



Approved Budget

**For Fiscal Year 2021
July 1, 2020 to June 30, 2021
City of Bozeman, MT**

Fiscal Year 2021

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Executive Summary

June 22, 2020

Bozeman City Residents and City Commission:

We are pleased to present to you the Approved Budget for Fiscal Year 2020-2021 (FY21). This budget represents the thoughtful work of dozens of people in developing the spending plan for our organization for the coming fiscal year. Bozeman is a vital, growing, and changing city. The City's total budget this year is estimated to be \$121.8 million. This will support 460.11 full-time equivalent employees and \$20.7 million in capital spending. The FY21 budget estimates an annual increase in taxes and assessments for the typical residential property owner of \$64.64, or \$5.39 per month. This includes a full year payment of Bozeman Public Safety Center bonds, the new Parks & Trails District assessment and other changes based on recent rate studies, growth, inflation, and Strategic Plan objectives.

COVID-19 Financial Challenges and Outlook

With the response to COVID-19 the United States' economy has fallen into a recession and in some areas is moving into recovery. There is still a possibility the economy could fall into a depression. This economic downturn is unlike any other our economy has seen with its swift changes. As to what type of recession we will have has yet to be entirely predicted but is not expected to fall into a depression at this time. A recession more similar to the one the U.S. encountered in the 1950's is predicted, where we would have a sharp downturn for the next several months, followed by rapid growth in early 2021. We could also be headed towards a recession which follows the pattern of the Great Recession that started in 2008. This budget assumes the first more "U" shaped recession and recovery but we continue to monitor and plan for a possible longer recession.

We will continue to watch all cash flow in all funds and from all sources. We are looking in greater detail at the funding that is based on charges for services and fines such as water/sewer/solid waste/recreation programs/parking tickets. In addition, we are tracking our costs for COVID-19 in total and for what is eligible for reimbursement from Federal and State grants. With this extreme uncertainty of how this recession will work preparing different solutions for each scenario will be needed as we move into FY21. This time has also emphasized the need for healthy reserves to ensure the City's ability to weather these types of economic down turns.

Will continue to monitor the impact of COVID-19 on City Expenditures and the economy

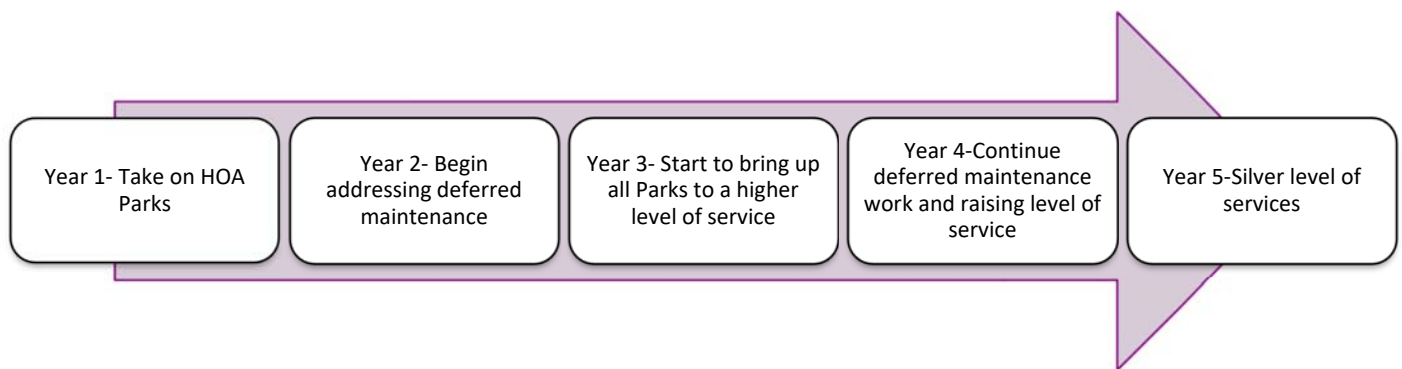
Parks & Trails District

May 5, 2020 the Citizens of Bozeman voted to approve the creation of a Parks & Trails District. The plan for this district have been in the works for years and developed first with consultants and furthered in the most recent Capital Improvement Plan and internal staffing plan. A citywide park and trail district is an effort to solve three major issues:

- **Deferred Maintenance:** The cost of deferred maintenance in our parks and trails is currently ~\$6.8 million. This includes assets that need to be repaired or replaced because they are beyond their useful life.

- **Operations and Maintenance:** Our current level of service for park and trail maintenance is reactionary in nature. The District will provide a funding source for current city parks and trails, new park projects coming on-line soon (Story Mill Park, Sports Park, Path to the M, etc.) and 235 acres of neighborhood parks and trails throughout the city that property owners associations are currently maintaining. The Commission determined a five-year phase in plan of s silver level of services across all parks.
- **Equity:** The district eliminates the need for homeowner associations (HOAs) to maintain city parks and trails in their subdivision through HOA fees. These city property owners who currently pay both general taxes and HOA fees for park and trail maintenance will no longer be paying a higher share of the system costs. All city property owners will pay an annual assessment for park and trail maintenance.

The first steps will be taking on the HOA parks and maintaining them at our current level of service. As we move into years two-five we will address deferred maintenance and under the five year ramp up it will take us a little over ten years to address our current back log. In addition, over the next five years we will be increasing the level service and will hope to achieve silver level of service by year- 5 for all City owned parks.



