

****ATTENTION****

The City Council meeting will be held in a hybrid format that may include both in-person AND virtual attendance via Zoom. Unless they have cause to appear virtually, Councilmembers will attend the meeting in person in Council Chambers, fifth floor of City Hall, 316 N. 26th Street. In order to honor the Right of Participation and the Right to Know in Article II, Sections 8 and 9, of the Montana Constitution, the City of Billings and City Council are making every effort to meet the requirements of the open meeting laws.

Citizens are invited to:

- . Review the Agenda Packet on the City's website at: www.billingsmt.gov and click on "Your Government," "City Council," and "Agendas & Minutes".
- . View the meeting:
 - . On Community 7 TV - Channel 7 or Channel 507 -- Spectrum Cable. *(On evenings when there is a conflict with School District No. 2 Board meetings, the City Council meeting will be broadcast on Channel 8 - Spectrum Cable.)* Channel 7 or Channel 978 - TDS Fiber.
 - . Online at www.comm7tv.com and click on the "Watch Live" icon. Community 7 also has links to their Facebook page and YouTube channel.
 - . On the City's website at www.billingsmt.gov and click on "Watch Meetings Online" on the homepage.
 - . In-Person.

Citizens may submit public comment via the following methods:

- . Mail: City Clerk, P.O. Box 1178, Billings, MT 59103
- . Email: Council@billingsmt.gov.
 - . Emails received after 3:00 PM on the day of the meeting, may be posted on the Council's webpage the following day for public viewing.
- . Attend the meeting in person

Please contact Denise Bohlman, City Clerk, at bohlmand@billingsmt.gov, or at 406.657.8210, with any questions.



VISION STATEMENT:
"The Magic City: A diverse,
welcoming community
where people prosper and
business succeeds."

**SPECIAL WORK SESSION AGENDA
MAY 20, 2025**

**COUNCIL CHAMBERS
316 N. 26th St., 5th Floor**

5:30 P.M.

CALL TO ORDER: Mayor Cole

PUBLIC COMMENT ON ALL ITEMS. This is the time to comment on any matter (Agenda or Non-Agenda) falling within the scope of the Billings City Council. There will also be time in conjunction with each agenda item for public comment relating to that item. You may only speak once for each item during the meeting.

Please note, the City Council cannot take action on any item of significant interest to the public that does not appear on the agenda. Comments are limited to three (3) minutes during each public comment period or as set by the Mayor. **Speaker sign-in required.** Please sign the roster at the cart located at the back of the Council chambers or at the podium.

1. FY2026 Departmental Budget Presentations.

- Aviation & Transit
- Information Technology
- Library
- Parks, Recreation, and Public Lands

-Public Comment

HIGHLIGHT UPCOMING ITEMS OF COUNCIL INTEREST:

COUNCIL DISCUSSION:

PUBLIC COMMENT on "NON-AGENDA ITEMS". **Speaker Sign-in required.** *(Restricted to ONLY items not on this printed agenda. Comments are limited to 3 minutes. Please sign the roster located at the back of Council chambers or at the podium.)*

ADJOURN:

Note:

- This meeting is an "informal" meeting of the City Council. The content of the Agenda is subject to change at the meeting.
- In the event there is a Closed Executive Session, the sole purpose is to discuss litigation strategy. The other parties to the case(s) discussed are not public bodies or associations as described in Section 2-3-203(1) and (2), MCA. The meeting is closed, as allowed by Section 2-3-203(4) (a), MCA, "to discuss a strategy to be followed with respect to litigation when an open meeting would have a detrimental effect on the litigating position" of the City of Billings.

City Council Special Session

Meeting Date: 05/20/2025

Title: FY2026 Departmental Budget Presentations

Presented by: Andy Zoeller, Finance Director

Department: Finance

RECOMMENDATION

Staff will be present to provide FY26 departmental budget information to City Council. Council action will occur in June at a regular City Council meeting, with final budget adoption occurring in August.

BACKGROUND (Consistency with Adopted Plans and Policies, if applicable)

Council will receive information about the FY26 budget over multiple work sessions. Each department has provided an overview of their proposed FY2026 budget. The entire proposed FY26 budget can be found online at www.billingsmt.gov/finance. City Council will receive information from the following departments on May 20, 2025:

Aviation & Transit
Information Technology
Library
Parks, Recreation, and Public Lands

ALTERNATIVES

No Council action will be required at this meeting. Final adoption of the FY2026 budget is planned for the last regular meeting in August.

FISCAL EFFECTS

The current proposed budget for FY26 is \$437,947,107. A summary can be found on pages 1-11 of the budget proposal.

Aviation Overview
Transit Overview
Information Technology Overview
PRPL Overview

Aviation & Transit Department

Airport

Current Year Department (Aviation Division) Budgeted Expense Total: \$33,259,627

Change from Prior Year Budget Expense: \$3,265,458

Overall Budget Justification:

The Aviation Division of the Aviation and Transit Department operates and maintains the City of Billings Logan International Airport, providing the facilities for commercial service airline operators to offer transportation for travelers utilizing the Airport's Terminal Building. In pre-COVID years, the annual number of passengers totaled around 900,000, a new record for the airport! In 2020, the passenger numbers dropped to just over 500,000 and bounced back to more than 981,000 during 2024.



Other businesses and activities located at the Airport include car rentals, restaurant/deli/lounge, gift shop, public parking, Fixed Base Operators (FBO), radio/avionics repair shops, executive hangars, a general aviation hangar complex, air freight/mail operators, the Transportation Security Administration (TSA), the Federal Aviation Administration (FAA), as well as numerous other State and Federal agencies. The Airport operation is a self-supporting Enterprise Fund that does not receive any General Fund or local tax revenue support. Airline landing fees, parking fees, as well as tenant concession, rental, and lease revenues offset the costs to operate and maintain the Airport's facilities.

Revenues

The Airport's FY 2026 budgeted revenues total \$25,400,549, which is a decrease of \$3,579,780 from the FY 2025 budget. The decrease is primarily due to discontinued Federal grant funding provided by the Infrastructure Bill passed by Congress. PFC collections are expected to increase as passenger traffic continues to rebound from the lows experienced during the COVID-19 pandemic and the funds will be applied to the purchase of two replacement fire trucks and various other projects for the Airport. Operating revenues for FY2026 increased \$1,972,645 to reflect the additional square footage from the Terminal Expansion project along with the anticipated passengers' increase, while lease rates increased due to CPI-U adjustments that are written into most ground, building, and hangar leases.

Expenses

The Airport's Personnel Services FY 2026 budget is \$480,731 more than the FY 2025 budget. This increase is due to step increases and the anticipated cost of living wage increase that all employees will receive from labor negotiations that finalized last summer. The Airport's FY 2026 Operations and Maintenance budget is \$79,261 more than that of FY 2025. This is the result of the Airport anticipating having to implement additional employee screening program requirements, and the City of Billings cost allocation charges from other departments.

Capital

The FY 2026 capital projects include the following:

1. The Airport Improvement Program (AIP) will provide approximately \$7,500,000 to fund the ticket counter remodel (\$4,375,000), storm water pond improvements (\$2,000,000), and west end hanger development (\$1,125,000).
2. Passenger Facility Charges (PFC) will provide approximately \$2,000,000 to fund the replacement of two new fire trucks.
3. There are no Car Rental Facility Charges (CFC) funded projects budgeted for FY 2026.
4. Other projects budgeted in FY 2026 include: the rehabilitation of an existing Airport Access Road - Terminal Loop (\$550,000), proposed land purchase north of airport, Airfield Maintenance Pickup (\$48,461), and Airport Command Vehicle (\$54,561), HVAC improvements to IP-9 and TSA buildings (\$50,000), airfield painting (\$30,000), and roof repairs to the Terminal and Airport operations buildings (\$50,000).

