

FY2026 Budget Proposal

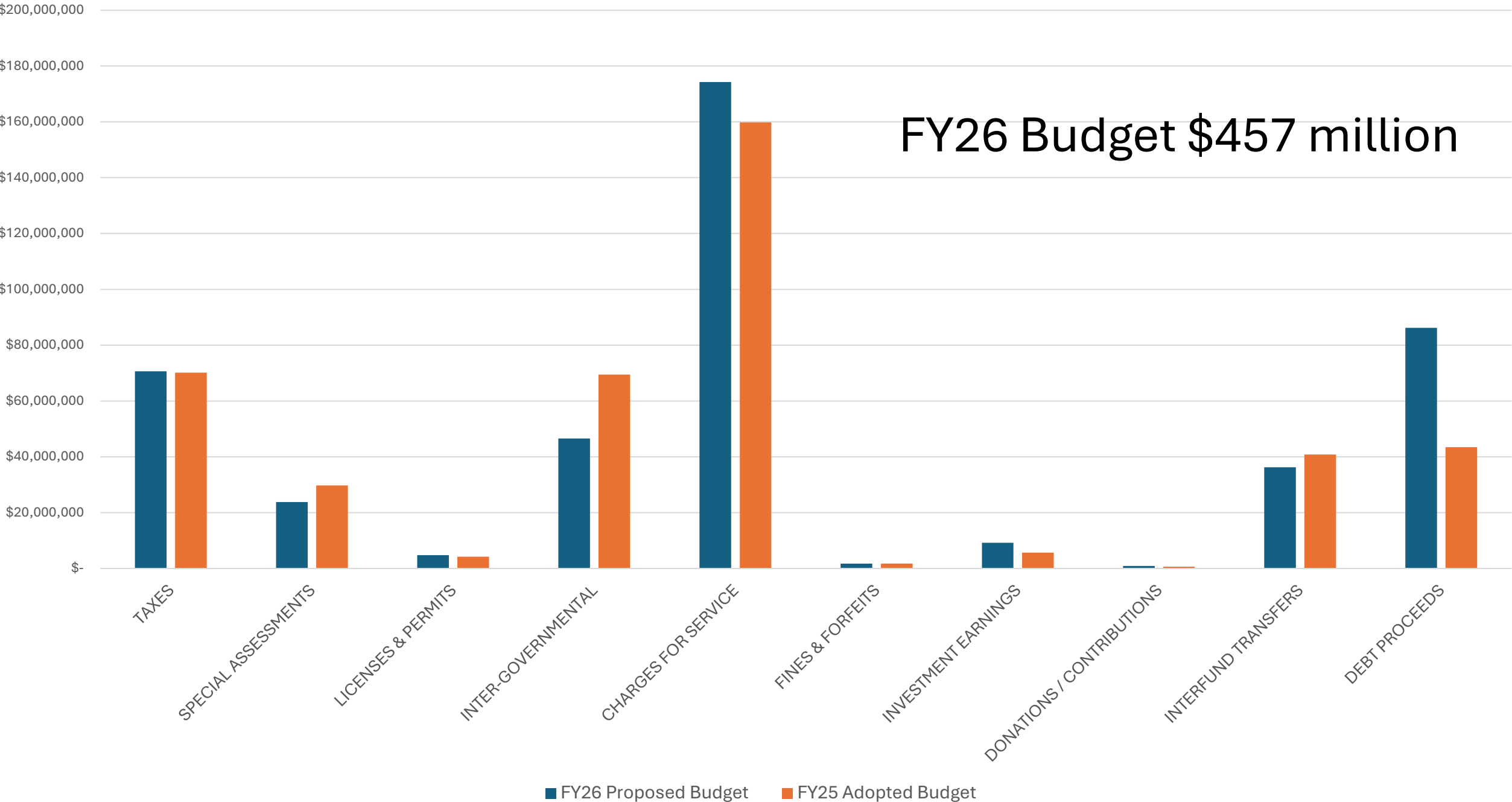
May 19, 2025

FY25 Accomplishments

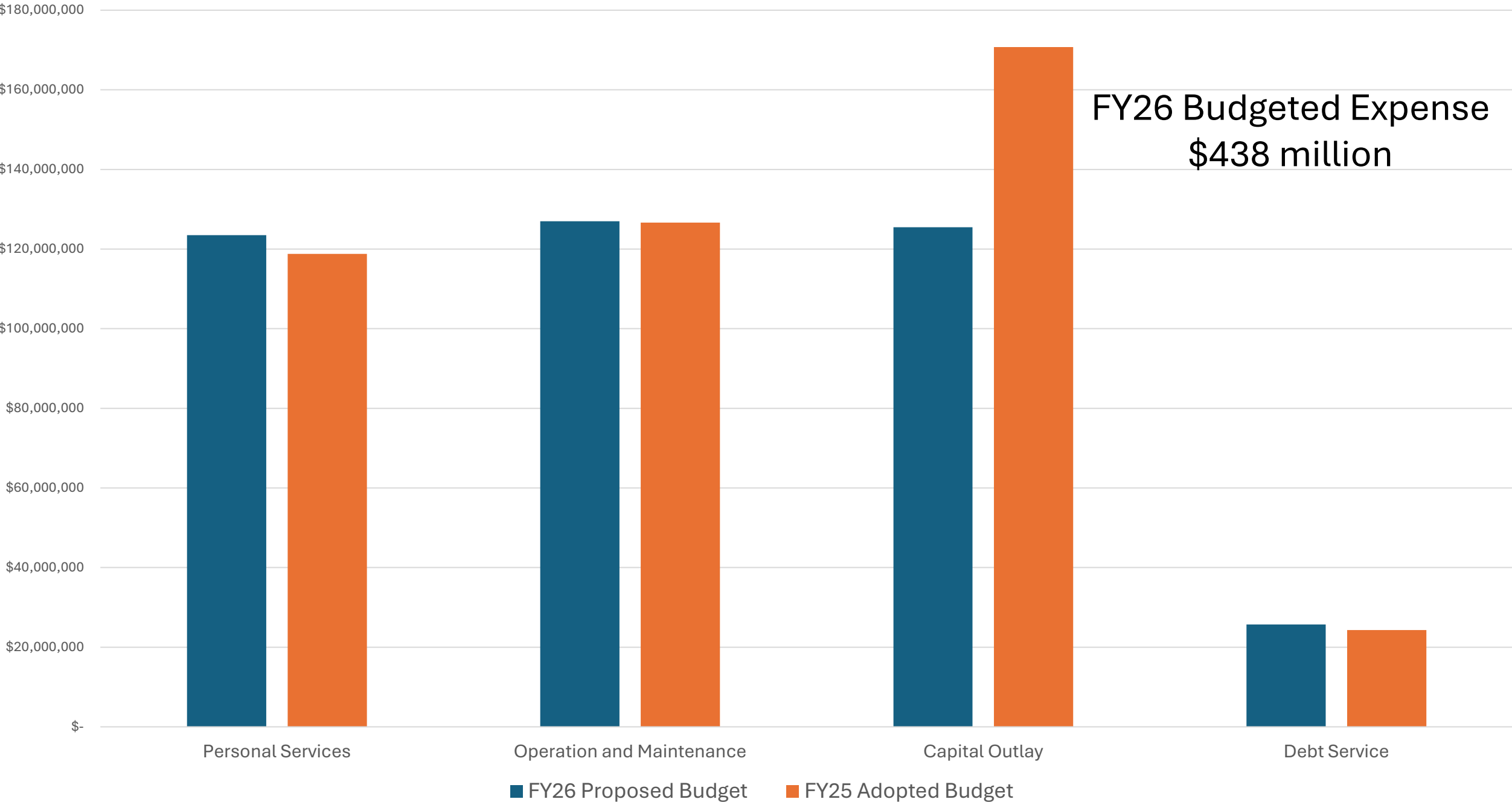
- Commissioned and moved all departments to New City Hall
- Increases in MET ridership and Airport passengers
- Successful implementation of graffiti abatement program
- Adopted 2025-2029 Consolidated Plan
- Completed CPTED improvements in North Park
- Completed design and started construction on ARC
- Replaced 37 destroyed Veteran headstones
- Place protective flowerpots along Central

