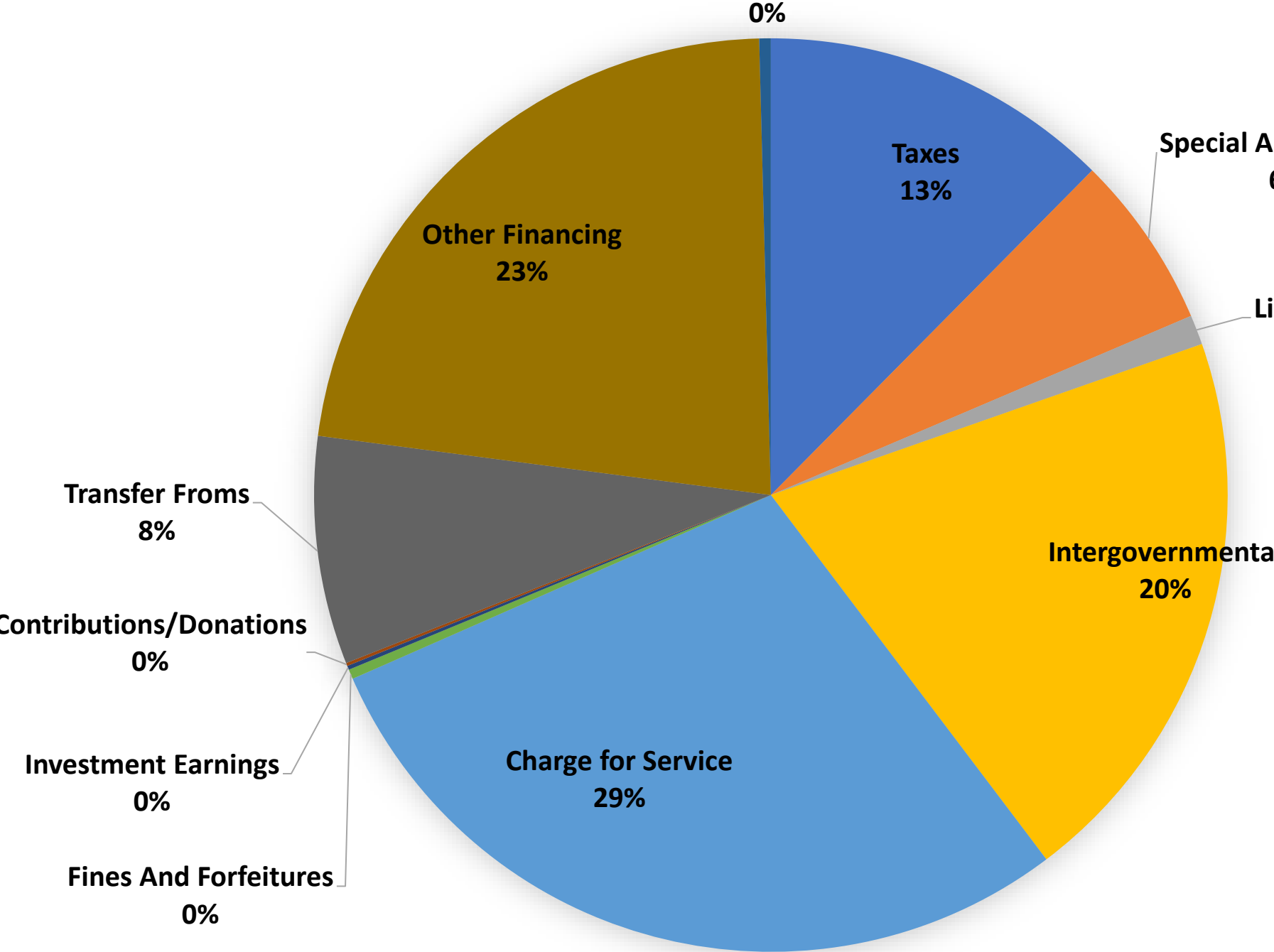


FY2023 City of Billings Budget Proposal

FY22 Accomplishments

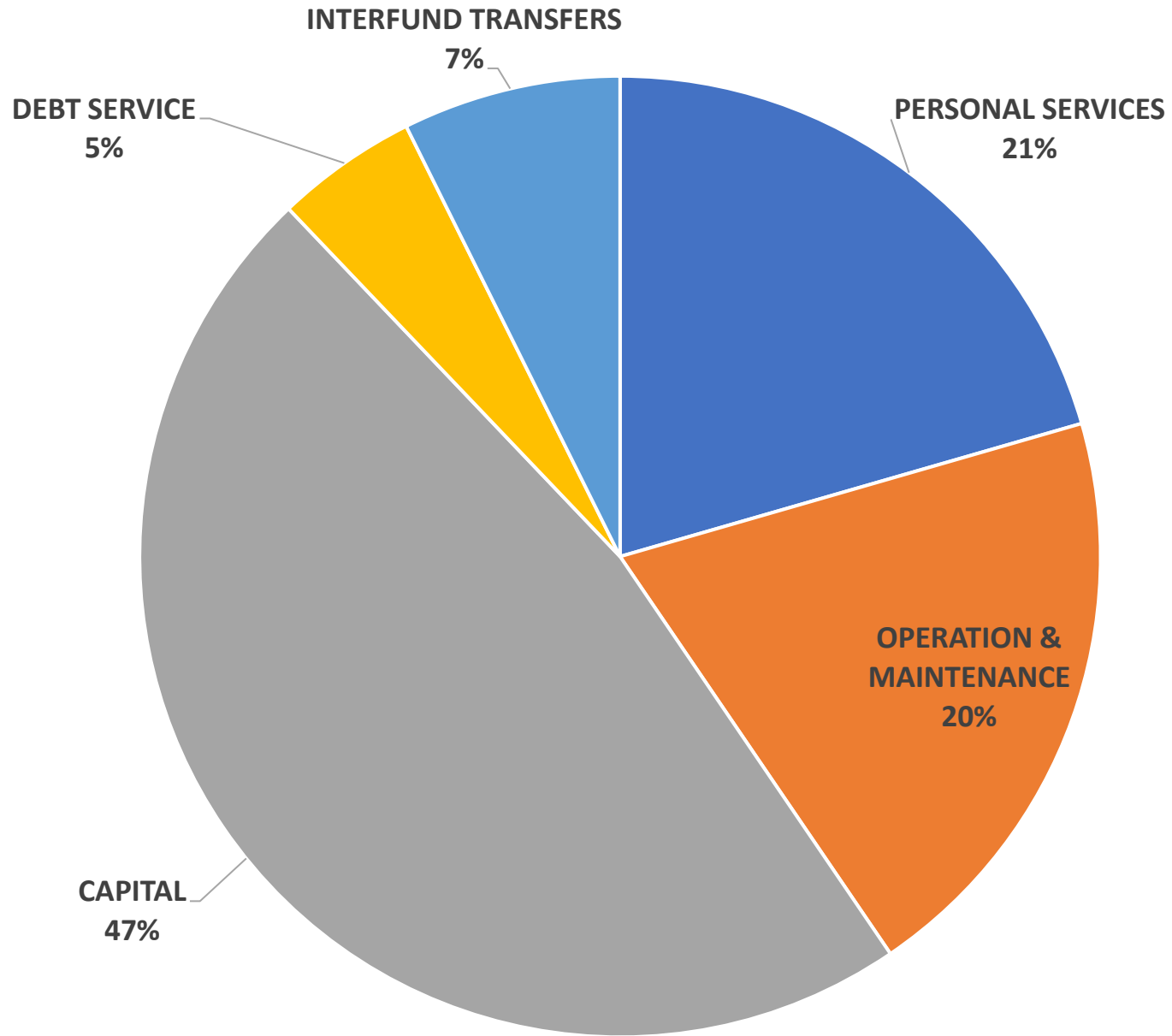
- 92 of 102 CPSM recommendations within the police department
- 28 of 34 CPSM recommendations within the fire department
- Voter approved public safety levy
- Purchased federal building for City Hall/Law and Justice Center
- Resolved Heights Water District Dispute
- Completed Multiple Parks Projects
 - Terry Park
 - Lillis Park
 - Riverfront
 - Amend
 - 11 additional projects underway
- 17 bus replacements at MET
- 429 new construction permits for single family dwellings
- 13 annexations consisting of 378 acres

