

Regular Public Safety Advisory Committee Meeting Civic Center, 2 Park Drive South,
Gibson Room 212, Great Falls, MT 59401

CALL TO ORDER: PSAC Chair Sandra Guynn called the meeting to order at 6:00 P.M.

ROLL CALL: Public Safety Advisory Committee (PSAC) Members present: Sandra Guynn, Jeni Dodd, Joe McKenney, Tony Rosales, Aaron Weissman, and Shannon Wilson. Wendy McKamey and George Nikolakakos arrived at 6:05 p.m.

Absent: PSAC Members Mike Parcel and Thad Reiste.

1. APPROVAL OF MEETING MINUTES

PSAC Chair Guynn commented that the number was missing of confirmed arson cases on page 17, paragraph 6, of the May 15, 2024 Minutes.

PSAC Chair Guynn moved, seconded by PSAC Member Wilson, that the PSAC accept the Minutes of the May 15, 2024, PSAC Meeting as amended to include the number of confirmed arson cases.

PSAC Chair Guynn asked if there were any comments from the public or discussion amongst the Committee. Hearing none, PSAC Chair Guynn called for the vote.

Motion carried – 6-0.

EDUCATIONAL PRESENTATIONS AND DISCUSSIONS

2. FOLLOW UP PRESENTATION FROM GREAT FALLS FIRE RESCUE

PSAC Chair Guynn explained that at the May 15, 2024 PSAC Meeting, PSAC Member Reiste had asked how many calls Great Falls Fire Rescue (GFFR) responds to that are related to drugs. Deputy Chief of EMS Jeremy Virts responded (via May 23, 2024 email) that he queried GFFR's reporting system for calls related to "Cardiac Arrest/Death," "Overdose/Poisoning," "Stab/Gunshot," "Unconscious/Fainting," and "unknown problem." The reason the search was this broad is because the response frame of mind for these calls requires our paramedics to "rule out" drugs as a possible cause of the above problems. Possibly half of those calls actually are related to a drug of some sort being in the patient's system and is causing the issue. Stab wounds and/or gunshot injuries were included because there may be a certain percentage of these calls caused by drugs. Ruling out the patient's symptoms and determining that the symptoms are in fact only caused by trauma takes some investigative work on the part of the paramedic on scene. These calls all equate to time and resources needed to mitigate the emergency. The search from May 1, 2023 to May 1, 2024 resulted in 590 calls.

PSAC Chair Guynn mentioned that she further received clarification from Deputy Chief of EMS Virts that the search resulted in 94 calls to adverse reactions to medications.

3. PUBLIC SURVEY/POLL

PSAC Member McKenney explained that the City reached out to other communities and a common theme for a successful public safety levy was having professional polling done long beforehand. The City issued a Request for Proposals (RFP) for Ballot Measure Polling and Outreach Consultant Services. The proposals are due June 19, 2024 and a final decision would be made by mid or late July 2024. The anticipated cost for a poll would be approximately \$25,000 to \$30,000.

PSAC Member Weissman suggested exploring subgroup questions and the thought process with regard to why people voted against the public safety levy.

PSAC Member McKenney responded that he believes most people feel safe and did not see the need for the public safety levy.

PSAC Member Nikolakakos stepped out at 6:18 p.m. and returned at 6:22 p.m.

PSAC Member McKamey commented there should be structured questions with regard to why people voted against the levy, as well as reasons for voting for or against the levy. It might be helpful to understand why people voted for the levy. There are several ways to do surveys that are probably not as expensive as what we may think. She suggested exploring some of those options and ways to facilitate a survey.

PSAC Member Wilson mentioned that the cost was \$40,000 to do a survey for House Bill 264, Veterans Long-Term Care Needs Study.

PSAC Member Dodd inquired which communities were asked about polling working for them and if it was specific to public safety levies.

PSAC Member McKenney responded that he did not currently have the information about which communities were asked and would provide that later; however, it was specific to public safety.

PSAC Member Dodd suggested inserting a survey in the water bill instead of an online survey, in order to avoid people who are not in the community participating in a survey. She commented that there was a lot of feedback about why people voted against the levy that the City did not consider and expressed concern about how a survey would help.

