

BILLINGS CITY COUNCIL
Budget Committee Meeting Minutes
April 12, 2023

Council Members Present: Jennifer, Mike, Ed
Staff Present: Andy, Debi, Jennifer, Chris

- 1) Call to Order (0:00:00)
- 2) Approval of March Meeting Minutes (0:00:31)

Minutes still being edited; will be brought to future meeting

- 3) Public Comment (0:00:36)
None.

- 4) Discussion: FY24 Budget Presentation (0:00:38)

Finance plans to release budget on last Friday of April. Committee members recommend a clear connection between Council-adopted priorities and spending categories in the budget. While the amount of spending may not necessarily reflect the order of priority (e.g. infrastructure costs more than public safety, even though safety is top priority), it helps to see that we are allocating resources to priorities.

- 5) FY24 Budget: Department Review (0:11:55)
 - a) General Fund, TIFs (0:11:55)

No new FTEs in these accounts. Major increases in property & liability insurances due to market trends. City is also likely to see large increases in tax base.

FY24 budget will start to reflect carrying costs for New City Hall.

Council may consider pushing out rec center in the budget and focusing on public safety needs in the SBURA.

- 5) Public Works (0:39:00)

First presentation: Utility rates for FY24 and FY25 – have to be approved by the end of May. Based on updated rate studies. Materials and equipment costs are very high,

labor not much higher. Staff proposal tried to keep wastewater low, because there are significant water increases.

Still having issues with Parks irrigation, but upgrades are helping. Wastewater needs along Billings Bypass, Highway 3, and Inner Belt Loop all need to be addressed to support positive development.

System Development Fees – staff are proposing tiered structure for first time. Outdoor lot size + flat indoor use. Fees are based on impact the land could have, rather than something temporary (e.g. xeriscaping). Offering credits for certain behaviors can raise legal challenges.

Be aware of impact of Coke plant – cheap water, potentially major system impact of bottling.

Second Presentation: Public Works Budget (1:27:27)

Committee discusses multiple proposals for breakrooms and storage; still not working across departments on planning remote facilities. Chris indicates he will revisit the issue.

Committee members recommend a detailed slide on water treatment plant and a comprehensive slide on landfill developments.

6) FY24 Budget: Major Policy Changes (1:50:41)

Mills vs property values – inflationary increase of 6% across the budget.

Public Works policy issues: getting caught up on pipes, shifting to more permanent staff rather than seasonal, catching up on transpo system overall, and establishing a tiered set of system development fees.

Public Safety policy issues – staff recommendations still in development, possible RFP for SUD/MH mills and marijuana revenues. Would be ideal to collaborate with county MH mill levy.

New FTE in the budget: library, airport, buildings (no rate increase), facilities – maintenance tech

Parks – nothing related to levy or bond, staff waiting to see what came out of retreat.

Settlement – not in budget yet, may need tax increase. Council needs to review.

Estimates on property tax for YC is 30%, potentially \$4.8M. Committee discusses using

increase for PD1 replacement rather than floating down mills, proactively repealing PD1.

Committee members and staff briefly discuss budget amendment process.

7) Committee Discussion (2:30:00)

None

8) Discussion of Future Agenda Items
& Meeting Schedule (2:30:00)

Staff for next meeting: New City Hall – Kevin, John, Jessica; PS – two chiefs, Gina

9) Adjournment (2:31:00)

Next meeting: April 26, 2023 @ 9 a.m.