FY23 Budget Revenue by Type, All Funds



Revenue by Type	FY23 Budget
Taxes	57,580,812
Special Assessments	28,592,629
License And Permits	4,871,993
Intergovernmental	93,000,832
Charge for Service	133,146,581
Fines And Forfeitures	1,590,946
Investment Earnings	659,194
Contributions/Donations	499,500
Transfer Froms	37,407,333
Other Financing	104,417,974
Miscellaneous	<u>1,888,532</u>
Total Revenue FY23	463,656,326

FY23 Budget Expense by Type, All Funds

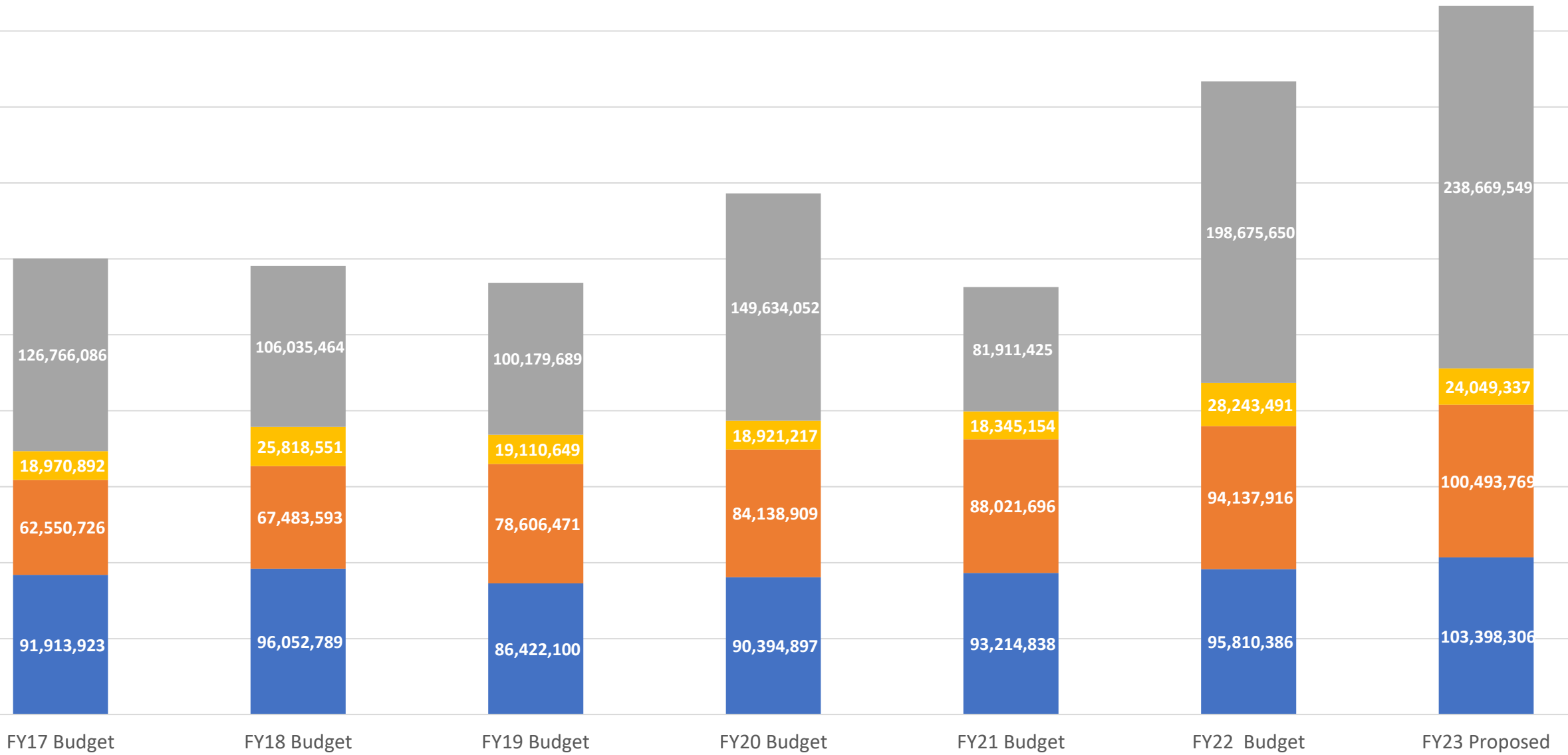


Expense by Type	FY23 Budget
PERSONAL SERVICES	103,410,306
OPERATION & MAINTENANCE	100,007,257
CAPITAL	238,669,549
DEBT SERVICE	23,907,404
INTERFUND TRANSFERS	<u>37,407,333</u>
FY23 TOTAL EXPENSE	\$ 503,586,849

