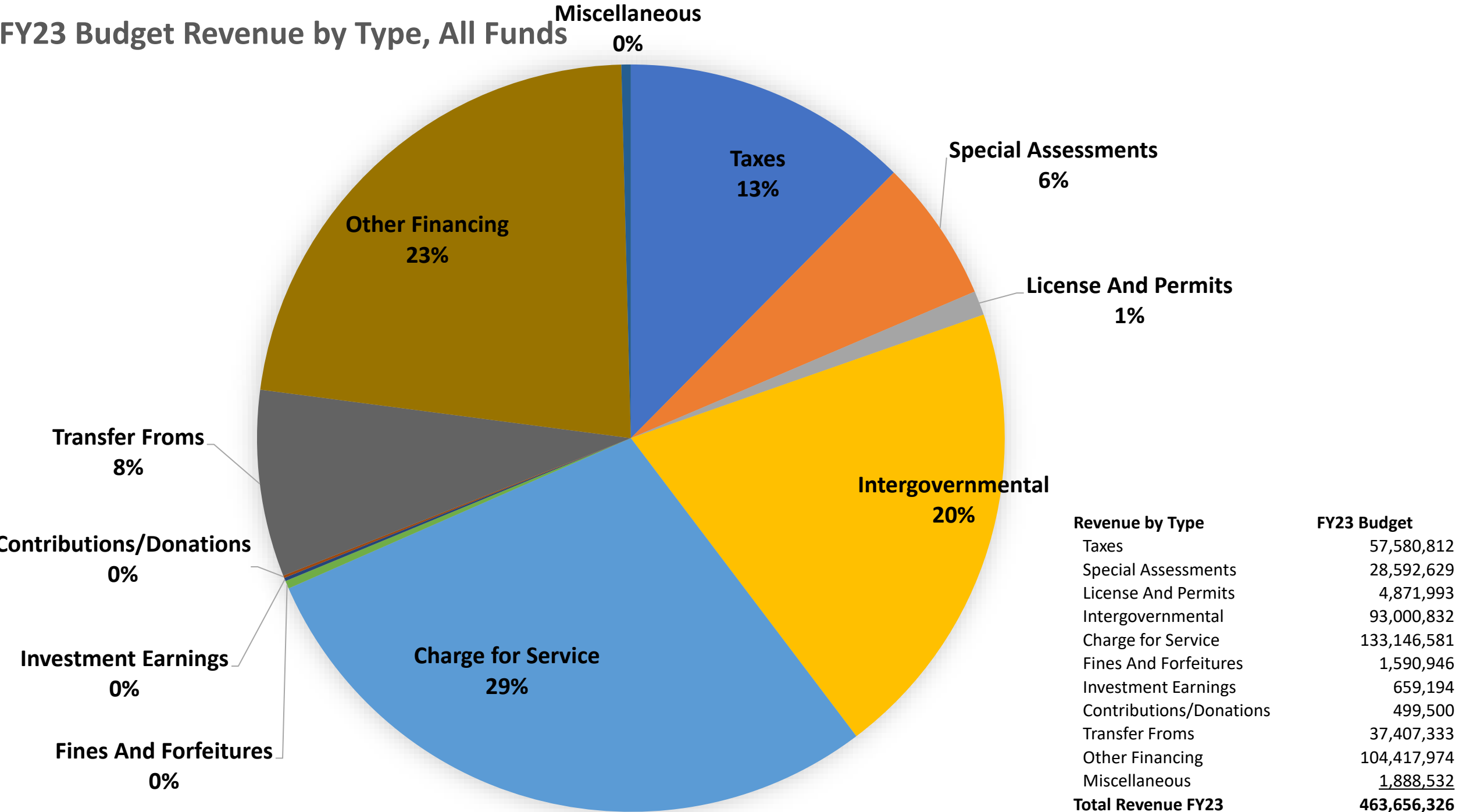




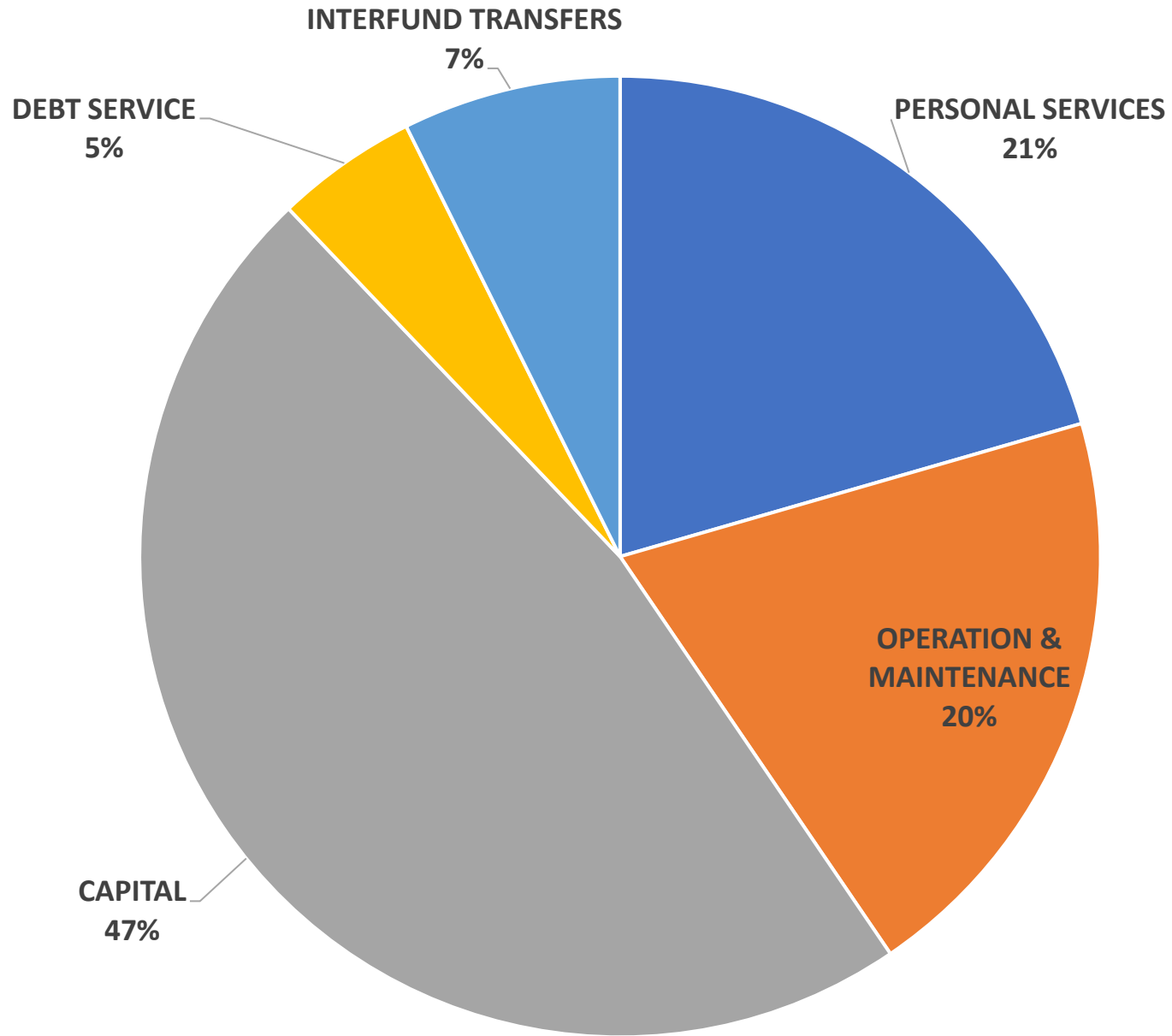
FY2023 City of Billings Budget Proposal

5-2-2022

FY23 Budget Revenue by Type, All Funds



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



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.

