

City Council Work Session

May 18, 2009

5:30 PM

Community Center

ATTENDANCE:

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

The meeting was called to order by Deputy Mayor Ulledalen.

ADJOURN TIME: 7:15 P.M.

Agenda

TOPIC #1	Public Comment
PRESENTER	
NOTES/OUTCOME	

- None

TOPIC #2	City Court/Police/Aviation & Transit Budget Review
PRESENTER	
NOTES/OUTCOME	

Municipal Court

Municipal Court Administrator Melinda Balter reviewed the Municipal Court mission statement and explained the court's limited jurisdiction on all misdemeanor violations and civil actions less than \$7,000. She said the court had about 35,000 cases during the previous years. Mr. Balter advised that the staff of 16 FTE was somewhat small for the caseload and consisted of 13.5 full-time employees and two treatment court coordinators, both funded by grants, in addition to two volunteers who assisted with court proceedings. She reported that the budget request included an additional full-time Account Clerk. Ms. Balter explained the terms of the grants and the purpose of the treatment courts funded by them.

City Administrator Volek explained that the full-time clerk position being proposed would replace temporary labor and overtime for that office. She added that about \$65,000 had been spent for that purpose in the last few years. Councilmember Veis commented that the addition of the position would increase the personal services budget. Ms. Volek explained that the money would be moved from the temporary staffing budget, so it was a wash because O&M would be reduced.

Ms. Balter advised that the work space and file storage was very limited. She said they hoped to utilize some of the space that would be vacated by the Police Department. She mentioned there was a security risk moving prisoners back and forth to the back court room. She advised that offsite space was rented in the GW Building for the treatment court coordinators,

but with the new space that could be utilized; they would be consolidated with the court offices in City Hall. She also reviewed the courtroom challenges due to space limitations.

Ms. Balter reviewed data regarding transactions. She noted that revenue was down for the year, which could be related to the economy. She explained that collection agency revenue was about \$15,000-20,000 each month. Councilmember McCall asked about the percentage of fines collected each year. Ms. Balter said she did not have an exact figure, but knew it was quite low compared to what was outstanding. She said she knew more than \$3 million was outstanding since 2005. She explained that jail time was credited toward fines so those dollars would never be collected. Councilmember Clark asked if she was saying that the City paid the county \$60 per day to house the inmate, then the inmate was given \$75 credit for each day of jail time, which meant that it cost the City \$135 each day to keep the inmate in jail rather than \$60 each day if the time in jail was not credited toward the fine. Ms. Balter said that was correct and it was statute driven so the credit had to be given. Judge Knisely explained that the Legislature set the rate of credit and allowed up to \$150 per day if the inmate performed inmate labor. She said the volume of cases often resulted in plea agreements that reduced fines and surcharges and resulted in reduced revenue. Ms. Volek pointed out that Judge Knisely was a strong supporter of the code court concept that would have a financial benefit due to the way the surcharges and fines were paid.

Ms. Balter advised that the new ordinance recently passed that allowed a \$25 fee added to all treatment court fines would be charged on all alcohol and drug related charges and approximately \$30,000 was anticipated from that during the next fiscal year. She said 87% of the cases between 2005 and 2008 were drug related.

Ms. Balter stated that the addition of another permanent position would result in some consistency that was not possible with temporary labor. Councilmember Veis asked how much temporary labor was used the previous year. Judge Knisely advised that she did not have that information right then and could provide it later. She explained that the court historically ran over its budget each year and even though it seemed logical that two more employees were needed, there was no space for additional employees. Councilmember Veis stated that there were structural deficits due to contracts that included cost-of-living increases and adding employees added to the structural deficits. He said from what he heard, using temporary employees could be a better process. Judge Knisely said the problem was getting temporary employees trained to perform the necessary tasks. She compared the Municipal Court staff to the staffing for both District Court and Justice Court that had more employees and a smaller caseload. She said the budget still included some overtime in the budget due to the bailiffs' work schedule. She noted that being short-handed affected staff morale as well. Councilmember Veis stated that they could be in the same situation in two years and any FTEs added had to be with the recognition that there was a structural problem with the budget.

Councilmember Astle asked if the \$65,000 included overtime and seasonal wages. Judge Knisely said she did not have the exact figures, but thought about \$25,000 was overtime and the remainder was seasonal/temporary employment.

Councilmember Ruegamer asked where collected funds went that exceeded expenses. Ms. Volek explained they were put into the General Fund and distributed among other departments as needed. She said the Court was aware of that.

Ms. Balter reviewed the supplemental budget requests for FY2010 for drug court funding, the pretrial diversion module, additional labor, and office supplies. Councilmember

Brewster asked about upgrading the processes. Ms. Balter explained the court was selected as an e-court system model and reviewed that process.

Councilmember Veis asked why the SBR still included additional labor. Ms. Volek explained that the original request was for temporary labor, but the request for the additional FTE was then added to the budget and the SBR budget request would be changed.

Ms. Balter provided a brief overview of the treatment courts. She said the treatment courts saved over \$180,000 by keeping people out of jail.

Police

Police Chief Rich St. John compared FY2009 and FY2010 and said the overall budget increased 3.6% which did not include the police officer contract negotiation. He pointed out that the increase in personal services was for court time, overtime and holidays, and the three additional officers from the last year of the safety levy. He reiterated that the number could increase when the contract negotiations were complete.

Chief St. John advised that operating and maintenance increased, but a decrease was seen in fuel, parts and labor. He stated that the liability insurance increased and there would be O&M for the three additional officers.

Chief St. John reviewed capital expenditures. He noted that the safety levy provided one fully-equipped vehicle.

Chief St. John reported that the supplemental budget request included a first-floor remodeling project to move staff from the second floor. He said a mobile software upgrade was also requested for the in-car computers.