FY23 Budgeted Expenses



CITY BUDGET – ALL FUNDS
*EXCLUDING INTERFUND TRANSFERS



■ PERSONAL SERVICES ■ OPERATION & MAINTENANCE ■ DEBT SERVICE ■ CAPITAL

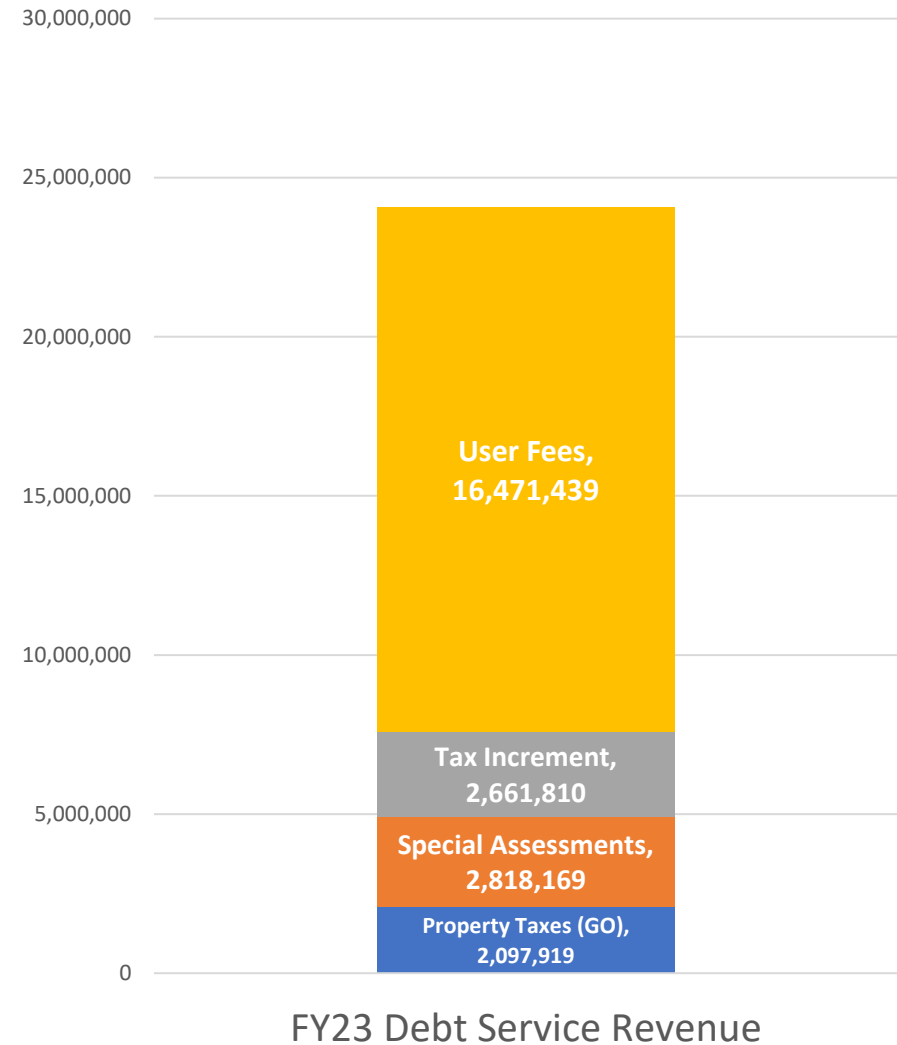
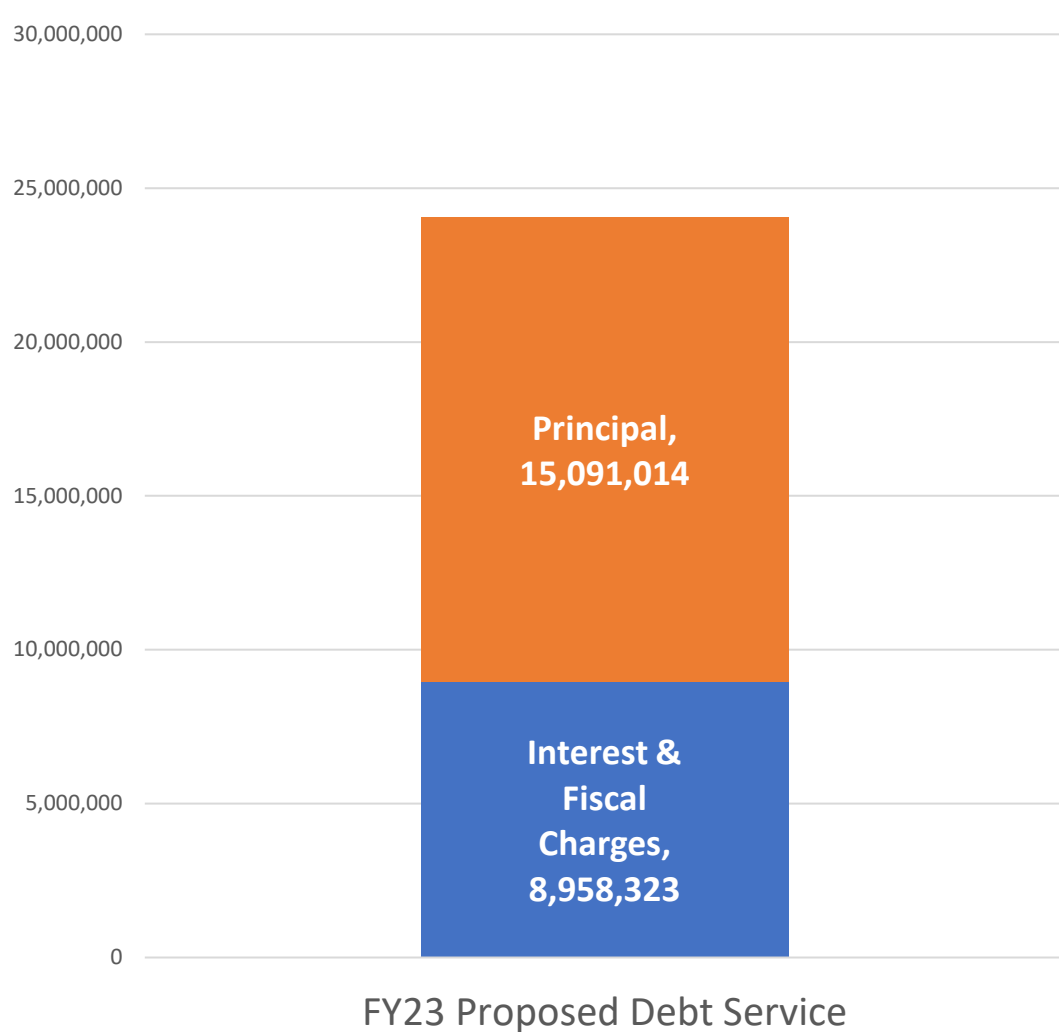
Capital Projects FY23 – \$238,669,549

- \$126.9 million - Water Department Investments (Treatment Plant and Reservoirs)
- \$15 million - City Hall/Law and Justice Center
- \$17 million – Airport Projects (Terminal Expansion & Improvements)
- \$30 million – Transportation improvements (Arterial, Street/Traffic, Street Maintenance)
- \$15.9 million – Wastewater Improvements

Changes from the CIP

- Park District 1
 - Reduction in Capital Projects of \$336k to balance budget and offset increasing O&M costs
- Fire Station 8 Funding
 - Reduction from \$1.5M to \$500k to be set aside for future Fire Station. Future additions to the fund as budget allows.

FY23 Debt Service Payments \$24,049,337



Operation and Maintenance Expenses

- 20% of FY23 Budget
- Increase of \$5,917,175 over prior year
- Major Areas of Increase
 - \$921K Professional Services (Cost of Services Study, Homelessness, Lobbying)
 - \$1.4M Repairs and Maintenance (Fuel, Vehicle Maintenance, Parts)
 - \$916k Utilities
 - \$600K Internal Charges (IT, Facilities, Cost Allocation)
 - \$1.0M Insurance (Health Claims & Property/Liability Premiums)

Inflation Impacts

- 12-month CPI-U increase of 8.5%
- 12-month Construction Cost Index increase of 8.9%
- Fuel increase estimates of 60%, \$1.9M impact on FY23 budget

Personal Services

- 20% of FY23 Budget
- \$7.5M increase over FY22
 - Additional Staffing Requests (43.5 FTE related to PSML)
 - Contracted Salary & Wage Increases

