

# STATE *of the* CITY

RED LODGE, MT

# 2014



by Red Lodge Mayor Ed Williams

This year, we begin a new tradition in creating our “State of the City” report. This report is a review of the current activities of the Red Lodge City government. This is an endeavor to create more dialogue with you as we inform you of what we have done and are trying to accomplish. Please talk with me about any question or concerns you may have about what you read here.

When elected, I promised you more transparency and improved communications and we continue in our efforts to find more ways to constantly improve on that including providing this report. The City Council and our staff are also working to increase transparency through our City including our website, the Google group (email list that receives information provided by the City), and our social media sites.

I want to spend a moment outlining some of our accomplishments since my term as mayor began this year as well as some of the items we are still working on:

- ◇ **Appointment of three new department heads** including Chief of Police **Steve Hibler**, Public Works Director **Jim Bushnell** and City Clerk/Treasurer **Loni Hanson**—it is my expectation that you will continue to see dramatic change and improvement in how our City operates as these Department Heads review and make changes that improve and make our City operations more efficient.
- ◇ **Improvements to our parks** including a new wall (next to the playground across from the Boys and Girls Club), sprinkler system, bike racks, benches and tables at Field School Park and a new sidewalk by Pride Park. Many more improvements are planned as we begin implementing the Comprehensive Parks Plan that is being finalized by the Parks Board.
- ◇ We are in the process of finalizing a **Capital Improvement Plan** to establish a comprehensive approach to solving the infrastructure and other capital improvement needs of our community over the next few years. This is a long term plan that will provide the “road map” needed to dramatically upgrade and improve the infrastructure in our community.
- ◇ **Improved communications with our community.** This includes our City website [www.cityofredlodge.net](http://www.cityofredlodge.net), our Google group,

Facebook and monthly “Meetings with the Mayor” that are open to the public and held at various locations around town. It is my and our City Council’s desire to receive as much input as possible by those who are residents or those who have an interest in our community.

- ◇ **Codification of our ordinances** so that they are readily available, understandable and in a searchable database. This project should be complete and available to the public by year-end.
- ◇ **Permanent pothole repairs** rather than the temporary patching approach used in the past. While it takes longer to do the repairs the long term impact is much improved and cost effective when compared to the old approach that was used for many years.
- ◇ **Improved snowplowing**—this includes some new plow equipment replacing some equipment that was very old and unreliable. We are looking at various options to lessen the berms on Broadway and to improve the results of our plowing in the residential areas.
- ◇ **New zoning ordinances** prepared by the Planning Board and adopted by the City Council. This was an extraordinary effort by our Planning Board who devoted untold hours serving our community.
- ◇ **Interlocal agreement with Rural Fire District #7** to provide fire protection for the City at reduced costs to the City without impacting the level of service we receive.
- ◇ **Improved relationships with various government entities** including the Carbon County Commission, the Carbon County Sheriff’s office, Montana Highway Patrol, Montana Department of Transportation, Montana Fish Wildlife and Parks, Carbon County Attorney and various other organizations.
- ◇ We negotiated new **three-year collective bargaining agreements** (union contracts) for all City employees who are covered by these agreements.
- ◇ **Review of existing ordinances and adoption of new ordinances and resolutions** by the City Council. Since the beginning of the year the City Council has undertaken to review many of the ordinances and policies that are currently in place and are working

to find ways to make improvements and reduce negative government impact on our community.

The Council members have worked long hours and made an extraordinary effort to clean up many of the issues with our ordinances and resolutions. Please help us by identifying areas where you think there is too much or too restrictive policies in our City. Provide your input to myself, the City Council, or a member of the City staff. Since the first of the year the following ordinances and resolutions have been addressed by the City Council.

## Ordinances and Resolutions Passed by the Red Lodge City Council

January 1 - September 9, 2014

- ◇ **Weapons Ordinance (Ord. 902, 3/25)**  
To update and revise the municipal code to be in compliance with State law that limits local authority to regulate all but a few specific firearms regulations.
- ◇ **Stopping, Standing and Parking Ordinance (Ord. 903 and 903A, 3/25 and 6/10)**  
To update and revise the parking ordinance to have reasonable limitations on parking on Broadway Avenue and intersecting streets (8th-14/15th Streets), from 3:00-5:00 a.m., October 1 to May 1, for the purpose of facilitating patronage of local businesses through better snow removal.
- ◇ **Animal Control (Dogs) (Ord. 904, 5/27)**  
To update the animal control ordinance to define the difference between a vicious dog (upon a person) and a dangerous dog (upon an animal) and provide the police department with authority to determine such without having to first go to court.
- ◇ **Cemeteries (Ord. 905, 4/18)**  
To update the cemetery ordinance to utilize the balance in the perpetual care fund to help offset the cost of rehabilitating the mausoleum and other repairs and maintenance.
- ◇ **Disposition of City-Owned Lands (Ord. 906, 5/13)**  
To develop a comprehensive and fair method for the consideration and disposition of City owned land through a process that affords all parties that may be interested in the parcel an opportunity to obtain the parcel.
- ◇ **Business Registration Cert. (Ord. 907, 6/10)**