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, Mental Health & Substance Abuse, 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 estimated at 60%, \$1.9M impact on FY23 budget

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

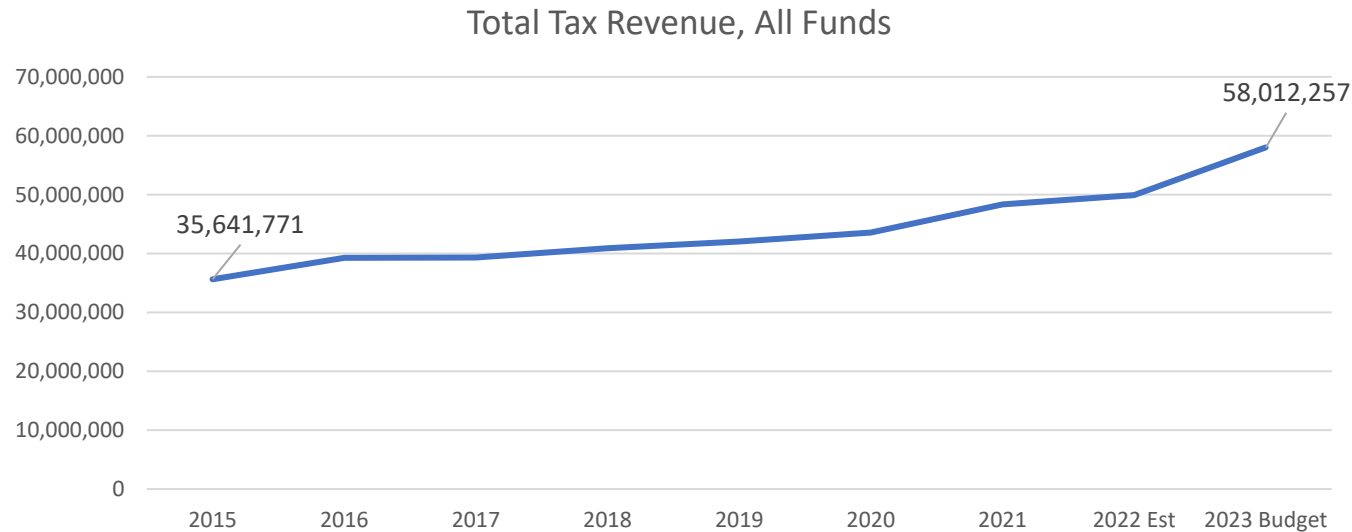
Other FY23 Positions			
Department	Position	Fund(s)	# FTE
Police	Police Officer	Public Safety	1
City Admin/Clerk	Records Manager	General	1
Finance	Grants Coordinator/Administrator	General	1
Human Resources	Payroll/HR Generalist	General	1
IT	GIS Tech	IT	1
Library	Circulation Manager	Library	1
Building	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

