



QUARTERLY FINANCIAL REPORT

FY 2019 Fourth Quarter

CHRIS KUKULSKI, CITY ADMINISTRATOR

Attached is the fourth quarter FY 2019 financial report for your review. The fiscal year 2019 is complete, except for payments for orders and construction completed in June.

Andy Zoeller

A handwritten signature in blue ink that reads "Andy Zoeller".

FY 2019 Q4

GENERAL FUND

REVENUES

For the fiscal year 2019, the City's General Fund performed as expected when compared to the budgeted amounts.

Tax revenue collected in the General Fund was \$16.8 million, or 97.5% of what was budgeted. The remaining amounts due are delinquent taxes and will be collected in the next fiscal year. Tax revenue for FY19 increased by 3.6% when compared to the prior year. This was a result of an increase in taxable value within the city, delinquent taxes from prior years paid this fiscal year, and an increase in the number of mills levied from the prior year.

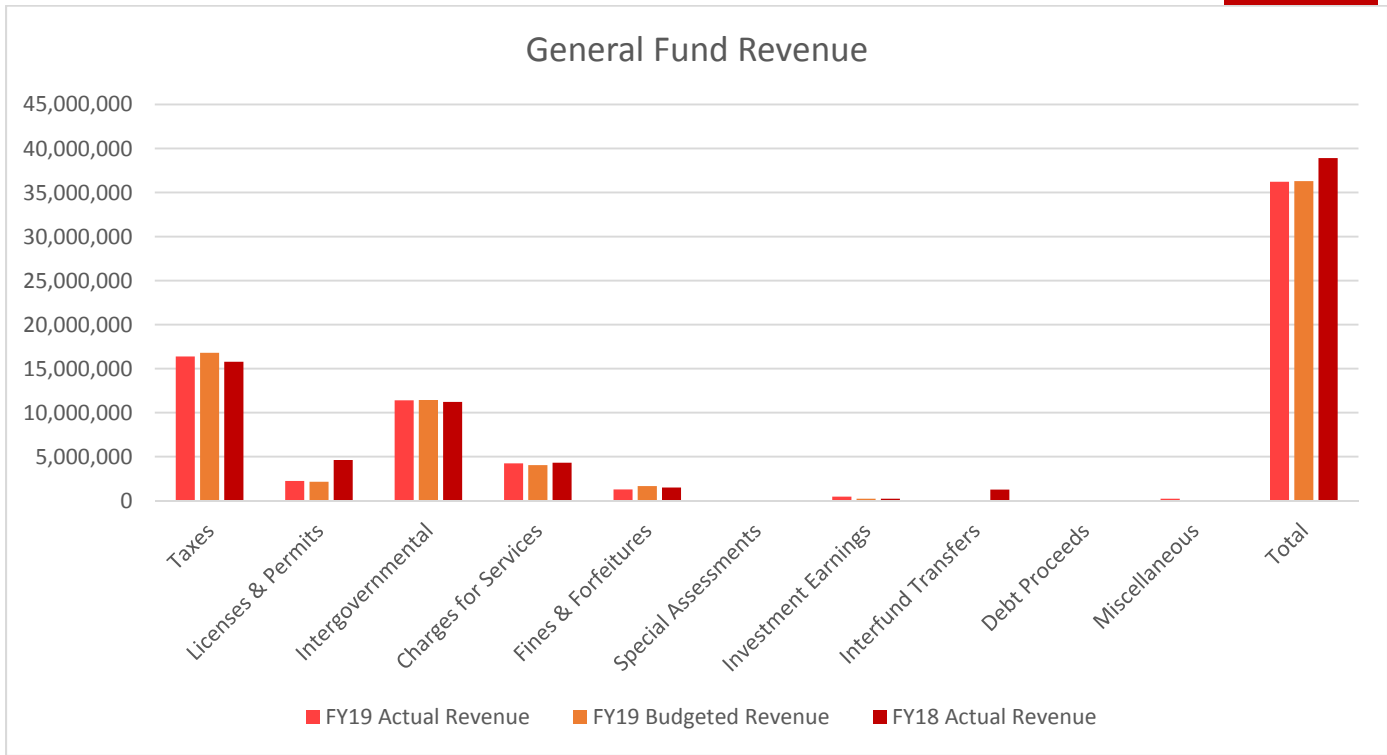
License and permit revenue collected was 4.7% higher than what was budgeted. This was a result of the cable franchise fee being \$60K more than what was budgeted. However, overall the FY19 license and permit revenue decreased by \$2.4 million from the prior year, because of the removal of the franchise fee on utility bills.