Chief St. John reviewed internal transfers that included equipment replacement for patrol cars and animal control, debt service at the BOC and a grant match. He said the transfers increased approximately \$17,000.

Chief St. John reviewed other funds that provided funding for task forces and undercover operations.

Chief St. John reviewed a breakdown of the budget among the areas of the police department. He mentioned that FY2010 would be the last year of the safety levy. He said the funds allowed hiring and equipping three additional officers, one of which was already on board. He explained that the only thing that was not accomplished with the levy was an assistant volunteer coordinator; otherwise the obligation to the public was fulfilled. Councilmember Veis asked if the West End Fire Station was staffed with officers. Chief St. John responded that it was staffed full-time with a clerical position and officers utilized the office space and interview rooms. He added that the Sheriff's Office, MSU-Billings Police, and Code Enforcement also utilized that facility.

Chief St. John reviewed the staffing of the Police Department. He noted that the Deputy Chief position would be held vacant in the event those funds were needed. Councilmember Veis said it appeared that four new officers would be added. Chief St. John explained that there were four new officers, but the Downtown officer was funded completely with grant funds.

Councilmember Ruegamer asked about the shift schedule. Chief St. John explained the shift schedule and the staffing level for each shift.

Chief St. John advised that the department faced challenges due to the economic downturn and the anticipated increase in criminal activity.

Councilmember Astle asked how long police vehicles were kept. Chief St. John responded that they were rotated out when they reached 80-90,000 miles.

Councilmember Ulledalen asked about the hiring process. Chief St. John explained the procedure used with the hiring consortium.

Aviation and Transit

Director of Aviation and Transit Tom Binford reviewed the projections from a year ago. He reported that MET was able to end the year better than anticipated due to the fuel price reduction and a \$90,000 grant. He said the commercial airline industry downturn had stressed the revenues. He reviewed a comparison of enplanements since 2007. He explained that even though enplanements were down, the number of available seats had been maintained. He noted that airlines had a high yield due to the captive market in Billings.

Mr. Binford explained the ratemaking formula with the airlines and noted that the City's cost controls provided a competitive advantage – above other similar markets, and when others lost service, Billings gained it. He reviewed service provided and planned by the airlines.

Councilmember Astle asked if Allegiant intended to offer daily flights. Mr. Binford explained that Allegiant intended to continue to offer flights to leisure destinations only two to three times each week and that worked best for them.

Councilmember Ruegamer asked about flights offered by Great Lakes. Mr. Binford responded it was recovering slowly. Councilmember Veis asked if the unemployment rate affected the airlines. Mr. Binford advised that it was affected because he believed people were more conservative.

Mr. Binford advised that the master plan update would be done in a couple months, and the financial plan would be completed also. He stated that the budget included revenues from a planned bond issue for car rental facilities. He added that a customer facility charge would be implemented to retire that debt, and when the debt was paid, the fee would be discontinued. Mr. Binford noted that Great Falls and Missoula assessed that same charge and it was typical in other parts of the country.

Mr. Binford said Transit was doing well. He stated that the downtown transfer facility would be dedicated in early July. He noted that the additional American Recovery Reinvestment Act grant funds significantly benefitted Transit. He added that it was just learned that the annual FTA grant would increase for the coming year. He mentioned that recovery funds did not require a match and the money typically used for that purpose could be used for operating and/or reserves for future capital purchases. Mr. Binford advised that the business plan was underway and expected to be complete by the fall.

Councilmember Veis asked how the customer car rental fee would be implemented. Mr. Binford said it could be done with an ordinance. He explained that a discussion would be held with the car rental companies and preliminary indications were that they supported the fee.

Councilmember Pitman asked if the construction in front of the airport would cost the airport more money. Mr. Binford responded that a deal was made before the construction was done so it would not impact the airport finances.

Airport Budget

Assistant Director of Aviation Kevin Ploehn explained that approximately \$20,000 was set aside to clean up the front of the airport if necessary after the road construction. He said that was the only cost incurred with the construction.

Mr. Ploehn advised that revenues from concessions, airlines, and building leases had not increased as projected and total revenue for FY2010 was projected to be \$700,000 less than FY2009. He reviewed the projected revenues and expenses for FY2010. He stated that the expenses totaled about \$1 million less than operating revenues.

Mr. Ploehn reviewed the capital revenues which included Federal Grants (AIP), Bond Sale, Customer Facility Charges and Passenger Facility Charges. He reported that the capital revenue and expenditures both totaled about \$12.6 million. He advised that approximately \$2.2 million of reserves would be used in FY2010.

Councilmember Veis suggested taking any measures to reduce storm water runoff. Mr. Ploehn explained that the runoff would be directed to the right place and Public Works would be kept informed.

MET Budget

Mr. Ploehn advised that the MET budget was prepared with estimated revenues due to uncertain information regarding the mill levy, FTA funding and additional ARRA funds. He explained that more information was now available and additional revenues could be budgeted. He reviewed the budgeted expenditures, which included the projects funded by ARRA funds. Mr. Ploehn reviewed the total revenue and expenditures and noted that with the additional revenue, reserves could be increased by about \$532,000.

Councilmember Veis asked about the supplemental budget requests. Mr. Ploehn explained the environmental study expenses and skycap services. He noted that the skycap services were an important customer service and could be offered only on a seasonal basis.

Additional Information:

Councilmember Ruegamer announced that the Heart and Sole run was June 13, and if four Councilmembers or administrators participated, a discount would be allowed. He stated that brochures would be sent in the Friday packet.

Councilmember McCall requested an additional work session on frisbee golf in Pioneer Park. Ms. Volek advised that an RFP was out on the master plan and that could be part of that discussion.