



FY2023 Annual Budget Hearing

July 19, 2022

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City Commission Priorities (February 2022)

1. Promote, educate and take action on the viability, sustainability and efficacy of the Police and Fire Departments
2. Explore the option of a Public Safety Levy
3. Approve and implement appropriate Crime Task Force recommendations
4. Commit to an intentional approach to the housing issue with community partners
5. Continue to work with community partners and the City's development review process to ensure Great Falls is a growing, business friendly community
6. Focus on City facilities and resources

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Current Budget Environment

- Lingering COVID Impacts
- National Economic Conditions
 - Work Force!
 - Supply chain disruption
 - Inflation
- CARES/ARPA

As with other private and public entities, the City of Great Falls is not immune from impacts of these environmental factors.

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Specific Impacts FY23

- Challenging Combination:
 - COVID “Recovery”
 - No Tax Increase or User Fees
 - Inflation
- Other Key Elements
 - Training
 - Fire Department Turnover
 - Police Department Retirements/Turnover/Promotions
- External Labor costs
- Capital Projects
- Undesignated Fund Balance Management
 - FY21 - \$552,501 used
 - FY22 - \$571,301 used
 - **FY23 Projected: \$7,885,396 or 20.83%**

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FY 23 Approach

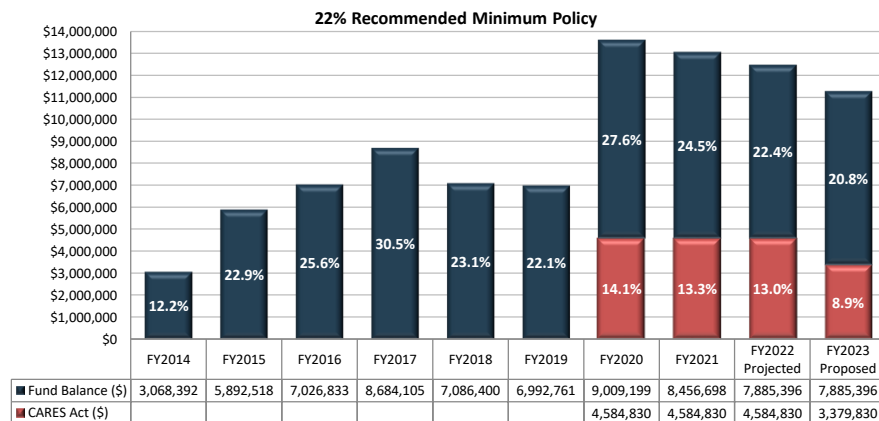
To meet Commission Priorities and basic service expectations, utilize the following:

- Inflationary Factor
- Permissive Medical Levy
- Fund Balance
- CARES
 - \$1,205,000 for General Fund
 - \$472,000 for other funds
- ARPA
 - \$163,410 - Department budget requests for one-time purchases

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General Fund 10 Year Fund Balance



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General Fund Tax & Entitlement Revenue

General Fund Revenue Segment	FY2021 Actual Increases	FY2022 Actual Increases	FY2023 Proposed Increases	Impact to Households
Newly Taxable Property	\$ 119,488	\$ 366,758	\$ 400,000 Amount not known until August	N/A
Inflationary Factor	\$ 0	\$ 0	\$ 641,691	\$100,000: \$8.36 \$200,000: \$16.72
Permissive Medical Levy	\$ 0	\$ 0	\$ 248,305	\$100,000: \$3.23 \$200,000: \$6.47
Entitlement Share	\$ 284,198	\$ 130,271	\$ 294,004	N/A
Total Revenue Increase	\$ 403,686	\$ 497,029	\$ 1,584,000	

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Great Falls and Other Communities



* Each City's tax increases are a combination of some or all of the inflationary factor, carry-over mills, permissive levies, and voted levies

	Tax Increase* (\$200,000 home)	Assessment Increases	Utility Increases
Great Falls	\$23.19	Street – 0% Park – 0% Boulevard – 12% Street Lights – 4.5%	Water – 5% Sewer – 5% Storm Drain – 5% Sanitation – 10%
Bozeman	~ \$203.45	Street – 6% Forestry – 6% Parks – 15%	Water – 0% Sewer – 0% Storm – 9%
Billings	~ \$103.93	Street – 6% Park – 6%	Water - 2-3% Sewer - 2-3% Sanitation - 5%
Kalispell	~ \$60.00		
Helena	Not calculated yet but will be taking full inflationary factor and permissive medical levy		
Missoula	Waiting for new taxable values from DOR		
Butte	No increase anticipated		

