

FY 2022 City of Billings Budget Proposal

4-26-2020

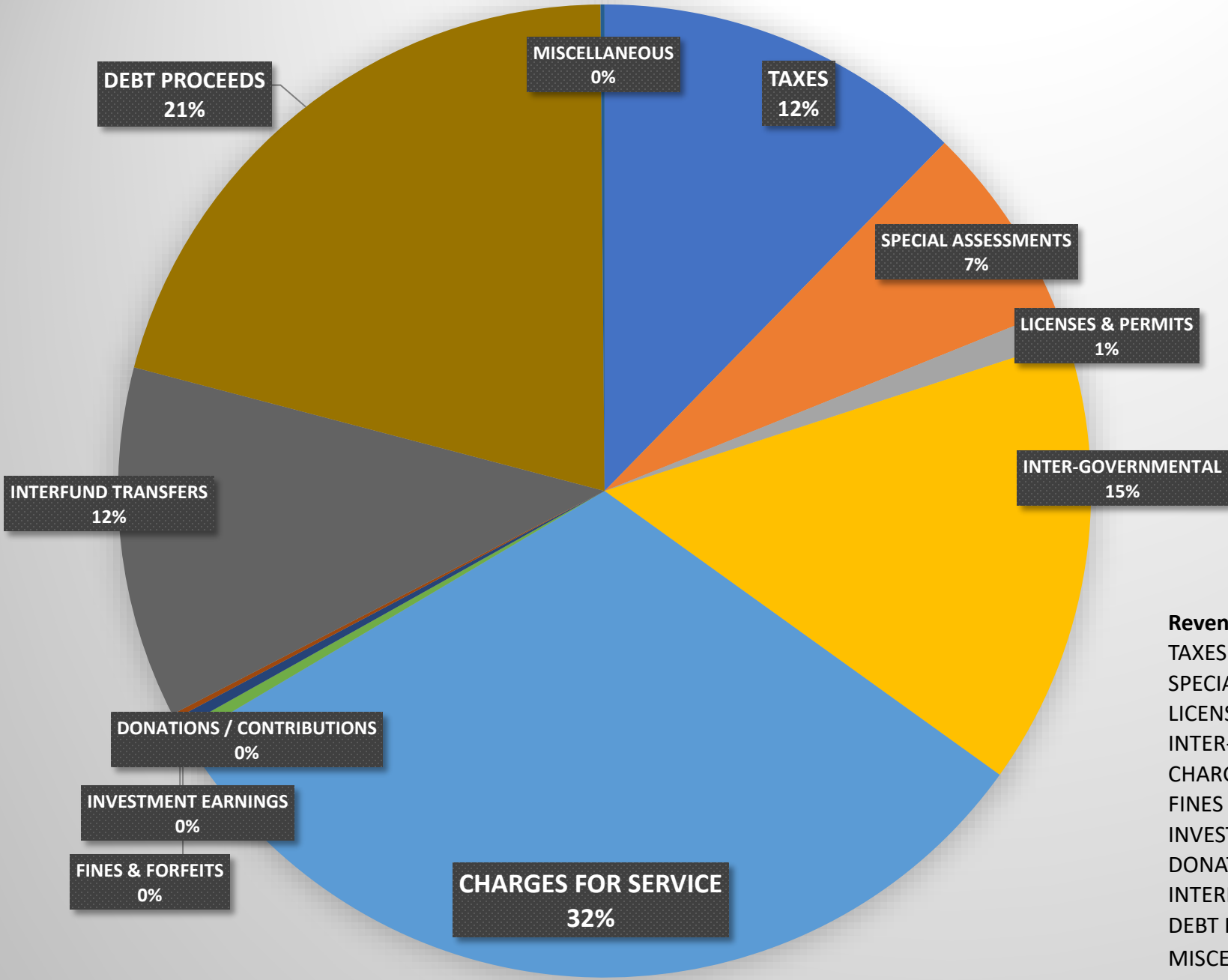
FY21 Accomplishments

- Passed repeal and replacement of 2004 Public Safety Mill Levy
- Awarded \$11.6M BUILD Grant for Inner-belt loop and Skyline Trail
- Received \$24M in CARES Act Funding

- Began work on the Airport Terminal Building Expansion
- Completed Centennial Park Project

FY22 Budget Revenue by Type, All Funds

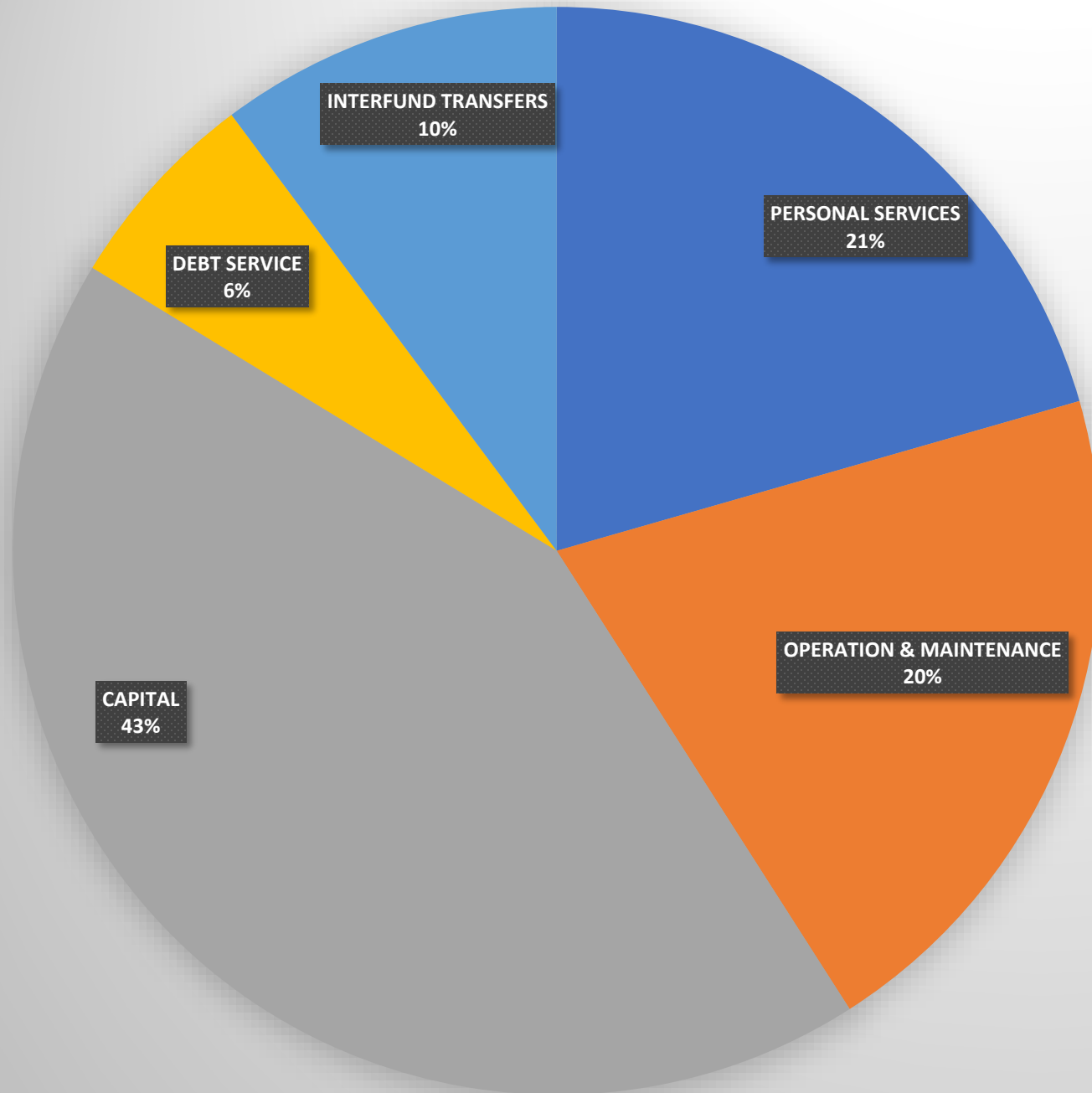
- TAXES
- SPECIAL ASSESSMENTS
- LICENSES & PERMITS
- INTER-GOVERNMENTAL
- CHARGES FOR SERVICE
- FINES & FORFEITS
- INVESTMENT EARNINGS
- DONATIONS / CONTRIBUTIONS
- INTERFUND TRANSFERS
- DEBT PROCEEDS
- MISCELLANEOUS



Revenue by Type

TAXES	\$ 49,904,803
SPECIAL ASSESSMENTS	26,694,590
LICENSES & PERMITS	4,389,203
INTER-GOVERNMENTAL	60,486,644
CHARGES FOR SERVICE	127,942,298
FINES & FORFEITS	1,595,896
INVESTMENT EARNINGS	1,453,894
DONATIONS / CONTRIBUTIONS	685,600
INTERFUND TRANSFERS	47,332,190
DEBT PROCEEDS	84,195,800
MISCELLANEOUS	536,180
Total Budgeted Revenue	\$ 405,217,098

