

City of White Sulphur Springs

The regular meeting of the City Council was held on August 23, 2022 at 6:00 P.M. Mayor Rick Nelson called the meeting to order with the following members present:

Pattie Berg
Ron Coleman
Rick Ellison
Lee Blanchard

A. Call Special Meeting to Order

B. Roll Call

C. Pledge of Allegiance to Flag

D. Public Comment: Public comment will be accepted on public matters not listed on this agenda and are within the jurisdiction of the City Council and having a significant interest to the public. During a regular session, there will be time after each agenda item for comment about that item.

1. Step up to the podium and state your name and address for the record.
2. Please limit your comments to THREE (3) minutes.

E. Public Hearing on Proposed Budget 2022-2023

1. Open Public Hearing on Proposed Budget for 2022-2023
Take Public Comments, consider adjustments based on comments.
2. Close Public Hearing
3. Final Discussion from Members of Council
Adjustments from Council based on comments.

Possible Motion: Move to Approve the 2022-2023 Budget as proposed or as amended and set for consideration of Resolution of Adoption at meeting on September 6, 2022.

The Mayor, Council, and City Clerk-Treasurer went through the proposed budget document.

The General Fund:

Law Enforcement Services Contract Payment to County – Special Police District this year is 46.920 mills x \$1,565.663 (a mill City) = \$73,460.77. One Deputy at \$75,000 minus the \$73,460.77 = \$1,539.23 to budget for this year. Had budgeted for \$20,000, so the difference is \$18,461 more. The \$18,461 will be divided into three (\$6,153 each) and be transferred from the General fund and placed in the three Capital Projects 4005 fund accounts.

The Mayor said that Chet McLean that is doing the City's Year End Closing of FY June 2022 with the Clerk-Treasurer, mentioned to the Clerk-Treasurer that while he was closing adjustments that he saw a cash reserve issue in the General fund. Chet McLean said that when he did the cash reserve limitation test, he found that the General fund was noncompliant by \$65,000 and since the City still has plenty of appropriation in the General fund he suggested that the City transfer the \$65,000 to the 4005 fund for the FY 22 in the year end closing so that it would not become a

finding. Last years 2021-2022 General fund was budgeted at \$617,162 and at the end of June 2022 the cash balance was \$371,124. The City is only aloud to have 50% of the \$617,162, so $(\$617,162/2 = \$308,581)$ was allowed and left the \$65,543 above the allowed amount. The Mayor proposed to transfer the approximately \$65,000 from the General fund and place it into the 4005 fund (\$50,000 Facilities Administration for the City Shop and \$15,000 to the Parks to be used to replace a failing truck in the Parks Department). The Mayor read out loud the Montana Code **7-6-616. Capital improvement funds.** A county, municipal, or special district governing body may establish a capital improvement fund for the replacement, improvement, and acquisition of property, facilities, or equipment that costs in excess of \$5,000 and that has a life expectancy of 5 years or more. A capital improvement plan for the fund must be formally adopted by the county, municipal, or special district governing body. The capital improvement fund may receive money from any source, including funds that have been allocated in any year but have not been expended or encumbered by the end of the fiscal year. Money in the capital improvement fund must be invested as provided by law, and interest and income from the investment of the capital improvement fund must be credited to the fund. The Mayor said that when the Council was working on the CIP document the City believed that only 10% of the General fund reserve could be placed into the Capital Improvements Plan fund but he said that there is nothing in code that states that there is a limitation on deposit.

The Mayor said that the paving contractor is ready to come up and repair/pave over the Lincoln St that the Waterline Main Transmission Phase III Project had torn up. The paving contractor would be able to include approximately four blocks of street paving at the same time if the streets are prepped for paving. The Mayor said that the plan is to have at least four blocks paved and use approximately \$40,000-\$50,000 of the budgeted HB473 Gas Tax funds. The Mayor said that the City Crew will focus on prepping the street by Mathis Farm Food, the street by the Bakery/Senior Center, the street by Rooney's, and the street by Stockman's Bar/Hampton Street.

The Mayor said that the final proposed budget:

1000 General fund \$652,409
410100 Council \$8,944
410200 Mayor \$12,866
410360 Court \$24,778
410500 Financial Services \$81,216
410530 Audit \$12,000
410600 Election Expenses \$2,000
411100 Attorney \$36,000
411200 Facilities Administration \$109,182
411300 Central Communications \$6,500
420100 Law Enforcement Services \$1,539
430200 Road & Street Services \$111,669
430263 Street Lighting \$9,936
430700 Propane \$12,500
430800 Garbage Services \$4,126
431100 Weed Control \$700
440600 Animal Control Services \$43,050
460400 Parks \$65,500

4005 Capital Projects fund \$232,942