FY23 New FTE's – Public Safety Mill Levy

PSML Levy Positions				
Department	Position	Fund(s)	# FTE	Added In FY22
Police	Police Sergeants	Public Safety	4	x
Police	Police Officers	Public Safety	6	x
Police	Community Service Officers	Public Safety	7	
Police	ID Technicians	Public Safety	5	
Police	Clerical/IT Support	Public Safety	1.5	
Fire	MRT	Public Safety	10	
Fire	EMS Chief	Public Safety	1	x
Fire	Logistics Officer	Public Safety	1	
Fire	Deputy Fire Marshall	Public Safety	1	
Legal	Deputy City Attorney	General	2	x
Legal	Victim Witness Specialist	General	1	x
Code Enforcement	Code Enforcement Officer I/II	General	3	x
IT	Public Safety PC Support Specialist	IT	1	

Subtotal FTE funded by PSML 2021	43.5
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FY23 New FTE's

Other FY23 Positions			
Department	Position	Fund(s)	# FTE
Police	Police Officer	Public Safety	1
City Admin/Clerk	Records Manager	General	1
Finance	Grants Coordinator/Administrator	General	1
Human Resources	Payroll/HR Generalist	General	1
IT	GIS Tech	IT	1
Library	Circulation Manager	Library	1
Building	Plans Examiner	Building	1
Transit	Road Supervisor	Transit	1
Airport	Aviation/Transit Systems Tech.	Airport/Transit	1
Public Works	Asset Management Analyst	PW Admin	1
Public Works	Maintenance Worker	Solid Waste	2
Public Works	Maintenance Worker	Street/Traffic	3
Subtotal Other FY23 FTE			15
Total FY23 Additional Proposed FTE's			58.5

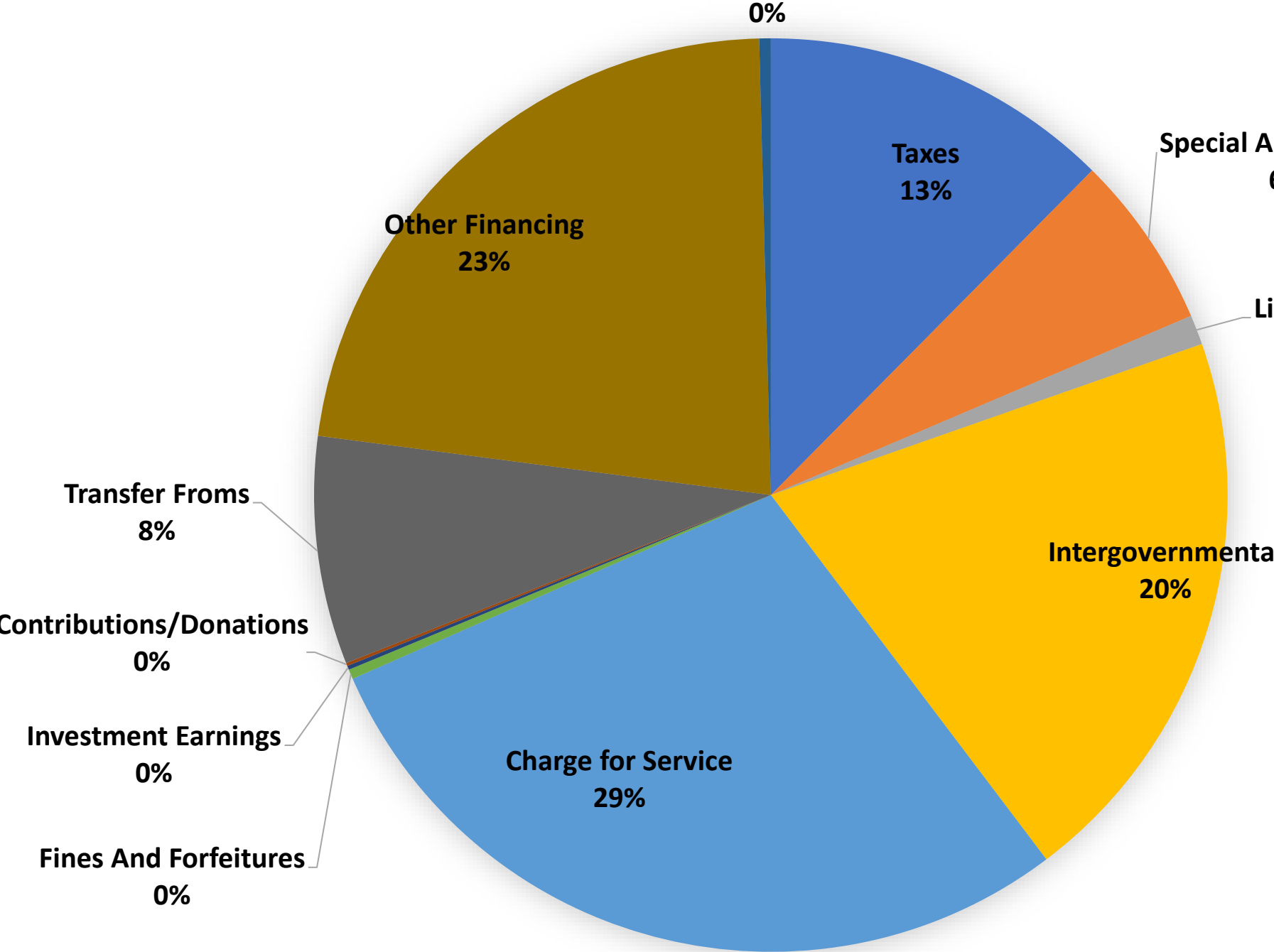
Transfers In/Out \$36,975,888 7% of FY23 Budget

		Transfer Out														
		General Fund	Public Safety	Amend Park	American Rescue Plan	Building Inspection	Cemetery Perpetual Trust	City County Planning	Library Fund	Motor pool	Park District 1	Storm Sewer	Street/Traffic Oper	Tax Increment N 27th	Tax Increment South	Total TRF In
Transfer In	General Fund			5,000			5,600									10,600
	Public Safety	21,807,636													214,075	22,021,711
	Ballpark Repair Fund	30,000														30,000
	Capital Replacement	13,017	1,503,321					3,705	43,705		328,460					1,892,208
	CDBG	65,200														65,200
	City Attorney Grants	385,300														385,300
	City Hall Construction				8,940,314	309,126										9,249,440
	Facilities Management	79,809	148,976							95,769				207,502		532,056
	Fire Station Construction		500,000													500,000
	Library Fund	1,139,373														1,139,373
	Parking													130,000		130,000
	Parks Programs	5,000														5,000
	Storm Sewer Debt Svc											1,015,000				1,015,000
		Total TRF Out	23,525,335	2,152,297	5,000	8,940,314	309,126	5,600	3,705	43,705	95,769	328,460	1,015,000	207,502	130,000	214,075

FY23 Budgeted Revenues



FY23 Budget Revenue by Type, All Funds



Revenue by Type	FY23 Budget
Taxes	57,580,812
Special Assessments	28,592,629
License And Permits	4,871,993
Intergovernmental	93,000,832
Charge for Service	133,146,581
Fines And Forfeitures	1,590,946
Investment Earnings	659,194
Contributions/Donations	499,500
Transfer Froms	37,407,333
Other Financing	104,417,974
Miscellaneous	<u>1,888,532</u>
Total Revenue FY23	463,656,326

Charges for Services

29% of FY23 Budget

- External Users
 - Utilities
 - Airlines
 - Recreation Programs
- Internal Users
 - IT Services
 - Motor Pool
 - General Fund Cost Allocation
 - Health Insurance Premiums