FY22 Budgeted Expense by Type, All Funds



- PERSONAL SERVICES
- OPERATION & MAINTENANCE
- CAPITAL
- DEBT SERVICE
- INTERFUND TRANSFERS

Expense by Type

	FY22 Budget
PERSONAL SERVICES	\$ 95,401,386
OPERATION & MAINTENANCE	94,585,539
CAPITAL	198,425,650
DEBT SERVICE	28,250,584
INTERFUND TRANSFERS	47,332,190
Total FY22 Budgeted Expenses	\$ 463,995,349

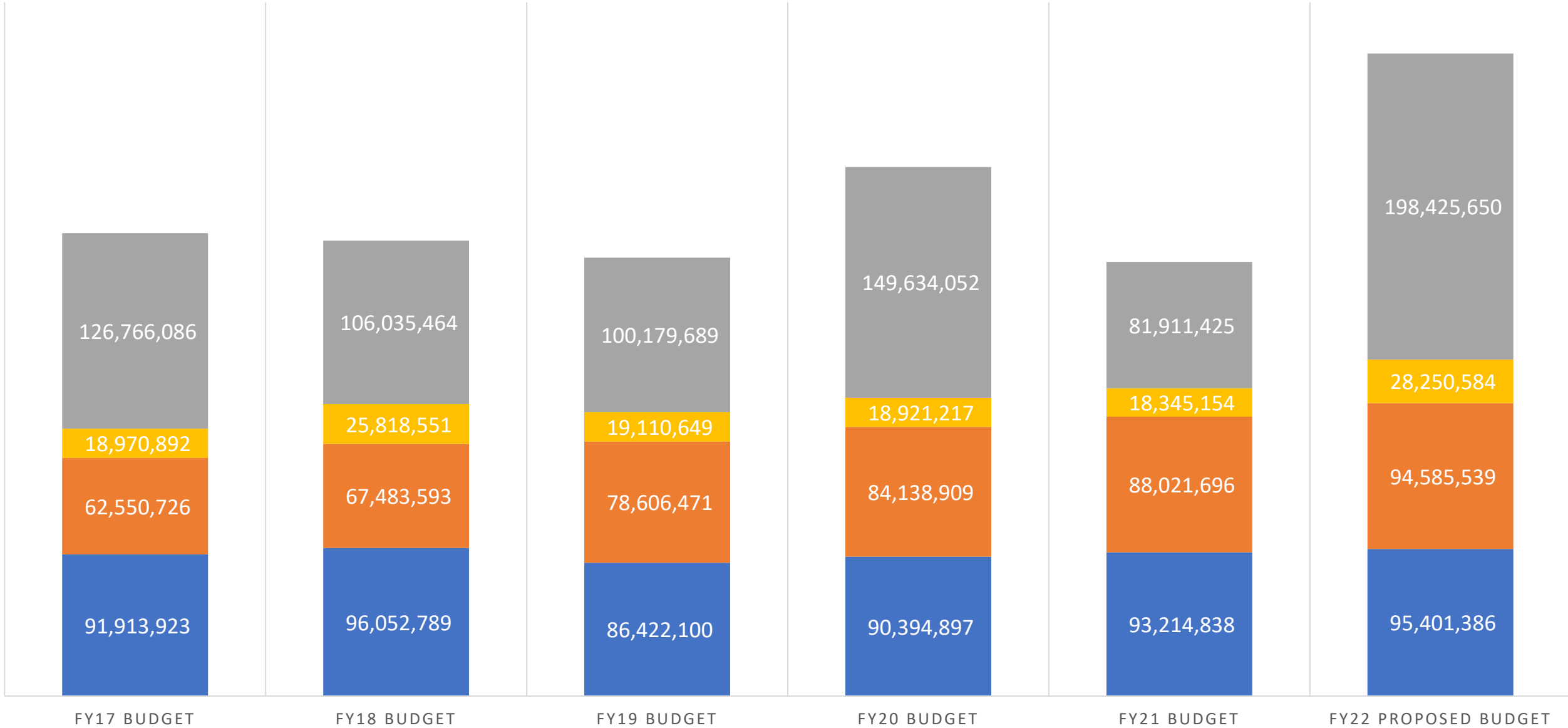


FY22 Budgeted Expenses

CITY BUDGET – ALL FUNDS

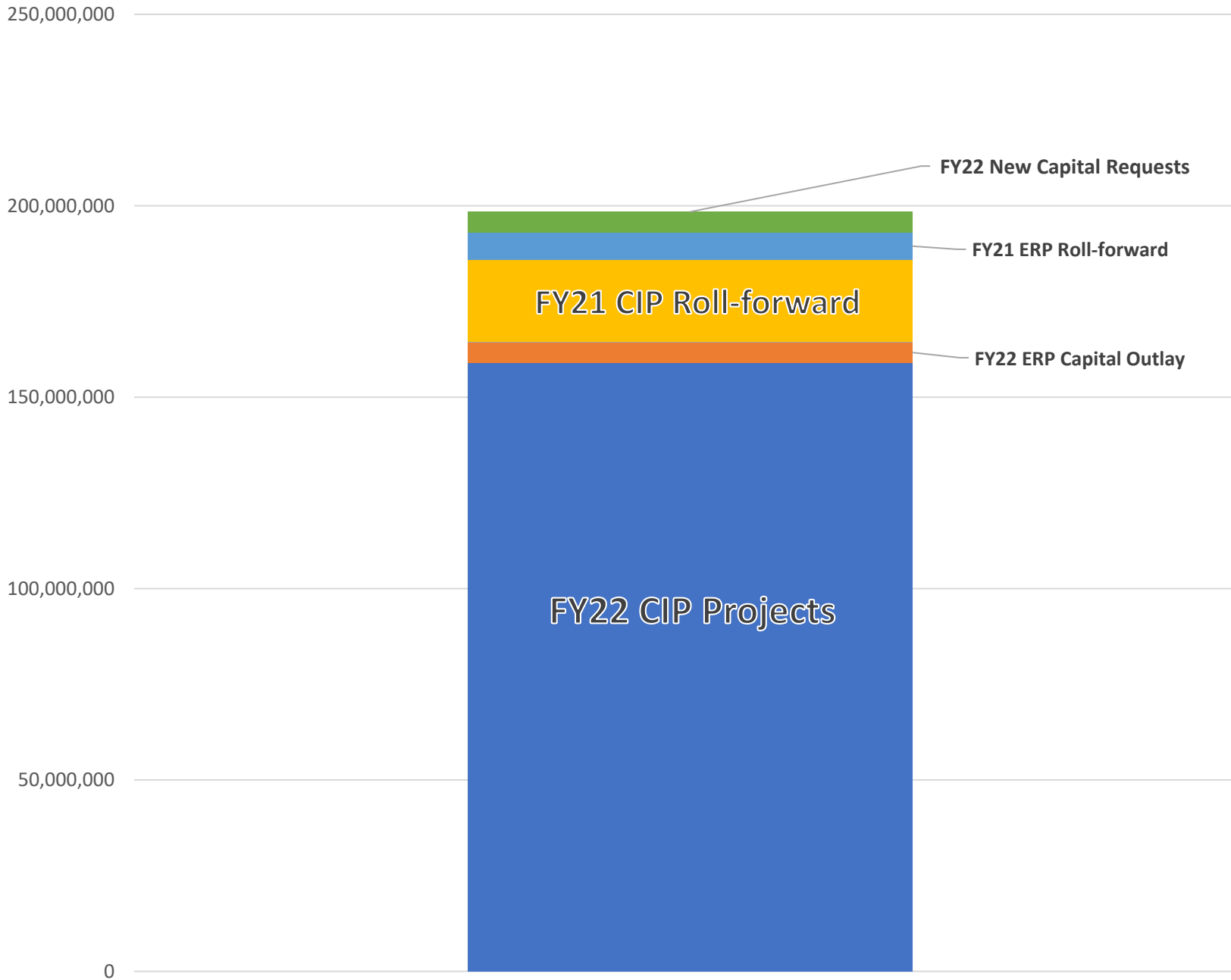
*EXCLUDING INTERFUND TRANSFERS

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



FY22 Proposed Budget Capital Outlay

43% of the Total FY22 Budget



Capital Outlay by Plan	FY22 Budget
FY22 CIP Projects	\$ 159,047,193
FY22 ERP Capital Outlay	5,254,675
FY22 TRP Capital	260,140
FY21 CIP Roll-forward	21,324,338
FY21 ERP Roll-forward	7,130,560
FY22 New Capital Requests	<u>5,408,744</u>
Total Capital Outlay FY22	\$198,425,650