Strategic Plan

The Strategic Plan significantly informs the items Approved in the FY21 budget. The FY19 budget began the first steps in accomplishing this plan, while FY20 increased the focus throughout the City. Below are some of the efforts towards the strategic plan with the **Top 7 Commission Priorities** highlighted (greater detail regarding strategic plan efforts by division can be found in the Activity Detail section of this document):



1) An Engaged Community. Fostering successful collaboration with other public agencies and building on our successes, which is being achieved through City-County Regional Planning and other areas such as the CATS (EPIC-N) program with MSU. We are continuing our work to foster a culture of civic engagement by using our newly adopted communication plan for the organization\ to expand **Community Outreach**.



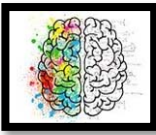
2) An Innovative Economy. Supporting retention and growth of both the traded and local business sectors in coordination with the Economic Development Plan that is budgeted to be updated. Working with our urban renewal districts we are strategically investing in infrastructure as a mechanism to encourage economic development. We are reviewing policy and will aid the Commission in developing its steps towards its priority of **Tax Fairness and Affordability**.



3) A Safe, Welcoming Community. Support increased capacity of the Community-based Crisis Response Program with partners as the program is continually refined and with the intent to add an additional community-based therapist co-responder in 2020 with the assistance of a grant obtained by Western Montana Mental Health-Gallatin.



4) A Well-Planned City. We have developed a Comprehensive Parks Maintenance and Facilities Funding Program and with the recent voter approval of the *Parks & Trails District* we will be implementing the District. Community Housing will be continuing the implementation of its action plan with refining project selection and designing funding options such as loan programs, which will provide more *Affordable Housing* opportunities. We have *Planning & Land Use Initiatives* with the City County Regional Planning, NCOD Update Part II and a Historic Preservation Plan. We will continue moving forward with our *Annexation Analysis & Study* with bringing back the extension of services plan to the Commission and recommendations for next steps.



5) A Creative, Learning Culture. Developing an ordinance to create a program for all public buildings built to have 1% of the construction costs to be set aside for art in that public space. This type of program provides a guaranteed funding mechanism for the acquisition of artwork for new public facilities and civic spaces.



6) A Sustainable Environment. This Approved Budget looks at *Climate Action* and increases the Sustainability Divisions' budget by 400%, funding such programs as:

- Economic Analysis for Community Renewable Energy - This will help inform Commission policy and planning, this inter-local study involving the communities of Bozeman, Missoula, and Helena will model the environmental benefits and rate impacts associated with pursuing utility-scale clean energy by 2030.
- UDC/Compact Development Standards for EV & Building Electrification- With battery prices declining, Electric Vehicle (EV) sales have the potential to surge again following the current pandemic. The City can ensure that the engineering standards for future developments are capable of accommodating future technology.



7) A High Performance Organization. “utilizing key performance and cost measures to monitor, track, and improve the planning and delivery of City programs and services, and promote greater accountability, effectiveness and efficiency” (Strategy 7.4 – Performance Metrics).

- Specific Performance Measures are updated annually to compliment the budget. These measures help communicate trends and justify additional resources needed to maintain an acceptable level of service.
- Plans for additional qualitative measures will be implemented in FY21 through a broad community survey. Information collected through customer satisfaction and citizen surveys will be used to provide valuable perspective complimentary to the quantitative measures.

FY21 Approved Budget

The City of Bozeman's Fiscal Year 2021 budget shows decreases when comparing it to FY20 and one reason for this was the bond issuance and the construction of the Bozeman Public Safety Center (BPSC) in FY20. As compared to past budgets and FY20 without the BPSC the FY21 budget is increasing.

Revenues

Property Taxes- With the addition of the Parks & Trails District the Parks budget moves outside the general fund mills, we recommend a decrease in the property tax mill levy. This year, is the first full bond payment for the Bozeman Public Safety Center, the levy in total is recommended at 169.52 mills on all taxable property within city limits. To calculate property tax revenues, a 3.2% growth rate is assumed from new construction, leaving the estimated value of a mill at \$129,408. The total annual property tax for the median home is estimated to be \$817.10, an \$86.57 decrease from the prior year.

Overall **decrease** in
property tax mills

Special Assessments- City property owners pay annual Street maintenance, Arterial Street, Tree maintenance and the new Parks & Trails assessments based on the square footage of the lot they own. With the growth of the street network and other rising costs, the Street Maintenance FY21 budget is larger; therefore, 8% is the increase in the assessment. With the gas tax funding decreasing and inflation costs there is a 3% increase Approved for Arterial & Collector fund. For Tree Maintenance we needed an inflationary increase of 2%. Parks & Trails is the initial rate as presented to the Commission of \$0.017 per square foot.

Increases:
Streets - 8%
A&C- 3%
Tree – 2%
Parks (year 1) - \$0.017

Utility Rates- the City completed a water and sewer system rate study in FY20 and adopted rates for FY21, which adjusted both water and sewer rates for all user classes based on costs of services. The residential customer is not seeing any change for water and sewer rates but the other categories do see an increase ranging from 2% to 20%. For Stormwater we are recommending a 5% increase in the Stormwater fees to keep up with growth and construction costs, we have a rate study planned to form recommendations going forward.

