

City Council Work Session

June 2, 2008
5:30 PM
Community Center

ATTENDANCE:

Mayor/Council (please check) x Tussing, x Ronquillo, x Gaghen, x Stevens, x Pitman, x Veis, x Ruegamer, x Ulledalen, x McCall, x Astle, x Clark.

ADJOURN TIME: 7:45 p.m.

Agenda

TOPIC #1	<i>Public Comment</i>
PRESENTER	
NOTES/OUTCOME	

- There were no speakers

TOPIC #2	<i>Legal Budget Review</i>
PRESENTER	
NOTES/OUTCOME	

City Attorney Brent Brooks distributed a copy of his PowerPoint budget presentation. He noted that his department was relatively small and consisted of 13 people who were very experienced and functioned as a well-oiled machine. He said it had a dual responsibility with both civil and criminal issues. He highlighted the fact that five of the eight attorneys had over 20 years experience and the other three ranged from 2-11 years.

Mr. Brooks reviewed the Civil Division that provided advice, document review, attendance at hearings, litigation with MMIA and attendance at labor negotiations. He noted that Assistant City Attorney Bonnie Sutherland recently began attending labor negotiation sessions. He said his department tried to become more proactive in review of documents early in the process and tried to stay on top of land use and risk management issues.

Mr. Brooks reviewed the Criminal Division. He said the scope for that division was narrower as it was responsible for misdemeanor prosecution. He said the concern was to make sure that misdemeanor offenses were handled seriously enough that they didn't graduate to felonies. He said there was a dedicated domestic violence unit which was required by State Statute and composed of a special domestic violence prosecutor and a domestic violence coordinator, and a victim witness specialist. He said those positions handled domestic violence crimes. He noted that the unit would be discussed later in his presentation.

Mr. Brooks reviewed some criminal statistics and said the important thing to realize was that most cases presented resulted in charges and that some cases were settled at arraignment which required the presence of a prosecutor at those proceedings.

Mr. Brooks reviewed trends regarding the increase in cases opened and the decrease in the number of cases settled at arraignment. Mr. Brooks said that was due to the fact that people had become less inclined to admit to a criminal offense and because the public defender's system came into effect in 2005 which resulted in an increase in the number of cases set for trial with pleas of 'not guilty.'

Mr. Brooks reviewed the information regarding warrant and revocation requests where data indicated those numbers remained fairly steady. He explained probation revocation as a probation violation that required the individual to return to court to explain the violation. He said that number increased due to several factors but partly because there were more people in the system and more people under supervision which made it more likely that probation violation numbers would be high. Councilmember Clark asked if that was related to the number of drug cases. Mr. Brooks responded that a significant number of the non-traffic criminal misdemeanors had a chemical dependency component.

Mr. Brooks advised that the number of jury trials also increased. He said that was a time-consuming procedure for all parties involved. Councilmember Stevens asked how the office dealt with the workload increases. Mr. Brooks said he felt his office was doing fairly well. He said overtime was worked as necessary. He said focus would be placed on efficiency and another position could be requested in the future.

Mr. Brooks reviewed a staffing comparison between Billings and Missoula. He noted that Missoula had a luxury of numerous interns from the University of Montana School of Law. He said that even without the interns, Missoula was still about 2.5 positions ahead of Billings. Councilmember Astle pointed out that Missoula did not show a domestic violence unit that Mr. Brooks said was required by State Statute. Mr. Brooks responded that Missoula contracted with the Missoula County Attorney's office for those services. Councilmember Clark noted that if the interns were removed from the count, Missoula had less staff. Mr. Brooks said that was true even though some were there year round and some interns even tried cases in Municipal Court. He said that was tried in Billings for a few years and the problem was the short period of time the students were on staff, so it was decided to devote that time, money and energy elsewhere. He noted that any time a student intern was in the courtroom, it had to be under the direction of an attorney and the attorney spent a good deal of time in the courtroom as well.

Councilmember Gaghen asked if the pay scale of the major cities throughout the state were at comparable levels. Mr. Brooks responded that they salary was competitive at the start, but fell behind private practice after a few years. He added that in his estimation, the Billings staff was likely paid higher than other cities in the state but that was to be expected; he estimated it was 5-10% higher.