Debt Service

The Airport's debt service payments consist of principal and interest payments on the Airport's Series 2020B Revenue Bonds secured with CFC revenue. The FY 2026 Debt Service Principal and Debt Service Interest budgets may be less than the FY 2025 budgets due to lower than anticipated borrowing for the Terminal Expansion project.

New or Expanded Programs:

Continue the multi-year Airport Master Plan (AMP) update.

Expanding the Airport's Air Service Development effort.

Design of the terminal landside phase I (ticket counters and inline baggage screening).

Staffing Changes:

Reclassify up to ten positions and adjust the pay due to increased responsibilities over the next five years.

Add one position each year to increase the number of Building Maintenance Mechanics and Custodians to maintain the additional Terminal space and provide additional staff to cover additional hours of Airport operation.

AIRPORT GOALS:

Goal: Continue the multi-year Airport Master Plan Update Project – Completion Target 2026

Action(s) Complete an Airport Master Plan Update with a robust public process.

Outcome: A twenty-year forecast of future Airport development with a detailed implementation/financial plan.

Goal: Expansion of the Air Service Development effort to increase air service at the Airport

Action: Continue to expand communication, coordination, and cooperation with air carriers regarding new flights, additional airline seats, and improved service for the community.

Outcome: Robust travel opportunities for the users of the Airport at a fair price.

Goal: Rehabilitate the front (landside) of the passenger terminal

Action: Phase I - Rehabilitate the ticket counter area and install an inline baggage screening system.

Outcome: Modernize the ticket counters, increasing the overall number, and move checked bag screening behind the ticket counters.

Goal: Enhance the Airport's Marketing and Advertising Program

Action: Work with consultants to update, add, and install advertising amenities within the Airport Terminal Building to create highly visible and desirable advertising options.

Work with local tourism agencies and businesses to advertise and enhance the image of the Airport and the community.

Continue to create print and digital advertising to promote the Airport.

Outcome: Generate additional Airport revenue from advertising, promote the Airport, and improve community relations.

Goal: Renew Airline Agreements

Action: Now that the Terminal Expansion Project is completed, staff will need to renegotiate agreements with all of the Airlines.

Outcome: New Agreements will be finalized in 2026 and the Airlines will begin paying for the additional space that was added during the Terminal Expansion Project.

**AIRPORT FUND
OPERATING BUDGET**

FUNDS 5600-5690 & 4050-4090

	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
WORKING CAPITAL - BEGINNING	<u>\$ 23,446,631</u>	<u>\$ 23,446,631</u>	<u>\$30,124,481</u>	<u>\$26,846,486</u>	<u>\$ 25,323,071</u>
REVENUES:					
CHARGE FOR SERVICES	\$ 10,646,186	\$ 12,511,636	\$12,484,424	\$ 12,000,000	\$ 14,349,853
FEDERAL/STATE GRANT REVENUE	10,620,450	11,771,050	11,997,425	10,000,000	7,628,480
PFC REVENUE	1,625,377	1,772,110	1,400,000	1,300,000	1,875,000
CFC REVENUE	723,405	790,506	750,000	870,000	820,000
INVESTMENT INTEREST	609,231	1,525,182	520,000	900,000	642,276
SALE OF EQUIPMENT/LAND	-	-	-	-	-
CARES GRANT	-	-	1,600,000	-	-
BOND REVENUE	-	-	-	-	-
REFUNDS/REIMBURSEMENTS	65,684	100,035	228,480	85,000	84,940
TOTAL REVENUE	<u>\$ 24,290,333</u>	<u>\$ 28,470,519</u>	<u>\$28,980,329</u>	<u>\$25,155,000</u>	<u>\$ 25,400,549</u>
EXPENSES:					
ADMINISTRATION	\$ 1,911,432	\$ 1,950,674	\$ 2,806,578	\$ 2,214,074	\$ 2,837,071
BUILDING MAINTENANCE	2,088,589	2,195,992	2,377,434	2,318,729	2,607,707
AIRFIELD MAINTENANCE	1,618,820	1,658,414	1,613,226	1,426,132	1,748,170
AIRPORT POLICE	1,024,577	1,027,874	1,155,860	1,169,146	1,250,068
AIRCRAFT RESCUE FIREFIGHTING	1,169,386	1,245,793	1,378,125	1,418,819	1,383,370
BUSINESS PARK	190,905	177,959	247,986	165,802	352,056
CAR RENTAL FUELING	406,428	393,021	336,664	342,570	332,841
CAR WASH FACILITY O&M	166,358	208,676	216,889	220,178	181,471
AIRPORT AIP GRANT PROJECTS	10,222,610	14,089,416	12,275,000	9,043,965	18,422,186
AIRPORT PFC PROJECTS	-	-	5,108,333	6,500,000	2,000,000
AIRPORT CFC PROJECTS	-	-	-	-	-
CAPITAL OUTLAY	1,441,626	472,725	1,819,798	1,200,000	1,603,022
TRANSFERS OUT	1,728	-	-	-	-
DEBT SERVICE-PRINCIPAL	-	-	346,682	347,000	423,365
DEBT SERVICE-INTEREST	114,700	120,683	311,594	312,000	118,300
TOTAL EXPENSES	<u>\$ 20,357,159</u>	<u>\$ 23,541,227</u>	<u>\$29,994,169</u>	<u>\$26,678,415</u>	<u>\$ 33,259,627</u>
WORKING CAPITAL CHANGES NOT BUDGETED:	<u>(3,933,174)</u>	<u>(1,529,437)</u>	<u>-</u>	<u>-</u>	<u>-</u>
WORKING CAPITAL - ENDING	<u>\$ 23,446,631</u>	<u>\$ 26,846,486</u>	<u>\$29,110,641</u>	<u>\$25,323,071</u>	<u>\$ 17,463,993</u>
LESS OPERATING RESERVE	<u>1,480,000</u>	<u>1,480,000</u>	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,818,000</u>
LESS REVENUE BOND RESERVE	<u>2,425,000</u>	<u>2,425,000</u>	<u>2,425,000</u>	<u>2,425,000</u>	<u>2,425,000</u>
AVAILABLE WORKING CAPITAL	<u>\$ 19,541,631</u>	<u>\$ 22,941,486</u>	<u>\$24,985,641</u>	<u>\$21,198,071</u>	<u>\$ 13,220,993</u>

**AIRPORT FUND
OPERATING BUDGET**

	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
PERSONAL SERVICES	\$ 5,338,901	\$ 5,244,568	\$ 5,568,098	\$ 5,216,054	\$ 6,048,829
OPERATIONS AND MAINTENANCE	3,239,322	3,613,835	4,564,664	4,059,396	4,643,925
CAPITAL	11,664,236	14,562,141	19,203,131	16,743,965	22,025,208
DEBT SERVICE	<u>114,700</u>	<u>120,683</u>	<u>658,276</u>	<u>359,000</u>	<u>541,665</u>
TOTAL EXPENSES	<u>\$ 20,357,159</u>	<u>\$ 23,541,227</u>	<u>\$ 29,994,169</u>	<u>\$26,378,415</u>	<u>\$33,259,627</u>