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To update the requirement for all businesses to pay a business registration fee and undergo applicable inspection requirements, including temporary vendors who do not operate more than 90 consecutive days within a calendar year.

◇ **2014 Zoning Code and Official Zoning Map (Ord. 908, 8/26)**

To update the 2010 Zoning Code to regulate buildings and structures and their location to be consistent with the 2013 Growth Policy.

◇ **Remove the Prohibition on the use of Polyethylene and PVC Pipe as Water Lines (Ord. 909, 9/9)**

To allow for the use of polyethylene and PVC pipes to provide for more cost-effective options of construction or replacement of water lines consistent with the Montana Public Works Standard Specifications.

◇ **Montana Land Information Act Grant (Res. 3365, 1/14)**

To authorize spending for use to standardize local Geographic Information System (GIS) data, integrate this data with a new base map and make this information more accessible via online software.

◇ **Recognize the Red Lodge Area Chamber of Commerce/Visitors Center as the Local Nonprofit Convention and Visitors Bureau in Red Lodge (Res. 3366, 2/25)**

To recognize the Red Lodge Area Chamber of Commerce/Visitors Center as the organization best suited to develop and coordinate a marketing plan for the use of funds from the Montana Tourism Development Act.

◇ **Fees For Registration of Animals and Penalty Fines (Res. 3367, 5/27)**

To modify the fees and penalties for enforcement of the Animal Control requirements contained in Ordinance 904.

◇ **Montana Municipal Interlocal Authority Workers' Compensation Program (Res. 3368, 4/22)**

To participate in the Montana Interlocal Authority pooled risk coverage programs for Worker's Compensation for City of Red Lodge employees.

◇ **Fees for Sale or Lease of City Owned Land (Res. 3369, 5/13)**

To provide for the collection of fees to defray administrative costs associated with the processing of applications/nominations to acquire or lease City owned lands as provided in Ordinance 906.

◇ **Business Registration Fees (Res. 3370, 5/27)**

To set the fee schedule for business registration, transfer of business registration, appropriate inspections and related matters,

including temporary vendors identified in Ordinance 901.

◇ **Water/Sewer Enterprise Fund Loan Agreement for Broadway Avenue Water Rehabilitation Project (Res. 3371, 8/12)**

To provide for repayment of a loan from the Sewer Enterprise Fund used to complete a portion of the Broadway Avenue Water Rehabilitation Project; the loan shall be repaid according to the terms of monthly appropriations from the Water Fund.

◇ **Fiscal Year 2014/2015 Budget (Res. 3373, 9/2)**

To adopt the final budget for fiscal year 2014-2015 and set the total mill levy at 127.34.

◇ **Dedicating and Opening Holly Valley Lane and a Portion of Kainu Avenue as Public Rights-of-Way (Res. 3374, 9/9)**

To declare and dedicate as public rights-of-way Holly Valley Lane and a portion of Kainu Avenue that shall in all respects be open to any and all lawful uses.

◇ **Set Fees for the Red Lodge City Pool (Res. 3375, 9/9)**

To modify the fees for the Red Lodge city pool beginning in 2015 in order to help offset the costs of operation and maintenance of the pool that are significantly higher than the revenue collected from related fees.

◇ **Adopt an Official Name for A Park Dedicated by Subdivision Law (Res. 3376, 9/9)**

To name the land adjacent to Mountain Springs Villa that has been dedicated for a park as part of subdivision law as Phillips Park to honor Jim Phillips as the oldest residing tenant of Mountain Springs Villa and his deceased wife Bev.

**Fiscal Year 2015 Budget**

The reserve for Contingencies is the smallest both in dollar amount and percent of the budget that we have experienced in many years and is a concern to me.