Budgeted Revenue by Class

FY26 Budget \$457 million



Budgeted Expense by Class



Overall City Budget

Revenues	FY26 Proposed Budget	FY25 Adopted Budget
TAXES	\$ 70,629,199	\$ 70,156,849
SPECIAL ASSESSMENTS	23,795,253	29,721,512
LICENSES & PERMITS	4,753,445	4,252,576
INTER-GOVERNMENTAL	46,571,298	69,475,721
CHARGES FOR SERVICE	174,267,713	159,777,726
FINES & FORFEITS	1,700,400	1,725,046
INVESTMENT EARNINGS	9,234,760	5,677,060
DONATIONS / CONTRIBUTIONS	881,750	604,990
INTERFUND TRANSFERS	36,222,531	40,785,728
DEBT PROCEEDS	86,172,733	43,442,500
MISCELLANEOUS	<u>2,274,624</u>	<u>2,434,117</u>
Total Budgeted Revenues	\$ 456,503,706	\$ 428,053,825
Expenditures	FY26 Proposed Budget	FY25 Adopted Budget
Personal Services	\$ 123,514,741	\$ 118,773,439
Operation and Maintenance	127,009,107	126,646,165
Capital Outlay	125,489,696	170,719,720
Debt Service	25,711,032	24,319,375
Transfers Out	<u>36,222,531</u>	<u>39,175,728</u>
Total Budgeted Expenses	\$ 437,947,107	\$ 479,634,427

Capital Projects

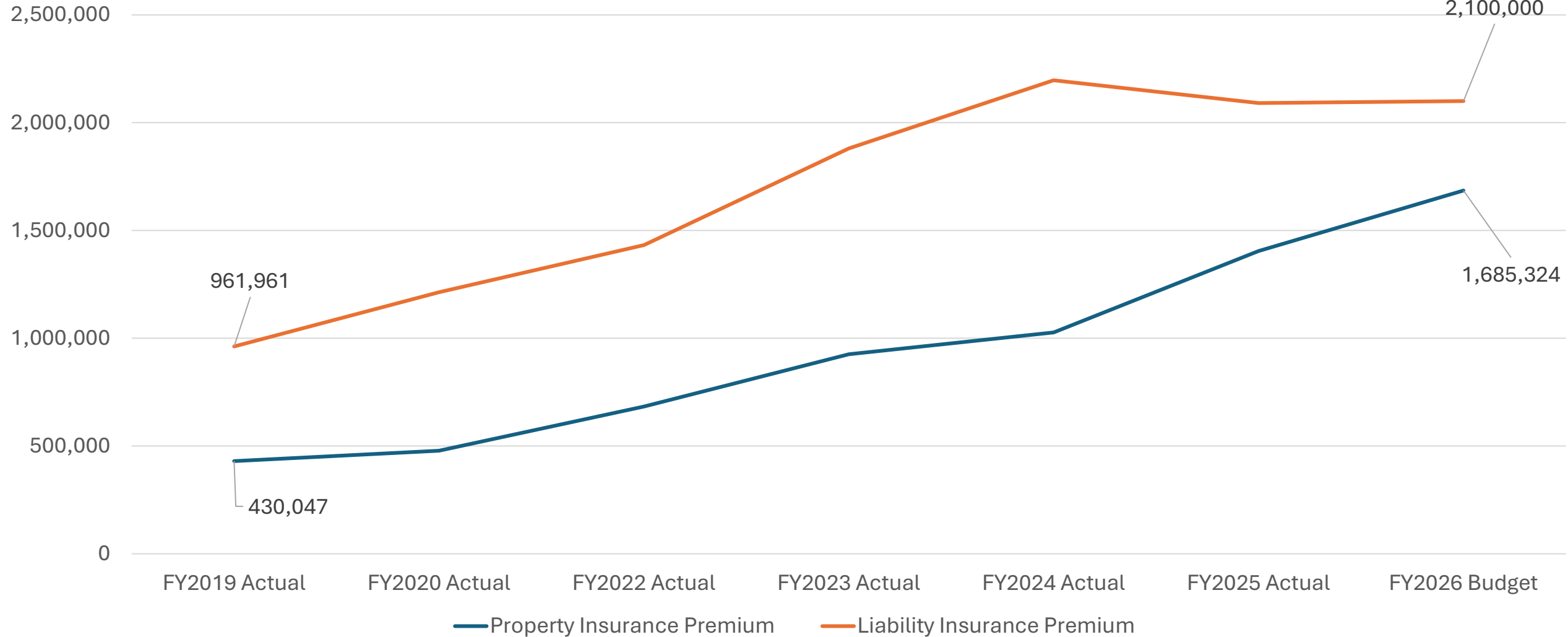
- Strom Sewer Investments
- Rimrock Road
- Safe Routes to School
- Airport front counter remodel
- Amend Recreation Campus