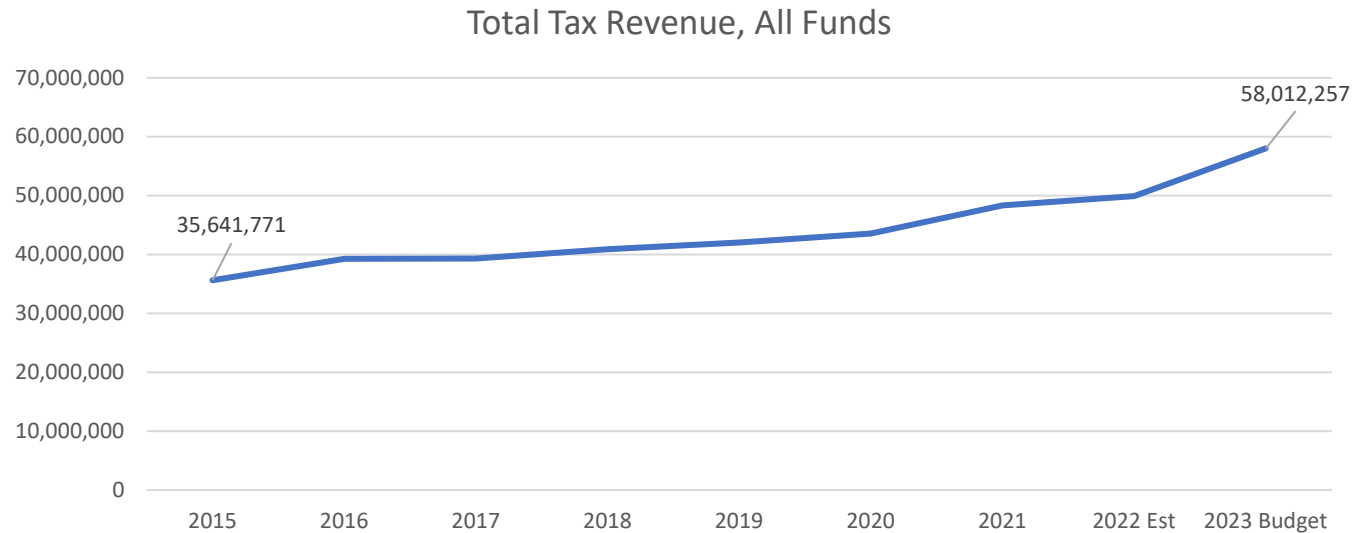
By Fund	FY23 Budget
Water	29,866,250
Wastewater	22,833,950
Solid Waste	18,905,000
City Health Ins Fund	13,560,000
Airport	12,359,247
Street/Traffic Oper	9,127,500
General	4,731,924
Information Resources	3,452,746
Engineering	3,326,256
P.W. Admin	2,924,130
Property Ins	2,635,935
Public Safety	2,407,757
Motor pool	2,040,558
Parking	1,883,343
Transit	771,550
Facilities Management	745,043
Telephone System	454,828
City County Planning	324,532
Radio	299,969
Police Programs	276,144
Central Svcs	113,619
Amend Park	25,000
Cemetery Perpetual Trust	15,750
CDBG	15,000
Library Fund	14,550
Cemetery Improvements	14,000
Sidewalk Hazard Repair	12,000
Building Inspection	<u>10,000</u>
Total Charge For Services	\$ 133,146,581

Debt Proceeds

Fund Name	Debt Financing for Construction
Airport	2,000,000
Sidewalk Construction	2,599,275
SID Construction	2,808,000
Water	<u>97,000,000</u>
Total Debt for Financing Construction	104,407,275

Property Tax Revenue

13% of FY23 Budget



1% Estimated Growth in Property Values
Overall increase in Tax Revenue due to PSML

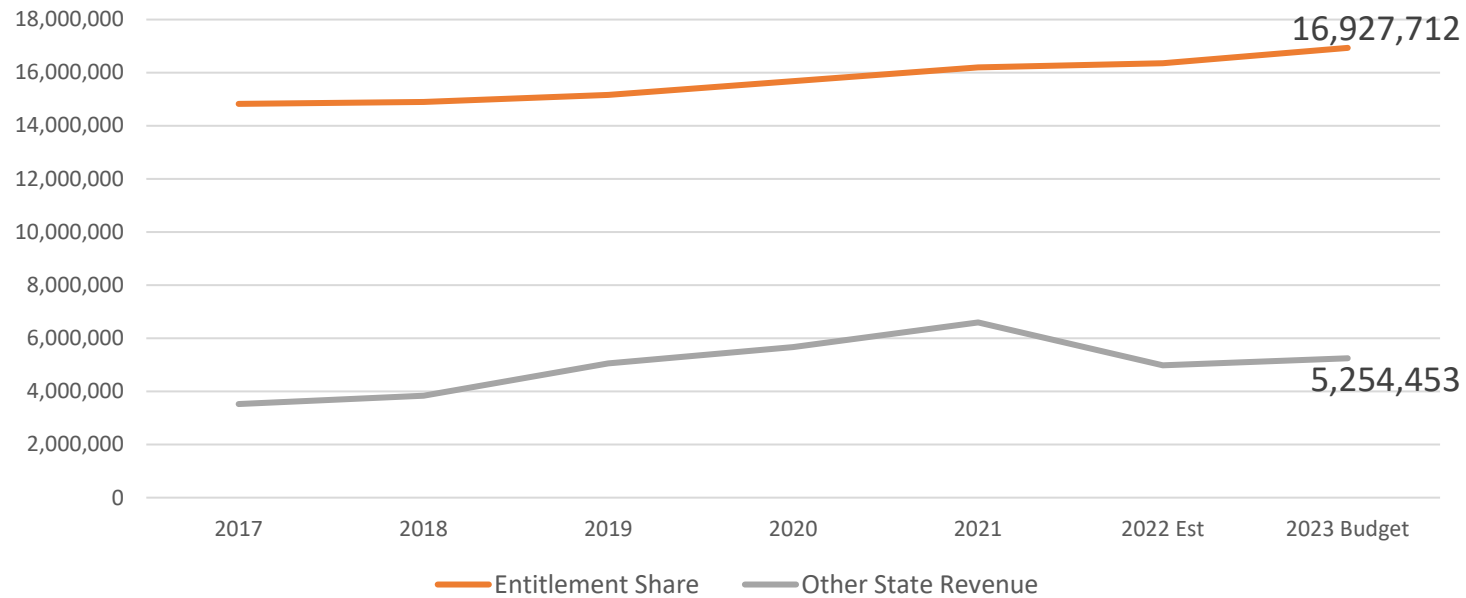
Fund Name	FY23 Budgeted Tax Revenue
General	\$ 19,167,615
Public Safety	25,651,644
Library	1,265,971
Transit	2,531,644
General Obligation Debt	1,733,383
Planning (Transfer from County)	523,000
Tax Increment Districts	<u>7,139,000</u>
Total FY22 Budgeted Tax Revenue	\$ 58,012,257