STAFFING AUTHORIZATION

POSITION	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	PROPOSED FY 26
AVIATION & TRANSIT DIRECTOR	0.8	0.8	0.8	0.8
ASSISTANT AVIATION DIRECTOR	0.9	0.9	0.9	1.0
AVIATION & TRANS BUSINESS MGR	1.0	1.0	1.0	1.0
ADMINISTRATIVE SUPPORT II	1.0	1.0	1.0	1.0
MARKETING SPECIALIST				
IT SPECIALIST	-	1.0	1.0	1.0
AIRPORT POLICE SUPERVISOR	1.0	1.0	1.0	1.0
AIRPORT POLICE OFFICERS	8.0	8.0	9.0	9.0
POLICE SUPPORT SPECIALIST	1.0	1.0	1.0	1.0
ARFF/AIRFIELD MAINT. WORKER	15.0	15.0	16.0	16.0
EQUIPMENT OPER/MAINT. WORKER	-	-	-	-
AFM/ELECTRICIAN II	1.0	1.0	1.0	1.0
AIRPORT FACILITIES SUPERVISOR	1.0	1.0	1.0	1.0
FACILITIES MAINT. MECHANIC	3.0	3.0	3.0	3.0
FACILITIES MAINT SUPPORT I	12.0	12.0	12.0	12.0
LEAD FAC MAINT SUPPORT 1	1.0	1.0	1.0	1.0
OPERATIONS ARFF SUPERVISOR	1.0	1.0	1.0	1.0
LEAD FACILITIES MAINT. MECHANIC	1.0	1.0	1.0	1.0
OPERATIONS AFM SUPERVISOR	1.0	1.0	1.0	1.0
ACCOUNTANT II	1.0	1.0	1.0	1.0
SR. ACCOUNT CLERK	1.0	1.0	1.0	1.0
AIRPORT ENG/PLAN MANAGER	1.0	1.0	-	-
AFM WORKER/MECHANIC I	1.0	1.0	1.0	1.0
LEAD AIRFIELD MAINT WORK/MECH	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
TOTAL	<u>54.7</u>	<u>55.7</u>	<u>56.7</u>	<u>56.8</u>

MET Transit Division

Current Year Department (Transit Division) Budgeted Expense Total: \$11,113,103

Change from Prior Year: (\$2,523,063)

Overall Budget Justification:

The Transit Division of the Aviation and Transit Department is responsible for providing Fixed Route bus and Paratransit van transportation service for the City's citizens. This service meets a significant percentage of the mobility needs for those citizens without access to private transportation (referred to as transit-dependent citizens), particularly students, seniors, low-income populations, and individuals with disabilities.

Revenues

The budget for Transit revenues totals \$10,598,722 for FY 2026, which is an increase of \$2,102,572 from the FY 2025 budget. This increase is mainly due to increased capital projects funded by both competitive and formula grants and projects carried forward from FY25. Anticipated generated operating revenue increased slightly by \$127,857 primarily due to growth of collected fares through increased ridership and growth of the advertising program; anticipated federal and state transit revenue decreased by \$331,386 due to no anticipated carryover of federal funds from prior years. Local tax revenues increased by \$4,034. Overall revenues to support operations decreased by a total of \$55,870.

Expenses

Total FY 2026 budgeted operating expenses of \$8,181,153 reflect an increase of \$360,113 from FY 2025. Personnel services increased significantly by \$410,720 due to step increases for those employees with six years of service or less and the union negotiated cost of living increase. Non-personnel related operating expenses decreased slightly by \$50,607 primarily due to negotiation of lower rates with software vendors and decreases to the non-bargaining training budget.

Capital

Transit's FY 2026 capital expenditure budget totals \$2,931,950 and consists of planned bus stop improvements (\$162,500), construction supporting service and amenity updates at the Downtown Transfer Center (\$609,500), additional access controls at the METroplex facility (\$72,450), onboard technology replacement for the fixed-route buses (\$118,860), a replacement vehicle lift for the maintenance program (\$80,000) an additional operations support vehicle (\$50,000), a replacement emergency generator for the METroplex (\$55,000), scaffolding for rooftop bus work (\$30,000), and 8 replacement paratransit vans (\$1,000,000). The program also includes projects carried forward from FY25 including bus wash refurbishment (\$250,000) and transfer center security cameras (\$220,000). An additional 2 paratransit vehicles were also carried forward from FY24 and FY23 due to vehicle order delays at the State of Montana (\$283,640); total carried forward from previous years is \$753,640.00

A combination of Section 5310 and Section 5339A Grant will fund 80% of the allowed costs for the bus stop improvement and 85% for State of Montana paratransit purchased vehicles. Section 5339A federal formula funding will be used as available for 80% of allowable facility projects,



access controls, technology updates, service vehicles and equipment. A Section 5339B competitive grant received in 2024 will fund 80% of the scaffolding and 85% of the 8 paratransit vehicles.

New or Expanded Programs:

MET anticipates finalizing a Financial Sustainability and Governance study initiated in FY 2025 that will help inform decision making regarding expanded services and programs in the coming years.

Staffing Changes:

MET is not requesting additional staff for FY 2026.

MET GOALS:

Goal: Improve bus stop locations through assessment for accessibility and proper amenities.

Action(s): Continue assessment of bus stop locations for accessibility, amenities based on usage, and equity for the community. Implement identified improvements to designated locations.

Outcome: A more accessible transit system that equitably and effectively serves the riding public with appropriate amenities.

Goal: Continue to improve Transit system convenience and usability.

Action(s): Complete updates to the Downtown Transfer Center to provide for a customer service window and improved passenger amenities. Continue to assess improvements to fixed route bus scheduling and routes for potential modifications or changes to enhance usability for the public.

Outcome: A more efficient and effective transit system resulting in increased ridership, convenience, and customer satisfaction.

Goal: Continue to increase Transit Division revenue for ongoing and expanded operations.

Action(s): Continue growth of Transit advertising program to increase generated revenue. Assess potential for partnerships to increase transit reach and funding levels. Assess fares and user fee structure for recommended changes. Complete the Transit Financial Sustainability and Funding Study.

Outcome: An increase in revenue generated providing improved ability to meet match requirements, additional funds for utilization in existing and expanded operations, and clearer plans for future revenue growth.