FY23 Budgeted Revenues



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

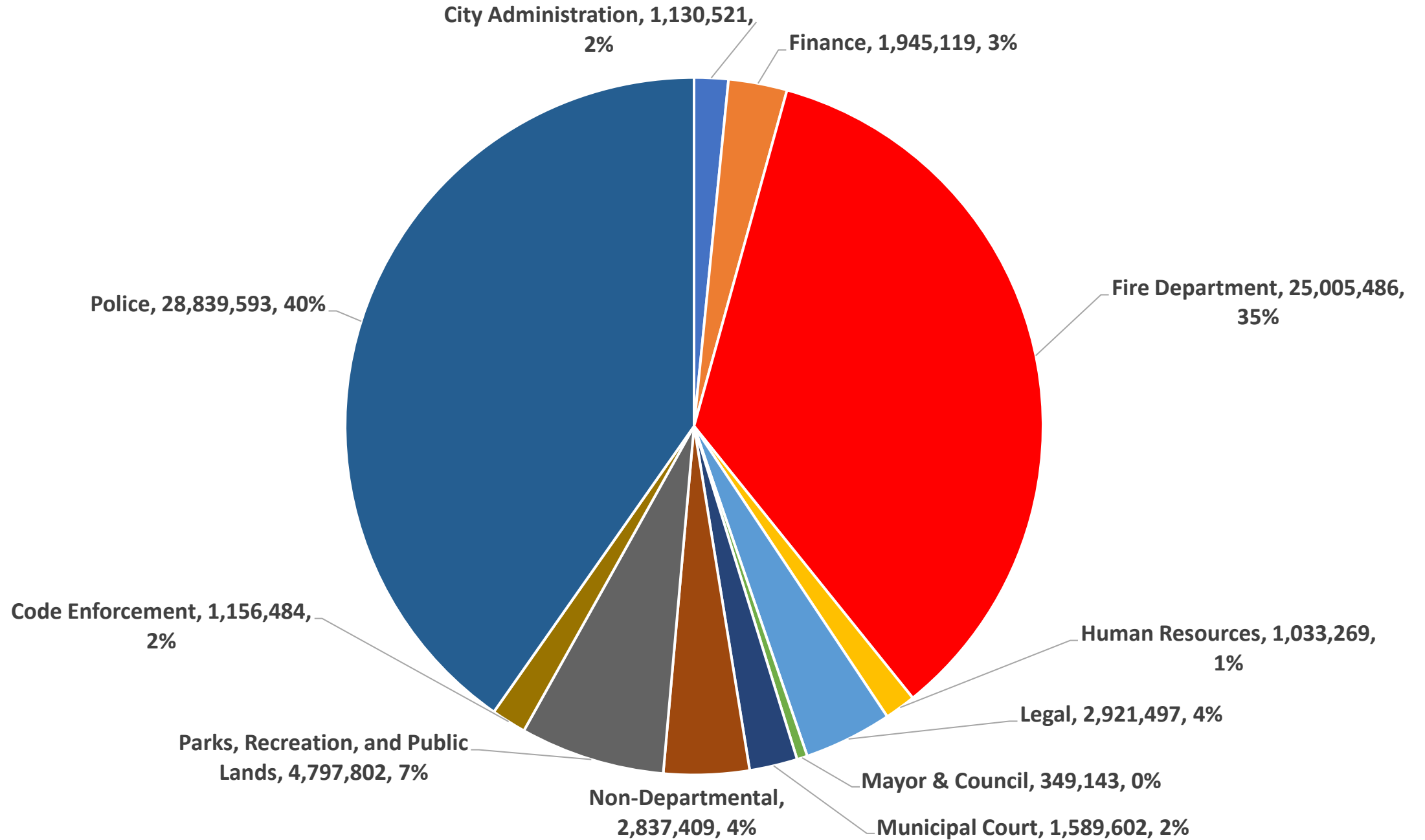
Fund	Department	FY23	FY22	Change
Engineering	Public Works	55,000	50,000	5,000
Light Maintenance	Public Works	2,400,000	2,500,000	(100,000)
Park District 1	Parks & Rec	3,275,400	3,090,000	185,400
Parks Maintenance	Parks & Rec	1,270,200	1,137,200	133,000
Road Maintenance Dist.	Fire	2,875	2,875	-
SID Fund	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