FY22 Major Capital Project List

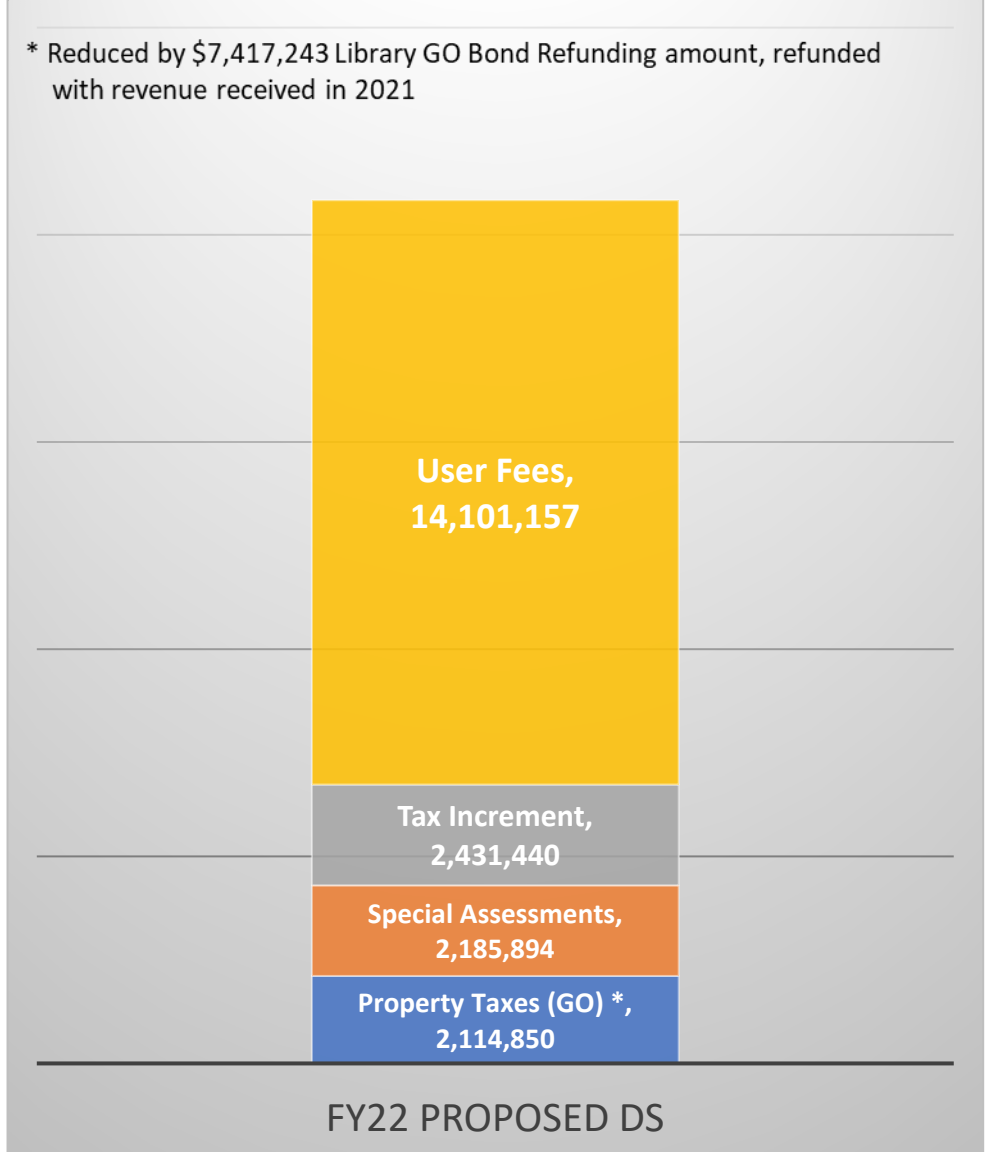
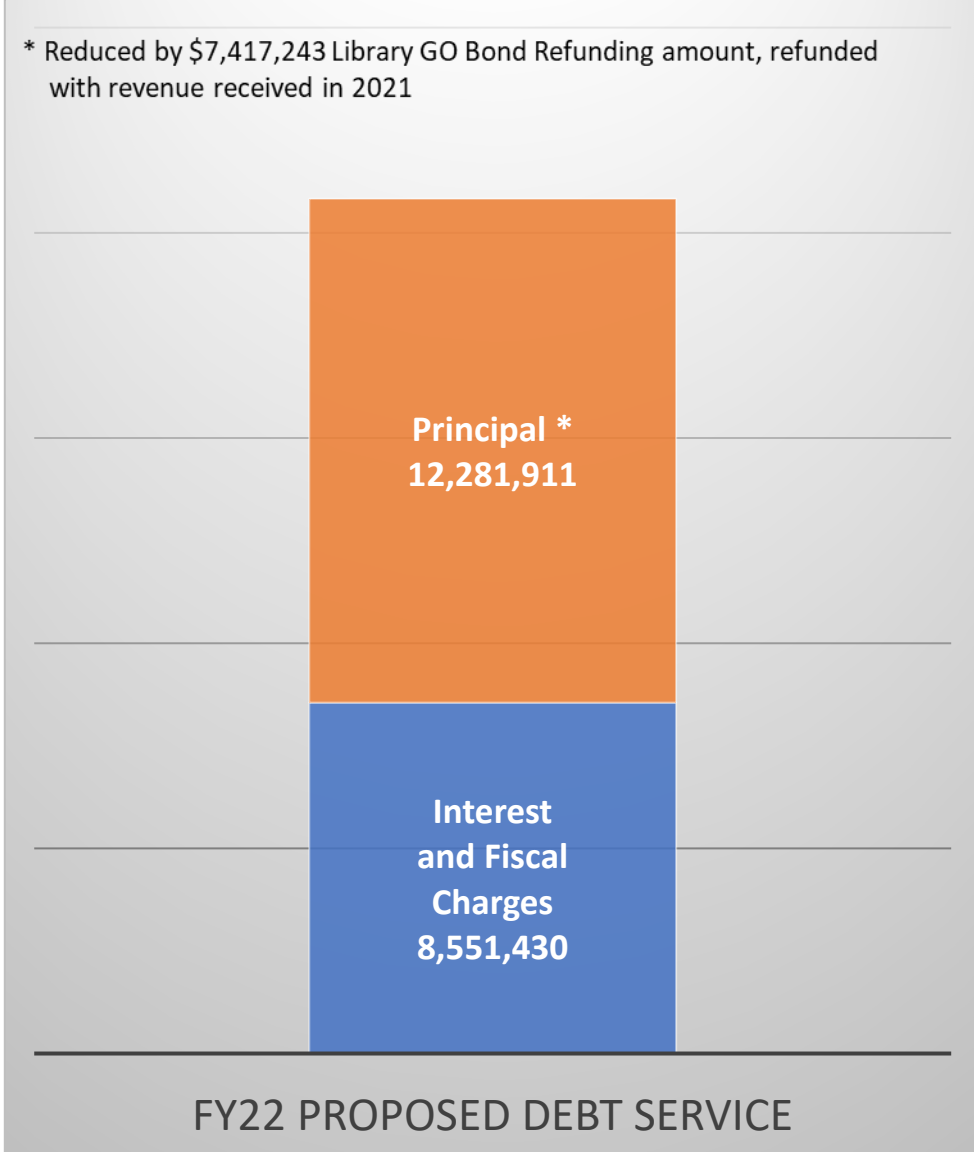
- Westend water treatment plant \$83 million
- Continuation of Airport Terminal Expansion \$7 M
- Inner-belt loop & Skyline Trail \$18.7M
- South Billings Unimproved Streets Project \$3.9M
- Landfill Material Recovery Facility \$4.5M
- Poly Vista Park Improvements \$1M
- Law and Justice Facility \$11.6M
- Fire Station Land Purchase and Design \$1.5M
- Annual Utility Pipe & Facility Rehabs \$14.1M

New project request summary

- Alkali Creek Water and Sewer Extension \$3.2M
- Airport Projects & Equipment \$1.2M
- Fire Station Deferred Maintenance \$450K
- Other Facility Improvements (Parks, Fire, Transit, Facilities) \$400K
- Additional Equipment Purchases \$170K

FY22 Debt Service Payments Budget \$28,250,584

6% of the Total FY22 Budget



FY22 Debt Service Payments by Fund

Fund	FY22 Proposed Debt Service
Public Safety Fund	242,000
Parking	255,783
Street Improvement GO Debt	348,100
Tax Increment East	464,014
Sidewalk DS	495,000
Facilities Management	532,056
Airport	603,640
Tax Increment South	644,319
Special Improvement District DS	694,600
Ballpark GO Debt	748,200
Storm Sewer DS	996,294
Library GO Debt *	1,018,550
Tax Increment N 27th	1,081,107
Solid Waste	1,565,025
Wastewater	5,374,653
Water	5,770,000
*Total Debt Service	\$ 20,833,341

* Reduced by \$7,417,243 Library GO Bond Refunding amount, refunded with revenue received in 2021.