Mr. Brooks reviewed the primary funding sources with the General Fund as the major source. He said another source was Domestic Violence grants from the Montana Board of Crime Control. He added that another source of funds was statutory surcharges imposed by municipal court.

Mr. Brooks reported that the personal services budget increased \$137,700 from FY 08 to FY 09 due to the addition of a position in FY 06. He said a supplemental budget increase

was received two fiscal years ago for an additional attorney and a support staff. He pointed out that the Domestic Violence Grant funding decreased slightly but he didn't think that would be a problem.

Mr. Brooks presented a comparison of the O&M budget from FY 08 to FY 09. He said there was a decrease of \$3200 in the O&M budget and the grant funding remained at the same level.

Mr. Brooks explained that the Domestic Violence Grant received from the Montana Board of Crime Control was a pass-through grant that the Board of Crime Control received from Congress each year on an annual basis. He said the City's application had to be renewed each year as well. He noted that the City applied and received \$90,000 for FY 08 and was formally advised it would receive the same amount for FY 09. He said that there was always the possibility that the Board of Crime Control would reduce the grant award if the City had success with the program and the funds would re-directed to smaller communities as seed money. Councilmember McCall asked if the City match for that grant had to exceed the grant amount. Mr. Brooks said that wasn't required but it was practical to do that since the Board had a finite amount of money to award and there was always the possibility it would be reduced. He pointed out the City's match was slightly less than the FY 08 amount.

Mayor Tussing asked what the budget was for outside counsel. Mr. Brooks responded that it was about \$60,000. He explained that was used for quasi-judicial boards or cases where a conflict existed. He cited an example of his office prosecuting a criminal offense for which a staff member or attorney knew the person charged with the offense and outside counsel was required. He said most years a portion of that amount was turned back unused and his staff was frugal and selective with its use.

Councilmember Stevens asked about the transfers in the operating budget. Mr. Brooks said he didn't have that in front of him but guessed they were surcharges and the one position currently funded by Public Works and Aviation and Transit. Mr. Brooks said he would check on it and provide an answer later.

TOPIC #3	<i>Municipal Court Budget Review</i>
PRESENTER	
NOTES/OUTCOME	

City Administrator Volek introduced Court Administrator Scott Dobbs who distributed a copy of his budget presentation. Mr. Dobbs explained that the jurisdiction of Municipal Court included all misdemeanor offenses and code violations that occurred within the City limits and civil cases with damages \$7,000 or less and cases in which the City was a party. He said the court was also tasked with commitment of mentally-ill misdemeanor offenders to the State hospital for evaluation and treatment, and administered the Billings Adult Misdemeanor Drug Court. He noted that statistics available were from FY 06 and indicated that 33,800 charges, including revocations, were filed in Billings Municipal Court.

Mr. Dobbs reviewed the staffing of the Court that totaled 13.5 FTEs, and one FTE grant-funded position. He said the staffing hadn't changed since FY 05.

Mr. Dobbs reviewed the transactions projected at \$1,748,479 for FY 08. He noted that to date, the transactions totaled \$1,676,639. Those transaction categories included:

- ✓ Fines
- ✓ Collections
- ✓ Bond forfeitures
- ✓ Local Government surcharges
- ✓ Time pay contract fee
- ✓ \$1 Administration Fee

Councilmember Gaghen asked why the \$1 Administration Fee decreased from FY 07. Mr. Dobbs said that was related to how people paid fines and was collected at the end of the fine payoff and if the fine wasn't collected, the \$1 wasn't collected. Councilmember Ronquillo pointed out that the collections increased from FY 07 so it seemed like the \$1 fee should have increased as well. Mr. Dobbs said that defendants who failed to pay the fines were turned over to a collection agency and it didn't necessarily mean that all the fines were paid. He said a service fee of about 10% was paid to the agency. Councilmember Ruegamer said it appeared that collections exceeded expenses and asked what happened to the funds. Mr. Dobbs responded that the funds were transferred to the General Fund. Councilmember Ruegamer asked why Court wasn't an enterprise fund. Mr. Dobbs said he felt that would be contrary to State Statutes.