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American Rescue Plan Use

ARPA Use	FY2023 Budget	Source
Community Grants	\$3,000,000	
IT Network Security	\$140,270	Tier 1 Project
Civic Center AV Upgrades	\$171,331	Tier 1 Project
Fire Station Doors	\$425,000	Tier 1 Project
Fire Truck Refurbishment	\$1,299,337	Tier 1 Project
HR Office Remodel	\$500,000	Tier 1 Project
Parking Garage Security Improvements	\$52,786	Tier 1 Project
Miscellaneous Fire Department Equipment	\$88,410	FY2023 Above & Beyond Request
Park & Rec Admin Building ADA Restroom	\$75,000	FY2023 Above & Beyond Request
Total ARPA Usage in FY2023	\$5,752,134	
Remaining ARPA Balance	\$13,720,603	

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CARES Act Use

CARES Act Use	Amount
FY22 Replenish Funds Impacted by COVID	\$1,141,151
Balance General Fund Budget in FY2023	\$1,205,000
Replenish Planning Fund in FY2023	\$297,500
Replenish Recreation Fund in FY2023	\$140,000
Replenish Multi-Sports Fund in FY2023	\$34,500
Total CARES Act Usage	\$2,818,151
Remaining CARES Act Balance	\$7,341,012

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City-Wide Total Budget



	FY 2021 Actual	FY 2022 Amended	FY 2023 Proposed	Increase (Decrease)	% Change
Revenues					
Taxes	\$ 25,474,917	\$ 26,001,617	\$ 27,280,154	\$ 1,278,537	4.92%
Licenses and Permits	\$ 2,116,652	\$ 2,185,276	\$ 2,451,128	\$ 265,852	12.17%
Intergovernmental	\$ 28,158,870	\$ 24,896,097	\$ 15,575,147	\$ (9,320,950)	-37.44%
Charges for Services	\$ 50,309,799	\$ 49,379,237	\$ 52,176,709	\$ 2,797,472	5.67%
Fines and Forfeitures	\$ 857,643	\$ 817,500	\$ 831,500	\$ 14,000	1.71%
Internal Service	\$ 14,328,381	\$ 15,324,240	\$ 16,359,901	\$ 1,035,661	6.76%
Special Assessments	\$ 8,622,693	\$ 8,472,176	\$ 8,584,811	\$ 112,635	1.33%
Investment Income	\$ 115,826	\$ 20,650	\$ 20,650	\$ -	0.00%
Other	\$ 1,932,478	\$ 800,576	\$ 605,535	\$ (195,041)	-24.36%
Transfer In	\$ 2,892,679	\$ 5,589,121	\$ 2,498,405	\$ (3,090,716)	-55.30%
Issuance of Debt	\$ 6,423,758	\$ 9,940,000	\$ -	\$ (9,940,000)	-100.00%
Sale of Assets	\$ (41,528)	\$ -	\$ -	\$ -	0.00%
Total Revenue	\$ 141,192,169	\$ 143,426,490	\$ 126,383,940	\$ (17,042,550)	-11.88%
Expenses					
Personal Services	\$46,026,184	\$49,595,721	\$52,150,775	\$ 2,555,054	5.15%
Supplies	\$5,341,426	\$6,537,444	\$6,963,791	\$ 426,347	6.52%
Purchased Services	\$27,012,864	\$30,286,621	\$28,808,733	\$ (1,477,888)	-4.88%
Debt Services	\$6,851,385	\$7,321,282	\$6,564,098	\$ (757,184)	-10.34%
Contributions & Other	\$1,406,733	\$2,296,872	\$2,243,463	\$ (53,409)	-2.33%
Other	\$333,998	\$31,610	\$20,450	\$ (11,160)	-35.31%
Internal Service	\$13,063,616	\$13,902,078	\$15,338,263	\$ 1,436,185	10.33%
Capital Outlay	\$15,114,623	\$39,030,310	\$34,181,948	\$ (4,848,362)	-12.42%
Transfer Out	\$2,905,963	\$3,197,003	\$2,498,405	\$ (698,598)	-21.85%
Total Expenses	\$ 118,056,792	\$ 152,198,940	\$ 148,769,926	\$ (3,429,014)	-2.25%