Storm water 5%
increase

Expenditures

Staffing- Budgets for personnel expenditures include both increases in wages and benefit costs, and the addition of some positions to our work teams. With the highly competitive job market in Bozeman, extremely low unemployment and surrounding areas, we will need to make pay adjustments that attempt to keep up with the wage inflation of our competitors. In order to take a strategic approach to staffing, we develop a three-year plan to address staffing levels across all departments in the organization. With the creation of the Parks District we will be adding 5.9 FTE and we have 8 FTE being added to Public Works to continue our level of service as the City grows. We are recommending a total addition of 19.43 FTE.

	FY20	Approved Changes FY21	FY21 Approved
General Government	78.15	3.38	82.03
Public Safety	151.30	1.40	152.70
Public Services	133.50	8.00	141.50
Public Welfare	85.98	6.65	83.88
Total	448.93	19.43	460.11
Net FTE % Increase From Pervious Year			4.33%

Operating- Many factors have caused changes in operational budgets, which vary by fund. Growth, inflation, capital projects, and Strategic Plan priorities have influenced increases in operating costs. For FY21, operational costs total \$45 million, which is a 6% increase from FY20. This increase is in many areas and throughout most departments. A large increase does come from the Parks & Trails district with continued efforts with our newer larger parks and taking over Home Owner Association parks.

Capital- FY21 has over \$20.7 million in capital expenditures, which is a 72% decrease over FY20. FY 20 had the Bozeman Public Safety Center’s \$40 million construction. There are major roads funded through the Street Impact Fee Fund and Arterial Collector District totaling in \$7.5 million. Water and Sewer projects total \$6.5 million. Road maintenance, vehicle replacements, and building improvements are in the plan as well. Parks will be adding parking to the Storymill Community Park, and Pickleball courts at Bogert Park. COVID-19 has not caused us to delay any capital projects and many we want to get moving quickly to aid in the local economy recovery efforts.

\$7.5 million in new street projects and \$6.5 million in water and sewer projects

Reserves

The FY21 budget has a \$345,586 decrease in total fund balances. The Commission voted to remain at their current reserve level of 16.67% of annual revenues. We recommended that the Commission move towards the Government Finance Officer Association’s updated best practice with a risk-based approach. Using the risk based approach, see appendix D, we have determined a reserve 17% of expenditures as the minimum and also recommended, an additional amount for unexpected expenditures and to aid in economic down turns. With economic changes we need to proceed with caution with the Bozeman Public Safety Center’s budget counting on the sale of Fire Station 1 to be at least \$2.5 million and with other charges for services in the General fund that might be impacted if there is a resurgence of COVID-19. Due to the current economic factors the Commission felt at this time the City should not move to a new reserve policy. In Special Revenue and Enterprise funds, efforts have been made to maintain a reasonable fund balance based on the operating conditions and circumstances of the fund.

FY21 Citizen Impact

A typical residential property owner will see taxes and assessment increases of \$64.64 for the year, or \$5.39 per month. The estimated cost per mill is \$4.82. The typical resident is calculated using an average sized lot (7,500s qft), median home of \$354,000 (this was the median home taxable value at last appraisal cycle in FY20) and water use of 10-HCF (would be charged tier 2):

Median home \$354,000, 7,500 SQFT lot and 10-HCF water use				
Levy/Assessment	FY20 Approved	Increase (Decrease)	FY21 Approved	% Change
Street Assessment	216.93	17.36	234.29	8%
Arterial Street Assessment	48.06	1.45	49.51	3%
Tree (Forestry) Assessment	26.61	0.54	27.15	2%
Parks & Trails Assessment	-	127.50	127.50	100%
Property Taxes (W/O BPSC)	832.19	(103.45)	728.74	-12%
BPSC Property Tax	71.48	16.89	88.37	24%
Storm Water Services	73.76	3.69	77.45	5%
Water Service	555.81	-	555.81	0%
Sewer Services	630.99	-	630.99	0%
Total Annual Estimated Increase	2,455.83	63.97	2,519.80	3%
Monthly Increase		5.33		

Looking Forward

In developing this year's spending plan, we realize that there are a number of projects on the near horizon that will impact our budget in the coming years. We have been doing the work to plan for them at the financial and operational level, and they represent exciting opportunities and significant challenges for our community and organization.

Bozeman Public Safety Center full bond payments levy and operational mills – Fiscal Year 2022 the City will begin funding operational costs for the building, including added staff. Added costs are expected to be approximately \$524,000. The funding would come from a General Fund mill levy increase and we have shown in the Mill Levy calculation in the Budget Summary section to reserve this needed mill capacity.

Landfill Monitoring- We use general fund mill levies to fund continued monitoring of the former landfill. We continue to monitor and we are seeing an increase in funding to keep compliance. We will be taking a longer look and include this in our upcoming capital plan. This might include future debt financing for certain projects and the general fund mills will be funding debt payments and other needed expenditures.

COVID-19- The COVID-19 response and impact will continue well into FY21 and could impact future years with the economic changes. This is why we have emphasized the need to align with best practices for minimum reserves and some cushioning beyond to aid with any short falls from the viruses impact.

Conclusion

In closing, we are thankful to the Commission, community members, and staff who participated in the many processes that resulted in this budget. Staff spent many hours discussing the FY21 budget, designing many scenarios and options to plan for economic changes due to COVID-19. Working together, we have consistently found innovative ways to deliver services and invest in our community in fiscally responsible ways. We believe that the FY21 Approved Budget will allow us to continue to operate and advance the City of Bozeman.