PSAC Member McKenney responded that there was a lot of feedback; however, the City needs to do better outreach with regard to what the community feels their needs are and the City was alone with regard to the levy.

PSAC Member Dodd commented that she has heard that there was anger from the community about the City spending \$150,000 of taxpayer money to attempt to talk them into the levy. She added that

\$30,000 for a survey is a lot of money when the average household income for Great Falls is \$58,000.

PSAC Member McKenney responded that those concerns weigh on the City's decision-making.

PSAC Member Rosales commented that data is important to guide decision-making. He believes that \$25,000 to \$30,000 would be accurate for a survey given his experience doing market research. However, that cost could potentially be lower if the City uses a consultant to cover recruitment costs and have in house people or people from the public do the actual data analysis. He added that he would not trust an outside consultant's recommendation since they are not from here.

PSAC Member Dodd commented that she does not want focus groups where only certain people find out about it like what the library did with its survey. She added that she agrees with the outreach aspect and analysis being done in house. However, she is concerned about an actual survey and a consultant telling us what the best option is for the City. PSAC Member Dodd inquired if an RFP could be changed once it has been released. She believes there needs to be more public meetings to discuss with citizens what is needed and not just give presentations.

PSAC Chair Guynn inquired if the Committee is in favor of having some form of outreach done to garner where the public is on this issue.

Responding to PSAC Member Dodd's inquiry, PSAC Member McKenney responded that he is unaware if an RFP could be changed once it has already been released; however, it can be negotiated to what the City finds acceptable.

PSAC Member McKamey commented that she believes that there needs to be more solid data rather than a venting process, because there has been plenty of venting.

PSAC Member Wilson added that education provided by visiting groups and meetings have not worked.

PSAC Member Weissman commented that it is going to cost more money for a survey that asks statistically significant questions to receive real answers. He supports utilizing City staff if they are experienced in statistic and data analysis.

PSAC Member Rosales commented that there are several people who are experienced in statistic and data analysis and should be utilized because it will make the City more efficient in the future. The role of a consultant is to provide expertise; however, he does not believe they bring expertise to a community unless they are a local consultant.

PSAC Member McKamey suggested doing an online survey because it is more efficient to tabulate and analyze.

PSAC Member Dodd inquired how to restrict an online survey to Great Falls citizens.

PSAC Member McKamey responded there could be a QR code.

PSAC Member Dodd commented that a QR code could be spread everywhere.

PSAC Member Rosales added that if it comes down to doing a QR Code that would be a question for a market research agency.

PSAC Member Dodd commented that there was anger from people about the \$150,000 already spent and she is concerned that they will be upset with a survey when they have already expressed why they voted against the levy.

PSAC Member McKamey responded that inquiring why people voted against the levy is exactly what a survey should be asking and if people are angry, that is their problem.

PSAC Chair Guynn explained that a recommendation does not need to be decided tonight and this discussion gives the City Commission and Management some good ideas.

4. OVERVIEW OF GREAT FALLS' ECONOMIC PAST

City Manager Greg Doyon explained that he will be summarizing two academic papers from PSAC Member Rosales. "Analysis of Financial Problems for the City of Great Falls" by John C. Ingram and "City Government in Great Falls: Trends and Outlook" by Timothy S. Burton. These papers are from 1971 and 1985, so the political environment was different at that time. Since these papers have been written, there has been a multitude of legislative and legal changes to the law. There were economic impacts occurring statewide, nationally, regionally and locally that maybe affected their perspective on how they provided the recommendations.

Manager Doyon reported the following:

Themes and Points

- Both papers discuss the financial struggles of Great Falls within the broader context of urban financial crises in U.S. cities.
 - Great Falls has historically been a slow growth community.
 - Three primary economic drivers in Great Falls: Agriculture, Military, Medical.
- Ingram (1971) provides an overview of financial constraints, including hiring freezes and debt issues, while Burton (1985) highlights the decline in financial conditions due to economic factors and overreliance on property taxes.
 - Major financial events since 2008: Recession, Electric City Power settlement and ECP loss write-off; COVID.

City Finance Structure and Revenue Sources

- Ingram (1971) details the structure of city finances, including the general fund, water and sewer departments, and trust and agency funds.