Charge for service revenue for FY19 was unchanged from the prior year at \$3.7 million. This revenue is largely related to charges for parks and recreation and methane gas sales at the landfill.

Fines and forfeiture revenue was down about 20% compared to the prior fiscal year. There was about \$200k less collected in court fines in FY19 than in FY18.

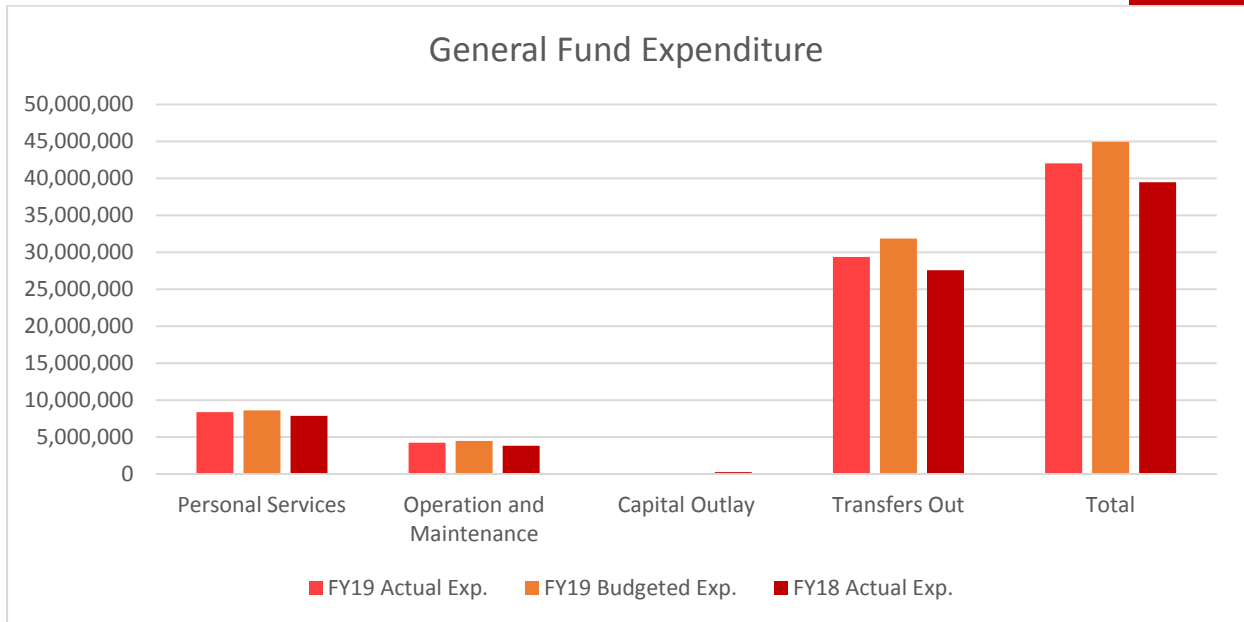
Investment earnings were up over 100% when compared to the prior fiscal year.

Overall revenue in the General Fund was down 7.47%, or \$2.7M, from the prior year. When compared to the total budgeted amount for FY19, actual revenue collected in the General Fund was 99.9%.



EXPENDITURES

The actual expense in the General Fund for FY19 was 93.5% of budget, or \$42 million. This is an increase of 6% over the prior fiscal year. The increase over FY18 was driven largely by Personal Services and the transfer to the Public Safety Fund. Total General Fund reserves used in FY19 were \$6.9 million.