We are a resilient, enterprising, and creative community. The FY21 Approved Budget is an achievable plan to provide efficient and effective services, and to achieve the Commission's vision and priorities set out in the Strategic Plan for the City of Bozeman.

Respectfully,

Jeff Mihelich City Manager

Anna Rosenberry, Assistant City Manager

Kristin Donald, Finance Director



READERS GUIDE

The Budget document is divided into sections

SUMMARY

FY21 Budget Summary



The Budget summary includes a high-level overview about the City, its structure, and budget process. The summary also presents summary tables and graphs of the Fiscal Year 2021 Budget.

FUND SUMMARY

Funding Detail



This section explains the fund structure of the City and purpose of the funds. The budget for each fund is presented along with analysis of past financials and current projections.

DEPARTMENT DETAIL

Activity Detail of Funding



This section gives the organizational structure of the City. Each division is summarized with a background and its descriptions of programs. This summary includes, Strategic Plan activities, and performance measurements.

CAPITALSUMMARY

Capital Projects and Equipment



This plan shows the capital project planning for the City and discusses the projects, the funding, and any future costs or benefits.

APPENDICES



Budget Summary



Budget Summary

Municipal budgets serve a number of important functions. In addition to laying out a spending plan for the city, and allocating resources to meet the diverse needs of the community, Bozeman's budget:

- Is a principal policy and management tool for the city's administration, reflecting and defining the annual work program;
- Provides a framework for the city to accomplish its vision and strategic plan; and
- Reflects core city values of integrity, leadership, service, and teamwork.

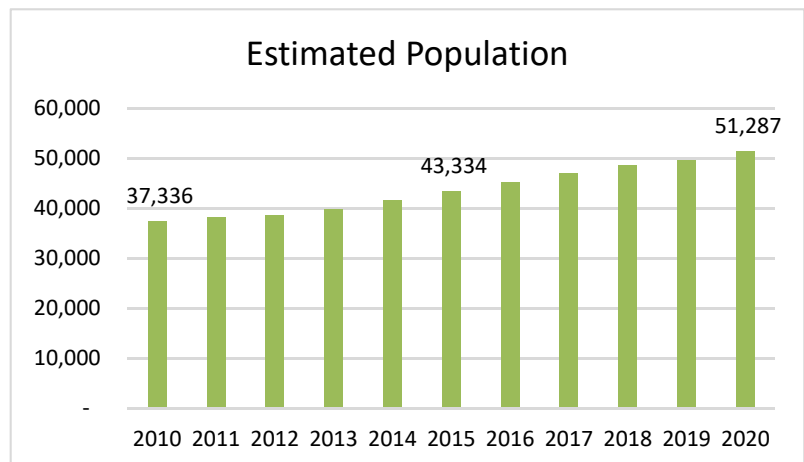
This Budget Summary provides information about the city, along with information about the budget process, revenues, expenditures, and city programs and services. It is intended to provide an accessible, transparent way of learning about the city budget, while accurately showing how the city invests its resources.

Background

The City of Bozeman is located on the eastern slope of the Rocky Mountains and is the county seat of Gallatin County, Montana. Gallatin County encompasses over 2,500 square miles, bordering Yellowstone National Park to its south. The City encompasses an area over 18 square miles with its next-closest municipality being the City of Belgrade, approximately 7 miles from our outermost boundary. Bozeman is located 143 miles west of Billings and 200 miles east of Missoula. Named after one of its early settlers, John Bozeman, the town was incorporated in 1874 and declared a city in 1883 before Montana was admitted into the United State in 1889. Bozeman is home to Montana State University – Bozeman and the Fighting Bobcats. The local newspaper is the Bozeman Daily Chronicle, and the City is served by Bozeman Yellowstone International Airport at Gallatin Field.

Today, Bozeman is the fourth largest city in the state and is the principal city of the Bozeman micropolitan area, which consists of all of Gallatin County. The City is named after John M. Bozeman, founder of the Bozeman Trail. Located in the fastest-growing county in the state, Bozeman was elected an All-American City in 2001 by the National Civic League. Bozeman residents are known as Bozeman-ites.

The City has seen large amounts of growth in the last five years going from a population of under 40,000 to 50,000. The population is expected to reach 51,287 in 2020. The average age is 28 and 56.9% of the population has Bachelor's Degree or higher.