**TRANSIT FUND
OPERATING BUDGET**

FUNDS 5710,5720,4110,4120,2040

	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
WORKING CAPITAL - BEGINNING	<u>\$ 6,250,919</u>	<u>\$ 6,888,083</u>	<u>\$ 5,969,086</u>	<u>\$ 8,714,847</u>	<u>\$ 6,659,981</u>
REVENUES:					
STATE AND FEDERAL GRANTS	\$ 3,238,827	\$ 5,029,146	\$ 3,877,640	\$ 4,063,850	\$ 3,546,254
FTA CAPITAL GRANT	841,336	2,822,360	251,400	8,008,528	2,409,742
TAX REVENUE	2,567,659	2,648,844	3,097,247	3,065,234	3,101,281
INTER GOVERNMENTAL	517,716	335,866	352,021	352,021	362,211
OPERATING REVENUES	775,117	818,338	763,243	846,723	891,100
INTEREST ON INVESTMENTS	117,588	315,857	139,000	140,860	241,434
MISCELLANEOUS	28,148	23,277	10,050	35,843	10,050
SALE SURPLUS EQUIP	45,978	2,549	5,649	18,460	36,650
TOTAL REVENUE	<u>\$ 8,132,369</u>	<u>\$ 11,996,237</u>	<u>\$ 8,496,250</u>	<u>\$16,531,519</u>	<u>\$10,598,722</u>
EXPENSES:					
ADMINISTRATION	\$ 889,205	\$ 1,583,150	\$ 848,112	\$ 835,534	\$ 911,758
OPERATIONS/DRIVERS	2,674,084	3,067,485	3,508,304	3,561,955	3,831,532
OPERATIONS/NON-DRIVERS	505,013	451,254	572,205	614,578	575,749
MAINTENANCE	1,129,703	1,164,217	1,296,489	1,314,747	1,342,619
MARKETING	56,591	117,650	158,809	121,344	141,041
PARATRANSIT	974,302	1,181,885	1,395,821	1,288,001	1,326,981
DOWNTOWN TRANSFER CNTR	32,496	42,886	41,300	54,456	51,473
CAPITAL-LOCAL	9,306	-	50,000	77,434	-
CAPITAL - FEDERAL	1,429,215	3,455,639	719,000	10,718,336	2,931,950
O & M - LOCAL	-	-	-	-	-
TOTAL EXPENSES	<u>\$ 7,699,915</u>	<u>\$ 11,064,166</u>	<u>\$ 8,590,040</u>	<u>\$18,586,385</u>	<u>\$11,113,103</u>
WORKING CAP. CHANGES NOT BUDGETED	<u>204,710</u>	<u>894,693</u>	<u>-</u>	<u>-</u>	<u>-</u>
WORKING CAPITAL - ENDING	<u>\$ 6,888,083</u>	<u>\$ 8,714,847</u>	<u>\$ 5,875,296</u>	<u>\$ 6,659,981</u>	<u>\$ 6,145,600</u>
LESS OPERATING RESERVE	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,300,000</u>	<u>1,046,000</u>	<u>1,384,117</u>
AVAILABLE WORKING CAPITAL	<u>\$ 5,888,083</u>	<u>\$ 7,714,847</u>	<u>\$ 4,575,296</u>	<u>\$ 5,613,981</u>	<u>\$ 4,761,483</u>

**TRANSIT FUND
OPERATING BUDGET**

FUND 5710,5720,4110,4120,2040

	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
PERSONAL SERVICES	\$ 4,533,264	\$ 5,620,748	\$ 5,828,617	\$ 5,804,975	\$ 6,239,337
OPERATIONS AND MAINTENANCE	1,728,130	1,987,779	1,992,423	1,985,640	1,941,816
CAPITAL	<u>1,438,521</u>	<u>3,455,639</u>	<u>769,000</u>	<u>10,795,770</u>	<u>2,931,950</u>
TOTAL EXPENSES	<u>\$ 7,699,915</u>	<u>\$ 11,064,166</u>	<u>\$ 8,590,040</u>	<u>\$ 18,586,385</u>	<u>\$ 11,113,103</u>

STAFFING AUTHORIZATION

POSITION	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	PROPOSED FY 26
AVIATION & TRANSIT DIRECTOR	0.2	0.2	0.2	0.2
ASSISTANT AVIATION DIRECTOR	0.1	0.1	0.1	0.1
TRANSIT MANAGER	1.0	1.0	1.0	1.0
TRANSIT OPERATIONS COORDINATOR	-	-	1.0	1.0
TRANSIT MAINTENANCE SUPERVISOR	-	-	1.0	1.0
TRANSIT SUPERVISOR	3.0	3.0	-	-
TRANSIT TRAINING AND COMPLIANCE COORDINATOR	-	-	1.0	1.0
ROAD SUPERVISOR	2.0	2.0	3.0	3.0
MARKETING SPECIALIST	0.5	0.5	1.0	1.0
TRANSIT PLANNING & DEVELOPMENT COORD.	1.0	1.0	1.0	1.0
PC SUPPORT SPECIALIST	0.5	0.5	-	-
TRANSIT/PARA TRANSIT OPERATORS	41.0	41.0	47.0	47.0
ADMINISTRATIVE SUPPORT III	-	-	-	-
ADMINISTRATIVE SUPPORT II	1.0	1.0	1.0	1.0
TRANSIT SERVICE WORKER	1.0	1.0	2.0	2.0
MECHANIC II	3.0	3.0	3.0	3.0
MECHANIC I	-	-	-	-
PARA TRANSIT COORDINATOR	-	-	-	-
FACILITIES MAINT MECHANIC	1.0	1.0	1.0	1.0
ON CALL TRANSIT/PARA TRANS OPR	-	-	-	-
TRANSIT SERVICES DISPATCHER	<u>4.0</u>	<u>4.0</u>	<u>5.0</u>	<u>5.0</u>
TOTAL	<u>59.3</u>	<u>59.3</u>	<u>68.3</u>	<u>68.3</u>

Information Technology Fund

Current Year Department Budgeted Expense Total:

Information Technology: \$ 4,018,615

Central Telephone: \$ 472,130

Change from Prior Year:

Information Technology: \$ (61,646)

Central Telephone: \$ (7,836)

Overall Budget Justification:



The Information Technology Department is focused on bringing people and technology together to meet the needs of the organization and the citizens of Billings. In pursuit of its goal, ITD provides technology-related strategic planning, project management, integration, technology procurement, E-mail, networking, communications, application development, GIS, mapping, overall hardware and software support, vendor relations, and training services.

The Information Technology Budget is \$4,018,615 which is \$61,646 less than last year's budget. In FY26, Personal Services decreased over FY25 by \$81,424 overall primarily due to the retirement of two long-term employees, a position reclassification, and a position held vacant for FY26. These decreases were offset by the addition of a new Systems Analyst position budgeted at an expense of \$113,000. This position was recommended by the SL Serco Audit and will be dedicated to meeting the application support needs of Public Works. Additionally, IT had standard payroll steps & cost of living increases of \$ 73,225. Operating expenses have increased by \$61,778, which includes Technology Replacement Plan approved replacements, additional expense related to the new PW Systems Analyst, aerial imagery services, and increased expenses related to expanded office space required to meet our current and growing needs in the new City Hall. There are no requested Capital expenses for FY26.

Information Technology is an internal support function with revenues of \$4,008,684 generated primarily by charges for service. The ITD charges for each department/division are based on the previous calendar year's usage of PC and Network resources/support time, application resources/staff support time, virtual server services, data storage management, and GIS resources/support time. The number of PC's, the amount of disk space allocated, the number of virtual servers, and the number of E-mail accounts are all examples of resources used to calculate annual charges. FY26 total revenues are \$ 26,010 above total expenses due to projected salary savings and the on-going effort to keep increases in IT charges to departments at a minimum.

Under the direction of the Information Technology Director, the Telecommunications Manager and the IT Support Specialist provide telephone, voice mail, call accounting, communications related procurement, cell phone, infrastructure support, and related

financial accounting services for 10 remote sites, 508 landline phones, 32 Centrex phone lines, 45 outside analog lines, and 421 Smartphones/cell phones.

The Central Telephone Service (Fund 606) is an internal support function with revenues of \$ 484,790 derived predominately from phone related services, including management of cellular services, and interest income. Expenses for FY26 are \$ 472,130 which represents a decrease of \$ 7,836(-1.63%) below FY25. Decreases in wages are the result of the retirement of a long-term employee.