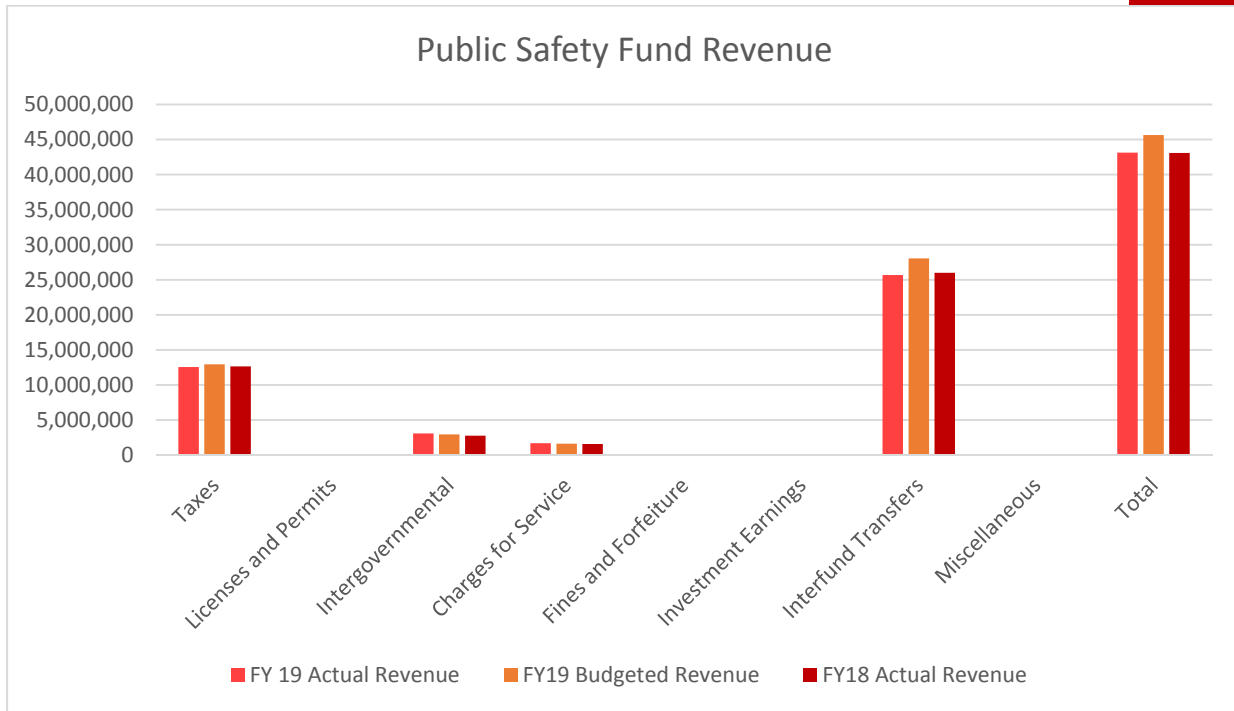


PUBLIC SAFETY FUND

REVENUE

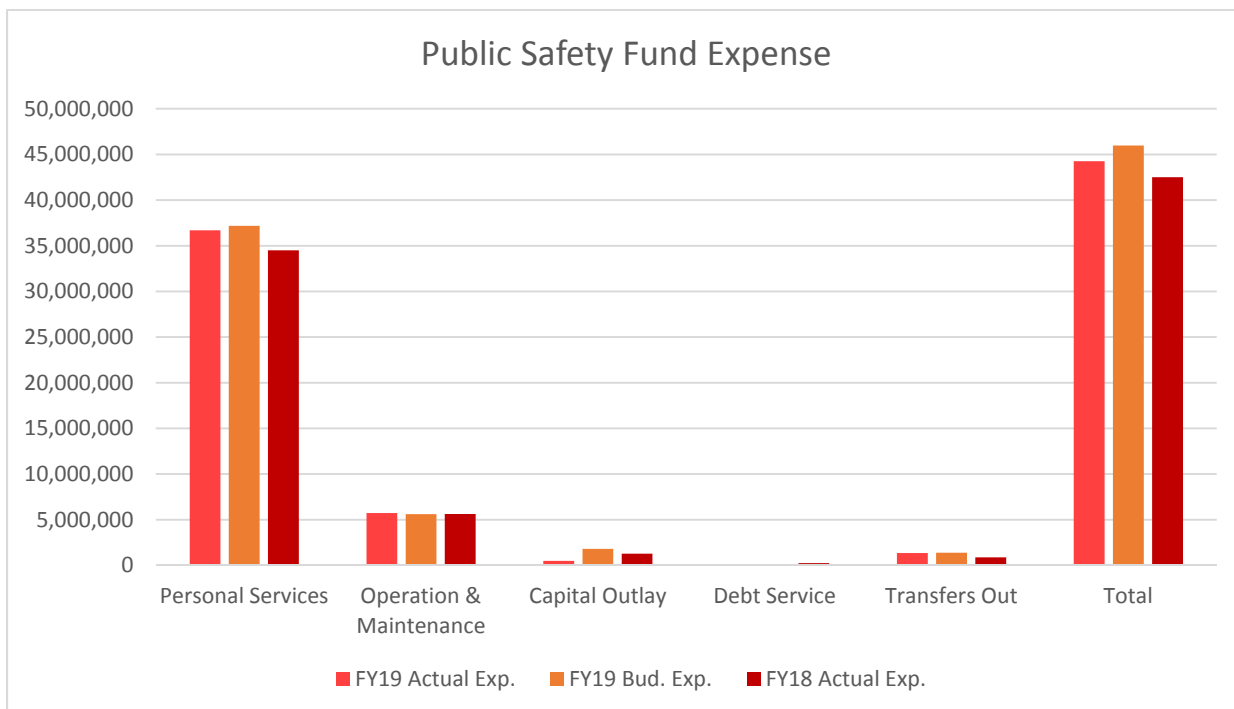
Tax revenue in the Public Safety Fund was down 0.75% when compared to the prior year. This was caused by the Public Safety Mill Levy 2, which is held at \$8.2 million each year and does not increase. Total tax revenue collected in the Public Safety Fund for FY19 was \$12.6 million.