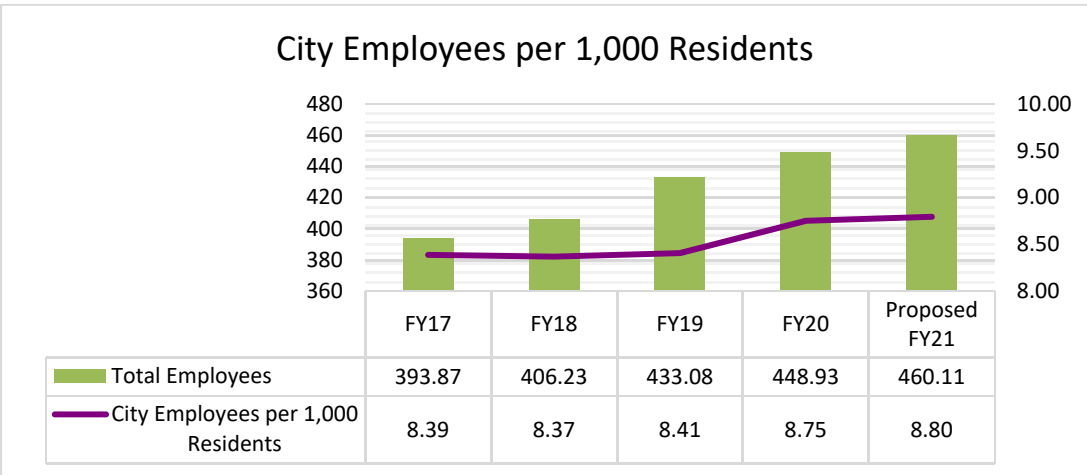
Continued Growth

Our community continues to see growth in all areas. We see strong building permit activity, and increased traffic counts and congestion on City streets. According to the 2017 Census estimates, the City of Bozeman population has increased by 25% since the 2010 Census, whereas Gallatin County outside of Bozeman has increased by 18.5%. The

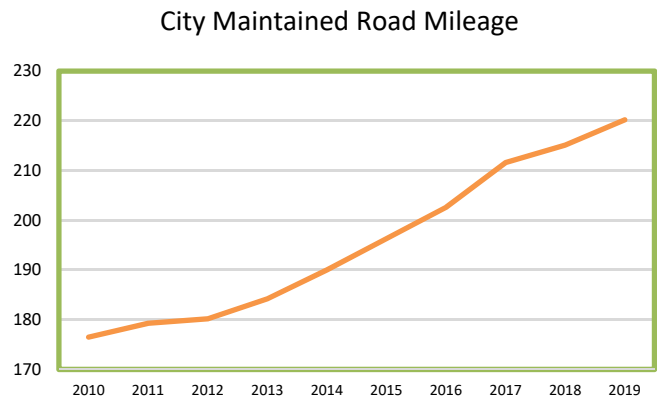
City of Bozeman has enough water and sewer mains to stretch from Bozeman to Denver and has 110 miles of stormwater mains.



- Level of service** - There were 245 new single family homes and 556 multi-family residential units built in Bozeman in 2019. The City also has 925 acres of parkland, two swim facilities, and four recreation facilities.



- Transportation**- The City is responsible for maintaining 221 miles of streets, and the street mileage the City is responsible for maintaining



- Clean water supply and conservation**- The City of Bozeman has 294 miles of water mains under our roadways. The average growth of the number of water accounts has been 4.1% a year for the last five years.

City Structure

The Bozeman City Commission is composed of four members and a Mayor that are elected by the voters of the city at large in accordance with the City Charter. At every regular city election, the voters of the City shall elect a mayor at large for a term of four years. The person so elected shall serve as Deputy Mayor and a Commissioner for the first two years of their term, and mayor for the balance of their term of office. The City Manager is selected by, and reports to the City Commission. The City Manager's office is responsible for over-seeing City staff and completing tasks as directed by the City Commission.

City Vision and Strategic Goals

The plan was adopted in spring 2018. Below are the vision and vision statements adopted by the Commission as part of the Strategic Plan:

Vision

Bozeman remains a safe, inclusive community, fostering civic engagement and creativity, with a thriving diversified economy, a strong environmental ethic, and a high quality of life as our community grows and changes.

Strategic Vision Statements:



1) An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.



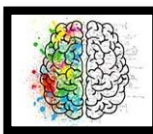
2) An Innovative Economy. We grow a diversified and innovative economy leveraging our natural amenities, skilled and creative people, and educational resources to generate economic opportunities.



3) A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.



4) A Well-Planned City. We maintain our community's quality of life as it grows and changes, honoring our sense of place and the 'Bozeman feel' as we plan for a livable, affordable, more connected city.



5) A Creative, Learning Culture. We expand learning, education, arts, expression and creativity for all ages.



6) A Sustainable Environment. We cultivate a strong environmental ethic, protecting our clean air, water, open spaces and climate, and promote environmentally sustainable businesses and lifestyles.



7) A High Performance Organization. We operate as an ethical, high performance organization anticipating future needs, utilizing best practices, and striving for continuous improvement.

FY2021 Goals

The Commission reviewed the five priorities from FY20 and added to addition priorities. The seven priorities guiding the FY21 budget are:

- Community Outreach
- Affordable Housing
- Planning & Land Use Initiatives
- Annexation Analysis & Study
- Parks Maintenance District
- Climate Action
- Tax Fairness and Affordability

Performance Measures

Specific Performance Measures are updated annually to compliment the budget. These measures help communicate trends and justify additional resources needed to maintain an acceptable level of service. Most charts include a “target” or “standard”, describing the overall goal or industry norm, respectively.

Extensive effort is made each year to identify relevant metrics to support decisions throughout the City’s budget process. At least three years of data is used to demonstrate trends in order to provide valuable context as it relates to an overall increase or decrease over time. Current fiscal year “Approved” figures represent previously adopted estimates, while future fiscal year “Recommended” figures represent estimates based on projected changes for the upcoming budget cycle.



Estimates for Fiscal Year 2021 (FY21) were established prior to the COVID-19 pandemic. Changes in both FY20 & FY21 projections are likely to be experienced across all Divisions. Measures that are at risk include a graphical footnote as a placeholder while a thorough effort is made over the coming year to analyze any impact.