Operation & Maintenance

- 20% estimated increase in property insurance (\$500k)
- Election costs for 2 citywide elections (\$175k)
- Increase in Building/Equipment Maintenance costs (\$197k)
- Software Costs and Subscriptions (\$200k)

Property & Liability Insurance

Property & Liability Insurance



Personal Services

- 28% of FY26 Budget
- \$4.7 million increase over FY25 (4%)
- Salary & Wage Increases
- Additional Staffing
 - 7 FTE
- Estimated increase in Health Insurance Costs

New Employee Proposed for FY26

Fund	Department/Division	# of Positions	Position
Public Safety	Police	1	DUI Officer
Public Safety	Police	1	Patrol (Court Officer)
Public Works	Storm	3	Equip Operator
Public Works	Solid Waste	1	Equip Operator (yard waste)
Public Works/IT	Admin	1	IT Specialists
Total FTE		7	

Budgeted Revenues

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Charge For Services

- External Charges
- External Charges
 - Airport Landing Fees, Car Rental, Leases
 - Utilities
 - Water, Wastewater, Solid Waste
 - Public Safety
 - BUFSA, PD/Fire OT Contracted Service
 - Parks & Recreation
 - Rec Programs, PMDs, Swimming Pools
- Internal Charges
 - Street/Traffic
 - Property & Liability Insurance
 - Fleet Maintenance
 - Health Insurance

Tax Revenue

- Property Taxes
 - Real Property Tax \$64 million (0% increase)
 - Personal Property \$1.2 million (\$117k estimated increase)
 - Motor Vehicle \$4 million (\$43k estimated increase)
- Marijuana Excise Tax
 - City Hall Financing
 - Public Safety – Crime Prevention

Property Tax Mill Levy

- Median Home Estimated = \$350,000 (13.6% increase)
- 1 Mill = \$229,817 (16% decrease)
- 1 Mill cost the Median Home = \$2.66/year (36% decrease)
- Total Estimated Mills 247.23

	Number of Mills		
	FY2026	FY2025	Change
General	87.70	73.63	14.07
Public Safety	134.98	113.43	21.55
Library	5.93	4.98	0.95
Transit	11.84	9.95	1.89
GO Bonds	<u>6.78</u>	<u>5.38</u>	1.40
Total Mills	247.23	207.37	39.86

Property Tax Revenue

	FY26	FY25 Billed	Inc/(Dec)
General Fund	19,851,888	19,851,888	0
Library	1,341,378	1,341,378	0
Transit	2,680,062	2,680,062	0
Public Safety	30,016,655	30,016,655	0
PS Crime Prevention	536,013	536,013	0
GO Library	767,393	703,008	64,385
Go Ballpark	<u>767,393</u>	<u>746,103</u>	<u>21,290</u>
Total Tax Revenue	55,960,781	55,875,106	85,674

Intergovernmental – State of MT

- State Entitlement Share - \$18.7 million
- Gas Tax - \$4.5 million
- EOC 911 - \$1.1 million

- Overall increase of \$484k

Intergovernmental - Federal

- Overall Reduction of \$22 million
 - FY25 contained one-time grants for water projects, trail, and reduction in anticipated Airport grants
- Airport \$7.6 million
- Transit \$5.3 million
- Community Development \$1.7 million