- Burton (1985) explains the Montana property tax system, the reduction in the tax base, and the impact on the general fund and state assistance.

Problems

- Revenue and Tax Base Issues
- Both papers emphasize the insufficiency of revenue from property taxes.
 - Ingram (1971) notes insufficient revenue from property taxes due to legal limits on mill rates, while Burton (1985) highlights the decline in taxable value and the shift to special revenue sources.
 - Both papers discuss the impact of inflation and economic decline on the city's financial health.
- Dependence on Property Taxes
 - Both papers identify overreliance on property taxes as a major issue.
 - Ingram (1971) and Burton (1985) both discuss the limited capacity of property taxes to meet the growing expenditure needs and the pressure on homeowners and businesses.
- Competition and Fiscal Relations
 - Both papers discuss the competition for revenue among city, county, and school districts.
 - They both note the strained fiscal relationship between local and state governments, impacting the city's ability to generate adequate revenue.
 - There have been recent attempts to discuss and coordinate additional levy asks between the school district, Cascade County, and the city.
- Capital Needs and Infrastructure
 - Ingram (1971) discusses the capital needs for water and sewer departments, including the challenges of funding infrastructure expansion.
 - Burton (1985) touches on the financial decline and the need for state assistance to support the city's infrastructure and services.

Solutions

- Tax and Revenue Reforms
 - Both papers suggest the need for reforms in the property tax system.
 - Ingram (1971) proposes raising the tax rate or shifting certain services to separate funds, while Burton (1985) recommends property tax reform and exploring other tax options, such as local income and sales taxes.
 - Since 2008, this has been a constant call when the legislature is in session: tax reform and local option sales tax.
- State Assistance and Legislative Changes
 - Both papers call for increased state assistance to local governments.
 - Ingram (1971) and Burton (1985) both suggest that the state legislature should grant more fiscal authority to local governments or provide additional state support.
- Efficiency and Cost Reduction
 - Ingram (1971) suggests cost reduction measures, particularly in police and fire services, to alleviate financial strain.

- Both papers recommend implementing efficiency measures and reducing expenditures where possible.
- Annexation and Expansion
 - Ingram (1971) discusses the potential of annexation to expand the tax base and incorporate major employers like the Anaconda Company.
 - Burton (1985) suggests similar measures to increase the tax base and reduce the financial burden on existing taxpayers.
- Exploring New Revenue Sources
 - Both papers suggest exploring new revenue sources, such as local option taxes, service charges, and fees.
 - Burton (1985) specifically outlines various local tax options and the potential for a state lottery to generate additional revenue.
- Summary and Conclusions
 - Paper discuss the need for the city to have Comprehensive Financial Strategies at the local and state level
 - Both papers emphasize the importance of reforming the statewide property tax system, increasing state assistance, and exploring new revenue sources to stabilize the city's financial condition.

PSAC Member Dodd inquired if impact fees for annexations could be put into the fire and public safety budget.

City Manager Doyon responded that there has never been a desire to charge impact fees because that has been perceived as anti-growth and a community needs to be growing in order to benefit from that.

PSAC Member Weissman inquired about the impact of the Sentinel.

City Manager Doyon responded that he heard that Sentinel was over budget and triggered a congressional review. Malmstrom Air Force Base is the largest single mission base and has the largest operating expense. The impact of the Sentinel is unclear because things may change in terms of what the impact is going to be like.

5. CITY FUNDING, TIF'S AND TAX ABATEMENTS

Finance Director Melissa Kinzler provided and discussed a Fiscal Year 2024 Adopted Budget handout that included different funding sources of the general fund.

Finance Director Kinzler explained that the total budget for fiscal year 2024 was \$162 million, \$144.3 million of revenue, \$162.4 million of expenses and \$18.1 million in expenses. There is additional cash in the water, sewer, storm drain and sanitation fund that is reserved for capital outlay. There are approximately 56 funds that have their own funding sources with different needs.

According to state statute, those funds cannot be used for public safety and there are strict rules that the City must follow.