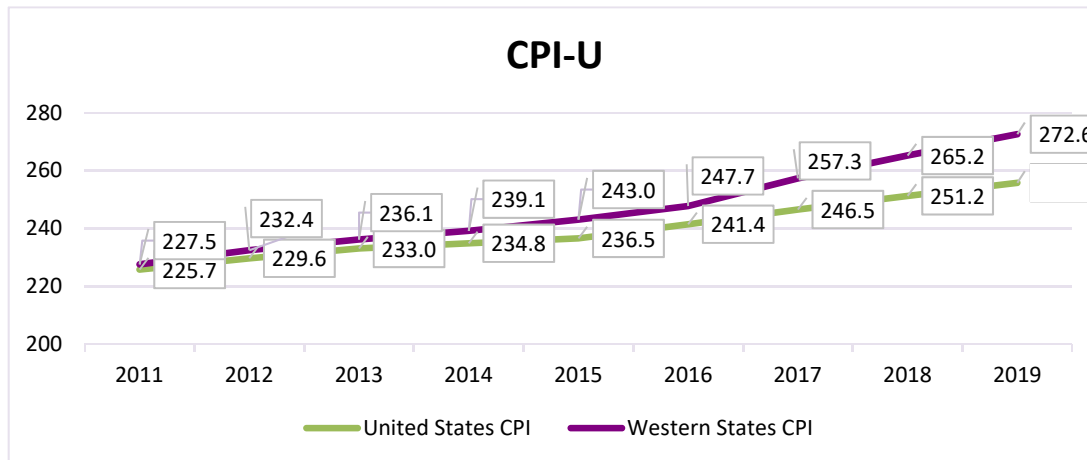
Budget metrics improve confidence in municipal management, ensuring that limited resources are focused on the most pressing issues, including ageing infrastructure and new growth.

FY2021 Economic Outlook

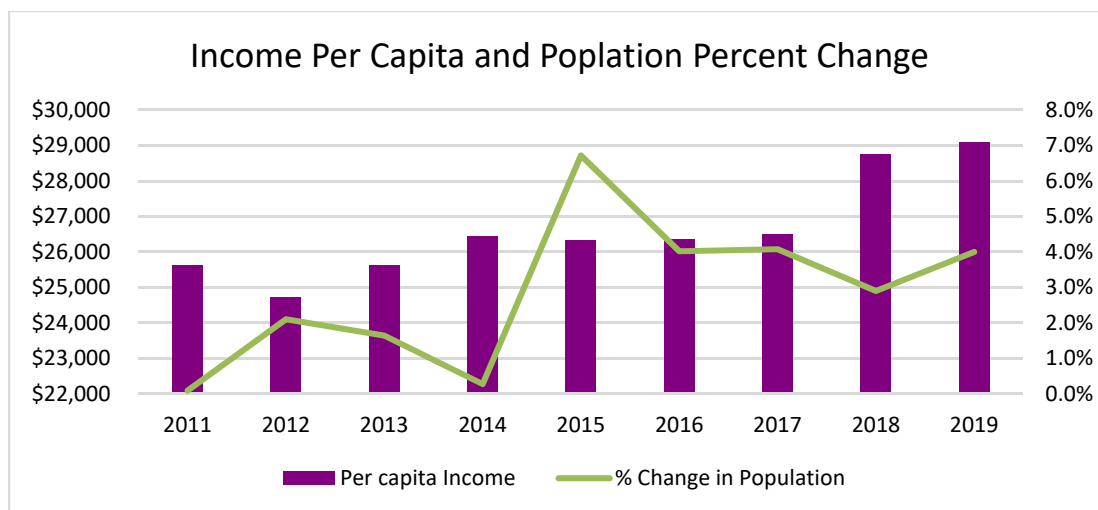
The population of the City has been growing over the last ten years. There were 245 new single family homes and 546 multi-family residential units built in Bozeman in 2019. This growth has increased the need for City services and infrastructure. Montana State University has seen a steady growth of enrollment over the last three years as well.

With the response to COVID-19 the United States’ (U.S.) economy has fallen into a recession and could fall into a depression. This economic downturn is unlike any other our economy has seen with its swift changes. As to what type of recession we will have has yet to be entirely predicted but is not expected to fall into a depression at this time. A recession more similar to the one the U.S. encountered in the 1950’s is predicted, where we would have a sharp downturn for the next several months, followed by rapid growth in early 2021. We could also be headed towards a recession, which follows the pattern of the Great Recession that started in 2008. This would be a result of drawn out response to COVID-19 that would increase the odds that the U.S. could have a much more severe recession, which lasts a long time with only slow growth on the rebound. For this budget we have estimated a u-shaped recovery.

The Consumer Price Index has grown over the last 10 years for the United States and particularly for the Western States. For FY19 the three year average change was 2.04% while the Western State CPI-U is showing 3.25% three year average change.