General Fund & Public Safety

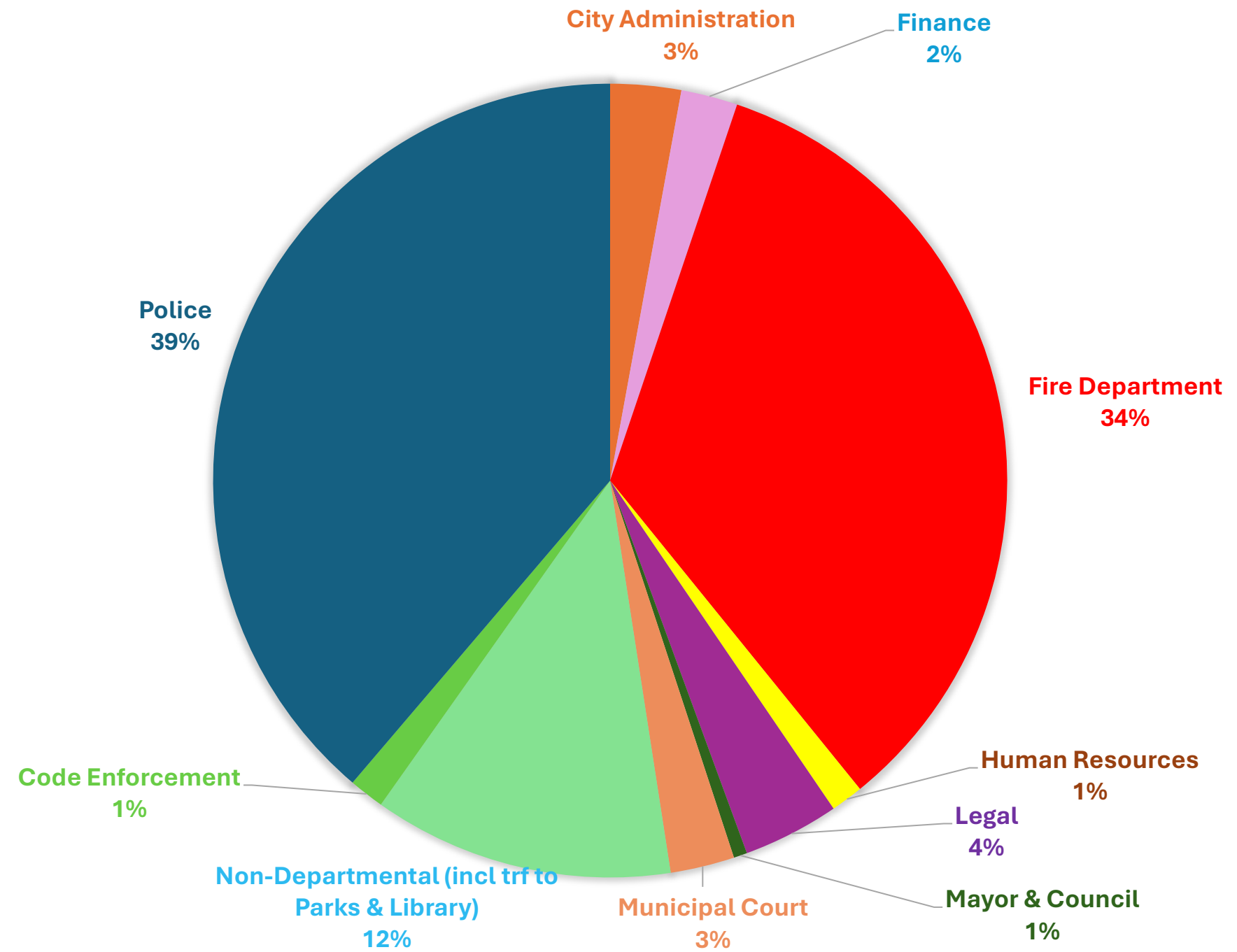
Revenue By Class

GFPS Revenue By Class	FY26 Proposed Budget	FY25 Adopted Budget	Budgeted Revenue Change
Taxes	\$ 55,204,208	\$ 55,166,266	\$ 37,942
Charge for Service	7,487,409	6,961,630	525,779
Fines And Forfeitures	1,338,400	1,345,946	-7,546
Intergovernmental	18,839,604	17,865,011	974,593
Investment Earnings	234,526	116,991	117,535
License And Permits	2,014,395	1,882,576	131,819
Miscellaneous	152,800	122,200	30,600
Transfers In	0	3,016,802	-3,016,802
Revenue Total	\$ 85,271,342	\$ 86,477,422	\$ -1,206,080