Special Assessments Districts

Fund	Department	FY23	FY22	Change
Engineering	Public Works	55,000	50,000	5,000
Light Maintenance	Public Works	2,400,000	2,500,000	(100,000)
Park District 1	Parks & Rec	3,275,400	3,090,000	185,400
Parks Maintenance	Parks & Rec	1,270,200	1,137,200	133,000
Road Maintenance Dist.	Fire	2,875	2,875	-
SID Fund	Public Works	908,000	752,000	156,000
Sidewalk Debt Svc	Public Works	583,000	500,000	83,000
Sidewalk Hazard Repair	Public Works	63,154	60,000	3,154
Storm Sewer	Public Works	5,100,000	4,700,000	400,000
Arterial Streets	Public Works	-	4,600,000	(4,600,000)
Street Maintenance Dist	Public Works	<u>14,935,000</u>	<u>9,391,000</u>	<u>5,544,000</u>
Total Special Assessments		\$28,592,629	\$ 26,783,075	\$1,809,554

Intergovernmental – State of Montana

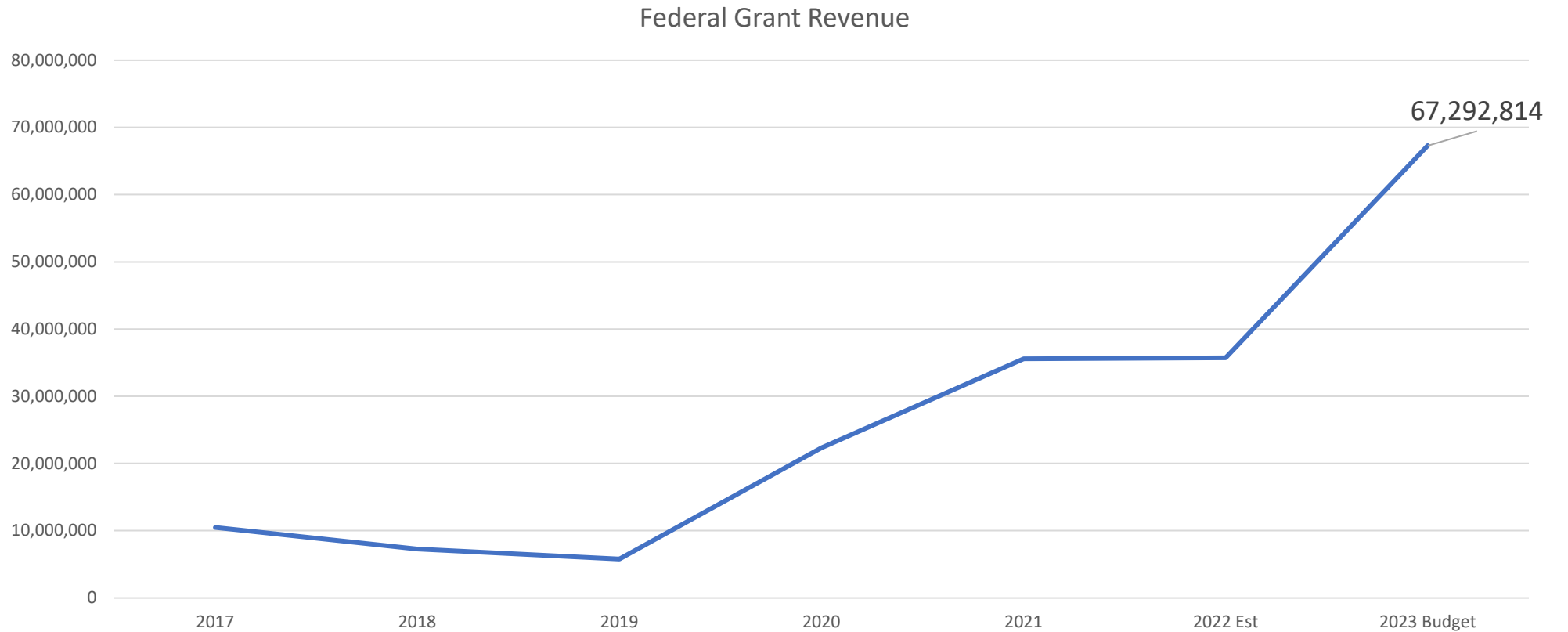
State Revenue to the City



Intergovernmental -State		FY23 Budget
State Entitlement	\$	16,927,712
Gas Tax		3,960,000
State 911		1,022,763
Other Misc State Funding		<u>271,690</u>
Total State Revenue FY23	\$	22,182,165

Fund Name	FY23 Budget
General	\$ 12,740,294
Public Safety	2,084,517
EOC 911	1,022,763
Gas Tax	3,960,000
Library Fund	485,366
Street/Traffic Oper	760,000
Tax Increment East	146,654
Tax Increment N 27th	211,821
Tax Increment South	256,218
Transit	<u>514,532</u>
Total State Intergovernmental Revenue	\$ 22,182,165