Budgeted Revenues:

**INFORMATION TECHNOLOGY
DEPARTMENT REVENUE**

REVENUE BY FUND	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
INFORMATION RESOURCES	\$ 3,547,604	\$ 3,668,509	\$ 4,044,263	\$ 3,963,541	\$ 4,044,625
TELEPHONE	<u>466,983</u>	<u>485,438</u>	<u>479,999</u>	<u>480,344</u>	<u>484,790</u>
TOTAL REVENUE	<u>\$ 4,014,587</u>	<u>\$ 4,153,947</u>	<u>\$ 4,524,262</u>	<u>\$ 4,443,885</u>	<u>\$ 4,529,415</u>

**INFORMATION TECHNOLOGY
DEPARTMENT ALL FUNDS**

REVENUE BY CLASSIFICATION	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
CHARGE FOR SERVICE	\$ 3,913,190	\$ 3,954,378	\$ 4,490,562	\$ 4,329,096	\$ 4,479,718
OTHER	69,283	121,074	500	81,289	-
INVESTMENT EARNINGS	<u>32,114</u>	<u>78,495</u>	<u>33,200</u>	<u>33,500</u>	<u>49,697</u>
TOTAL REVENUE	<u>\$ 4,014,587</u>	<u>\$ 4,153,947</u>	<u>\$ 4,524,262</u>	<u>\$ 4,443,885</u>	<u>\$ 4,529,415</u>

Budgeted Expenditures:

INFORMATION TECHNOLOGY DEPARTMENT EXPENSE

EXPENSE BY FUND	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
INFORMATION RESOURCES	\$ 3,356,216	\$ 3,555,596	\$ 4,080,261	\$ 4,020,546	\$ 4,018,615
TELEPHONE	<u>446,964</u>	<u>419,569</u>	<u>479,966</u>	<u>436,916</u>	<u>472,130</u>
TOTAL EXPENDITURES	<u>\$ 3,803,180</u>	<u>\$ 3,975,165</u>	<u>\$ 4,560,227</u>	<u>\$ 4,457,462</u>	<u>\$ 4,490,745</u>

DEPARTMENT ALL FUNDS

EXPENSE BY CLASSIFICATION	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
PERSONAL SERVICES	\$ 2,520,149	\$ 2,613,437	\$ 2,747,193	\$ 2,476,044	\$ 2,658,550
OPERATIONS AND MAINTENANCE	1,131,712	1,294,640	1,771,034	1,970,219	1,832,195
CAPITAL	<u>151,319</u>	<u>67,088</u>	<u>42,000</u>	<u>11,200</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 3,803,180</u>	<u>\$ 3,975,165</u>	<u>\$ 4,560,227</u>	<u>\$ 4,457,462</u>	<u>\$ 4,490,745</u>

Staffing:

STAFFING AUTHORIZATION

POSITION	ACTUAL	ACTUAL	BUDGET	PROPOSED
	FY23	FY24	FY 25	FY 26
INFORMATION TECHNOLOGY DIRECTOR	0.9	0.9	0.9	0.9
SYSTEMS ANALYST	3.0	3.0	3.0	4.0
SYSTEM/DATABASE ADMINISTRATOR	-	-	-	1.0
APPLICATION MANAGER	-	-	-	1.0
OPERATION SUPPORT SPECIALIST	1.0	1.0	1.0	-
GIS SPECIALIST	1.0	1.0	1.0	1.0
GIS MANAGER	1.0	1.0	1.0	1.0
LAND MANAGEMENT COORDINATOR	1.0	1.0	1.0	-
SENIOR APPLICATION DEVELOPER	1.0	1.0	1.0	-
IT MANAGER	1.0	1.0	1.0	1.0
PUBLIC SAFETY TECH SUPPORT	2.0	2.0	2.0	2.0
P. C. SUPPORT SPECIALIST	2.0	2.0	2.0	2.0
NETWORK ADMINISTRATOR	1.0	1.0	1.0	1.0
ASST. NETWORK ADMINISTRATOR	1.0	1.0	1.0	1.0
IT SUPPORT SPECIALIST	0.8	0.8	0.8	0.8
IT SECURITY ENGINEER	0.9	0.9	0.9	0.9
GIS TECHNICIAN	3.0	3.0	3.0	4.0
GIS ASSET ANALYST	1.0	1.0	1.0	1.0
TOTAL	<u>21.5</u>	<u>21.5</u>	<u>21.5</u>	<u>22.5</u>

5 Year Outlook:

Staffing Outlook:

Over the next five years, we expect that the IT Department will add an additional 4 FTE to meet the growing technological needs of our organization. The current FY26 budget includes a request for a new Systems Analyst position to meet the application support needs of the Public Works Department. This position was recommended by the SL Serco Audit and will be funded 100% by Public Works. The positions projected in future years include a Public Safety Training Coordinator (FY27) which will be funded through IT Charges to the Police Dept, a GIS Tech (FY28) funded by departments based on their growing requests for GIS services, and a Cybersecurity Analyst (FY29) funded through IT charges to departments based on Network/PC cost allocation metrics. Note: The Cybersecurity Analyst position may be requested sooner if the Cybersecurity Risk Assessment supports the addition of this position and funding is available.

Information Technology (6200)

	<i>FY26 Requested Budget</i>	<i>FY27 Additions</i>	<i>FY28 Additions</i>	<i>FY29 Additions</i>	<i>FY30 Additions</i>
<i>Additional FTE</i>	<i>1.0</i>	<i>1.0</i>	<i>1.0</i>	<i>1.0</i>	
<i>Personal Services</i>	<i>\$110,000</i>	<i>\$100,000</i>	<i>\$85,000</i>	<i>\$100,000</i>	
<i>Operation & Maintenance</i>	<i>\$ 3,000</i>	<i>\$10,000</i>	<i>\$10,000</i>	<i>\$10,000</i>	
<i>Capital Outlay</i>					

Project Outlook: 1 to 3 Years

- Implementation of Cybersecurity Roadmap High Priority Recommendations
- City Website: Redesign in FY26 to meet City’s needs
- New Phone System in FY27. Our current system no longer receives design updates and hardware won’t be supported past 2028. This replacement will be funded through the Central Telephone Budget (Fund 6060).
- New VMWare HOST Servers in FY27. The five (5) VM Host Servers represent a large capital outlay every 5 years (estimated at \$180-\$200K total). To eliminate the impact of this large cyclical replacement, we are exploring a 3 or 4 year leasing model that would ensure our most critical server hardware is reliable, supported, and right sized to meet our changing needs. Ultimately moving this expense from Capx to Opx.
- Managing IT growth with increasing cybersecurity, software, and systems needs while minimizing the financial impact to the departments we serve.
- SharePoint – Transition to a proactive role and embrace the benefits of SharePoint, collaboration, file sharing, etc.
- Document Imaging: Evaluate current Questys solution to determine if our needs are being met or if we need to seek an alternative solution moving forward.

Project Outlook: 3 to 5 Years

- Leverage AI for Operational Efficiency & Cybersecurity- Explore AI-driven solutions to enhance cybersecurity, automate workflows, and improve decision-making.
- Develop and formalize an IT governance framework to improve project prioritization, technology investments, and resource allocation across city departments.
- IT Change Management Processes- Work with stakeholders to implement structured workflows for infrastructure, architecture, and software changes to minimize downtime and operational risks.
- GIS Modernization & Integration- Enhance GIS infrastructure and workflows by migrating to modern platforms, improving interoperability, and expanding analytical capabilities to support data-driven decision-making across city departments.

Department Goals:

Goal: Support and assist customer departments to accomplish their goals when needed.

Action(s): Support Software Assessment & Future Planning

- Work with departments to audit and assess software usage to ensure optimal utilization and identify redundancies.
- Develop a standardized process for evaluating new software platforms, including criteria for determining the need for third-party project management.
- Create a structured vendor engagement strategy to guide departments through large-scale software assessments and implementations.

Outcome(s):

- Improved decision-making for technology investments through better evaluation and alignment with department needs.
- Enhanced coordination between IT and stakeholders, ensuring software solutions meet organizational goals.
- Increased efficiency and cost-effectiveness in purchasing and maintaining software solutions.
- Clear guidelines on external project management needs, ensuring IT resources are used effectively and appropriately.

