

Finance Department

Current Year Department Budgeted Expense Total: \$6,377,329

Change from Prior year: - \$167,463

Overall Budget Justification:

The FY21 operating budget for the Finance Department is \$1.6 million, this is an increase in costs of \$25,102 over the prior year. The finance department fills many roles at the City including Purchasing, Accounts Payable, Business Licenses, Debt and Investment Management, Property Tax and Assessment Administration, Accounting, Budgeting, and Financial Reporting. Increases in the FY21 budget are related to the 2.9% COLA that was approved in prior negotiations (\$26,426) and 8% increase is anticipated for accounting software costs, combined with decreases in computer equipment replacement make up the other changes.



Additionally, the Finance Department oversees the payment of many debt obligations at the City. Total Debt Service payments for the FY21 Finance Department budget are anticipated to be \$4.65M, a decrease of \$300,000 from FY20.

New or Expanded Programs:

The Finance Department does not anticipate any new or expanded programs for FY21. Existing programs will be monitored to identify areas for improvement in efficiency and customer service.

Staffing Changes:

No additional staffing requests are included in the Finance Department's FY21 budget. However, the Finance Department has identified a need for additional resources within the Purchasing Division. Currently the division has one FTE. The need for additional resources would allow for a more centralized purchasing process. This would allow the City to participate in bulk purchasing, reducing purchasing costs of supplies. This position will be requested in the future when resources are available, along with office space, both which are currently lacking.

Department Goals:

Goal: Assist Administration and City Council to develop a long-range funding plan for the General and Public Safety Funds.

Action:

- Provide long-range financial projections and recommendations on how to develop a long-range plan.

Outcome: Long-range funding for the General and Public Safety Funds.

Goal: Expand Purchasing assistance to staff Citywide.

Action:

- Create a cross-referenced list of potential vendors to include registered vendors, interested parties, authorized bidders, Architectural/Engineering listing, etc.
- Continue to look for opportunities to create Citywide, centralized contracts to leverage volume for discounts.
- Conduct additional purchasing training to coincide with new, updated procedures.
- Increase utilization of cooperative purchasing agreements through the State of Montana’s pre-competed agreements, NASPO-WSCA, or other cooperative agencies, as allowed.

Outcome: Improved purchasing process to the highest attainable efficiency level.

Budgeted Expenditure:

EXPENSE BY CLASSIFICATION	FINANCE DEPARTMENT ALL FUNDS				
	ACTUAL FY 18	ACTUAL FY 19	BUDGET FY 20	ESTIMATE FY 20	PROPOSED FY 21
PERSONAL SERVICES	\$ 839,604	\$ 894,135	\$ 1,024,583	\$ 895,000	\$1,051,009
OPERATIONS AND MAINTENANCE	568,883	708,507	676,040	636,873	675,925
CAPITAL	16,869	14,593	-	43,000	-
DEBT SERVICE	12,357,597	4,531,774	4,844,169	4,844,169	4,650,395
TRANSFERS	<u>7,897,187</u>	<u>177,878</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 21,680,140</u>	<u>\$ 6,326,887</u>	<u>\$ 6,544,792</u>	<u>\$6,419,042</u>	<u>\$6,377,329</u>

EXPENSE BY FUND

FINANCE
DEPARTMENT EXPENSE

	ACTUAL FY 18	ACTUAL FY 19	BUDGET FY 20	ESTIMATE FY 20	PROPOSED FY 21
GENERAL FUND	\$ 1,282,578	\$ 1,426,538	\$ 1,527,061	\$1,398,000	\$1,552,163
CENTRAL SERVICES FUND	112,163	91,353	61,689	65,000	63,949
CAPITAL REPLACEMENT FUND	1,885	1,284	1,990	1,990	2,375
SPECIAL IMPROVEMENT DISTRICT BONDS	2,990,251	724,715	1,078,800	1,078,800	857,500
SIDEWALK DISTRICT BONDS	418,153	419,307	421,750	421,750	462,900
STORM SEWER DEBT SERVICE	1,008,228	1,013,081	1,013,649	1,013,649	1,013,595
<i>GENERAL OBLIGATION DEBT</i>					
LIBRARY G.O.	1,216,462	1,214,960	1,205,280	1,205,280	1,186,456
PARKS G.O. SERIES 2000	123,920	121,271	121,453	121,453	123,551
STREET IMPROVEMENTS G.O. 2004A	342,940	340,069	349,436	349,436	351,807
BALLPARK G.O. 2015 REFUNDING	14,183,560	974,309	763,684	763,684	763,033
TOTAL EXPENDITURES	<u>\$ 21,680,140</u>	<u>\$ 6,326,887</u>	<u>\$ 6,544,792</u>	<u>\$6,419,042</u>	<u>\$6,377,329</u>

