

June 28, 2011

The Red Lodge City Council met in regular session on June 28, 2011 at 7:00 p.m. The meeting was called to order by Acting Mayor Mahan followed by the Pledge of Allegiance to the Flag.

ROLL CALL OF OFFICERS Present: Acting Mayor Mahan, Aldermen Richter, Labrie, Schoenike and Williams. Absent: Mayor Roat and Alderman Kampfe.

DEPARTMENT HEAD ATTENDANCE: Community Development Director – Forrest Sanderson and City Clerk – Debbie Tomicich.

MINUTES OF JUNE 14 Motion by Labrie, second by Richter to approve the minutes of the June 14 meeting as submitted. On roll call vote all Aldermen present voted “Aye”. Motion carried.

CLAIMS AGAINST THE CITY Motion by Labrie, second by Williams that claims against the City totaling \$58,395.67 approved by the Auditing Committee, be paid and warrants drawn on their respective funds in payment. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Labrie pointed out that approximately \$13,000 was spent on weed control in the City. She also pointed out that claims are being paid again at this meeting, as it is the fiscal year end.

COMMENTS FROM PUBLIC REGARDING AGENDA ITEMS None

SPECIAL COMMITTEES None

STANDING COMMITTEES – ADMINISTRATION – Solid Waste Fuel Adjustment – FY 12 Labrie told the Council that this item is for information purposes. The fuel adjustment in the solid waste contract was allowed for when the rates were set. The fuel adjustment for FY 12 is \$18,772.20 for 1267 units.

MOU with NorthWestern Energy – Franchise Agreement Sanderson said he has forwarded the MOU to City Attorney, Painter, for review. The original franchise was granted to Montana Power in 1961. Technically the agreement has lapsed for the franchise but the agreement does allow for an extension of the franchise if the City Council is so willing. Sanderson said that his recommendation since the agreement is old is to either reaffirm the original ordinance number 575 or to make changes to the franchise agreement and bring it consistent with the current laws. Painter said he would review and get back to the Council by the July 12 meeting.

TBID Update Sanderson said the TBID Committee is looking at the City being the entity to administer this assessment and our district boundaries stop at the City limits. The question posed to the City Attorney is since we are using the Resort Tax to implement the TBID can we apply this assessment to properties outside the City limits. As of this afternoon Painter had not yet given Sanderson an answer to this question. Painter should have his answer to the Council by the next scheduled meeting.

Crusin’ Red Lodge – Change of Approved Parking Location Motion by Williams, second by Labrie to approve the Crusin’ Red Lodge request to move their parking from the west side of the runway to the east side of the runway for the event being held at the airport on the 24th of July. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Williams said they are moving the parking from a fairly difficult terrain to a fairly flat piece of terrain. It will put a fence between the spectators and the events that will be taking place.

Beartooth Rally – Blue Ribbon Bar – Open Container & Use of City Owned Property – Allow for Setup on July 14, 2011 Motion by Williams, second by Labrie to approve the request which allows the Blue Ribbon Bar street closure to begin on July 14 rather than July 15 with the insurance coverage being extended to cover this new time frame. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Sanderson said he recommends the applicant extend the insurance coverage to include the closure on the 14th from noon so the City will have the typical indemnification.

Resolution #3327 – GASB 54 – Adopting Spending Policy

RESOLUTION NO. 3327

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RED LODGE, MONTANA
ADOPTING A SPENDING POLICY.**

WHEREAS, the State of Montana MCA 2-7-504(2) requires accounting methods to be in accordance with generally accepted accounting principles established by the governmental accounting standards board; and **WHEREAS**, GASB 54 statement released by GASB (General Accounting Standards Board) requires the adoption of a spending policy.

BE IT RESOLVED, that the Red Lodge City Council hereby adopts the following:

General Fund

The City of Red Lodge receives inflows from revenue and other financing sources from numerous sources for use in the General Fund. The Fund will expend those resources on multiple purposes of the local government the intention of this spending policy is to identify the expenditure order of resource categories for the General Fund. Resources will be categorized according to Generally Accepted Accounting Principles (GAAP) for state and local governments. When both restricted and unrestricted resources are available in the General Fund, the following spending policy will apply;

- 1st Restricted
- 2nd Committed
- 3rd Assigned
- 4th Unassigned

The City Council, the Mayor, and the Clerk/Treasurer, individually have the authority to express assignments in the General Fund.

All Special Revenue Funds

The City of Red Lodge received inflows from revenue and other financing sources from various sources for use in Special Revenue Funds. Special Revenue Funds will expend those resources on the specific purpose of the fund. The intention of this spending policy is to identify the expenditure order of resource categories for all Special Revenue Fund. Resources will be categorized according to Generally Accepted Accounting Principles (GAAP) for state and local governments. When both restricted and unrestricted resources are available in a Special Revenue Fund, the following spending policy will apply;

- 1st Restricted
- 2nd Committed
- 3rd Assigned

The City Council, the Mayor and the Clerk/Treasurer, individually have the authority to express assignments in Special Revenue Funds.