Additional insights regarding some of the individual General Fund categories:

◇ The **Fire Department budget** is based on 6 mills and is approximately \$187,500 annually. The Fire Department General Fund Budget during FY 2014 was \$263,014 and

**Fiscal Year 2015 General Fund Budget (July 1, 2014 - June 30, 2015) adopted on September 2, 2014 by the City Council**

Our General Fund derives Revenues from numerous sources including:

Real Estate Taxes	\$ 710,596
Other Sources	
Entitlement Share	\$275,178
Resort Tax (tax reduction)	\$108,294
Library Mill Levy	\$ 98,500
Transfer (health Ins.)	\$114,745
Fines & Forfeitures	\$ 65,000
Other (24 other sources)	\$208,579
Total	\$ 870,296
Excess Funds and Reserves from Previous Years	\$ 419,018
<b>Total General Fund Revenues</b>	<b>\$1,999,910</b>

Budgeted Expenditures (Appropriations) include:

Atty. Fees, Audit, etc.	\$106,155
Harper Estate, Street Lights	\$164,395
Council	\$ 6,800
Mayor	\$ 5,500
City Hall	\$ 27,900
City Court	\$ 79,525
Clerk/Treasurer	\$ 97,025
Planning (including \$30,000 Grant)	\$162,126
Police	\$574,397
Fire Protection Rural Dist. #7	\$187,500
Library	\$143,964
Streets	\$148,375
Parks	\$ 38,065
Cemetery	\$ 26,565
Pool	\$ 61,500
<b>Total Expenditures (Appropriations)</b>	<b>\$1,829,792</b>
<b>Reserve for Contingencies</b>	<b>\$ 170,118</b>
<b>Total Expenditures and Reserves</b>	<b>\$1,999,910</b>



included some expenditures that were funded from other sources.

- ◇ The **Police** FY 2015 Budget is \$574,397 representing a decrease of \$4,200 from the previous year. There is no reduction in staff or the scheduled raises provided to our employees in the Collective Bargaining Agreement. Expenses have been reduced in other areas to accommodate this budget.
- ◇ **Streets** Budget is \$148,375 compared to \$157,325 in FY 2014. This budget is not adequate to do the maintenance and needed repairs on our streets. In addition Streets will receive \$241,000 from the Resort Tax budget most of which is for equipment purchases, some paving, and the Airport Road reconstruction.
- ◇ **Planning Department** Budget is \$165,090 this year and includes a \$30,000 Grant. The Grant provides revenue of \$30,000 and expenditures of \$30,000 meaning it has a net zero impact on the Planning Department—without this impact the Planning Budget for FY 2015 would be \$135,090 a slight decrease from the FY 2014.
- ◇ **City Court**—the FY 2015 Budget Appropriation for the City Court is \$79,525. We project Revenues from Fines & Forfeitures to be \$65,000.
- ◇ The **Parks** FY 2015 Budget is \$38,065 compared to \$38,175 during FY 2014. Fortunately the Parks receives additional funding from Resort Tax which is projected to be \$65,000 plus the potential for some grants. This funding level should be adequate to maintain and to continue limited improvements in our Parks.
- ◇ The 2015 Budget for the **cemetery** is \$26,565. The cemetery is projected to generate lot sale revenues of \$7,000. This means the General Fund will be funding nearly \$20,000 for the cemetery this year. The cemetery is in need of many improvements that are being considered by the Cemetery Board and this funding level is not adequate to accommodate those improvements. It is our expectation funding from other sources will be available to allow us to make some of the needed improvements.
- ◇ The **Pool** Budget for FY 2015 is \$61,500 and is projected to generate revenues of \$15,000

from pool fees. The General Fund will be providing net funding of \$46,500 to operate the pool this coming year.

- ◇ The **Library** Budget for FY 2015 is \$143,964 of which the City is funding \$40,714 with balance coming from the County Mill Levy (\$98,500) and other sources (\$4,750). In addition to funds provided by the City through the General Fund, the Red Lodge taxpayers are paying a County Mill Levy that provides funding to the Library. In addition to the City contributing \$40,714 from the General Fund the City provides the building/property for use by the Library. There are those in our community who do not understand the need for the City to make this additional funding from the General Fund available to the Library in addition to the County Library Mill levy. At present we are working with the Library Board so that a more permanent understanding of the City's commitment to the Library is understood.