Operation and Maintenance Expenses

- 20% of the Total FY22 Budget
- Increase of \$6,563,843 over prior year
- Major Increases
 - \$2.8M Insurance Claim for Hail Damage Repairs
 - \$1.3M Urban Renewal Projects in Tax Increment Funds
 - \$850K Grant Funded Community Development Projects
 - \$700K Increase in Insurance Premium for Property and Liability

Personal services

- 21% of the Total FY22 Budget
- \$2.2M increase over FY21 Budget
 - Additional Staffing Requests \$840k
 - Contracted Salary and Wage Increases \$150K
 - Estimated Cost of Living Adjustment \$1.3M

New Staffing Positions – FY22

DEPARTMENT	POSITION	FUND(S)	# FTE	APPROXIMATE 1 YEAR COST
Legal	Municipal Court Prosecutor	General/Attorney Grant	1.0	108,500
Legal	Victim Witness Specialist	General/Attorney Grant	1.0	76,000
Legal	Administrative Assistant	General Fund	0.5	20,000
City Admin	Deputy City Clerk	General Fund	0.5	33,000
Code Enforcement	Code Enforcement Supervisor	General Fund	1.0	95,000
Aviation/Transit	Marketing Specialist	Airport/MET	1.0	63,000
Parking	Facilities Maintenance/Security	Parking	0.5	24,950
Facilities	Project Manager	Facilities	1.0	85,000
Planning	Planner 1	Planning (partially federally funded)	1.0	77,000
Public Works	Maintenance Worker	Water/Wastewater	2.0	47,000
Public Works	Landfill Worker	Solid Waste	1.0	65,000
Public Works	Collections Driver	Solid Waste	1.0	65,000
Public Works	Engineering Inspector	Engineering	<u>1.0</u>	85,000
Total FTE's Proposed in FY22			12.5	

Transfers In/Out 10% of Total FY22 Budget

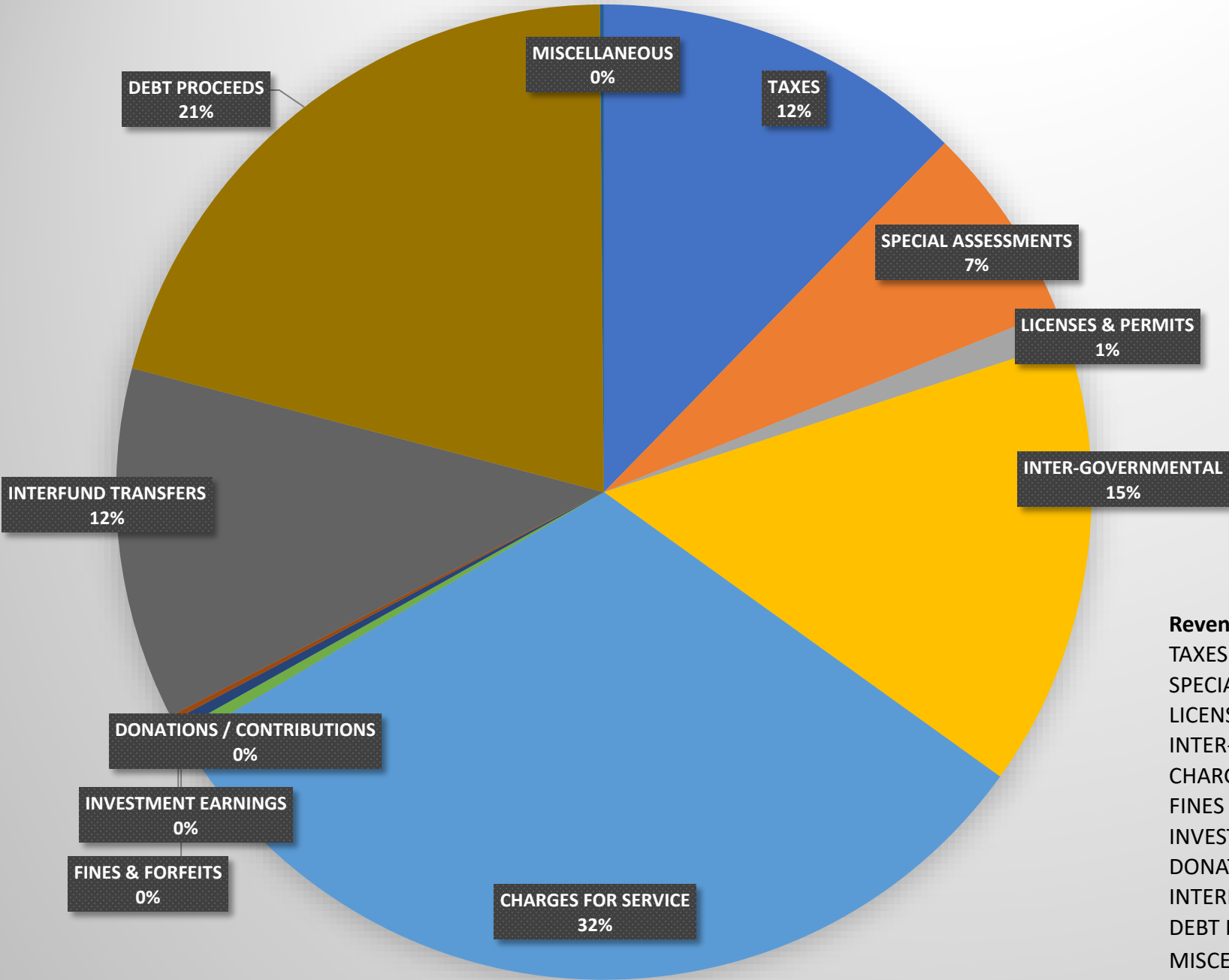
		Transfer Out																
		General Fund	Public Safety	South TIF	Gas Tax	North 27 TIF	Street & Traffic	CC Planning	Library	Street Maintenance Dist	Storm Sewer	Park District 1	Cemetery Perp. Care	Amend Park	Fleet Services	SID Fund	Total TRF In	
Transfer In	General Fund												5,600	4,500		2,100,000	2,110,100	
	Public Safety Fund	26,509,838		250,000													26,759,838	
	Attorney Grants	315,000															315,000	
	Library	1,121,989															1,121,989	
	Gas Tax									1,700,000							1,700,000	
	Sidewalk Hazard Repair				85,000													85,000
	Ball Park Repair	30,000																30,000
	Park Program Fund	5,000																5,000
	CDBG	65,000																65,000
	Facilities	79,809	148,976				207,502									95,770		532,057
	Parking					130,000												130,000
	Storm Sewer Debt Svc											1,015,000						1,015,000
	City Hall Construction	11,600,000																11,600,000
	Capital Replacement	243,147	1,502,778					3,712	36,869				76,700					1,863,206
	Total TRF Out		39,969,783	1,651,754	250,000	85,000	130,000	207,502	3,712	36,869	1,700,000	1,015,000	76,700	5,600	4,500	95,770	2,100,000	



FY22 Budgeted Revenues

FY22 Budget Revenue by Type, All Funds

- TAXES
- SPECIAL ASSESSMENTS
- LICENSES & PERMITS
- INTER-GOVERNMENTAL
- CHARGES FOR SERVICE
- FINES & FORFEITS
- INVESTMENT EARNINGS
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Revenue by Type

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INTERFUND TRANSFERS	47,332,190
DEBT PROCEEDS	84,195,800
MISCELLANEOUS	536,180
Total Budgeted Revenue	\$ 405,217,098

Charges for Services

32% of total budget

Charges For Services Revenue by Dept	FY22 Budget
Public Works	\$ 84,532,639
Human Resources	16,083,228
Airport	10,219,845
Information Technology	3,385,940
Finance	3,173,833
Fire Department	2,237,440
Fleet Services	2,058,107
Parking	1,726,825
Facilities Management/Building	1,522,666
Parks, Recreation, and Public Lands	1,401,431
Transit	648,410
Police	594,306
Planning/Code Enf/Comm. Dev.	341,493
Library	14,075
Municipal Court	<u>2,060</u>
Total Charges for Service Revenue	\$ 127,942,298