Mr. Dobbs reviewed the operations budget of \$1,068,621 proposed for FY 09. He pointed out that the capital and transfer lines were specific and only related to supplemental budget requests. He explained that the capital item was the diversion module. He said the diversion module helped track cases as they aged. He said that tracking was currently done manually by a clerk and that module tracked it and made the required reports. He explained that the transfer line item was specifically related to the Drug Court. He said the City Council and City Administrator directed his department to find other funding sources for drug court. He said federal and state grants were secured to take it from the City's coffers. He said the amount listed, \$35,000, was the only expense not funded through grants.

Councilmember Stevens asked about the O&M budget that had a trend of exceeding the budget. Mr. Dobbs explained there were some personnel costs in the O&M budget. He said he felt those issues were ironed out and that item could be tightened a bit. He said video arraignment capability was installed which required upgrade of some technology. He noted that jail arraignments couldn't be held in the regular courtroom but were held in the former police conference room. He said that was an unfortunate arrangement because it was the least accessible. Councilmember Gaghen asked if Bresnan's intended upgrades resolved those technology issues. City Administrator Volek responded that was a separate set of cameras used exclusively for Channel 7.

Mr. Dobbs reviewed the FY 09 Supplemental Budget Requests of:

- ✓ \$35,000 for additional program funding for Drug Court
- ✓ \$22,950 for Pretrial Diversion Module to assist with tracking diversion cases
- ✓ \$56,500 for continued overtime requirement

City Administrator Volek said the amount actually approved for overtime was \$30,000 not \$56,500.

Councilmember Clark asked Mr. Dobbs if he knew the number of people who graduated from the Drug Court. Mr. Dobbs said there were 42 graduates since the program began about two years ago. Mr. Dobbs said more than one graduation was held each week to reduce related expenses. Councilmember Stevens asked if he knew the recidivism and success rates for drug court. Mr. Dobbs responded that approximately 120 people attended the drug court and he guessed the success rate at 33%. He noted that the drug court program was lengthy and if the court's jurisdiction was less than a year, the people couldn't be forced to participate. He noted that it was unfortunate that some of the graduates returned to the system. He said 12–15 people actually came back through courts but none of those people were graduates. He noted that the Drug Court coordinator, judge and volunteers kept track of people and the statistics.

Councilmember Astle if a separate fee was required for incarceration since there wasn't a city jail. Mr. Dobbs answered that it was.

Councilmember Ulledalen asked what the impact was on the court to make the drug court work. Mr. Dobbs responded that if it was looked at in black and white, it detracted from the core court operations. He said if the consideration was to keep people out of jail, employed and drug free, those were benefits that weren't tangible. City Administrator Volek said it could prevent families of those offenders from relying on welfare assistance.

Mr. Dobbs advised that the next step for Municipal Court was to seek further funding for mental health court and a specific DWI court. He said grant funds would be sought for those projects.

TOPIC #4	<i>Budget Discussion</i>
PRESENTER	
NOTES/OUTCOME	

City Administrator Volek announced that all department heads were present with the exception of Interim Fire Chief Staley who was in Bozeman for a consortium meeting. She noted there was a list of items that were in question throughout the process. She said the public hearing would be held Monday, June 9, and Council's approval would be requested at that time or approval could be delayed until June 23 if Council preferred. She said she would meet with Chamber representatives as well and that group would make a recommendation on June 9 based as well.

City Administrator Volek advised that an item recommended was:

- ✓ General fund transfer to Planning, a one-time transfer of \$75,000 to cover the department until the cost of services study was complete.

Ms. Volek said the transfer was part of an overall plan from the Planning Department. She said it involved adding one summer temporary position for code enforcement to ensure better weed control billings. She said other positions would be combined and Planning Department Director Candi Beaudry would spend more time with the Building Department and part of her salary would be funded through that budget. She noted that planning fee revenue could offset that transfer and was not built into the budget at that time. Ms. Volek said if the transfer wasn't made, a layoff of 1.5 positions would likely occur in addition to the two positions that were eliminated.