Overall Public Safety Fund revenue increased by 2% over FY18. The major increases were a result of additional charges to the School District for additional School Resource Officers, charges to Billings Clinic and other entities for police presence at events, and to the BUFSA for Yellowstone County fire protection.



EXPENDITURE

Expenditures in the Public Safety Fund were up 3.95%, or \$1.75 million, over FY18. This was a result of increased personal services costs, which totaled \$36.7 million.





FY 2019 Q4 SUMMARY

Final FY19 budget amendments will be presented to City Council at an August meeting. The amendments will include construction change orders, contracts, and other unanticipated expenses that occurred during the fiscal year. The Police Department will request a budget amendment for increased costs associated with jail charges. In addition, the Legal Department will request a budget amendment for the costs associated with defending cases brought against the City.

City staff will also bring forward FY20 budget amendments to re-establish budget authority for capital projects that were unable to be started during the prior fiscal year.

Additional financial data for major city funds is attached for your review.

City of Billings						
GENERAL FUND OPERATING						
For fiscal year 2019, Periods 1 - 12						
	Total 2019 Amended Budget	YTD 2019 Actual	2019 Encumbrance	Variance	%	YTD 2018 Actual
Revenues:						
TAXES	16,790,920.00	16,378,946.30	0.00	-423,792.44	-1.82	15,114,367.43
LICENSES & PERMITS	2,146,291.00	2,247,159.57	0.00	93,688.57	0.39	4,711,512.59
INTER-GOVERNMENTAL	11,430,866.00	11,405,533.85	0.00	-25,332.15	-0.67	11,211,236.30
CHARGES FOR SERVICES	4,032,642.00	4,243,792.32	0.00	211,150.32	-3.36	4,297,276.80
FINES & FORFEITS	1,656,203.00	1,271,807.87	0.00	-384,395.13	-0.56	1,499,620.38
SPECIAL ASSESSMENTS	0.00	188.96	0.00	188.96	100.00	0.00
INVESTMENT EARNINGS	217,000.00	453,164.13	0.00	205,802.93	1.24	222,091.63
INTERFUND TRANSFERS	6,600.00	2,022.33	0.00	-4,577.67	-1.24	1,252,282.00
DEBT PROCEEDS	0.00	0.00	0.00	0.00	100.00	0.00
MISCELLANEOUS	0.00	227,611.52	0.00	227,611.52	100.00	25,164.04
Total Revenues	36,280,522.00	36,230,226.85	0.00	-99,655.09	100.00	38,333,551.17
Expenditures:						
By Category						
PERSONAL SERVICES	8,611,820.00	8,356,983.97	0.00	254,836.03	0.97	7,866,190.76
OPERATIONS & MAINT	4,478,524.41	4,240,193.72	14,868.36	247,971.54	0.93	3,796,169.38
CAPITAL	0.00	79,595.63	97,969.96	-177,565.59	100.00	242,850.03
DEBT SERVICE	0.00	0.00	0.00	0.00	100.00	0.00
INTERFUND TRANSFERS	31,855,087.00	29,361,823.44	0.00	2,493,263.56	0.85	27,574,054.75
Total Expenditures	44,945,431.41	42,038,596.76	112,838.32	2,818,505.54	100.00	39,479,264.92