Intergovernmental – Federal Funding



Significant increases in Federal Grants for Water, Airport, CDBG, ARPA

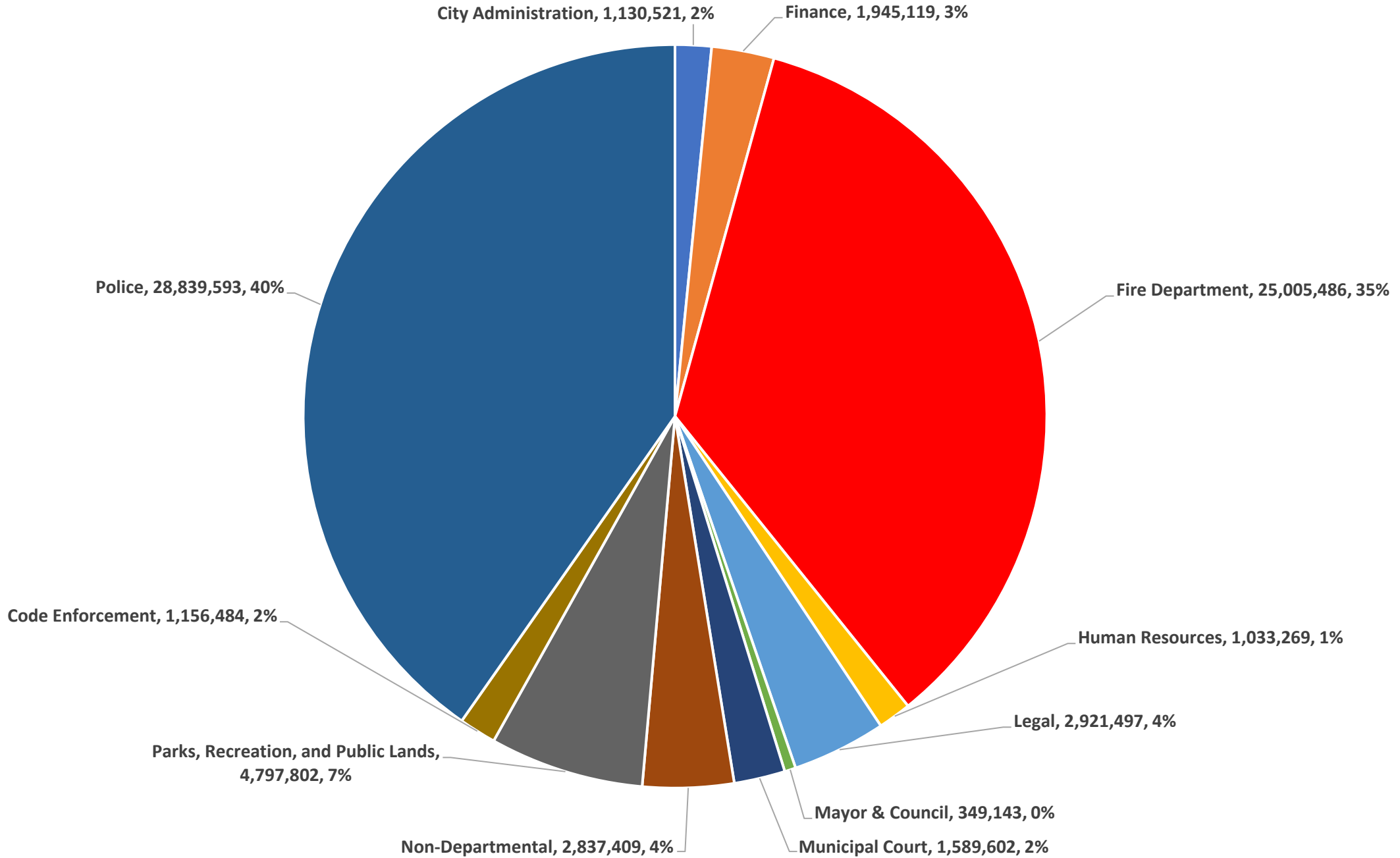
Intergovernmental – Federal Funding

Fund	FY23 Budget	FY22 Budget	Change
Airport	\$ 18,816,800	\$ 9,523,603	\$ 9,293,197
American Rescue Plan	8,940,314	-	8,940,314
Arterial Streets	7,620,385	7,620,385	-
Bike Path/Trail Donation	-	4,036,380	(4,036,380)
Public Safety	40,000	-	40,000
Fire Grants	351,280	685,000	(333,720)
CDBG	2,631,571	1,888,817	742,754
City County Planning	1,138,500	968,500	170,000
Municipal Court Grants	395,605	399,867	(4,262)
Police Programs	708,443	459,316	249,127
Transit	9,042,771	10,157,685	(1,114,914)
Water	<u>17,607,145</u>	<u>-</u>	<u>17,607,145</u>
Total Federal Grant Revenue	\$ 67,292,814	\$ 35,739,553	\$ 31,553,261