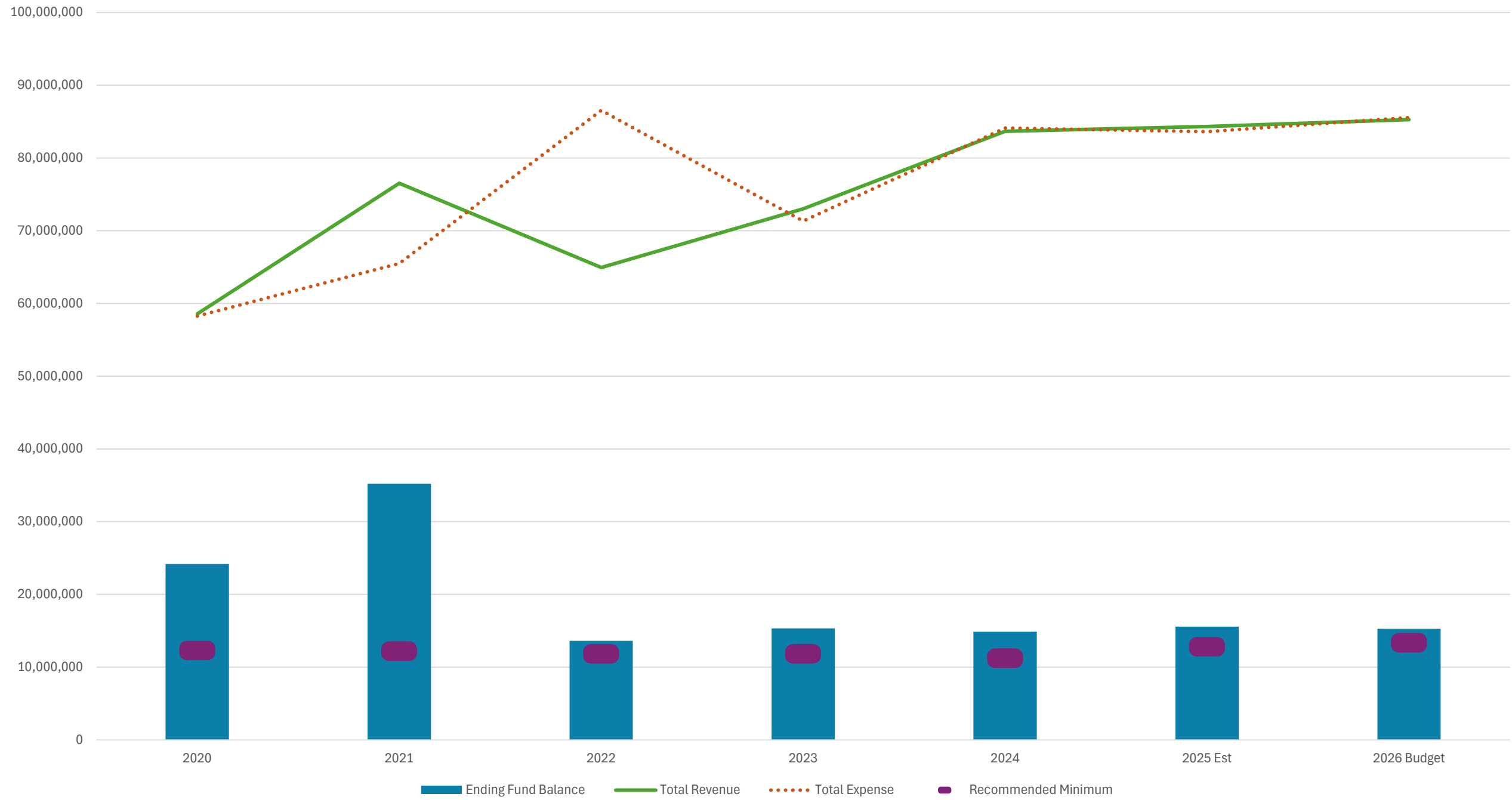
General Fund & Public Safety

Expenses by Department	FY26 Proposed	FY25 Adopted	Change
	Budget	Budget	
City Administration	2,463,201	2,574,672	-111,471
Finance	1,972,519	2,182,499	-209,980
Fire Department	29,075,540	28,126,460	949,080
Human Resources	1,129,513	1,130,791	-1,278
Legal	3,351,051	3,383,409	-32,358
Mayor & Council	469,213	396,897	72,316
Municipal Court	2,232,552	2,159,094	73,458
Non-Departmental (incl trf to Parks & Library)	10,472,782	10,473,811	-1,029
Code Enforcement	1,229,951	1,200,866	29,085
Police	<u>33,169,009</u>	<u>35,068,039</u>	<u>-1,899,030</u>
Total	\$ 85,565,331	\$ 86,696,538	\$ (1,131,207)