Councilmember Veis asked if the General Fund transfer would be reduced if the planning fees were increased. Ms. Volek said it could be reduced to approximately \$41,000.

Councilmember Clark asked if it was a one-time situation or if the department would face the same budget problems the next year. Ms. Volek responded that the cost of services study would be complete by next year and the department would have an idea what it should be charging and should have adequate information to make decisions regarding service issues. She said she couldn't guarantee it wouldn't be requested next year, but it was her intent that it was a one-time transfer.

Councilmember Astle asked if the Planning Department could be self sufficient. Planning Director Beaudry explained that about one-fourth of the revenue was from fees and about half of it was from transportation grants. She said increased fees allowed increased leveraging for the planning grant. She said there were years not too long ago when surplus funds were available at the end of the year. She said the reason the department experienced the shortfall now was that the activity level dramatically decreased. She said that lowered the ability to leverage the planning grant and every dollar of fee income cost about thirty cents. Councilmember Ruegamer asked if that meant her answer was 'no.' Ms. Beaudry said she meant that it fluctuated depending on subdivision activity. Ms. Volek stated that planning departments were traditionally supported by property taxes. She said fee review would certainly be addressed. She noted that out-of-state builders were surprised at how low the fees were. She added that increased fees went into the cost of a house which spurred inflation, so balance was needed.

City Administrator Volek addressed items not in the budget but discussed:

- ✓ Council security on meeting nights. Ms. Volek said it cost approximately \$7,100 for security at every meeting. She said two officers were in the hall to screen and one officer was in the Council Chambers for security purposes. She said that amount could be reduced if the security was reduced. Police Chief St. John said that during the security checks, some items were confiscated for the duration of the meeting then returned as people left. He said the \$7,100 was an estimate for the two officers. He explained that one officer was budgeted but to perform the security properly, two officers were needed. Councilmember Pitman stated that he thought Council indicated its preference to drop it.

Councilmember Stevens said she thought it should be dropped as well, but there was one individual that seemed to be getting closer to the edge. Chief St. John said it would be problematic to single out one person.

City Administrator Volek said based on what she felt was Council's preference, that item would not be included in the budget.

- ✓ July 4th Police presence. City Administrator Volek reported that a suggestion was made a year ago to reduce the Council Contingency by \$10,000 to direct those funds to the Police Department budget. She said she believed that was Council's wish, but she was hesitant to remove money from that fund without the Council's authority. Councilmember Veis said he thought the fund went from \$75,000 to \$65,000 because of that \$10,000 transfer. Councilmember Clark asked if that Contingency was spent. City Administrator Volek said it hadn't ever been spent during her tenure. She said a contribution was made to the new website and it paid for the July 4th presence a year ago. She advised that Council Contingency was budgeted at \$65,000 in FY 08 and the estimate for FY 08 expenditure was \$35,000. She said \$10,000 was spent in FY 06; \$32,000 was spent in FY 07; and \$65,000 was budgeted in FY 08 and the estimated expense was \$35,000 so the proposed amount for the second year in a row was \$65,000. Councilmember Veis said he didn't know what the FY 06 and FY 07 budgets were. Ms. Volek said she thought it was \$75,000 both years.