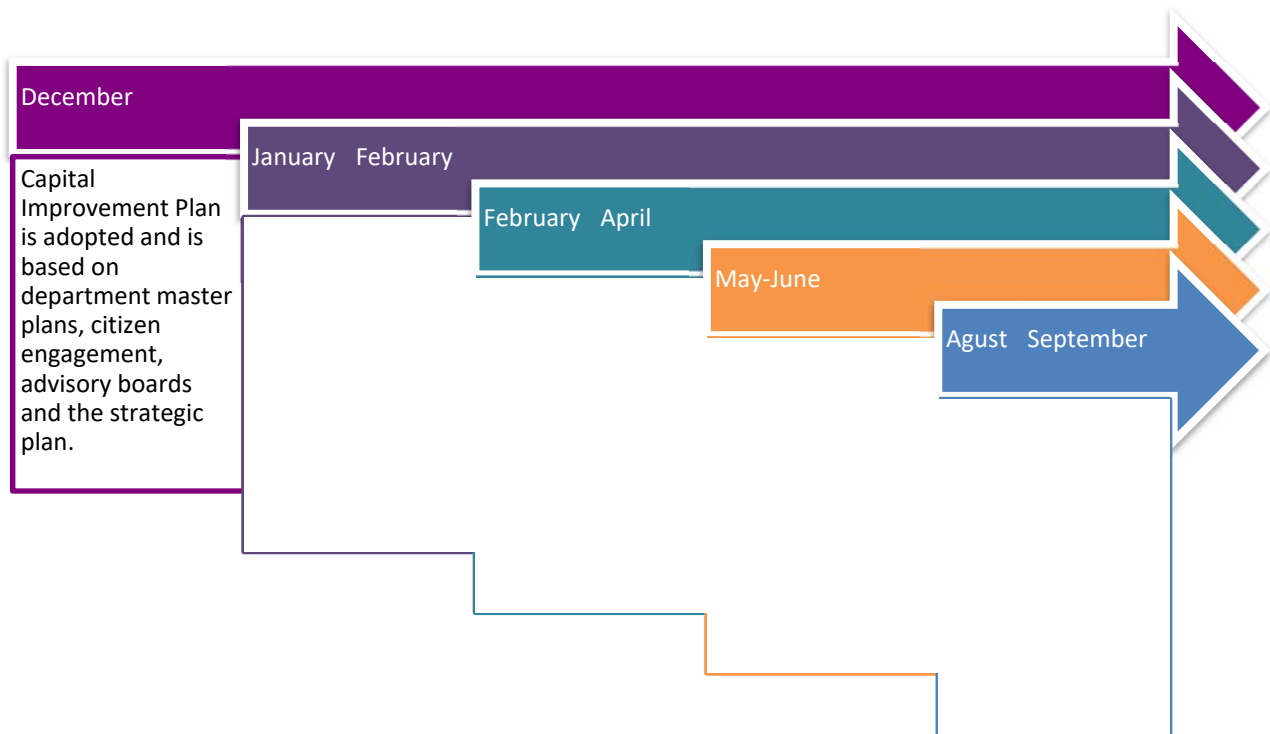
Before COVID-19 the unemployment rate is 2.4% and per capita income is \$29,097. The median home price for 2019 was \$429,000. The top three major employers are Bozeman Deaconess Hospital, Oracle America and Bozeman School District #7.



See Appendix A for more statistical details about the City's demographics and tax base.

Budget Process

The City plans for the long-term needs of our community through a number of efforts and studies. Consultants and staff, with numerous public hearings and advisory board meetings prior to their formal adoption by the Commission, usually develop these documents. Once adopted, we work diligently to implement the recommendations and changes outlined in the plans. The starting point is the Strategic Plan and then the other master plans that have been developed for each area of concern or study. Along with these documents, the capital improvement plan is used to budget for capital projects. The following chart outlines our process and timing for the budget:



Funding Structure

To better understand this budget document a basic understanding of the structure, often-used terms, and fund types is helpful. The City's operating expenditures are organized into the following hierarchical categories: Activities, Departments, Divisions, and Budget Units.

Activity: Activity represents the highest level of summarization used in the City's financial structure. This level is primarily used for entity-wide financial reporting and for summarization in this budget document.

Department: Department is the second level of summarization used in the City's financial structure. This function classification represents a grouping of related operations and programs aimed at accomplishing a broad goal or providing a major service.

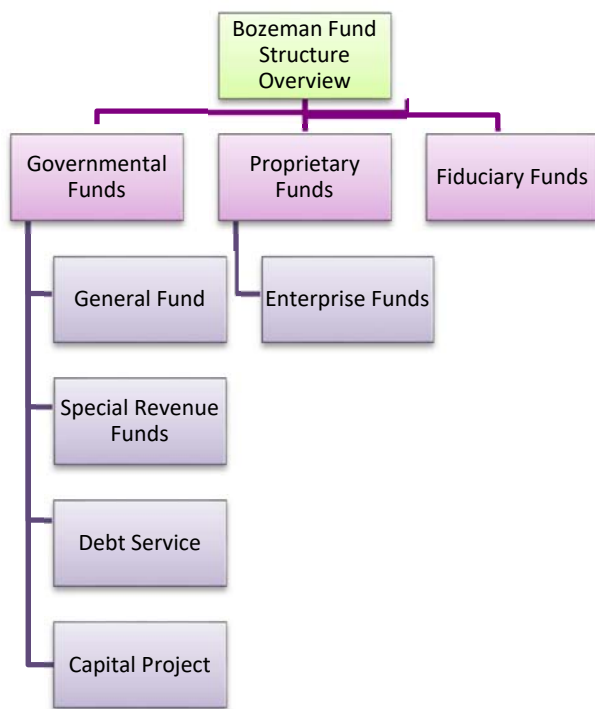
Division: Department can be further split into divisions, which are usually associated with functioning work groups that have more limited sets of work responsibilities. Their primary purpose is organizational and budgetary accountability.