FY23 General & Public Safety Fund



FY23 Proposed General and Public Safety Fund Expenses

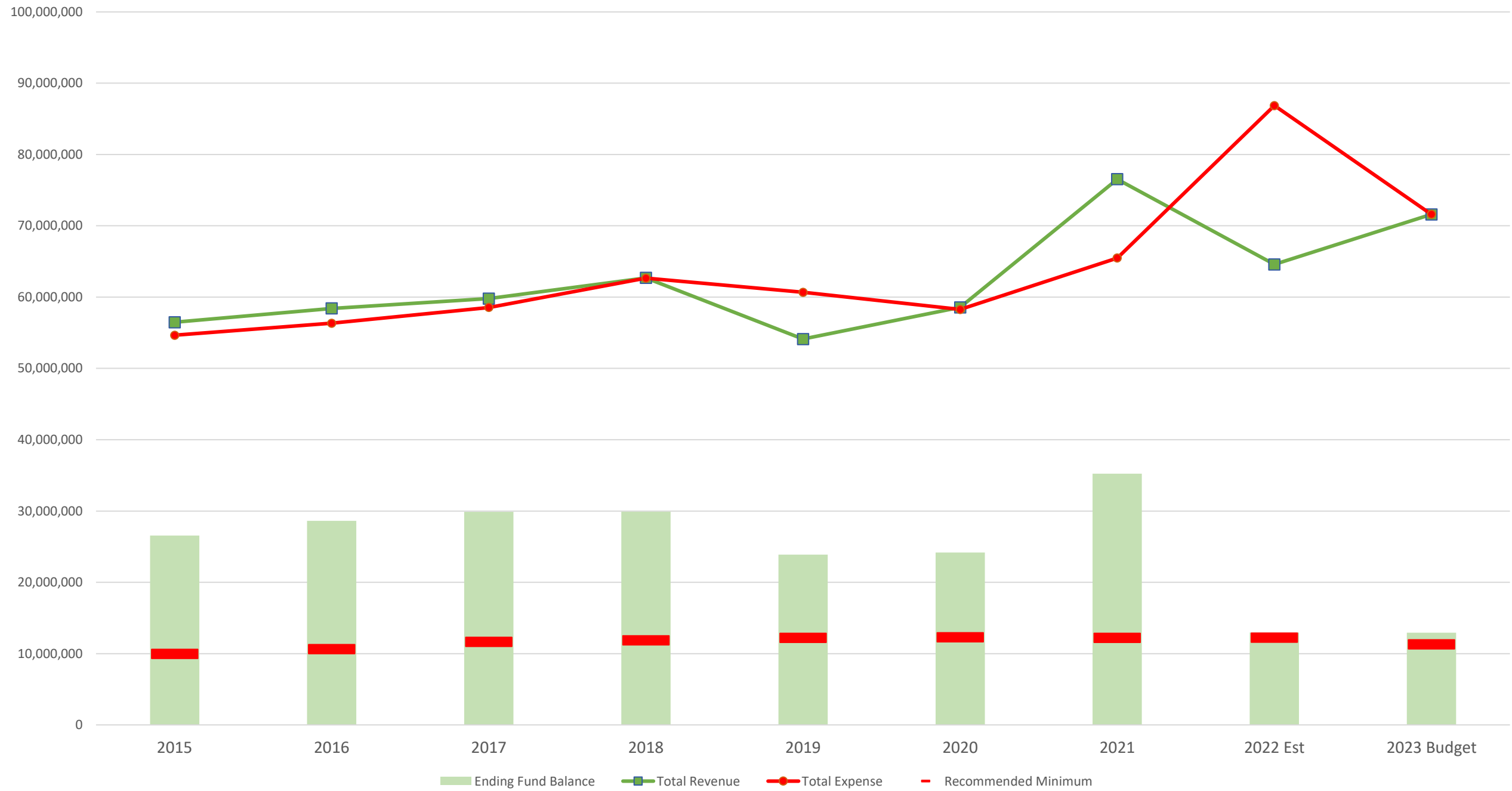
\$ 71,605,925



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)

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

Mental Health & Substance Abuse Funds

- \$800,000 in FY23 budget
- Funded from:
 - 2 mills from the 2021 Public Safety Levy
 - \$400,000 estimated revenue from Marijuana Excise Tax
- Substance Abuse Connect – Behavioral Health Unit
- CoC – Homelessness Funding

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
 - Continue investment and expansion of Public Works Asset Management
 - Landfill Composting Facility
 - Transportation Network
 - Inner Belt Loop
 - Mallowney Lane

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
 - Sprinkler automation
- **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 Amendment Process

1. Direction to staff tonight on budget adjustments would be appropriate
 - Direction provided will be incorporated into the FY23 proposed budget to be voted on by Council at the June 27th City Council Meeting
2. Amendment Forms
 - Forms will be included as part of the budget adoption memo
 - All forms completed by: June 9
3. Amendments Made on June 27th at Council Adoption

Council Direction

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