City of Billings						
GENERAL FUND-BY DEPT DIVISION						
For fiscal year 2019, Periods 1 - 12						
	Total 2019 Amended Budget	YTD 2019 Actual	2019 Encumbrance	Variance	%	YTD 2018 Actual
Expenditures:						
By Department/Division						
MAYOR & COUNCIL	219,565.00	210,404.61	0.00	9,160.39	0.94	198,235.00
CITY ADMINISTRATOR	777,077.00	770,159.85	0.00	6,917.15	0.94	706,147.19
HUMAN RESOURCES	745,750.00	706,219.42	1,225.00	42,885.58	0.94	678,463.38
CITY ATTORNEY	1,718,003.00	2,008,681.54	0.00	-290,678.54	1.15	1,757,290.49
MUNICIPAL COURT	1,499,494.00	1,344,655.49	13,643.36	143,927.99	0.97	1,334,614.21
FINANCE	1,582,619.00	1,423,789.57	97,969.96	60,859.47	0.96	1,282,513.61
CODE ENFORCEMENT	558,019.00	481,442.30	0.00	76,576.70	0.84	492,422.64
PARKS & RECREATION	7,442,515.41	7,236,567.15	0.00	223,144.63	0.65	4,955,784.92
NON-DEPARTMENTAL	30,322,389.00	27,826,676.83	0.00	2,495,712.17	0.92	28,028,287.83
COUNCIL CONTINGENCY	80,000.00	30,000.00	0.00	50,000.00	0.40	45,505.65
Total Expenditures	44,945,431.41	42,038,596.76	112,838.32	2,818,505.54	100.00	39,479,264.92

City of Billings						
PUBLIC SAFETY FUND						
For fiscal year 2019, Periods 1 - 12						
	Total 2019 Amended Budget	YTD 2019 Actual	2019 Encumbrance	Variance	%	YTD 2018 Actual
Revenues:						
By Category						
TAXES	12,938,519.00	12,553,017.15	0.00	-396,194.84	-1.74	12,058,493.71
LICENSES & PERMITS	27,700.00	38,921.67	0.00	11,221.67	-1.37	42,296.54
INTER-GOVERNMENTAL	2,955,145.00	3,095,247.55	0.00	140,102.55	-1.54	2,771,250.37
CHARGES FOR SERVICES	1,622,321.00	1,700,307.06	0.00	77,986.06	-0.84	1,577,812.92
FINES & FORFEITS	2,400.00	2,540.00	0.00	140.00	100.00	2,400.00
INVESTMENT EARNINGS	300.00	9,559.00	0.00	9,259.00	-10.34	10,351.35
INTERFUND TRANSFERS	28,040,920.00	25,666,599.00	0.00	-2,374,321.00	-0.92	25,999,386.82
DEBT PROCEEDS	0.00	0.00	0.00	0.00	100.00	0.00
MISCELLANEOUS	29,095.00	67,919.65	0.00	38,824.65	1.30	51,656.66
Total Revenues	45,616,400.00	43,134,111.08	0.00	-2,492,981.91	100.00	42,513,648.37
Expenditures:						
By Category						
PERSONAL SERVICES	37,190,118.00	36,691,741.89	0.00	498,376.11	0.99	34,521,727.50
OPERATIONS & MAINT	5,596,527.12	5,735,837.54	238,857.72	-371,613.69	1.00	5,582,212.89
CAPITAL	1,800,603.90	489,735.76	98,235.90	1,212,632.24	0.20	1,317,617.98
DEBT SERVICE	0.00	0.00	0.00	0.00	100.00	236,502.44
INTERFUND TRANSFERS	1,387,562.00	1,346,998.46	0.00	40,563.54	0.08	879,934.00
Total Expenditures	45,974,811.02	44,264,313.65	337,093.62	1,379,958.20	100.00	42,537,994.81
By Department/Division						
POLICE	24,215,722.74	24,245,109.13	129,644.66	-152,476.60	0.97	22,800,962.67
FIRE	21,759,088.28	20,019,204.52	207,448.96	1,532,434.80	0.89	19,737,032.14
Total Expenditures	45,974,811.02	44,264,313.65	337,093.62	1,379,958.20	100.00	42,537,994.81