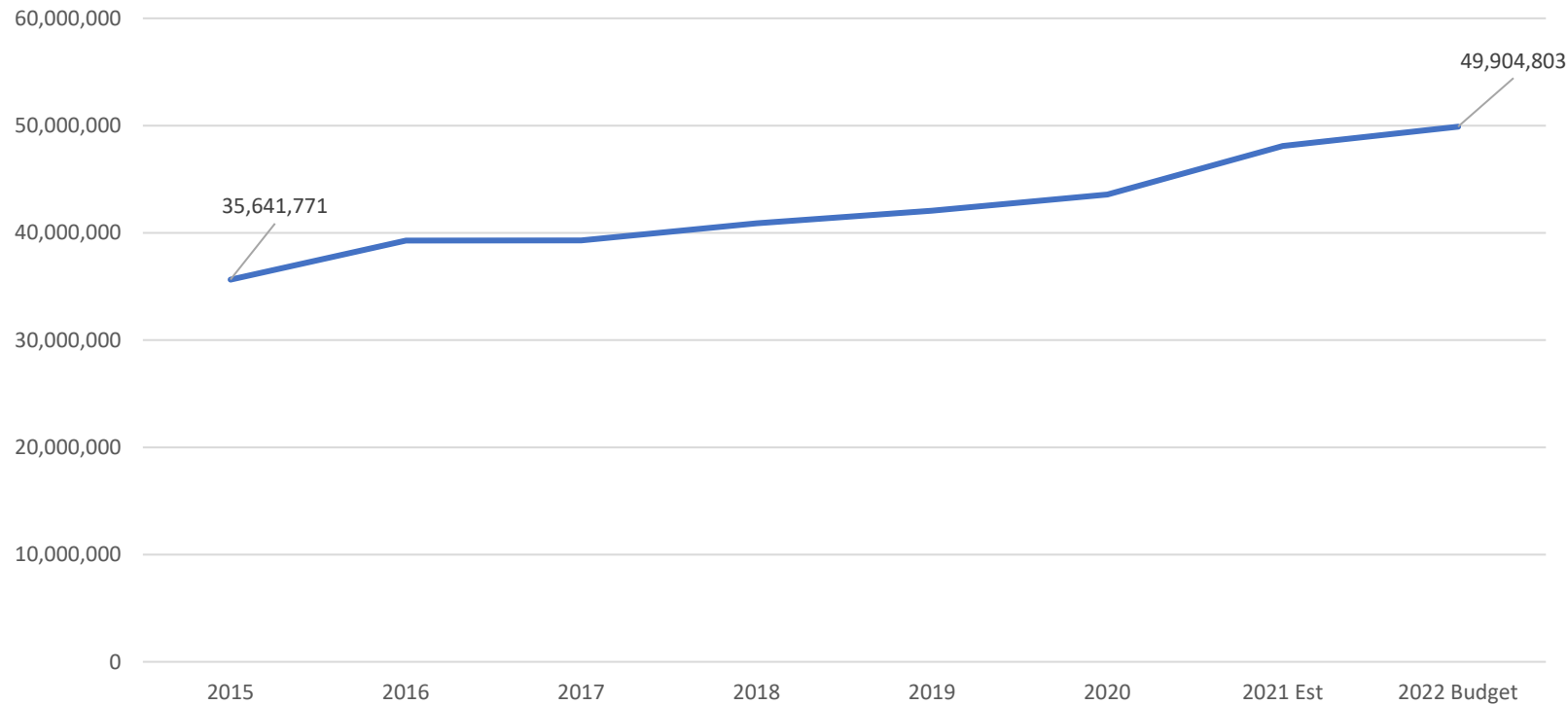
Charges For Services Revenue by Fund	FY22 Budget
Water	\$ 29,907,700
Wastewater	22,088,520
Solid Waste	17,148,000
City Health Ins Fund	13,560,000
Airport	10,219,845
Street/Traffic Oper	9,506,500
General	4,373,346
Engineering	3,075,510
Information Resources	2,960,674
P.W. Admin	2,794,409
Property Ins	2,523,228
Public Safety	2,350,702
Fleet Services	2,058,107
Parking	1,726,825
Facilities Management	1,522,666
Transit	648,410
Telephone System	425,266
City County Planning	303,493
Radio	302,558
Police Programs	178,486
Central Svcs	118,228
Ballpark Stadium Donations	60,000
Amend Park	20,000
CDBG	15,000
Cemetery Perpetual Trust	14,750
Library Fund	14,075
Cemetery Improvements	14,000
Sidewalk Hazard Repair	<u>12,000</u>
Total Charges for Service Revenue	\$ 127,942,298

Debt Proceeds

Fund	Department	FY22 Budget
Water	Public Works	\$ 72,000,000
Airport	Airport	8,000,000
SID Construction	Public Works	2,815,200
Sidewalk Construction	Public Works	<u>1,380,600</u>
Total Debt Proceeds		\$ 84,195,800

Property Tax Revenue

Total Tax Revenue, All Funds

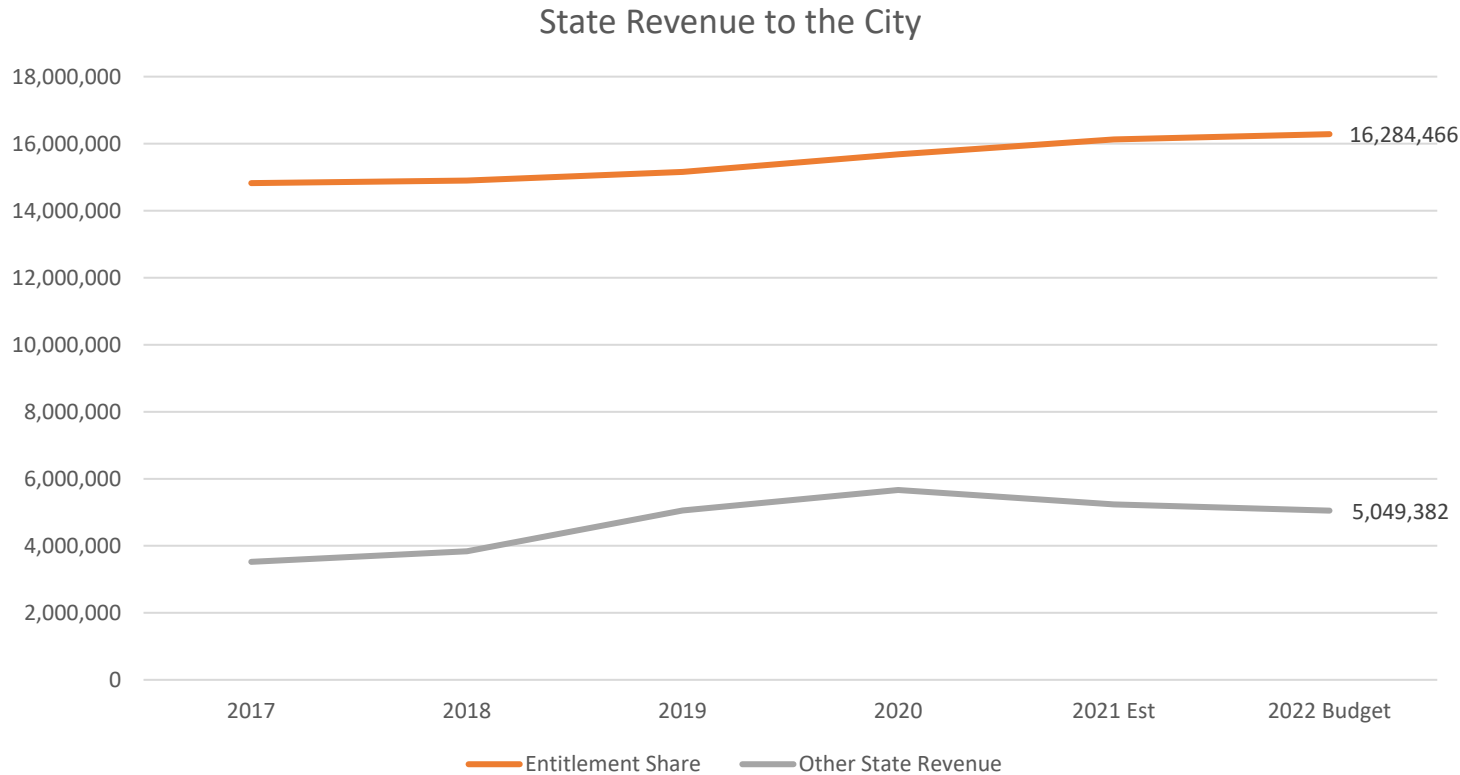


Fund Name	FY22 Budgeted Tax Revenue
General	\$ 18,476,303
Public Safety	18,031,970
Library	1,246,655
Transit	2,492,962
General Obligation Debt	2,128,913
Planning (Transfer from County)	523,000
Tax Increment Districts	<u>7,005,000</u>
Total FY22 Budgeted Tax Revenue	\$ 49,904,803

Special Assessments

Fund Name	Department	FY22 Budget
Street Maintenance Dist	Public Works	\$ 9,331,000
Storm Sewer	Public Works	4,700,000
Arterial Streets	Public Works	4,600,000
Park District 1	Parks & Rec	3,061,515
Light Maintenance	Public Works	2,500,000
Parks Maintenance	Parks & Rec	1,137,200
Special Improvement Debt Svc	Finance	752,000
Sidewalk Debt Svc	Finance	500,000
Sidewalk Hazard Repair	Public Works	60,000
Engineering	Public Works	50,000
Road Maintenance Dist.	Fire Dept	<u>2,875</u>
Total Special Assesement Revenue		\$ 26,694,590

