding hill is on private property.

COMMISSIONER'S MINUTE

Commissioner Day thanked the City staff and Commission for all the work done on the budget.

ADJOURNMENT

Chairman Doney adjourned the special meeting.

Dated this 29th of August, 2022.

Gayle Doney, Commission Chairman

ATTEST:

Nikki Brummond, City Clerk