City of Billings						
AIRPORT OPERATING FUND						
For fiscal year 2019, Periods 1 - 12						
	Total 2019 Amended Budget	YTD 2019 Actual	2019 Encumbrance	Variance	%	YTD 2018 Actual
Revenues:						
TAXES	0.00	0.00	0.00	0.00	100.00	0.00
LICENSES & PERMITS	0.00	0.00	0.00	0.00	100.00	0.00
INTER-GOVERNMENTAL	2,931,037.00	2,076,224.98	0.00	-854,812.02	-0.75	2,273,836.04
CHARGES FOR SERVICES	12,472,699.00	11,944,929.08	0.00	-527,769.92	-0.81	11,987,279.97
FINES & FORFEITS	0.00	0.00	0.00	0.00	100.00	0.00
INVESTMENT EARNINGS	219,680.00	298,397.35	0.00	78,717.35	-6.46	112,485.44
DEBT PROCEEDS	0.00	0.00	0.00	0.00	100.00	0.00
MISCELLANEOUS	79,420.00	94,591.03	0.00	15,171.03	15.35	87,160.89
Total Revenues	15,702,836.00	14,414,142.44	0.00	-1,288,693.56	100.00	14,460,762.34
Expenditures:						
By Category						
PERSONAL SERVICES	4,810,461.00	4,429,363.99	0.00	381,097.01	0.92	4,264,828.61
OPERATIONS & MAINT	3,361,909.00	2,658,754.92	93,439.48	609,714.60	0.81	3,907,928.01
CAPITAL	8,457,017.12	5,803,610.57	3,158,846.92	-505,440.37	1.06	3,129,676.89
DEBT SERVICE	1,596,980.00	305,009.16	0.00	1,291,970.84	0.21	384,105.18
INTERFUND TRANSFERS	0.00	0.00	0.00	0.00	100.00	0.00
Total Expenditures	18,226,367.12	13,196,738.64	3,252,286.40	1,777,342.08	100.00	11,686,538.69

City of Billings						
PUBLIC WORKS-SOLID WASTE FUND						
For fiscal year 2019, Periods 1 - 12						
	Total 2019 Amended Budget	YTD 2019 Actual	2019 Encumbrance	Variance	%	YTD 2018 Actual
Revenues:						
TAXES	0.00	0.00	0.00	0.00	100.00	0.00
LICENSES & PERMITS	0.00	0.00	0.00	0.00	100.00	0.00
INTER-GOVERNMENTAL	0.00	0.00	0.00	0.00	100.00	0.00
CHARGES FOR SERVICES	14,487,500.00	14,933,574.38	0.00	446,074.38	-1.39	15,120,301.55
FINES & FORFEITS	0.00	0.00	0.00	0.00	100.00	0.00
INVESTMENT EARNINGS	184,000.00	295,349.83	0.00	111,349.83	0.37	122,470.80
DEBT PROCEEDS	18,000,000.00	21,990,000.00	0.00	3,990,000.00	-1.22	0.00
MISCELLANEOUS	0.00	4,064.43	0.00	4,064.43	100.00	8,141.84
Total Revenues	32,671,500.00	37,222,988.64	0.00	4,551,488.64	100.00	15,250,914.19
Expenditures:						
By Category						
PERSONAL SERVICES	5,264,147.00	5,312,526.78	0.00	-48,379.78	1.01	5,120,520.24
OPERATIONS & MAINT	5,025,632.59	5,003,576.58	217,388.26	-195,332.25	0.88	5,583,581.27
CAPITAL	26,955,070.57	3,955,867.89	22,848,877.39	150,325.29	0.99	5,235,589.43
DEBT SERVICE	1,257,000.00	335,541.79	0.00	921,458.21	0.27	0.00
INTERFUND TRANSFERS	0.00	0.00	0.00	0.00	100.00	0.00
Total Expenditures	38,501,850.16	14,607,513.04	23,066,265.65	828,071.47	100.00	15,939,690.94