Action(s): Partner with the Police & Fire Departments in addressing the technological needs identified in the CPSM Operations and Data Analysis Reports

Outcome(s):

- Public Safety is critical to our organization and our community. Supporting Police & Fire and their technology goals will have a positive impact on their ability to deliver services to our community. Continue to be a liaison between our vendors and Public Safety to find viable solutions to help create efficiencies. Seek opportunities to bring data to command staff and the public.

Action(s): Provide a leadership role in implementation, training, and support, for the migration to the new CityView Community Development System.

Outcome(s):

- Through the combined efforts of the Information Technology staff and the wealth of experience found in each department, we will work together to successfully navigate through the various stages of migrating to this new solution.
- Easier for staff to create, manage, and track applications for permits, business licenses, and code enforcement actions.
- Providing a more robust system for tracking and managing cases.
- User-friendly online forms that simplify the application and tracking process for permits and business licensing.

Action(s): Continue to provide leadership role in the implementation, training, support, and upgrading our CitySuite, LERMS (Public Safety), Taxwise, Asset Works/Fleet Mgmt, Vertex One, Questys (Document Imaging), NeoGov (Employment Application Management), Tadera (Airport Lease Management), CityWorks (GIS Centric Asset Mgmt System), and other centralized software systems.

Outcome(s):

- Through the combined efforts of the Information Technology staff and the wealth of experience found in each department, we will work together to utilize our software systems

to their full potential, work with vendors on new interfaces, manage enhancement requests, and support on-going production.

Action(s): Move Streetlight Inventory and Land Management Data Off the AS400

- Work with Public Works and Parks Departments to roll out CityWorks Storeroom, replacing the Streetlight and CitySuite inventory systems.
- Review and migrate land management data from the AS400 to GIS using the County's address and parcels.
- Ensure County land management GIS layers are fully integrated into CityView.
- Provide staff training on managing land management data in GIS instead of legacy systems.
- Ensure all necessary data is archived before shutting down the AS400 system.

Outcome(s):

- Utilize powerful GIS tools for managing land data efficiently.
- Public Works and Parks Departments will have modern, unified asset management systems.
- Eliminate reliance on the IBM AS400 and HTE, improving efficiency and reducing maintenance costs.

Action(s): Categorize and document existing software applications.

Outcome(s):

- With a top-down look at all software applications city-wide, document endpoints, servers, contact information for support, credentials necessary to access, contract information and SOW agreements for each.

Action(s): Expand Information Technology's Role in Providing Real-Time Data Access By:

- Conduct meetings with departments and external users to understand their needs for dynamic, real-time data access.
- Working with stakeholders to build applications or enhance existing software for an intuitive way to query and consume real-time data.

Outcome(s):

- Ensuring departments and the public receive the most up-to-date information.
- Faster access to precise data to support efficiency in city operations.
- Enabling staff, appointed and elected officials to answer public inquiries more quickly and accurately.

Action(s): Expand GIS Utilization and Accessibility

- Provide more employees with access to desktop GIS tools to leverage advanced analysis capabilities.
- Develop and roll out more web maps, dashboards, story maps, hubs, and insights to support decision-making.
- Create interactive tools for the City Council, staff, and the public to answer questions with real-time data rather than relying on manual reports.

Outcome(s):

- Enabling departments to use in-house GIS technology rather than outsourcing work to IT or vendors.
- More informed decision-making at all levels (Council, public, and staff) through accessible, interactive data.
- Increased transparency by providing open access to GIS-based insights.

Goal: Increase city service efficiency and effectiveness by planning for and investing in technology.

Action(s): Provide support to end-users as we transition production computers from Windows 10 to Windows 11.

Outcome(s):

- Windows 10 will be “End of Support” in October of 2025. Migrating as many computers as possible to Windows 11 through replacement and upgrades during this fiscal year will prepare us for the fall of 2025.

Action(s): Provide support to end-users as they work to eliminate computers more than 6 years old from production.

Outcome(s):

- Cybersecurity “Best Practices” recommend elimination of computers once they are 5 – 6 years old. Outdated systems are susceptible to new and emerging threats and vulnerabilities. They lack security updates and patches. They are also not compatible with new security technologies. By keeping our infrastructure up to date, we heighten the security of the entire enterprise.

Action(s): Complete our Cybersecurity Risk Assessment & Development of a Roadmap

Outcome(s):

- Our engagement with FRSecure to complete a Cybersecurity Risk Assessment will help us establish a baseline on which to move forward in the protection of our network and critical data.
- The development of a Cybersecurity Roadmap will guide us as we address the threats identified in the risk assessment. The roadmap will identify how we can improve our environment through policy, staffing, software, network hardware, and overall operational changes. In addition to defining how to address our risks, we expect the Roadmap to prioritize the recommendations so we can most effectively manage our staff, maintain or enhance existing cybersecurity resources, and support any requests for additional investments needed to meet our current and future cybersecurity goals.

Action(s): Continually improve the network/system security to protect sensitive data, ensure system integrity, minimize cyber risks, comply with State & Federal Regulations, and cultivate cyber awareness

Outcome(s):

- Compliance with Montana Department of Justice regulations both strengthens our security and ensures our organization can continue to access the Criminal Justice Information Network (CJIN) which is critical for all City of Billings and Yellowstone County Public Safety Agencies.
- Adherence to industry standards in system security will prevent unwanted attacks such as viruses, malware, ransomware, unauthorized access, denial of service, and so on.

Action(s): Upgrade networking infrastructure to keep up with growing demands on resources.

Outcome(s):

- By keeping the networking hardware and software up to date with the latest technology, departments receive faster and more efficient service. We reduce security vulnerabilities, and we increase the stability of the network and the applications running on it.

Goal: Navigating Organizational Change & Building Resilience

Action(s):

- Develop a transition framework to ensure continuity as we transition to new IT Leadership, including knowledge transfer and mentoring opportunities.
- Establish regular check-ins, peer learning sessions, and team-building activities to reinforce cohesion.
- Provide support and best practices for employees adjusting from private offices to open workspaces, ensuring productivity and engagement.
- Document processes, workflows, and critical historical knowledge to maintain operational stability despite leadership and staff changes.

Outcome(s):

- Minimized disruption during leadership transitions and organizational shifts.
- Enhanced collaboration and mutual support among staff adapting to new roles.
- Employees successfully adapt to new work environments and maintain efficiency.
- Preserved Institutional Knowledge – Ensured continuity of IT operations through proper documentation and structured knowledge sharing.

Action(s): Encourage IT Knowledge-Sharing & Staff Cross-Training By:

- Assessing IT systems, applications, and infrastructure to pinpoint areas where knowledge is siloed.
- Implementing training to ensure multiple staff members understand critical IT operations, reducing dependency on single individuals.
- Scheduling collaborative learning sessions.

Outcome(s):

- Enhanced staff coverage to perform IT functions and resolve issues without delays.
- Increased ability to solve complex IT challenges with multiple viewpoints.
- Reduce single points of failure and improve long-term sustainability of IT operations.
- Provide career growth and job satisfaction for IT staff.

Action(s): Formalized Data Classification

- Develop a clear framework for categorizing sensitive information based on regulatory, operational, and security requirements.
- Align security investments and response strategies with the classification framework to focus on high-risk areas.
- Establish predefined response actions based on data classification in the event of a breach, ransomware attack, or unauthorized access. Define specific steps for notifying affected parties, containing the breach, recovering data, and mitigating risk based on the sensitivity of compromised information.
- Regularly evaluate data security policies to ensure they evolve with emerging threats and compliance requirements.