Councilmember Gaghen said she was personally content if the budget for that fund was \$65,000 and \$10,000 went to the July 4th police presence need, but she didn't want it at \$55,000 the next year without some reason. City Administrator Volek said it was budgeted at \$65,000 for FY 09 and there was no money budgeted for the July 4th police needs. She said \$10,000 could be used from the Council Contingency fund or from reserves or cut from another section of the budget. Mayor Tussing asked if an appreciable amount in fines was generated. Police Chief St. John responded a violation was a mandatory citation and a significant number were written the last year. He said the detail would be run regardless of Council's decision. He said it was his understanding that after he received the Council Contingency funds last year, he was to submit a Supplemental Budget Request for the current year and then he could continue it in the regular budget for the next year if the police presence was continued. Councilmember Ulledalen asked if it would make a difference that the 4th was on Friday this year. Chief St. John said it didn't. Councilmember Stevens asked if publicity was done ahead of time. Chief St. John said it was. Councilmember Pitman asked if the Police Department received fines in its budget if that \$10,000 was included in its budget. City Administrator Volek answered that fines went to Municipal Court and any excess Court revenue went to the General Fund. Councilmember Ruegamer suggested the Council Contingency fund remained at \$65,000 and that \$10,000 of it was directed to the Police Department for the July 4th presence. He noted that left \$55,000 which was never spent in the past. Mayor Tussing said he felt it should be paid by the Police Department budget even if the Council Contingency remained at \$55,000. He added that he felt it was time Officer Friendly took a break and the bad cop took over with citations. Ms. Volek said it wasn't only the Police Department but the Fire Department participated as well. Councilmember Ruegamer said he viewed it as a mandate from the Council so it should be funded by Council. Councilmember Veis said it wasn't mandated, it was enforcement of the City Code. He said it wasn't a special deal for the July 4th holiday; it was part of the Municipal Code. Councilmember Stevens stated that citizens who lived in the City had the right to expect it to be fireworks free since it was in the Code, or the Code should be changed. She agreed it should be part of the

Police Department budget so that discussion wasn't needed each year. She said the Police Department knew it had to enforce the Code on July 4th and didn't have to wait until the City Council made a decision about it in June. It was the consensus of Council to allocate \$10,000 from the Council Contingency fund for the July 4th police presence and the department would include it in its budget the next year.

Councilmember Stevens stated she still wanted to know where the other \$10,000 went – how the fund went from \$75,000 to \$65,000. She said she felt like the Council funds were hit twice for that. Councilmember Veis asked what the Council Contingency was budgeted for in FY 06 and FY 07. Ms. Volek responded it was \$75,000 both years. Ms. Volek explained that the fund was budgeted at the amount budgeted for FY 08 and in that case, it was \$65,000 after the \$10,000 was directed to the July 4 issue. Mayor Tussing said everyone was asked to do more with less and the Council should as well. He said the Council had been lucky that it didn't have to spend much money. He said funds would be needed if there was some sort of natural disaster, crime spree or some other unanticipated event.

- ✓ Citizen Survey, a \$20,000 unbudgeted item. City Administrator Volek said it could be funded using reserves or from another account. Councilmember Stevens asked if there were historical records of Council Contingency spending. City Administrator Volek said she would provide a list to Council. Councilmember McCall said she felt the survey was a legitimate request from the reserves. She said there seemed to be universal support when she presented the topic at a previous meeting. She said she was working with two different groups but didn't know if they were willing to put money into it and how much each would contribute. She said she hoped to have that before the June 9 meeting. She strongly urged the Council to consider it. Mayor Tussing asked if she wanted to present a budget amendment at the Council meeting. Councilmember McCall said she could do that but wanted to know if there was support of it. Ms. Volek said the transfer to the Planning Department could be reduced if the fees were increased but those funds came from reserves and all additional spending came from that account as well. She said there was the potential of additional expense related to the firefighters' contract. City Administrator Volek said there were a number of financially-related items that came up as part of the negotiations.

Mayor Tussing said he was a firm believer in scientific surveys as opposed to anecdotal evidence and felt a citizen survey should be conducted every three or four years. Councilmember McCall stated that dialogue with citizens needed to be increased and a community perception check was needed. Councilmember Ruegamer stated he wanted it funded from reserves. He said he was usually skeptical of surveys but the Cobb Field survey was accurate and he supported it. Mayor Tussing said a budget amendment had to indicate the source of the funds. Councilmember Clark commented that if funds were continually taken from the contingency fund, there wouldn't be anything left if something happened and the funds were needed. He said he felt the survey should be funded from reserves. City Administrator Volek said she'd provide a history of the contingency spending.

Councilmember Stevens said \$20,000 was used for the survey, the remaining balance would be \$35,000 that may or may not be spent. She said if reserves were used, it seemed more tangible, because whatever was left in the contingency fund at the end of the year went to reserves. Councilmember Stevens said the difference to her was the fact that the City publicly claimed to have a budget crisis and dipped into reserves. She said it didn't seem right to dip into reserves when Council Contingency funds were available.