### Information about the Resort Tax Budget

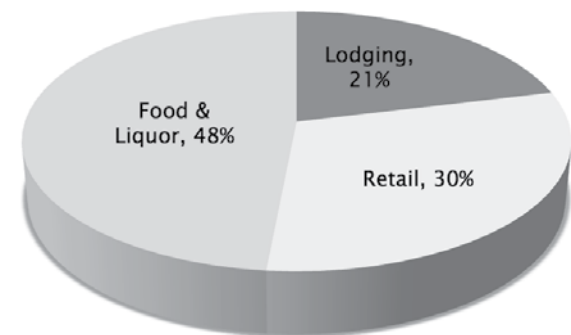
Resort tax took effect in Red Lodge on January 1, 1998 and is for a period of 25 years (December 2022 expiration)

Resort tax is designed to provide funds to improve our community and to provide tax relief to our property owners. During the last couple of years resort tax generated revenues of around \$700,000 annually. An example of the impact of the resort tax involves our water and sewer rates. If we did not have the resort tax our water and sewer rates would be 30% to 40% higher than they are today. Additionally, the property tax relief provided by resort tax — 15% of the resort tax collected — amounts to approximately \$115,000 annually in real estate tax reductions for our property owners.

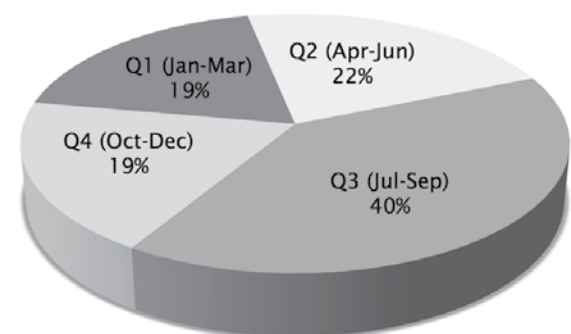
### History of our Resort Tax

Expenditures from FY2000 - FY 2013	
Tax Relief . . . . .	\$1,312,000
Sewer. . . . .	\$2,500,000
Water. . . . .	\$2,650,000
Streets. . . . .	\$2,150,000
Police. . . . .	\$ 118,000
Fire . . . . .	\$ 9,000
Parks. . . . .	\$ 685,000
<b>Total . . . . .</b>	<b>\$9,400,000</b>

### Sources of Resort Tax



### Resort Tax collected by quarter



We are currently finalizing the development of a comprehensive Capital Improvement Plan for the City. Once developed, we will have public meetings to discuss the findings, and prioritizing the needed capital improvements as well as developing a plan on how these requirements will be funded — I am confident Resort Tax will play a significant role in solving some of the infrastructure issues we need to address.

The FY 2015 resort tax budget provides the following uses of these Funds:

- ◇ **Transfer to General Fund** (Tax Relief) — \$115,500
- ◇ **Streets** — \$241,000 (mostly for equipment including plow trucks, improvements to Airport Road)
- ◇ **Sewer/Waste Water Treatment** — \$367,687 debt repayment and improvements in our system
- ◇ **Water** — \$100,000 to repay debt from last water system upgrade
- ◇ **Parks** — \$65,000 for various parks improvements
- ◇ **Emergency Services** — \$54,350 for police vehicles and other emergency service equipment

A good portion of our resort tax is generated from the visitors to our community. If we did not

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have the resort tax our local residents would be either carrying a much heavier load or we simply would not have the ability to fund many of the items considered important by our community.

## Changes in our Police Department

Mid-year 2014 we implemented Community Oriented Policing. Community policing is a philosophy that guides police management style and operational strategies. It emphasizes establishment of police-community partnerships and a problem-solving approach that is responsive to the needs of the community.

One of the major objectives of community policing efforts is to establish an active partnership between the police and the community that can analyze problems and design and help implement solutions and services that are truly community-based. This requires the police to make a conscious effort to create an atmosphere in which community partners actively and willingly cooperate with the police.

An example of how this is working—each evening the police do “bar walks” where they walk through the bars, talk with patrons and employees creating a highly visible and recognized presence. Since this approach was implemented the number of DUI’s and bar fights has been significantly reduced. The key metric is not the number of tickets written or arrests made, but rather the absence of crime and increased feeling of safety and security in the public.

During the next few months we will be implementing several new Police Department programs that will enhance the public participation in helping us to accomplish the objectives of our Police Department including, Citizens Academy #1 in October 2014, selection/formation of Reserve Officers, High School Cadet Program and Targeted enforcement efforts such as, probation/parole searches, school involvement, nuisance violations, traffic study, joint incident command training, and drug dealers and drugs.

## Public Works Department Accomplishments

Besides handling the day-to-day responsibilities of the Public Works Department during the last few months they have accomplished a number of other items including repair of the “force main” that runs along Highway 212 North two times, construction of the new concrete retaining wall across from the Boys and Girls Club, and

the installation of a new telemetry system for the water system allowing us to monitor events and in many instances we can now make the necessary corrections without actually having to go to the site of the problem thereby saving many overtime hours. Our public works employees are concentrating on improving and streamlining their techniques to better serve our community including developing an improved snowplowing plan for this winter.