Outcome(s):

- Ensuring sensitive information is protected according to classification levels.
- Meeting state and federal data security standards.
- Ensuring only authorized personnel can access critical information.
- Strengthening the organization's ability to detect, respond to, and recover from cyber threats.
- Establishing a structured approach for managing security incidents based on data classification, reducing downtime and legal exposure.

Parks, Recreation, and Public Lands Department

Current Year Department Budgeted Expense Total:

\$13,414,811

Change from Prior Year:

(\$971,459)

Overall Budget Justification:

The FY26 proposed budget for the Parks and Recreation Department focuses on the continuation of providing safe and enjoyable programs, services, and facilities that enhance the community's quality of life. The proposed budget reflects increases in seasonal wages and inflationary adjustments for goods and services to maintain PRPL's current level of service.

New or Expanded Programs: Administration Division

- "Amend Recreation Center" Courts facility: \$100,000. The allocation of this money is to address any soft costs, utilities, etc. before operational decisions are made. PRPL Director has formed a subcommittee of Council members and partners to explore operational modalities.

Total New Program Request package for Administration: \$100,000

New or Expanded Programs: Parks Division

- Temporary Wages for Seasonal employees. This ongoing request is an increase to provide a \$1.00/hr. increase for Parks seasonal staff. Wages are currently budgeted at FY23 levels. In that time, Parks increased wages to attract employees and absorbed the difference with no additional funding. At the current proposed starting rate of \$17.50/hr., there will not be sufficient funding to hire the required number of seasonal employees.
- Motor Vehicle Parts: \$20,000. One time request to cover increase costs for the delay of FY24 ERP unit #1611 pickup replacement. The truck never made it to production and there is a shortfall in the ERP funding for replacement.

Total New Program Request Package for Park Division - \$98,780

New or Expanded Programs: Cemetery Division

- Other Utility Services: \$6,000. Ongoing request for new storm water assessment from Public Works charged to Cemetery.

Total New Program Request Package for Cemetery Division - \$6,000

New or Expanded Programs: Forestry Division

- Temporary Wages: \$9,880. Forestry seasonal wage increase of \$1.00/hr. Wages are currently budgeted at FY23 levels. The Forestry division increased wages to attract employees and absorbed the difference with no additional funding. At the current proposed starting rate of \$18.50/hr., there will not be sufficient funding to hire the required number of seasonal employees.



- Machine/Equipment Parts: \$13,000. One time request for stump grinding attachment for a skid steer to safely and efficiently remove trees stumps in parks.

Total New Program Request Package for Forestry Division - \$22,880

New or Expanded Programs: Recreation Division

Inflation Adjustments

- Inflationary Adjustment for Pool Chemicals and Supplies: \$9,000. PRPL continues to see sharp increases in pool chemicals, cleaning supplies, first aid supplies, communications, and water testing systems.
- Seasonal Wage Increase for Aquatics Staff: \$10,500. Increase hourly wage rates by \$0.50 for summer seasonal aquatic staff to be competitive in the local economy and with other similar service providers in Billings. With the current hourly pay rates, it is often difficult to attract enough qualified applicants to fill key aquatic staff positions. Without qualified lifeguards, swim instructors and supervisors, the level of aquatics service that PRPL provides to our community will decline. Without proper aquatic staffing, PRPL will be forced to consider reducing pool hours or facility closures.
- Seasonal Wage Increase for Program Staff: \$6,500. To remain competitive in attracting seasonal staff for all our youth, adult, and senior recreation programs and activities, PRPL has increased wages by \$0.50 on average.
- Winter Activity Guide: \$9,700. As programming and activities offerings have increased over the last few years, so has the cost of providing the winter programming and registration guide. The Winter Activity Guide has expanded to 32 pages of programs and activities.

Extended Summer Season – 13 Weeks Starting June 2026 (SD2 School Calendar)

- Aquatics: \$27,000. Because of the two-week extension to the summer due to the start of the school year being pushed back to September 2, this amount represents payroll costs for the duration of this expanded time period.
- Camps/Youth Activities: \$12,000. Because of the two-week extension to the summer due to the start of the school year being pushed back to September 2, this amount represents payroll costs for the duration of this expanded time period. An estimated offsetting revenue of \$20,000 may result in a potential bottom line of around \$10,000 in net income.

Efficiency / Safety Improvements

- Rose Pool Heater Replacement: \$45,000. The current heater is 12 years old and was inoperable for most of the season last summer. Replacement parts are nearly impossible to find as efficiency standards for heaters have increased dramatically over the last number of years.

Expanded Activities (Specifically for Children and Families)

- Rec2U Mobile Recreation Program: \$17,000. Expanding the program from eight to nine parks during the week with potential special events. The large turnout last year, averaging over 140 children weekly, necessitated additional staffing. The overall goal of this program remains to

provide free programming to underserved youth of our community by providing a safe and fun environment where children of all ages can enjoy park space that Billings has to offer. Growing this program is vital in positively aiding public safety issues that continue to be problematic in the community.

Internships

- Year-round and Summer Internships: \$39,000. PRPL Recreation Division would like to continue to grow the Internship program for FY26 and beyond. The Recreation Division has grown this program for the last three years. This program is a benefit to PRPL in terms of both quality of programming, community partnerships, project management, and leadership development.
- Main Office/Front Desk Temporary Staff: \$15,000. Position for Customer Service Coordinator to use time more effectively by utilizing a temporary position to answer phone calls and assist walk-in customers.

Total New Program Request Package for Recreation - \$190,700

Budgeted Revenues:

**PARKS RECREATION AND PUBLIC LANDS
DEPARTMENT REVENUE**

REVENUE BY FUND

	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
GENERAL FUND	\$ 1,455,218	\$ 1,498,731	\$ -	\$ -	\$ -
PARKS OPERATIONS FUND	3,781,224	4,933,115	10,141,898	10,560,700	9,035,659
PARK MAINTENANCE DISTRICT	1,312,681	1,455,824	1,506,637	1,560,000	1,760,020
AMEND PARK	22,518	22,659	30,000	36,000	32,449
BALLPARK DONATION	23,192	84,786	80,300	125,000	87,297
BALLPARK REPAIR FUND	33,296	38,370	33,400	37,000	35,217
CEMETERY IMPROVEMENTS	24,710	43,056	24,665	27,400	24,569
CEMETERY PERPETUAL TRUST	37,587	69,502	37,250	74,600	47,598
DOG PARK CONSTRUCTION	111	262	5,000	300	5,000
PARK CONSTRUCTION	1,264	3,460	3,000	210	2,290
CEMETERY IRRIGATION	-	-	-	-	24,692
PARKS PROGRAMS	<u>205,855</u>	<u>227,028</u>	<u>1,198,260</u>	<u>271,000</u>	<u>199,837</u>
TOTAL REVENUE	<u>\$ 6,897,656</u>	<u>\$ 8,376,793</u>	<u>\$ 13,060,410</u>	<u>\$ 12,692,210</u>	<u>\$ 11,254,628</u>