Intergovernmental - State



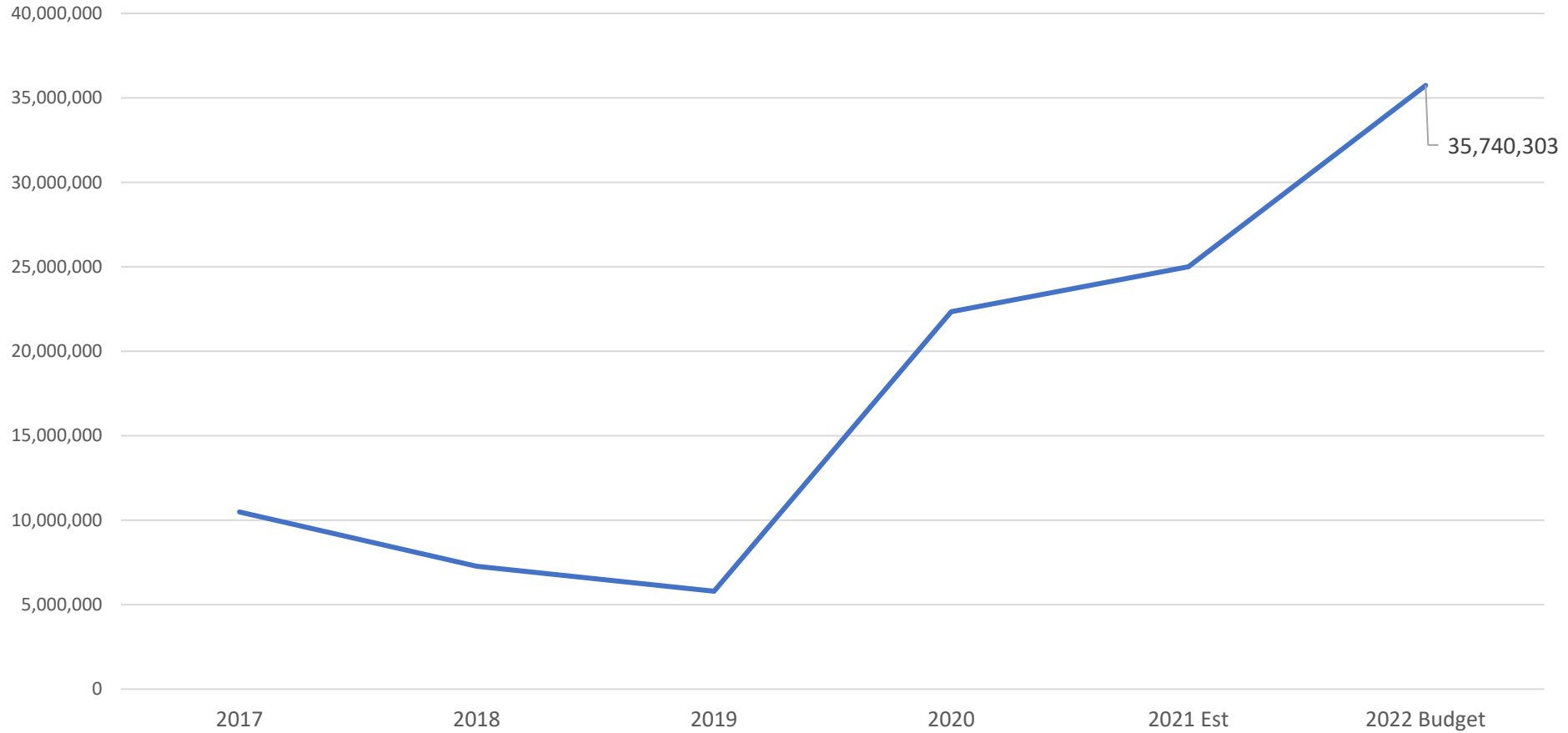
Intergovernmental –State by Type

	FY22 Budget
State Entitlement	\$ 16,284,466
Gas Tax	3,740,000
State 911 – paid on phone bills	1,034,662
Other Misc State Funding	<u>274,720</u>
Total State Revenue FY22	\$ 21,333,848

Fund Name

Fund Name	FY22 Budget
General	\$ 12,205,879
Public Safety	2,017,934
EOC 911	1,034,662
Gas Tax	3,740,000
Library Fund	470,704
Street/Traffic Oper	751,000
Tax Increment East	146,654
Tax Increment N 27th	211,821
Tax Increment South	256,218
Transit	<u>498,976</u>
Total State Intergovernmental Revenue	\$ 21,333,848

Intergovernmental – Federal Funding



* Does not include amounts for American Rescue Plan (State and Local Recovery Funds & HUD Funds)

Intergovernmental – Federal Funding

Intergovernmental -Federal Share	FY22 Budget
Transit	\$ 10,157,685
Airport	9,523,603
Arterial Streets	7,620,385
Bike Path/Trail Donation	4,036,380
CDBG	1,888,817
City County Planning	968,500
Fire Grants	685,000
Police Programs	459,316
Municipal Court Grants	399,867
Parks Programs	<u>750</u>
Total Federal Revenue FY22	\$ 35,740,303

Intergovernmental -Federal Share
Department of Transportation
FTA Capital Grant
AIP FY2022 Project Grants
Airport CARES Act Grant
FTA Subsidy Grant
HUD Grants
Federal Highway Grants
CDBG-CV Grant
Homeland Security
Department Of Justice
HIDTA-ONDCP
HMEP Grant
Airport TSA Reimbursement
Justice Assistance Grants
Other Federal Funding
Total Federal Revenue FY22

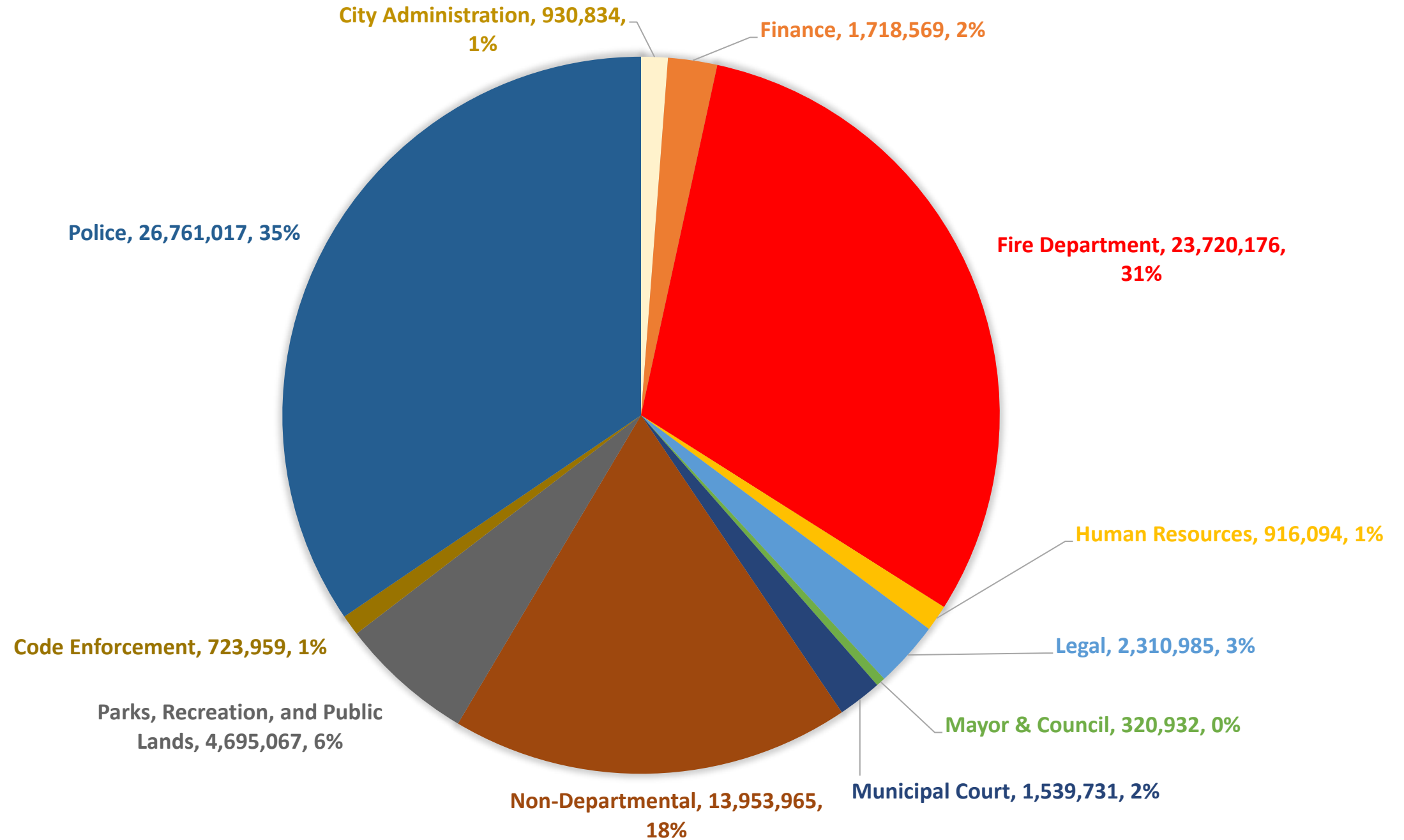
Department(s)	FY22 Budget
Public Works/Planning/Parks/Police	\$ 11,691,765
Transit	6,910,987
Airport	5,000,000
Airport	4,406,803
Transit	3,246,698
Community Dev.	979,691
Planning	960,000
Community Dev.	909,126
Fire/Police	646,294
Court/Police	407,736
Police	231,719
Fire Department	125,000
Airport	116,800
Police	98,434
Parks/Comm. Dev.	<u>9,250</u>
	\$ 35,740,303

* Does not include amounts for American Rescue Plan (State and Local Recovery Funds & HUD Funds)