FY23 General & Public Safety Fund



FY23 Proposed General and Public Safety Fund Expenses

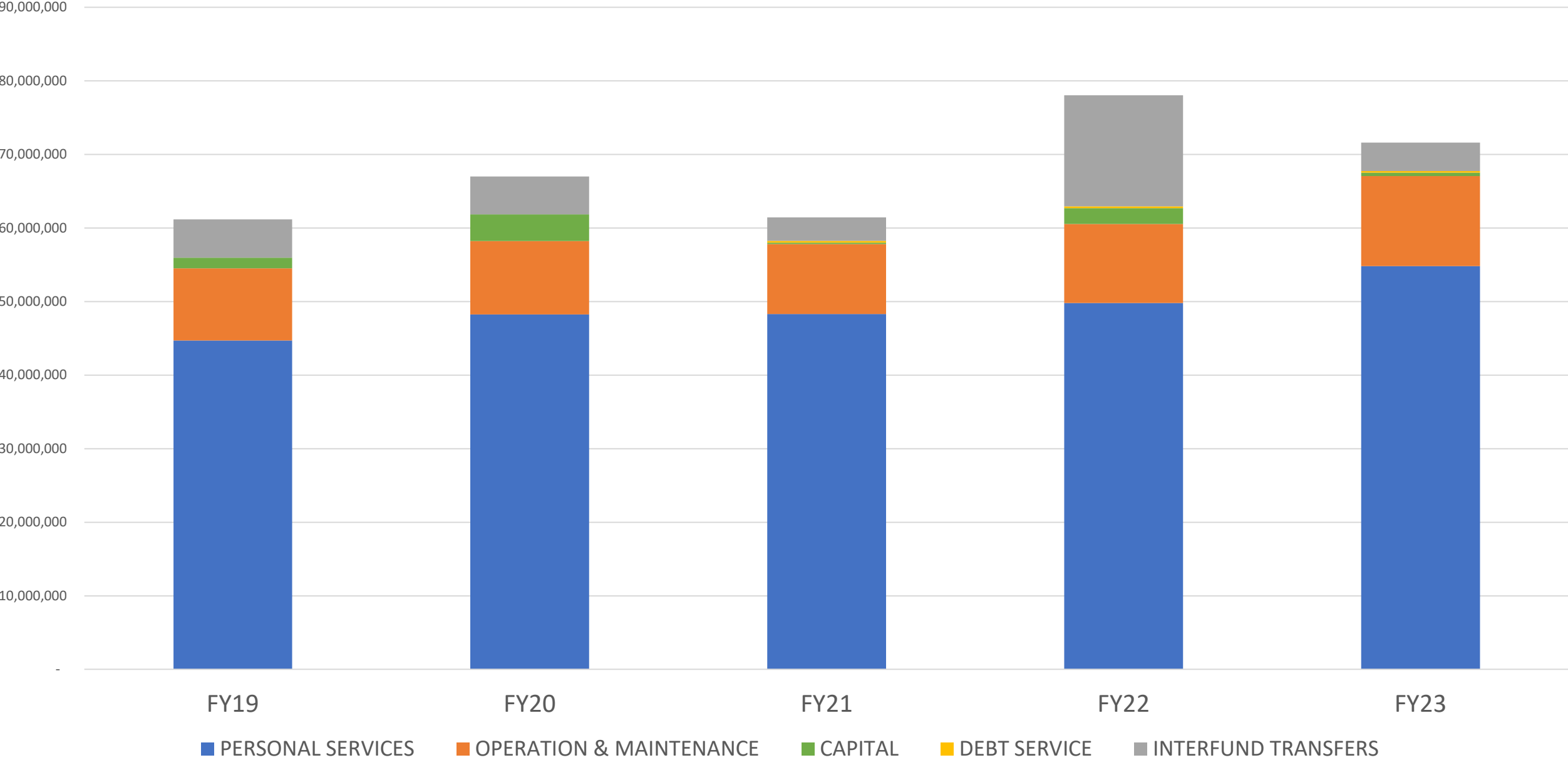


FY23 Proposed General and Public Safety Funds

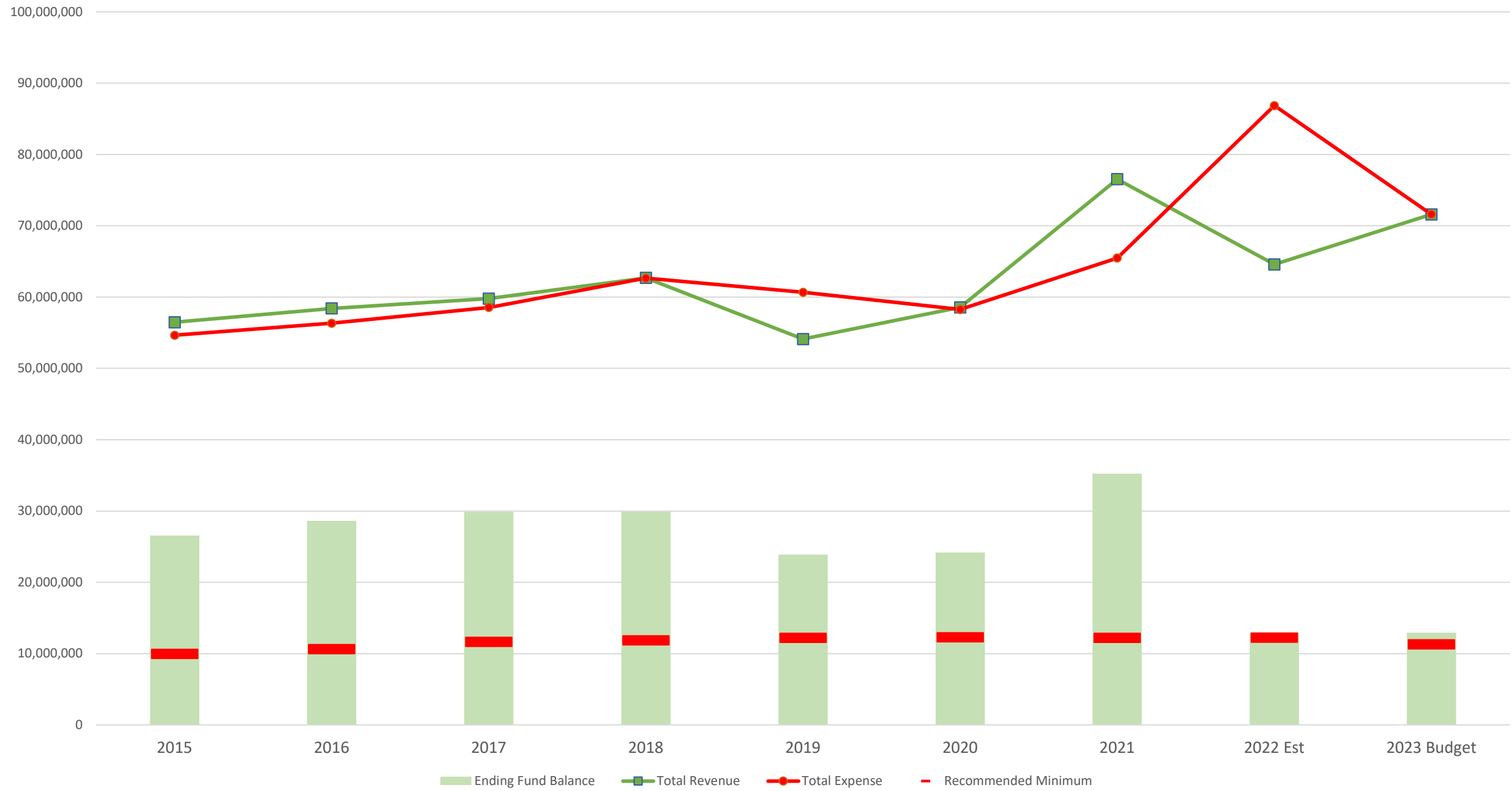
Department	FY23 Adopted	FY22 Adopted	Change
City Administration	1,130,521	1,020,834	109,687
Finance	1,945,119	1,718,569	226,550
Fire Department	25,005,486	23,720,176	1,285,310
Human Resources	1,033,269	916,094	117,175
Legal	2,921,497	2,420,985	500,512
Mayor & Council	349,143	320,932	28,211
Municipal Court	1,589,602	1,539,731	49,871
Non-Departmental	2,837,409	13,953,965	-11,116,556
Parks, Recreation, and Public Lands	4,797,802	4,695,067	102,735
Code Enforcement	1,156,484	723,959	432,525
Police	<u>28,839,593</u>	<u>27,011,017</u>	1,828,576
Total	\$ 71,605,925	\$ 78,041,329	\$ (6,435,404)

GFPS Combined Budgeted Expense

*Less PS Transfer



General Fund & Public Safety



General & Public Safety Fund Highlights

- Marijuana Revenue - \$400K
- Public Safety Mill Levy
 - Property Tax Revenue \$7 million
 - 43.5 FTE (Police, Fire, Legal, Code Enforcement, IT-PC Support)
- Cost of Services Study
- 3 FTE
 - Payroll
 - City Clerk
 - Grants Coordinator/Admin

FY23 Other Budget Items



Typical Residential Costs

Purpose	MILLS		
	FY2022	FY2023	Change
General	74.00	74.00	0.00
Public Safety	80.00	114.00	34.00
Library	5.00	5.00	0.00
Transit	10.00	10.00	0.00
General Obligation	<u>8.30</u>	<u>8.05</u>	<u>-0.25</u>
Total Mills	177.30	211.05	33.75

Average Home Monthly Utility Bill			
	FY22	FY23	Increase
Water	\$ 38.60	\$ 39.49	\$ 0.89
Wastewater	26.75	27.37	0.62
Solid Waste	<u>11.82</u>	<u>12.45</u>	<u>0.63</u>
Total Monthly Utilities	\$ 77.17	\$ 79.31	\$ 2.14

TYPICAL HOME (\$228,100) IMPACT PROPERTY TAX BILL			
	FY2022	FY2023	Change
General	\$ 227.87	\$ 227.87	\$ -
Public Safety	246.35	351.05	104.70
Library	15.40	15.40	-
Transit	30.79	30.79	-
General Obligation	<u>25.56</u>	<u>24.79</u>	<u>(0.77)</u>
Median Home Property Tax	\$ 545.97	\$ 649.90	\$ 103.93
Park District 1	\$ 42.73	\$ 43.67	\$ 0.94
Street Maintenance	129.83	194.59	64.76
Arterial	53.76	-	(53.76)
Storm Sewer	<u>53.20</u>	<u>56.40</u>	<u>3.20</u>
Total Assessments	<u>\$ 279.52</u>	<u>\$ 294.66</u>	<u>\$ 15.14</u>
Total Annual Assessments & Taxes	\$ 825.48	\$ 944.55	\$ 119.07

Investment Towards Accomplishing Council Priorities

- **Improve the safety of Billings**

- Implement PSML, Hiring FTE's

- **Invest in Core Infrastructure**

- Finish airport terminal building
- Complete design and begin construction on City Hall/Law and Justice
- Break ground on water treatment plant
- ADD EXAMPLES

Investment Towards Accomplishing Council Priorities

- **Improve the built environment through quality design**
 - Downtown one-way to two-way street conversion
 - Planning grant applying to being neighborhood plan review
- **Increase parks, trails, recreational, and cultural investments**
 - Finish Poly Vista Phase 1
 - Castle Rock Playground
 - Continue design on Rec Center
 - ADD EXAMPLES
- **Build a high-performance organization**
 - Complete cost of service study to understand cost of delivering services
 - Funding for lobbyist to further Councils legislative priorities
 - Digitize all essential records

Council Budget Consideration

- Mental Health & Substance Abuse Funds
 - \$800,000 in FY23 Budget from Marijuana tax & PSML
 - Presentations from
 - Substance abuse connect – February
 - Behavioral health response – March
 - Continuum of care – May
- Need direction on these critical decisions

Conclusion & Questions

- Find a copy of the budget:
 - www.billingsmt.gov/finance