The largest revenue is charges for services at 37%. The majority of that is water, sewer, storm drain, and sanitation services. Since receiving ARPA money, the intergovernmental revenue for the budget is any state, county or federal revenue that the City receives and is 18% and taxes is 20.9%. This is the total taxes including the general fund, library taxes with the new mill and tax increment districts.

PSAC Member Weissman commented that with ARPA funds going away, there is \$144 million in revenue and almost 20% was intergovernmental funds. He inquired what the dollar figure would be for 2024, 2025 and 2026.

Finance Director Kinzler responded that the figure would probably be a little less. When the City first received ARPA funds, it was decided not use it for ongoing operations and to use it for capital improvements.

City Manager Doyon added that there was a CARES reimbursement to begin with; however, it was rolled into the undesignated fund balance. CARES funds were utilized to some extent; however, some of it has been held over because of the City's financial situation coming out of COVID. ARPA funds have to be used for COVID related items that are within the scope. Both CARES and ARPA funds were a one-time amount.

PSAC Member Dodd received clarification that Community Development Block Grant (CDBG) money was used for purchasing fire equipment and an ambulance; however, it cannot be used for ongoing operations.

PSAC Member McKenney received clarification that the general fund is the major fund used for public safety. There is \$24.1 million through taxes, \$916,000 through licenses and permits, \$9.7 million from intergovernmental revenue, outside fire districts pay approximately \$217,000, miscellaneous service charges, \$680,000 through fines and forfeitures every year, 63% of funding the whole general fund is from taxes and 73.6% of the actual cost of the general fund is from personal services.

PSAC Chair Guynn received clarification that \$800,000 of the miscellaneous administration is equipment revolving money put away and cannot be identified to one department or another.

PSAC Member Rosales received clarification that public safety was not cut because of the 72% shortfall of the overall general fund and other sources were found to subsidize recovering from COVID. He commented that the City has had budget shortfalls for the past 50 years and needs to be addressed at the legislative level.

Finance Director Kinzler responded that the general fund budget has been increased approximately 6% since 2014; however, the issue is that there is such a demand for increased services and scarce resources.

PSAC Member Rosales commented that the City is unable to keep up because of the inflationary pressure that it gets from Federal Government spending. The City won't be able to solve these issues from a spending perspective at the City level and needs to be handled at the State and Federal Government level.

PSAC Member Dodd received clarification that the Aim High Big Sky Recreation Center is an enterprise fund and personnel services will be funded by charges for services.

City Manager Doyon added that it is likely that the Aim High Big Sky Recreation Center is going to require an ongoing subsidy from the general fund.

PSAC Member Dodd inquired if considering privatization of Aim High Big Sky Recreation Center to save and have money available for other personnel services has been considered.

City Manager Doyon responded that it is uncertain what a management agreement would look like for a facility like that. The City is going to see how the current staff does with that facility and if it does not work out, privatization could be evaluated as an option.

PSAC Member Rosales commented that there needs to be growth in the City before starting other projects like the aquatics center that require more subsidies from other projects. He inquired if wages the City pays its employees are increasing at the rate of, above or below inflation.

Finance Director Kinzler responded that on average this year it was 3% to 6%; however, it depends on the union.

City Manager Doyon added that approximately every two years, the City does a wage and classification study to ensure positions are competitive with the market because of a noticeable decline in the number and quality of applicants.

PSAC Member Rosales commented that year after year wages are not increasing at the rate of inflation and that is why many people voted against levy in the first place. Expenses are growing far more than what the City is able to bring in to cover the wages of its employees.

City Manager Doyon responded that some years the collective bargaining process is very effective. City staff is doing their homework to ensure that positions are in a range for our jurisdiction and size.

PSAC Member Rosales commented that the City does not have control over the market's increase in wages and is responding to the market. Currently, our market is not increasing wages at the same rate as inflation.

Finance Director Kinzler mentioned that there are certain unions, such as fire and police that look at different wages around the State of Montana and it becomes a State wage. The City has binding arbitration and collecting bargaining agreements that are different from a normal salary market area.

City Manager Doyon added that if fire and police unions went to arbitration, the decision is binding and the arbitrator ultimately decides what the City is going to spend on those contracts.

PSAC Member Dodd inquired if City staff has looked at every department for privatization opportunities to lower personnel costs.