Councilmember Gaghen said her concern was what was least complex. She said if there was a real crisis and dollars were needed from Council Contingency, she wanted to know how simple it would be to obtain whatever was needed from whatever funds, whether it was reserves or another fund. She said she needed clarity on that. She said she had no problem with the expenditure for the survey but wanted to know how something unforeseen would be handled that would normally be covered with Council Contingency funds. Consensus was that it would be taken from reserves, especially if there was an emergency.

Mayor Tussing said he didn't think it was incongruous to spend \$20,000 on a citizen survey even though discussions indicated that the City dipped into reserves more than desirable and there was potential of running out of them in five to six years. He said that was even more reason to see what the citizens wanted so future budget priorities could be set, especially in light of the cost of services study that would be complete in the near future. Councilmember Veis stated that another option was to review the supplemental budget requests submitted by the City Administrator and decide what wasn't as important as the citizen survey and take the money from that request. He said that option wouldn't upset the balance and Council would say 'no' to something requested by the City Administrator and 'yes' to the citizen survey. Mayor Tussing said since it was Council's direction to conduct the survey, the best source of funding might be the Council Contingency fund. Councilmember McCall said she agreed with that and that Councilmember Stevens was correct about perception. She said she believed the contingency was the appropriate category to fund it and it gave the citizens a message that Council wanted their input.

City Administrator Volek said she just spoke with Chief St. John who informed her that the Police Department traditionally ended the budget year with remaining funds in personnel due to various reasons that resulted in budget savings. She said Chief St. John told her he believed he could get the \$10,000 for the July 4th enforcement from his bottom line without having to hit the Council Contingency fund. Councilmember Veis said if the choice was to fund it from the Council Contingency, then he wouldn't suggest a supplemental budget request.

- ✓ Pioneer Park Master Plan. City Administrator Volek said it was a subject of much discussion and she was visited by three people the previous Friday who were very concerned with the disc golf at Pioneer Park as were Parks Director Mike Whitaker and City Attorney Brent Brooks. She said those individuals wanted a moratorium

placed on disc golf. She said the good news was that park-owned property was sold to MRL which netted approximately \$100,000 to and that was adequate funding to pay for the Pioneer Park Master Plan which wasn't a certainty until that sale was approved. She recommended funding the master plan. Councilmember Ulledalen said he had a problem with it conceptually because there was no money to spend on parks. He said there was a chance to spend some discretionary money on parks and \$68,000 would be spent for a plan for which there's no money to implement it. He said his concern was that when those projects were announced, that was the threshold everyone bid to. He said a \$68,000 study wouldn't accomplish anything. He said he would prefer to see a wish list from the parks department for ways the Parks Department could use the \$100,000. He said there would be more to show for the money than a 3-ring binder that held a master plan that the City didn't have funds to implement. Mr. Whitaker said \$100,000 would purchase a lot of things for the parks.

Mr. Whitaker advised it was important to answer the question of whether disc golf would be allowed in Pioneer Park. He said that was one of the top five recreational activities. He said the master plan update was a good public process to provide Council for decision-making uses and the disc golf issue would be a controversial decision. Councilmember Ulledalen asked if Mr. Whitaker and Park Planner Mark Jarvis could come up with something similar. Mr. Whitaker said they could put some thought into it but it was his department's busiest time of year so it couldn't be addressed until the first of the year. He said his staff could provide a good document, but the consultants could provide a better product. Mayor Tussing asked about the cost of Riverfront Park's master plan. Mr. Whitaker said it cost about \$60,000 which was the basis for the estimate of the Pioneer Park plan. Councilmember Pitman said he felt it was more than just a 3-ring binder when a master plan study was conducted. He said public input came from more than one group of citizens.