**PARKS RECREATION AND PUBLIC LANDS
DEPARTMENT ALL FUNDS**

REVENUE BY CLASSIFICATION

	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
SPECIAL ASSESSMENTS - PMD	\$ 1,273,855	\$ 1,347,316	\$ 1,464,637	\$ 1,460,000	\$ 1,677,378
SPECIAL ASSESSMENTS - PD1	3,616,121	16,336	-	-	-
TRANSFER FROM GENERAL FUND	-	3,823,482	8,121,100	8,335,200	7,090,866
CHARGE FOR SERVICE	1,443,790	1,477,077	1,920,348	2,265,608	1,855,877
CONTRIBUTIONS/DONATIONS	165,975	193,383	1,221,500	89,000	201,500
INTERGOVERNMENTAL	104,731	933,984	40,000	101,200	50,000
INVESTMENT EARNINGS	230,835	498,857	211,625	385,202	338,297
LICENSE AND PERMITS	9,760	7,960	6,000	6,000	6,000
MICELLANEOUS	3,286	3,338	-	-	-
TRANSFERS IN FROM PRPL	<u>49,303</u>	<u>75,060</u>	<u>75,200</u>	<u>50,000</u>	<u>34,710</u>
TOTAL REVENUE	<u>\$ 6,897,656</u>	<u>\$ 8,376,793</u>	<u>\$ 13,060,410</u>	<u>\$ 12,692,210</u>	<u>\$ 11,254,628</u>

Budget Expenditures:

**PARKS RECREATION AND PUBLIC LANDS
DEPARTMENT EXPENSE**

EXPENSE BY FUND

	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
GENERAL FUND	\$ 4,916,695	\$ 5,195,944	\$ -	\$ -	\$ -
PARK DISTRICT 1/PRPL OPS	4,447,279	4,112,035	10,138,396	10,484,120	10,296,644
PARK MAINTENANCE DISTRICT	1,002,503	814,884	1,574,623	1,364,082	1,655,975
AMEND PARK	31,017	28,791	240,964	232,460	52,216
BALLPARK DONATION	19,875	14,785	110,855	20,000	312,003
BALLPARK REPAIR FUND	16,270	24,335	30,733	25,000	91,865
CEMETERY IMPROVEMENTS	44,240	198,464	-	-	-
CEMETERY PERPETUAL TRUST	14,853	30,526	35,200	35,200	48,000
DOG PARK CONSTRUCTION	-	-	5,000	-	5,000
PARK CONSTRUCTION	-	-	-	75,000	-
CEMETERY IRRIGATION	-	-	-	-	50,000
PARKS PROGRAMS	308,182	97,319	1,753,752	689,500	804,516
CAPITAL REPLACEMENT	<u>444,474</u>	<u>388,855</u>	<u>496,747</u>	<u>629,465</u>	<u>98,592</u>
TOTAL EXPENDITURES	<u>\$ 11,245,388</u>	<u>\$ 10,905,938</u>	<u>\$ 14,386,270</u>	<u>\$ 13,554,827</u>	<u>\$ 13,414,811</u>

**PARKS RECREATION AND PUBLIC LANDS
DEPARTMENT ALL FUNDS**

EXPENSE BY CLASSIFICATION

	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
PERSONAL SERVICES	\$ 4,399,111	\$ 4,619,700	\$ 5,009,498	\$ 4,809,000	\$ 5,358,105
OPERATIONS AND MAINTENANCE	3,221,588	3,157,189	5,440,673	3,371,862	4,408,868
CAPITAL	2,942,117	2,664,074	2,223,641	4,330,765	3,206,578
TRANSFERS	<u>682,572</u>	<u>464,975</u>	<u>1,712,458</u>	<u>1,043,200</u>	<u>441,260</u>
TOTAL EXPENDITURES	<u>\$ 11,245,388</u>	<u>\$ 10,905,938</u>	<u>\$ 14,386,270</u>	<u>\$ 13,554,827</u>	<u>\$ 13,414,811</u>

Staffing:

STAFFING AUTHORIZATION

POSITION	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	PROPOSED FY 26
DIR. PARKS, RECREATION, PUBLIC LANDS	1.0	1.0	1.0	1.0
PARKS SUPERINTENDENT	1.0	1.0	1.0	1.0
PARKS SUPERVISOR	2.0	2.0	2.0	2.0
ARBORIST	1.0	1.0	1.0	1.0
FORESTER/NAT'L RESOURCE SUP	1.0	1.0	1.0	1.0
EQUIPMENT OPER./MAINT. WORKER	8.0	8.0	8.0	8.0
PARKS MAINT MECHANIC	1.0	1.0	1.0	1.0
ADMINISTRATIVE SUPPORT II	2.0	2.0	2.0	2.0
SR. EQUIP. OPER/MAINT. WORKER	7.0	7.0	7.0	7.0
RECREATION SUPERINTENDENT	1.0	1.0	1.0	1.0
RECREATION SPECIALIST	3.0	3.0	3.0	3.0
PARK PLANNER	1.0	1.0	1.0	1.0
PROJECT MANAGER	1.0	1.0	1.0	1.0
ADMINISTRATIVE SUPPORT I	1.0	1.0	1.0	1.0
COMMUNITY CENTER SUPERVISOR	1.0	1.0	1.0	1.0
VOLUNTEER PROGRAM COORDINATOR	1.0	1.0	1.0	1.0
FACILITIES MAINT SUPPORT II	1.0	1.0	1.0	1.0
COMMUNITY CENTER SUPERVISOR	1.0	1.0	1.0	1.0
TOTAL	<u>35.0</u>	<u>35.0</u>	<u>35.0</u>	<u>35.0</u>

Department Goals:

The goals for the Parks and Recreation Department continue to be providing safe and enjoyable programs, services and facilities that enhance the community's quality of life.

The Department continues to highlight safety as our number one goal. This includes park and trail users to anyone who enrolls into one of our many programs. The Parks Division continues to look into ways the design and maintenance of the landscape can make users safer, from better management techniques to well-designed shrub beds. The Department's Police officer continues to have a large impact on safety in the parks and the programs offered, from informing the next shift of potential problems to meeting with the various programs to better understand their security needs and his role in that.

To assist in the pursuit of improved public safety, the Recreation Staff will provide many youth, teenagers, adults, and seniors with a safe and healthy outlet to pursue recreation, helping to reduce criminal activity.

Five Year Outline

Parks

There are three overarching five-year goals for PRPL's Parks Division. The first is to attain best practices as identified in the 2017 Comprehensive Plan. The second goal is to move PRPL from the General Fund to its own dedicated source. The third goal is to identify a source of funding for critical life cycle replacement of deteriorating assets.

Best Practices - The Comprehensive Master Plan identified a deficiency of 5.5 FTE and \$2,797,000 in funding below Best Practices. The FY26 budget requests no new FTE positions, but additionally 5 FTE over the next 5 years and additional O&M funding to reach the \$2.7 Million goal or \$506,000/year to reach Best Practices.

New Funding – The Department is looking to ask the voters to approve a mill levy to fund PRPL. A timeline for this ask to the public is currently being explored.

Life Cycle Funding – South Park pool, the Zimmerman Center, and the North Park Center are all past their useful life and need replaced.

Recreation

In the next 5 years, PRPL's Recreation Division will increase program development for activities to reach more children, teenagers, adults, families, and seniors at the Amend Park Community Recreation Center. As this construction begins to take shape, recreation staff will provide these additional opportunities for our community which will include staffing for facility operations, maintenance, and programming.

	FY26	FY27	FY28	FY29	FY30	FY31
Parks Additional FTE			2	2	1	
Parks Additional Operation and Maintenance Funding	\$132,660	\$560,000	\$560,000	\$560,000	\$560,000	\$560,000
Alternative Funding Source		Mill Levy Vote 2027 (placeholder only)				
Life Cycle Funding		Inventory Park assets to develop asset management/ERP type program				
Add Recreation FTE		1	2			
Rec Additional New Program Development and Expansion	190,700	\$100,000	\$100,000	\$50,000	\$50,000	\$50,000