City of Billings						
PUBLIC WORKS-WATER FUND						
For fiscal year 2019, Periods 1 - 12						
	Total 2019 Amended Budget	YTD 2019 Actual	2019 Encumbrance	Variance	%	YTD 2018 Actual
Revenues:						
TAXES	0.00	0.00	0.00	0.00	100.00	0.00
LICENSES & PERMITS	0.00	0.00	0.00	0.00	100.00	0.00
INTER-GOVERNMENTAL	0.00	0.00	0.00	0.00	100.00	0.00
CHARGES FOR SERVICES	25,805,700.00	23,567,583.55	0.00	-2,238,116.45	-0.73	24,324,282.46
FINES & FORFEITS	0.00	0.00	0.00	0.00	100.00	0.00
INVESTMENT EARNINGS	270,300.00	1,341,345.74	0.00	1,071,045.74	-3.44	333,644.37
DEBT PROCEEDS	0.00	0.00	0.00	0.00	100.00	0.00
MISCELLANEOUS	7,200.00	156,331.00	0.00	149,131.00	100.00	29,823.11
Total Revenues	26,083,200.00	25,065,260.29	0.00	-1,017,939.71	100.00	24,687,749.94
Expenditures:						
By Category						
PERSONAL SERVICES	5,204,735.00	4,903,051.47	0.00	301,683.53	0.94	4,923,512.07
OPERATIONS & MAINT	7,752,199.53	6,770,212.06	623,993.15	357,994.32	0.89	7,723,190.89
CAPITAL	37,269,705.24	7,771,691.95	9,661,807.62	19,836,205.67	0.47	6,684,124.18
DEBT SERVICE	2,770,500.00	342,573.75	0.00	2,427,926.25	0.12	0.00
INTERFUND TRANSFERS	0.00	0.00	0.00	0.00	100.00	0.00
Total Expenditures	52,997,139.77	19,787,529.23	10,285,800.77	22,923,809.77	100.00	19,330,827.14

City of Billings						
PUBLIC WORKS-WASTEWATER FUND						
For fiscal year 2019, Periods 1 - 12						
	Total 2019 Amended Budget	YTD 2019 Actual	2019 Encumbrance	Variance	%	YTD 2018 Actual
Revenues:						
TAXES	0.00	0.00	0.00	0.00	100.00	0.00
LICENSES & PERMITS	0.00	0.00	0.00	0.00	100.00	0.00
INTER-GOVERNMENTAL	0.00	0.00	0.00	0.00	100.00	0.00
CHARGES FOR SERVICES	19,540,410.00	22,942,601.17	0.00	3,402,191.17	-7.11	18,818,662.54
FINES & FORFEITS	0.00	0.00	0.00	0.00	100.00	0.00
INVESTMENT EARNINGS	725,000.00	1,212,268.32	0.00	487,268.32	-1.89	881,983.25
DEBT PROCEEDS	0.00	0.00	0.00	0.00	100.00	0.00
MISCELLANEOUS	0.00	4,976.28	0.00	4,976.28	100.00	5,233.09
Total Revenues	20,265,410.00	24,159,845.77	0.00	3,894,435.77	100.00	19,705,878.88
Expenditures:						
By Category						
PERSONAL SERVICES	4,135,937.00	3,771,213.33	0.00	364,723.67	0.90	3,754,625.47
OPERATIONS & MAINT	5,077,111.47	4,697,343.02	478,010.62	-98,242.17	0.86	4,617,794.15
CAPITAL	55,749,451.40	24,895,642.36	17,972,218.78	12,881,590.26	0.77	29,896,960.27
DEBT SERVICE	5,330,000.00	186,063.75	0.00	5,143,936.25	0.03	350.00
INTERFUND TRANSFERS	0.00	0.00	0.00	0.00	100.00	0.00
Total Expenditures	70,292,499.87	33,550,262.46	18,450,229.40	18,292,008.01	100.00	38,269,729.89