FY26 PROPOSED GENERAL FUND AND PUBLIC SAFETY



General Fund & Public Safety



Public Safety Crime Prevention Fund

	Actual 2023	Actual 2024	Estimated 2025	Budgeted 2026	Projected 2027
Beginning Balance	0	382,426	905,482	682,998	365,763
MJ Rev	161,849	405,385	425,000	425,000	425,000
Prop Tax	451,429	530,525	536,515	536,515	536,515
Opioid Rev	23,587	265,820	138,989	65,000	53,000
Grant Rev		129,361	63,856	0	0
Other Rev	<u>6,147</u>	<u>35,234</u>	<u>19,000</u>	<u>32,000</u>	<u>9,000</u>
Total Revenue	643,012	1,366,325	1,183,359	1,058,515	1,023,515
Crisis Response Units	61,237	171,412	215,000	225,750	237,038
Low Barrier Shelter	186,849				
Substance Abuse Connect	10,000	10,000			
Drug & Alcohol Symposium	2,500				
BIL Family Vio. Task Force		5,883			
FJC		39,987	200,161	200,000	200,000
NFP		35,986	200,000	200,000	200,000
CPTED		80,000	40,682		
<u>Holding Facility</u>	<u>0</u>	<u>500,000</u>	<u>750,000</u>	<u>750,000</u>	<u>0</u>
Total Expense	260,586	843,268	1,405,843	1,375,750	637,038
Ending Fund Balance	382,426	905,482	682,998	365,763	752,241

Typical Residential Costs

Median Home Property Tax & Assessment

	FY2026	FY2025	Change
Median Residential Value	350,000	308,400	41,600.00
Taxable Value Rate	0.76%	1.35%	
Taxable Value	2,660	4,163	(1,503.40)
Total Mills	247.23	207.37	
Property Tax	\$ 657.63	\$ 863.36	(205.73)
Street Maintenance	<u>216.25</u>	<u>216.25</u>	-
Total Tax & Assessment	\$ 873.88	\$ 1,079.61	(205.73)

Average Home Monthly Utility Bill

	FY2026	FY2025	Change
Water	\$ 47.71	\$ 47.71	\$ 0.00
Wastewater	30.85	30.85	0.00
Solid Waste	14.50	14.50	0.00
Storm Sewer	<u>8.81</u>	<u>6.68</u>	<u>2.13</u>
Monthly Utility Bill	\$ 101.87	\$ 99.74	\$ 2.13

2025 Legislature Mill Requirement

Number of Mills		
	FY2026	FY2025
General	87.70	73.63
Public Safety	134.98	113.43
Library	5.93	4.98
Transit	11.84	9.95
GO Bonds	<u>6.78</u>	<u>5.38</u>
Total Mills	247.23	207.37

Number of Mills		
	FY2026	FY2025
General	74.00	73.63
Public Safety	114.00	113.43
Library	5.00	4.98
Transit	10.00	9.95
GO Bonds	6.78	5.38
Statutory Amount	<u>37.45</u>	<u>0.00</u>
Total Mills	247.23	207.37

Typical Residential Costs

Median Home Property Taxes			
	FY26	FY25	Change
General	\$ 233.28	\$ 306.55	\$ (73.27)
Public Safety	359.05	472.25	(113.21)
Library	15.77	20.73	(4.96)
Transit	31.49	41.43	(9.93)
General Obligation	<u>18.03</u>	<u>22.40</u>	<u>(4.36)</u>
Median Home Property Tax	\$ 657.63	\$ 863.36	\$ (205.73)
Street Maintenance District	<u>216.25</u>	<u>216.25</u>	-
Total Special Assessments	216.25	216.25	-
Total Taxes and Assessments	873.88	1,079.61	(205.73)

Median Home Property Taxes			
	FY26	FY25	Change
General	\$ 196.84	\$ 306.55	\$ (109.71)
Public Safety	303.24	472.25	(169.01)
Library	13.30	20.73	(7.43)
Transit	26.60	41.43	(14.83)
General Obligation	18.03	22.40	(4.36)
Statutory Amount	<u>99.62</u>	-	<u>99.62</u>
Median Home Property Tax	\$ 657.63	\$ 863.36	\$ (205.73)
Street Maintenance District	<u>216.25</u>	<u>216.25</u>	-
Total Special Assessments	216.25	216.25	-
Total Taxes and Assessments	873.88	1,079.61	(205.73)

Timeline & Discussion Items & Where to find more info

- FY26 Proposed Budget available online www.billingsmt.gov/finance
- Budget Work Sessions
 - May 19 & 20, June 2 & 3
 - Preliminary Budget Adoption June 23
 - Final Budget Adoption August 25
- Council Amendment Process