Finance Director Kinzler responded that there has not been an official study done; however, the City attempts to get efficiencies with all employees with regard to the budgeting process.

PSAC Member Weissman inquired about the change in full time employees (FTE) as a result of the Aim High facility compared to the when the Natatorium was operating?

Finance Director Kinzler responded that a budget for the Aim High Big Sky has not been adopted yet, so those numbers are not firm at this point. There will be an increase in FTE's because Aim High Big Sky is more substantial than the Recreation Center.

PSAC Chair Guynn inquired how much money the City does not collect because of Tax Increment Financing (TIF) districts.

Finance Director Kinzler responded that revenue from county, city and school districts goes into a TIF district. The City's proportionate share is about 28% of that TIF revenue and can be used for public improvements. Annual increment is about \$4 million; however, that is the total share of the tax increment and 28% to 29% of that would be the City's portion of TIF money. The City gave Calumet a tax abatement that was estimated to be about a \$2 million revenue loss. Calumet also protested their valuation and there is approximately \$1 million in the general fund that the City would not receive. Finance Director Kinzler added that just because there is a new building does not necessarily mean there will be actual property value on it, because it could be in a TIF district, have a tax abatement against it or be a nonprofit.

PSAC Member Rosales inquired how much of our taxes go to pay for the animal shelter versus how much is done through fees they collect.

Finance Director Kinzler responded that she did not have that specific number tonight and would provide it to Mr. Rosales later.

MISCELLANEOUS REPORTS AND ANNOUNCEMENTS FROM COMMITTEE

PSAC Chair Guynn reported that PSAC Member Weissman was absent from the May 15, 2024 PSAC meeting and had inquired the following:

- The cost of Great Falls Fire Rescue (GFFR) to respond to an Emergency Medical Service (EMS) call.
- The cost for Great Falls Emergency Services (GFES) to respond to the same call.

- Areas of duplication of services/work between Great Falls Police Department (GFPD) and Cascade County Sheriff's Office (CCSO).
- Opportunities for financial savings through coordination between these two agencies.

Fire Chief Jeremy Jones responded (via June 4, 2024 email), GFFR does not assign a cost per call for any of the services it provides. GFFR's focus is responding to life-threatening emergencies in a timely manner that is dictated by the Insurance Services Office (ISO) and the National Fire Protection Administration (NFPA). As far as what the cost for GFES to provide the call, PSAC Member Weissman would have to contact, GFES Manager Groh to see if they assign a cost per call. GFFR does not oversee their budgeting or books and does not have the information available to make a determination on a private company.

PSAC Chair Guynn explained that in his email, Fire Chief Jones went into detail about the state statutes that GFFR and GFES require.

Police Chief Jeff Newton responded (via June 4, 2024 email), regarding the CCSO, there are no duplications of efforts. We work as closely as we can when needed. For example, over the past year, we have added deputies to our High Risk Unit (HRU). When we have a major incident in Great Falls, such as a homicide, we have asked for their assistance due to simply needing additional staff members (but we still have primary investigatory jurisdiction). There have also been circumstances when all of our officers are tied up with priority calls, and have had to ask for assistance from the CCSO to handle a few calls until we were able to free up staff. Mr. Weissman may have seen CCSO deputies conducting traffic stops in the City. They, like the Montana Highway Patrol, can make traffic stops anywhere in the County, and have the authority to do so. However, the CCSO is not consistently taking calls nor doing the work of the GFPD.

PUBLIC COMMENT

Al Rollo, 816 Grizzly Dr., commented that he had to vote against the public safety levy because of being on a fixed income and increases in taxes, insurances, utilities, and food. He further commented that working with the State legislature is crucial. Mr. Rollo added that without a tax reduction in one area, he does not have the money to pay it where he should be. He expressed appreciation to the police and fire departments for all that they do.

ADJOURNMENT

There being no further business to come before the Public Safety Advisory Committee, PSAC Member Wilson moved, seconded by PSAC Member Rosales, to adjourn the regular meeting of June 5, 2024, at 7:55 p.m.

Motion carried 8-0.

Chairperson Sandra Guynn

Acting Secretary – Deputy City Clerk Darcy Dea

Minutes Approved: June 19, 2024