Councilmember Clark asked what kind of qualifications the consultant had. Mr. Whitaker said the consultants were generally landscape architects and previous experience was always requested. Mr. Whitaker said that since it was a regional park, a city-wide survey would be part of the master plan because it affected everyone in the City, not just the people in the park area. Councilmembers agreed it could be included in the citizen survey. Mr. Whitaker said that could be done, but if it was too long, the community wouldn't complete it. Councilmember McCall stated there was a section that could be customized with up to 4 questions. Councilmember Gaghan asked when the last master plan was completed. Mr. Whitaker said it was in the 1970s and disc golf wasn't around yet. Councilmember Stevens asked Mr. Whitaker if there was any value in getting a response from someone who didn't use the park or live near it. Mr. Whitaker said when the survey was completed for Riverfront Park potential users responded with what they wanted at the park. Councilmember Clark asked how many people completed the survey. Mr. Whitaker responded that approximately 800 surveys were sent out and about 350 responses were received. He said it was statistically valid. Mr. Whitaker said there were two public meetings for Riverfront Park and one more would be scheduled, then it would

be reviewed by the Parks and Recreations Board, then a presentation would be made at a Council Work session.

Councilmember Ruegamer stated that Councilmember Stevens mentioned her concern with use of reserve funds for a citizen survey, and now \$68,000 would be used for a plan and he didn't think it sent a good message to the taxpayers. City Administrator Volek said the funds were from park land sale so they should go to that Parks Department. Mayor Tussing said if that's what the department heads wanted to do with it, he hated to second guess them. Councilmember Veis asked if the Pioneer Park Master Plan was budgeted in the next year. Ms. Volek said it was listed but not necessarily funded. Councilmember Veis asked if that was when the Parks Department intended to update the Pioneer Park Master Plan. Mr. Whitaker said it was in the CIP and a funding source hadn't been identified for it. He said the disc golf concerns pushed the project forward. Councilmember McCall reminded Council that when the Parks Department budget was presented, Mr. Whitaker's statistics indicated 32,519 disc golf visits which was significant and she felt there was probably the same amount of unhappiness on the part of people who opposed it in the park. It was agreed to proceed with soliciting a consultant and then submitting a budget amendment when it was time to spend the money.

- ✓ Planning Fees. Ms. Volek advised it was the first revenue increase for those areas since 2003. She said Councilmembers were previously provided a spreadsheet that showed the impact of fee increases on a major or minor basis. She said those fee increases could be used to offset the general fund transfer. Mayor Tussing said the consensus was to do that. Councilmember Ulledalen said he felt the planning and building functions should be as self-sustaining as possible. He mentioned that neighborhood plans ended up not being worth much. He said there wasn't much point in spending money on one because it wasn't an enforceable document. He asked how Billings' fees compared to comparable cities, not just Montana cities. He said he'd like to see where the revenue was spent and he felt the building/subdivision items should be as self-supporting as possible.

Councilmember Veis asked what it cost per lot for a major subdivision to get through the planning process. Planning Director Candi Beaudry said she didn't know that off the top of her head but there was a sliding scale depending on the number of lots in the subdivision. Planning Division Manager Wyeth Friday added that it was based on a bracket and not on a per-lot basis. Councilmember Veis asked what it cost for 40 or less lots. Mr. Friday said currently it was about \$1,500 and would be about \$1,650 with the proposed major increase, and \$1,900 on a minor basis. Councilmember Ulledalen said that someone who developed a major subdivision made a lot of money whether it was the landowner, developer or builder. Ms. Beaudry said when the fees were assigned in 2003 a study was conducted to determine what it cost the department based on average time of review. She said some subdivisions were presented to the Planning Department that didn't require significant review and others took a lot of time. She said the fees were increased 10% but personnel costs increased substantially in the last five years.