FINANCE
OPERATING BUDGET

GENERAL FUND

	ACTUAL FY 18	ACTUAL FY 19	BUDGET FY 20	ESTIMATE FY 20	PROPOSED FY 21
PERSONAL SERVICES	\$ 839,604	\$ 894,136	\$ 1,024,583	\$ 895,000	\$1,051,009
OPERATIONS AND MAINTENANCE	442,973	517,809	502,478	460,000	501,154
CAPITAL	-	14,593	-	43,000	-
TOTAL EXPENDITURES	<u>\$ 1,282,577</u>	<u>\$ 1,426,538</u>	<u>\$ 1,527,061</u>	<u>\$1,398,000</u>	<u>\$1,552,163</u>

STAFFING AUTHORIZATION

POSITION	ACTUAL FY 18	ACTUAL FY 19	BUDGET FY 20	PROPOSED FY 21
FINANCE DIRECTOR	1.0	1.0	1.0	1.0
ADMINISTRATIVE SUPPORT II	1.0	1.0	1.0	1.0
ACCOUNTING MANAGER	1.0	-	-	-
ACCOUNTANT II	2.0	3.0	3.0	3.0
ACCOUNTING TECHNICIAN	1.0	1.0	1.0	1.0
ACCOUNT CLERK II	3.0	3.0	3.0	3.0
DEBT/INVESTMENT COORDINATOR	1.0	1.0	1.0	1.0
PURCHASING AGENT	1.0	1.0	1.0	1.0
TOTAL	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>

Revenue:**FINANCE
DEPARTMENT ALL FUNDS**

REVENUE BY TYPE

	ACTUAL FY 18	ACTUAL FY 19	BUDGET FY 20	ESTIMATE FY 20	PROPOSED FY 21
TAXES	\$ 30,503,556	\$ 31,949,059	\$ 32,421,476	\$32,921,476	\$32,917,838
SPECIAL ASSESSMENTS	1,771,287	1,478,601	1,380,000	1,380,000	1,470,000
LICENSES & PERMITS	4,616,711	2,226,825	2,184,363	2,184,363	2,081,038
INTERGOVERNMENTAL	12,997,244	13,223,853	13,597,222	13,597,222	14,019,261
CHARGES FOR SERVICE	3,304,590	3,192,390	2,928,358	2,928,358	3,003,888
INVESTMENT EARNINGS	298,220	810,989	450,560	450,560	379,760
CONTRIBUTIONS/DONATIONS	350,000	300,000	300,000	300,000	-
DEBT PROCEEDS	31,850	17,563	-	-	-
INTERFUND TRANSFERS	36,093,663	28,432,168	30,006,382	30,006,382	31,539,801
MISCELLANEOUS	<u>4,444</u>	<u>263,001</u>	<u>1,060</u>	<u>1,060</u>	<u>-</u>
TOTAL REVENUE	<u>\$ 89,971,565</u>	<u>\$ 81,894,449</u>	<u>\$ 83,269,421</u>	<u>\$83,769,421</u>	<u>\$85,411,586</u>

**FINANCE
DEPARTMENT REVENUE**

REVENUE BY FUND

	ACTUAL FY 18	ACTUAL FY 19	BUDGET FY 20	ESTIMATE FY 20	PROPOSED FY 21
GENERAL FUND	\$ 36,236,740	\$ 34,243,291	\$ 34,177,688	\$34,677,688	\$34,881,873
PUBLIC SAFETY FUND	40,483,307	40,486,306	42,286,769	42,286,769	43,944,381
CENTRAL SERVICES FUND	116,664	119,015	102,615	102,615	113,474
CAPITAL REPLACEMENT FUND	1,938,700	1,796,534	1,740,464	1,740,464	1,805,985
SPECIAL IMPROVEMENT DISTRICT BONDS	918,850	973,880	1,065,000	1,065,000	972,000
SIDEWALK DISTRICT BONDS	393,002	537,046	385,000	385,000	533,000
STORM SEWER DEBT SERVICE	1,019,417	1,038,196	1,028,300	1,028,300	1,026,900
<i>GENERAL OBLIGATION DEBT</i>					
LIBRARY G.O.	1,209,435	1,218,391	1,238,455	1,238,455	1,107,222
PARKS G.O. SERIES 2000	115,650	116,330	114,967	114,967	-
STREET IMPROVEMENTS G.O. 2004A	342,350	379,217	366,509	366,509	324,194
BALLPARK G.O. 2015 REFUNDING	<u>7,197,450</u>	<u>986,243</u>	<u>763,654</u>	<u>763,654</u>	<u>702,557</u>
TOTAL REVENUE	<u>\$ 89,971,565</u>	<u>\$ 81,894,449</u>	<u>\$ 83,269,421</u>	<u>\$83,769,421</u>	<u>\$85,411,586</u>