General and Public Safety Funds

FY22 PROPOSED GENERAL AND PUBLIC SAFETY FUNDS

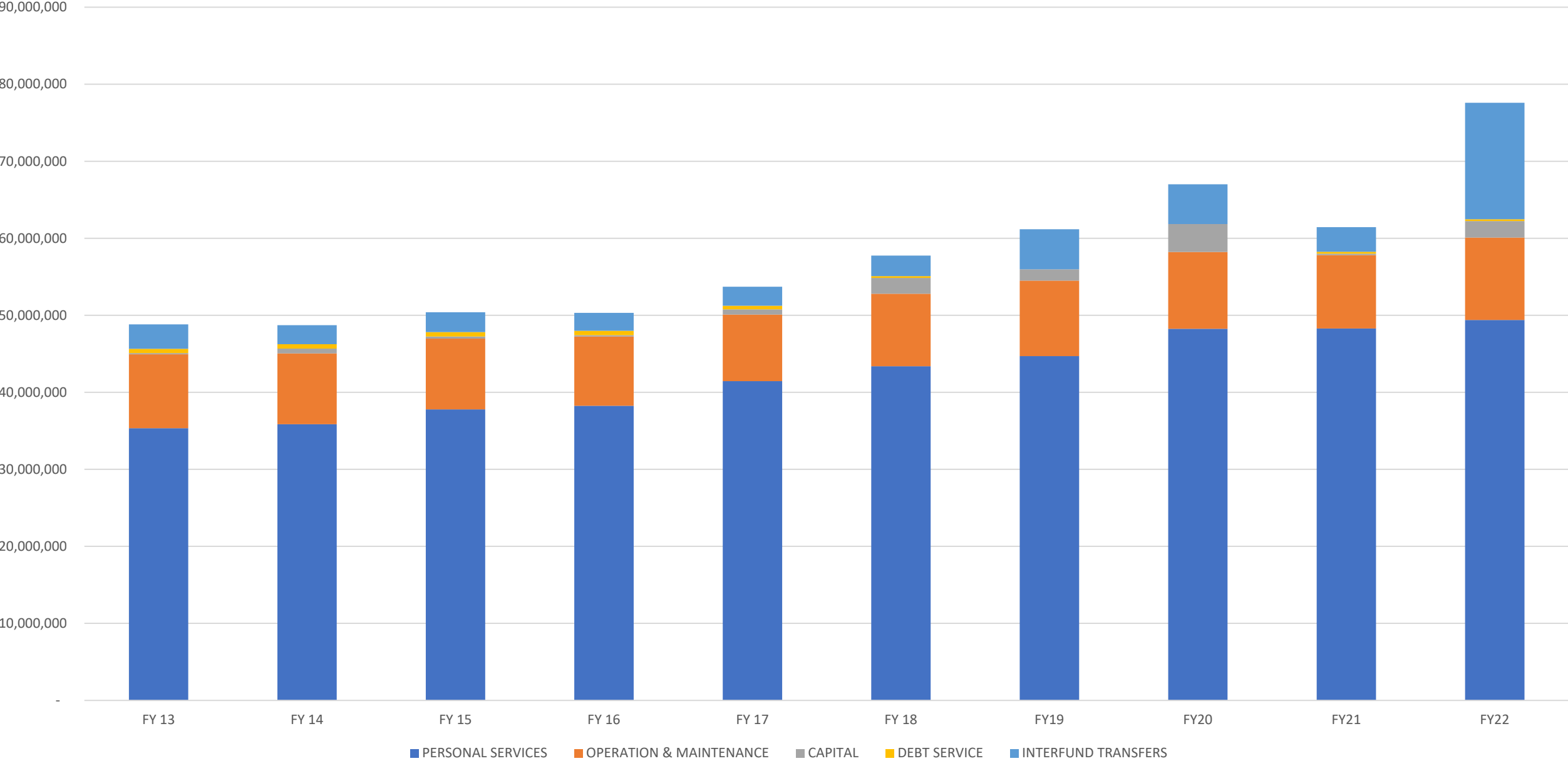


FY22 Proposed General and Public Safety Funds

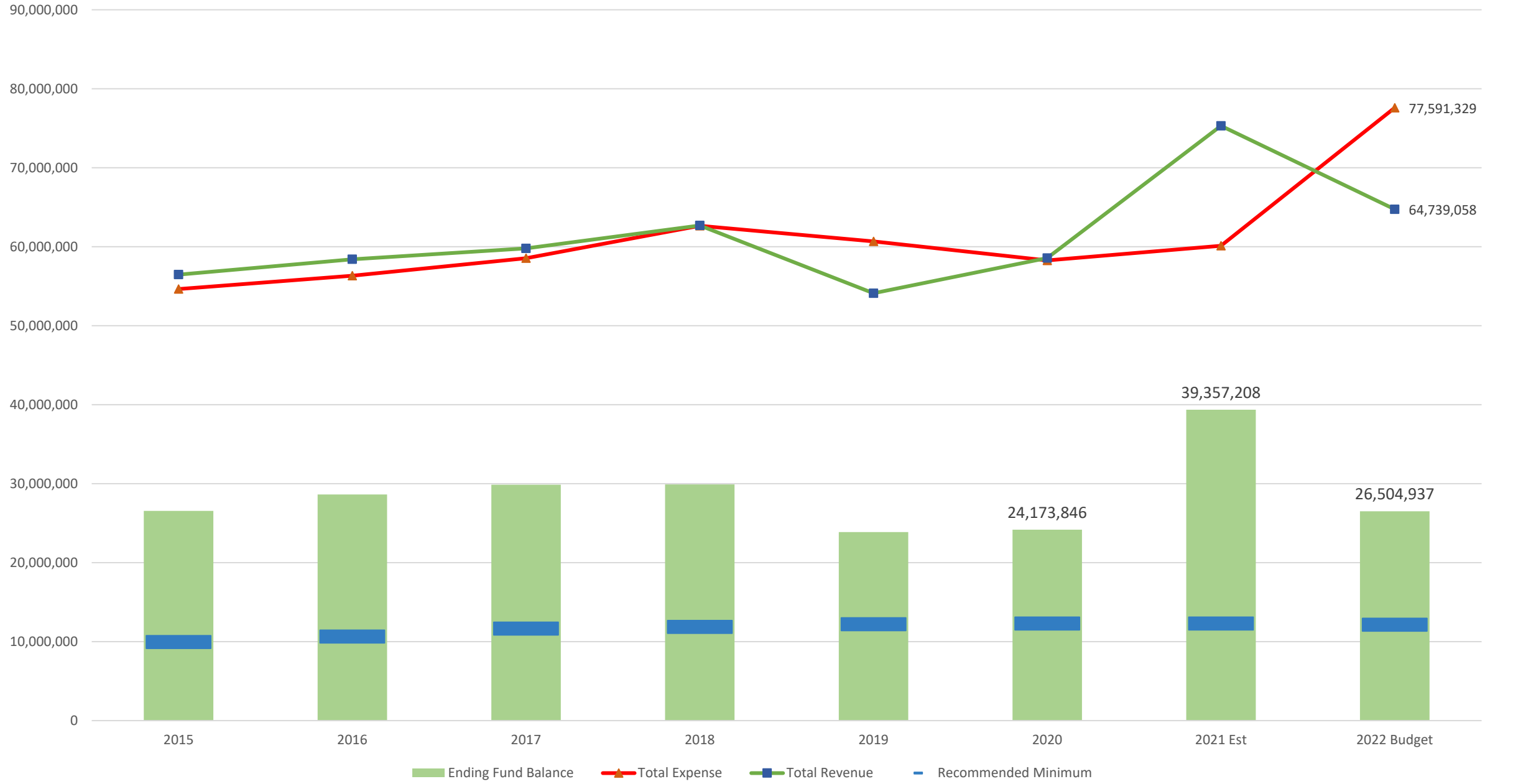
Department	FY22 Proposed
Police	\$ 26,761,017
Fire Department	23,720,176
Non-Departmental	13,953,965
Parks, Recreation, and Public Lands	4,695,067
Legal	2,310,985
Finance	1,718,569
Municipal Court	1,539,731
City Administration	930,834
Human Resources	916,094
Code Enforcement	723,959
Mayor & Council	<u>320,932</u>
Total	\$ 77,591,329