Councilmember Clark asked if a study was completed since 2003. Ms. Beaudry said that study included tracking of time for one year and it hadn't been done since then. Councilmember Veis said as a comparison, he charged \$275 per lot when he reviewed a subdivision, and by the information mentioned, the city charged less than \$40 per lot. Ms. Beaudry said subdivision fees were often looked at as regulatory barriers to affordable housing and a balance was needed. Councilmember Stevens said if the 2003 study data was still available and the workload hadn't changed for review of a subdivision, the current numbers could be applied to those numbers. Ms. Beaudry said personnel costs increased 5-9% each year during the last five years. Councilmember Ulledalen said a typical lot was around \$50,000 and an additional \$100 of planning expenses wasn't going to change the affordability of it. He said his argument wasn't a significant change in price. Ms. Beaudry asked if Council wanted actual costs of time brought back Monday night. Councilmembers agreed they preferred higher fees as long as they were justified. Ms. Beaudry pointed out that subdivision review was only a part of what the Planning Department did and there were some duties that weren't fee-based which was where the department fell short. City Administrator Volek said a new set of numbers would be included in the budget presentation and the resolution could be amended to the budget.

- ✓ Library. City Administrator Volek said Library Director Bill Cochran was available to discuss how the mills were established. Mr. Cochran said he and Councilmember Veis talked about the issue at the Library's funding committee meeting a few weeks ago and he understood Councilmember Veis's concern. He noted that a more accurate depiction of how the property tax mills were distributed to the Library could be included in budget books. He reviewed the figures that would be reflected on the budget sheets if the 4-1/2 mills were transferred from the General Fund rather than the way it had been done for previous years when it was set aside from the General Fund and directed to the Library. He explained that Councilmember Veis's concern was because the 4-1/2 mills were not accurately depicted in relation to the Charter and someone could claim that additional mills were levied for the Library and a result could be that the general fund levy was decreased by that amount. Mr. Cochran distributed an explanation of the distribution and the associated history. He pointed out that a recent interlocal agreement entered into with the Yellowstone County Commissioners identified 9-1/2 mills as the base of the City's support to the Library. He said if any part of the 9-1/2 mills were cut, it would essentially break the agreement and risked the loss of County funds. He said if the Council decided the Library had adequate funding, it could reduce the emergency funding, then reduce the 4-1/2 mills. Councilmember Veis said that explanation made sense. City Administrator Volek said in short, it was a campaign pledge and the Council action at that time declared it an emergency. Mayor Tussing pointed out there was no consideration of reduction of Library funding; the concern was how the money was distributed. Councilmember Veis said he read the charter and understood that the Council couldn't direct where the mills went through a resolution other than the special mills collected through a special mill levy. He said he felt the City should collect the 74 mills for the General Fund and could then transfer 4-1/2 mills to the Library, in addition to the 5 mills collected through the Library levy.

Additional Information:

Mayor Tussing asked about the \$1 million for Casa Village. He said he received a number of letters from residents of Casa Village that requested \$1 million to buy the land so it wasn't sold out from under them. Mayor Tussing asked City Administrator Volek to direct staff to respond to those residents.

Councilmember Veis asked if the budget resolution would be prepared in accordance to that evening's discussion. City Administrator Volek said that it would.

Councilmember Ulledalen said he was frustrated with the parking function. He said studies indicated automation of some of the garages created cash flow increases. He said Park I had less than 20 hourly spaces in it which prohibited automation; there was a waiting list for parking spaces and plenty of on-street parking, so it didn't make sense to maintain the small number of hourly spaces in Park I that prohibited automation and cash flow increases. He said Park II could have the same situation.

Councilmember McCall said she met with a group of individuals last week who were concerned about school pedestrian safety. She said Kathy Aragon was one of the individuals. She said the group was concerned with the driver speed and the failure to stop at crossings. She said National School Safety Week was the first week of October and she wanted Council to consider promoting that issue.

Councilmember Ulledalen reported he and Councilmember McCall were dealing with issues at Poly/Vista Park. He said they would watch closely what happened with Pioneer Park planning and the same consideration could be requested for Poly/Vista. He said there was no master plan there and similar issues to the Pioneer Park situation.

Planning Director Candi Beaudry said she knew Councilmembers were contacted by COR Enterprises and had questions. She distributed documentation regarding the sale of land.

Councilmember Clark asked for the regulations from Code Enforcement regarding placement of political signs. He said he noticed numerous signs in the right-of-ways around town. City Administrator Volek said a round-up was done earlier that day and signs in the right-of-way areas were removed.