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General Fund Total Budget



	FY 2021 Actual	FY 2022 Amended	FY 2023 Proposed	Increase (Decrease)	% Change
Revenues					
Taxes	\$ 20,960,760	\$ 21,539,142	\$ 22,978,679	\$ 1,439,537	6.68%
Licenses and Permits	\$ 951,160	\$ 1,070,600	\$ 1,011,200	\$ (59,400)	-5.55%
Intergovernmental	\$ 9,014,619	\$ 9,012,215	\$ 9,464,998	\$ 452,783	5.02%
Charges for Services	\$ 1,194,149	\$ 1,189,958	\$ 1,200,461	\$ 10,503	0.88%
Fines and Forfeitures	\$ 753,720	\$ 770,000	\$ 770,000	\$ -	0.00%
Internal Service	\$ 961,965	\$ 1,004,150	\$ 1,060,044	\$ 55,894	5.57%
Investment Income	\$ 30,810	\$ 15,000	\$ 15,000	\$ -	0.00%
Other	\$ 106,531	\$ 144,322	\$ 156,364	\$ 12,042	8.34%
Total Revenue	\$ 33,973,714	\$ 34,745,387	\$ 36,656,746	\$ 1,911,359	5.50%
Expenses					
Personal Services	\$24,799,481	\$25,776,600	\$27,433,367	\$ 1,656,767	6.43%
Supplies	\$983,724	\$1,062,116	\$1,223,712	\$ 161,596	15.21%
Purchased Services	\$1,682,768	\$1,422,388	\$1,567,366	\$ 144,978	10.19%
Debt Services	\$309,773	\$309,182	\$308,616	\$ (566)	-0.18%
Contributions & Other	\$250,000	\$250,000	\$250,000	\$ -	0.00%
Other	\$39,174	\$21,160	\$20,000	\$ (1,160)	-5.48%
Internal Service	\$4,770,463	\$5,044,222	\$5,439,353	\$ 395,131	7.83%
Capital Outlay	\$31,655	\$0	\$0	\$ -	0.00%
Transfer Out	\$1,659,178	\$1,659,178	\$1,619,332	\$ (39,846)	-2.40%
Total Expense	\$ 34,526,216	\$ 35,544,845	\$ 37,861,746	\$ 2,316,901	6.52%

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Proposed Rate, Assessment and Fee Adjustments

	Department	Division	FY2023 Adjustment	Prior 2 Years Adjustments
Utility	Public Works	Water	5%	0%
Utility	Public Works	Sewer	5%	0%
Utility	Public Works	Storm Drain	5%	0%
Utility	Public Works	Sanitation - Commercial	10% (May '22)	0%
Utility	Public Works	Sanitation - Residential	10% (May '22)	0%
Assessment	Park & Rec	Natural Resources – Boulevard	12%	0%
Assessment	Park & Rec	Portage Meadows	5%	0%
Assessment	Park & Rec	Park Maintenance District	0%	0%
Assessment	Public Works	Street Maintenance	0%	0%
Assessment	Special Districts	Street Lighting Districts	4.5%	- 1.0%

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Capital Outlay Major Projects

Reference: Budget Book Pages 131-135

Major Project	Project Budget
Street/BaRSAA East Fiesta & Giant Springs Rd	\$1,268,369
Water Plant Filter Replacement Phases 2 & 3	\$6,000,000
Water Main Replacements	\$2,900,000
Sewer Lift Station #1	\$5,000,000
Sewer Plant Clarifier Repair	\$2,000,000
Central Ave & 3 rd St Storm Drain	\$1,200,000
Year 5 Park District Projects	\$494,220
6 Patrol Cars	\$239,760
Street Equipment (Sweeper, roller, dump truck)	\$666,160
Sanitation Sideloaders	\$362,310
Various ARPA Projects	\$5,663,724
Total Capital Outlay Budget in FY2023	\$34,181,948

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Changes in FTEs

General Fund – Police	COPS Grant – Added 3 positions	3.00
Planning & CD	Removed 1 Development Engineer	(1.00)
CDBG/Housing Authority	Part-time Fair Housing Specialist to full-time	0.25
Library	Part-time clerk/custodian to full-time	0.38
Park & Recreation	Recreation/Pool hours moved to temporary/seasonal	(5.84)
Civic Center Facilities	Reorganization from PCD to Administration	(0.10)
Engineering	Re-instated Summer intern position	0.25
Total Increase (Decrease) in FY2023		(3.06)
Total FTEs in FY2023		509.60

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Making Progress

- Civic Center façade
- Park Maintenance District
- Recreation & Aquatics Center
- ARPA/CARES Projects
- ***Crime Task Force***
 - COPS Grant added 3 new officers
 - Patrol Sergeants
 - Addressing some needs for both Fire/Police
- ECP Debt Paid!

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Next Steps

- Today
 - Public Hearing – Intent to Increase Property Tax
 - Public Hearing – Annual Budget Resolution – Adopt or Continue
- August 16th
 - Adopt Mill Levy