Motion by Labrie, second by Williams to approve Resolution #3327, a Resolution of the City Council of the City of Red Lodge, adopting a spending policy. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Resolution #3328 – GASB 54 – Adopting Formal Commitment Policy

RESOLUTION NO. 3328

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RED LODGE, MONTANA
ADOPTING A FORMAL COMMITMENT POLICY.**

WHEREAS, the City of Red Lodge allocates general tax, State entitlement, and interest revenues for expenditure on the specific purpose of certain special revenue funds; and

WHEREAS, the City of Red Lodge is required by law to prepare financial statements in accordance with Generally Accepted Accounting Principles (GAAP) and in conformity with such, wishes to continue to allocate these general revenue sources and report the activity of the specific purpose in a special revenue fund; and

BE IT RESOLVED, that the City of Red Lodge Council commits allocated general tax, State entitlement, and interest revenues for expenditure on the specific purpose of the following funds;

Resort Tax	2100
Comprehensive Insurance	2190
Library	2220
Firemen’s Retirement	2370
Group Health Insurance	2371
PERS-Retirement	2372
Police Retirement	2375
Building Code Enforcement	2394
CDBG-Local Source	2396
Gas Tax	2820
Community Trans. Enhancement Program	2956

BE IT FURTHER RESOLVED, the specific amount formally committed will be determined by the Clerk/Treasurer by means of the following; (1) Review fund balance as of June 30th each year (2) determine necessary cash reserve to be maintained in the fund, and (3) determine whether excess fund balance will be retained in the fund as a committed resource for the specific purpose or resources will be transferred to the General fund of funds with like purposes.

Motion by Labrie, second by Williams to approve Resolution #3328, a Resolution of the City Council of the City of Red Lodge adopting a formal commitment policy. On roll call vote all Aldermen present voted “Aye.” Motion carried.

POLICE AND EMERGENCY SERVICES – Mahan had the newly hired Game Warden introduce himself. His name is Matt Heaton and he and his wife Kelly come to Red Lodge from the Kalispell area. They are both very excited with their move to Red Lodge.

Williams said the committee met with the Fire and Police Chief to review their budgets for the upcoming fiscal year.

LAND USE AND PLANNING – Resolution #3326 – Cemetery Trust Loan to Building Code Enforcement Fund

RESOLUTION NO. 3326

**A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF RED LODGE, MONTANA,
AUTHORIZING AN INTERFUND LOAN BETWEEN CEMETERY TRUST AND THE BUILDING
CODE ENFORCEMENT DEPARTMENT TO COVER EXPENSES IN FY 11.**

WHEREAS, the State of Montana requires that building codes be funded by the jurisdiction with no support from the State of Montana; and

WHEREAS, in FY 11 the Building Code Enforcement Department was short by \$24,000.00 in meeting this mandate; and

WHEREAS, the loan from the Cemetery Trust will be repaid from the Building Department receipts with 2% interest.

THEREOFRE BE IT RESOLVED by the Red Lodge City Council that:

The expenses of the Building Code Enforcement Department shall be paid for by an interfund loan from the Cemetery Trust Fund to the Building Code Enforcement Fund in the amount of \$24,000.00. The loan shall be repaid according to the terms below, by annual appropriations from the Building Code Enforcement Fund of the City of Red Lodge.

Term: Ten (10) years

First Payment: January 2012

Interest: \$480.00

Payments: \$2400.00 Principal

\$48.00 Interest

Total Cost: \$24,480.00

Motion by Labrie, second by Schoenike to approve Resolution #3326, resolution by the City Council of the City of Red Lodge authorizing an interfund loan between cemetery trust and the building code enforcement department to cover expenses in FY 11. On roll call vote all Aldermen present voted "Aye." Motion carried.

PUBLIC WORKS – CTEP/Safe Routes Sidewalk Construction Update Sanderson said that all sidewalks are in place at Lions Club Park except for the ADA ramps. The work that still needs to be completed in this area is the cleanup, backfill, landscaping and repair to the irrigation systems for damages that occurred during this project. No work will be done during the July 4th weekend and the areas will be cleaned up for this time. The City is looking at the extension of the area by the Mountain View School and waiting for a cost.

Schoenike asked if all the damage done to the irrigation system at Lions Club Park would be positively taken care of. Sanderson said the system would be made whole either by the contractor or the City and all repairs would definitely be taken care of.

MDT Access Control Resolution Sanderson said the City has been served notice on an access request to Highway 212 that has been submitted by Charlie Siddle on his Colt Communication development. Sanderson said the access request was denied. The reason it was denied was based on the Access Control Resolution that had been passed by the Montana Transportation Commission. In the resolution, the area of Red Lodge North, which extends from the Library to Two Mile Bridge Road, was designated as an access control location. This allows MDT to deny access to the highway for anyone that has access via another public street.

CITIZEN REPORT Betty Ansorge said she thought it would be advantageous to Red Lodge to try and put anti pollution devices on older cars and motorcycles if possible. She was asked if she was speaking of City vehicles and she said she was as the City could not do this for any and all vehicles. Mahan said it can be put on the City's wish list.

Andy Andersen thanked the Council for the rapid and valued support given to Lions Club Park during the project that is being done on the sidewalks.

CORRESPONDENCE None

MISCELLANEOUS None

Meeting adjourned at 7:30 p.m.

Mayor

ATTEST:

City Clerk