GFPS Combined Budgeted Expense

*Less PS Transfer



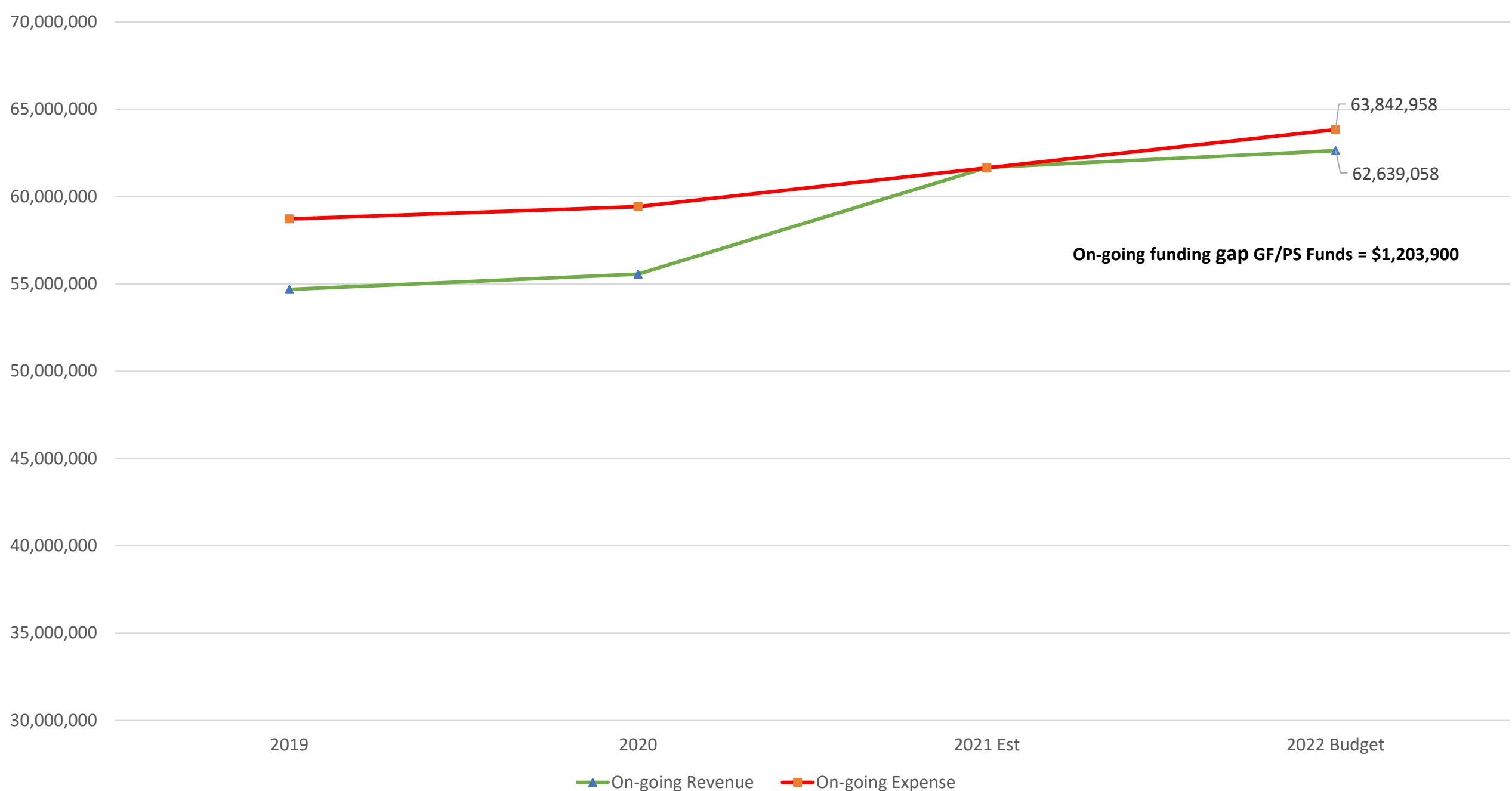
General Fund & Public Safety Combined



One-time Revenue and Expense, GFPS

- Revenue
 - \$2,100,000 – Transfer in from SID Revolving Fund
- Expenditure
 - \$11,600,000 – Transfer out to Law and Justice Construction Fund (FY22 CIP)
 - \$1,500,000 – Purchase of land for fire station and begin design (FY22 CIP)
 - \$450,000 – Capital outlay for deferred maintenance of Fire Stations (New FY22 Request)
 - \$138,296 – Vehicle purchases and additional ERP expenses (FY22 ERP)
 - \$33,000 – Capital outlay for improvements to the Senior Center

On-Going Revenue and Expenses, General and Public Safety Funds



On-going funding gap GF/PS Funds = \$1,203,900

General Fund/Public Safety On-going Imbalance

	Changes to GF/PS Fund Balance
Prior Year Imbalance	\$ 575,000
New Tax Revenue	(1,500,000)
Cost of Living Adjustments	731,500
Insurance Expense	600,000
IT and Facility Charges	250,855
New Staffing	237,500
Fuel, Fleet, and Oil	162,000
Payroll Increases	<u>152,000</u>
Net Change	\$ 1,208,855



Other FY22 Budget Items

Typical Residential Home Costs

Median Home Annual Property Tax

	FY2021	FY2022	Change
General	\$ 217.18	\$ 217.18	\$ -
Public Safety (1 and 2)	234.79	234.79	-
Library	14.67	14.67	-
Transit	29.35	29.35	-
General Obligation	<u>30.76</u>	<u>29.32</u>	<u>(1.44)</u>
Total Property Tax	\$ 526.76	\$ 525.32	\$ (1.44)

Residential Annual Special Assessments

	FY2021	FY2022	Change
Park District 1	\$ 43.76	\$ 43.76	\$ -
Street Maintenance	127.53	129.19	1.66
Arterial	52.42	54.05	1.63
Storm Sewer	<u>46.81</u>	<u>48.36</u>	<u>1.55</u>
Total Annual Assessments	\$ 270.52	\$ 275.36	4.84

Average Home Monthly Utility Bill

	FY21	FY22	Increase
Water	\$ 40.07	\$ 43.24	\$ 3.17
Wastewater	28.45	29.11	0.66
Solid Waste	<u>11.53</u>	<u>TBD</u>	<u>TBD</u>
Total Monthly Utilities	\$ 80.05	TBD	TBD

Property Tax and Assessment Changes as a Result of Property Valuation Growth

Residential Changes As a Result of Valuation Increases			
	FY2021	FY2022	Change
Mill Levy Property Tax	\$ 511.25	\$ 525.32	\$ 14.07
Park District 1 Assessment	42.47	43.76	1.29
Street Maintenance	127.53	129.19	1.66
Arterial	52.42	54.05	1.63
Storm Sewer	<u>46.81</u>	<u>48.36</u>	<u>1.55</u>
Total Annual Tax & Assessments	\$ 780.48	\$ 800.68	\$ 20.20

Total Annual Increase in Median Home Tax and Assessments = \$3.40

Total Annual Increase in Median Home Tax and Assessments as a result of Valuation and Rate Changes = \$20.20

Investment Towards Accomplishing Council Priorities

- Improve Public Safety
 - Capital Improvements to Fire Department
 - Capital Improvements for Facility Law and Justice Center
 - Additional Staffing for Legal Department's Domestic Violence Prosecution
 - Additional Staffing for Full-time Code Enforcement Supervisor
- Consider options for additional public safety resources funded through a mill levy

What's not in the budget

- American Rescue Plan Implementation and Priority Listing
 - Awaiting further guidance with respect to eligible usage of funds and actual amount to be received
- Long-term Parks Funding Solution
 - Current legislative process may change recommendation for future funding of Parks asset maintenance and construction
- Public Safety Mill Levy and CPSM Implementation
 - Solve existing imbalance
 - Implement CPSM recommendations
 - Additional resources for Legal, Court, and Code Enforcement

Conclusion & Questions

- Find a copy of the budget:
 - <https://www.ci.billings.mt.us/475/Budgets-Financial-Reports>
- Copy of this presentation:
 - <https://www.ci.billings.mt.us/111/Finance>



Changes to Proposed Budget Total

- Individual Fund pages are correct, Summary Pages (20-38) need to be updated accordingly
- Increase Capital Outlay Expenditure \$250,000
 - Gas Tax -\$60,000
 - Sidewalk Construction \$190,000
- Increase Special Assessments Revenue \$250,000
 - Street Maintenance Districts - \$60,000
 - Sidewalk Construction \$190,000
- Increase Transfers In/Out \$60,000
 - Gas Tax Transfer In - \$60,000
 - Street Maintenance Dist Trf Out - \$60,000

FY22 Proposed Budget Summary of Changes FY22 Adj Proposed Budget

REVENUES:

TAXES	49,904,803	-	49,904,803
SPECIAL ASSESSMENTS	26,694,590	250,000	26,944,590
LICENSES & PERMITS	4,389,203	-	4,389,203
INTER-GOVERNMENTAL	60,486,644	-	60,486,644
CHARGES FOR SERVICE	127,942,298	-	127,942,298
FINES & FORFEITS	1,595,896	-	1,595,896
INVESTMENT EARNINGS	1,453,894	-	1,453,894
DONATIONS / CONTRIBUTIONS	685,600	-	685,600
INTERFUND TRANSFERS	47,332,190	60,000	47,392,190
DEBT PROCEEDS	84,195,800	-	84,195,800
MISCELLANEOUS	536,180	-	536,180
TOTAL REVENUES	405,217,098	310,000	405,527,098

Street Maintenance Dist \$60,000
Sidewalk Construction \$190,000

Gas Tax \$60,000

EXPENDITURES:

PERSONAL SERVICES	95,401,386	-	95,401,386
OPERATION & MAINTENANCE	94,585,539	-	94,585,539
CAPITAL	198,425,650	250,000	198,675,650
DEBT SERVICE	28,250,584	-	28,250,584
INTERFUND TRANSFERS	47,332,190	60,000	47,392,190
TOTAL EXPENDITURES	463,995,349	310,000	464,305,349

Gas Tax \$60,000
Sidewalk Construction \$190,000

Street Maintenance Dist. \$60,000

FY21 ACTUAL TAX AND ASSESSMENT PER CAPITA