My priorities include the following — one of the objectives when I became Mayor was to provide permanent fixes to recurring problems that have been experienced for many years where the “band-aid” solution has been historically applied. Potholes are a great example where historically we have used a temporary patch that many times required patching the same pothole several times each year compared to the approach we took this spring of using a permanent patching process that both eliminates the pothole and improves our streets. Not only is this more cost effective it provides a longer term solution to the problem.

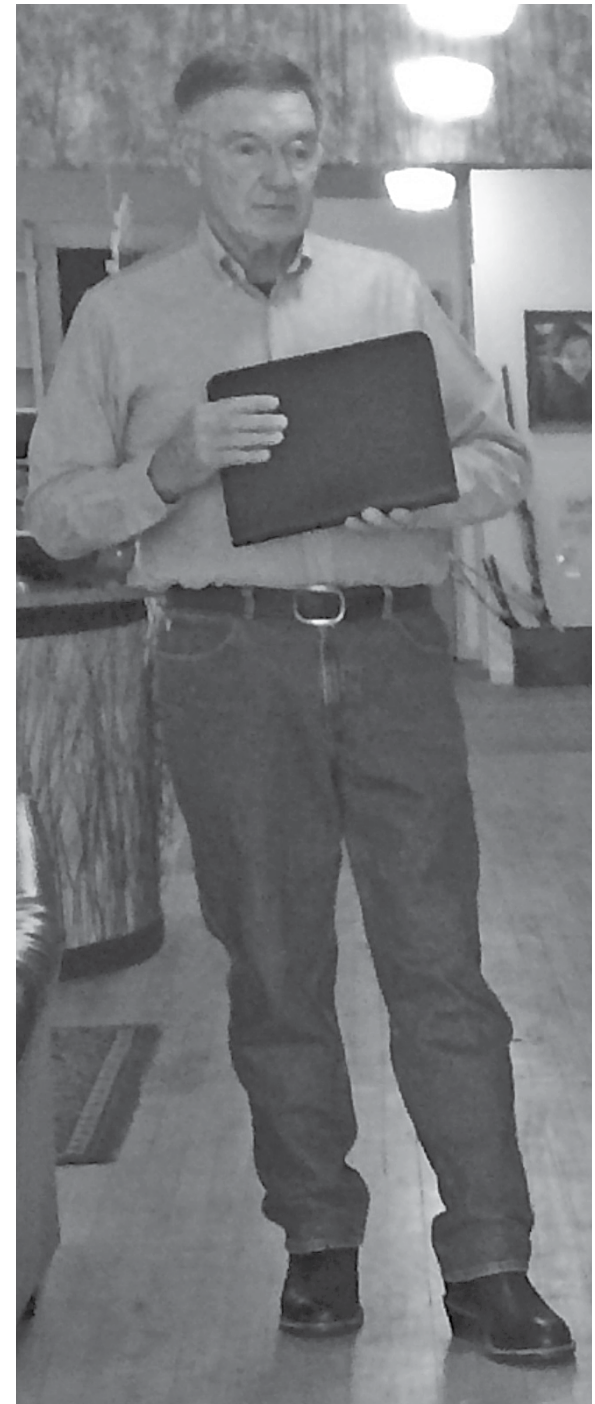
In addition to our day-to-day activities much of what I am trying to do as your mayor is based on developing a longer term vision for our City and providing our employees with the tools they need to get the job done efficiently. I welcome your advice and thoughts as we build our city, as a safe, family-friendly, recreation oriented and business-friendly community. The more serious issues our community faces over the next few years can be solved provided we have a comprehensive plan and the determination to execute that plan.

Red Lodge deserves the best leadership our community has to offer and that is why I am working each day to live up to your expectations regarding making our Red Lodge the best it can be. Let’s continue our progress together.

I look forward to your comments and suggestions as we resolve the issues and define the future of our community.

It is an honor to serve as your mayor.

Ed Williams, Mayor  
Red Lodge Montana  
September 21, 2014



## Talk to your City officials!

### Mayor

Ed Williams, 406-425-4908

### City Council

Mike Schoenike (Ward 1), 406-425-0021  
Martha Brown (Ward 1), 402-515-1606  
Maryvette Labrie (Ward 2), 406-425-1663  
Bill Larson (Ward 2), 406-839-0069  
Glory Mahan (Ward 3), 406-446-1232  
Bill Foisy (Ward 3), 406-426-0550