Budget Unit: Divisions may be further subdivided into budget units. A budget unit is used to account for a specific service performed within a division in the pursuit of individual goals and objectives. A budget unit is aimed at accomplishing a specific service or regulatory program for which a government is responsible.

Funds:

The activities are funded through various means that are accounted for within specific funds. The City has a comprehensive fund plan for financial accounting in accordance with the provisions of the recommendations of the National Council on Governmental Accounting as outlined in their publication Governmental Accounting, Auditing, and Financial Reporting (GAAFR), which is the standard accounting guide for local governments.

Governmental funds are a group of funds that account for activities associated with the City's basic operations. This group of funds uses a modified accrual basis of accounting and focuses on operating revenues and expenditures.



General Fund: The General Fund is used to account for all financial resources of the City, except for those required to be accounted for in another fund. The General Fund supports such basic services as the Legislative Branch, Judicial Branch, General Administration, Police, Fire, Finance, Engineering, Recreation, and Library services. The City's General Fund is financed heavily by property taxes, which provide nearly half of the General Fund revenue.

Special Revenue Funds: Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditure for specific purposes.

Debt Service Funds: Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Capital Project Funds: Capital Project Funds are used to account for financial resources to be used for the acquisition

or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Fund Types

Proprietary funds are a group of funds that account for activities that are often seen in the private sector and are operated in a similar manner as in the private sector. This group of funds uses a full accrual basis of accounting and focuses on net income and capital maintenance.

Internal Service Funds: Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis.

Enterprise Funds: Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Fiduciary Fund Types

Fiduciary funds are trust and agency funds that account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds. These include expendable trust funds, non- expendable trust funds, pension trust funds, and agency funds.

Trust Funds: Trust Funds are used to account for assets held by a governmental unit in a trustee capacity. These include (a) expendable trust funds, (b) permanent trust funds, and (c) pension trust funds. Trust Funds are supported by donations and interest income.

Budget Policies

State statute provides the “Local Government Budget Act” in MCA 7-6-4001. This section of the law was adopted by the 2001 Legislature to replace the “Municipal Budget Law” and other various sections of code that related to city finances. See detailed Budget and Fiscal Policies in Appendix B. The law limits the amount of expenditures to recommended appropriations, requires reporting to the State after final budgets and tax levies are adopted, and provides for a detailed preliminary and final budget adoption within the confines of the State determined property tax assessment time-table. The Budget must be “balanced,” and the City can use fund balance as a resource to balance the budget. Fund balance should not be used as a long-term approach to balancing the budget. Planned uses of fund balances should be limited.

It is also appropriate to use fund balance when fund balances have increased beyond the reserve requirements due to higher than anticipated revenues. In this circumstance, the use of fund balances will be used for one-time expenditures, not ongoing operating costs. In all circumstances, it is important to retain sufficient undesignated fund balance for unforeseen circumstances. The City's budget encompasses both the operating budget and the capital improvement budget. Each budget unit includes amounts appropriated for both operating expenses and capital items

Basis of Budgeting

The basis of budgeting and accounting refers to when a transaction or related event is recognized in an agency's budget, or in the operating statement, both of which follow GAAP principles. All governmental funds (including the general, special revenue, debt service and capital projects funds) use modified accrual as both the basis of budgeting and for accounting/financial reporting. Under the modified accrual system, revenues are recognized in the accounting period in which they become “measurable and available.” “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property tax is reported as a receivable and deferred revenue when the levy is certified and as a revenue when due for collection in the subsequent year. An allowance for estimated uncollectible taxes is included in the estimated tax needed to balance the budget.

The basis of accounting for proprietary funds is full accrual, where revenues are recognized when earned and expenditures when they are incurred. The basis of budgeting for proprietary funds is full accrual with the exceptions of depreciation and amortization. For capital assets and capital purchases, funds are budgeted from a perspective of the actual cash outlay required (cash basis).

Financial and Reserve Policies

The following financial policies are established to provide direction in the fulfilling of duties and responsibilities for the City of Bozeman. The following is a summary of the policies that have a direct impact on the budget process; a complete listing of Fiscal Policies to be adopted with the budget are in Appendix B.

Long-range Planning

The City needs to have the ability to anticipate future challenges in revenue and expense imbalances so that corrective action can be taken before a crisis develops. To provide city officials with pertinent data to make decisions for multi-year policy direction, the Finance Director prepares revenue and expenditure forecasts. These forecasts will identify changes in revenue and expenditures due to projected new development in the City, program changes, collective bargaining agreements, asset replacement schedules and capital projects coming online.

Capital Planning, and Asset Inventory and Condition Assessment

The City annually prepares its Capital Improvement Program to plan capital projects and equipment needs for a five-year period. The plan is created on the fund basis and reviews all capital needs greater than \$10,000. The plan can be found on the city website.

Revenue Policies

The City values a diversified mix of revenue sources to mitigate the risk of volatility. The major source of revenue for the General Fund is property tax, which comprises 56% percent of total General Fund revenue in 2019. Since property values are impacted by the economy and housing market, it is important to make every effort to improve the diversity of the City's revenue sources. Tax dollars should support essential city services that benefit and are available to everyone in the community (such as parks, police and fire protection). For services that largely or solely benefit individuals, the City should recover full or partial costs of service delivery through user fees.

Use of One-time and Unpredictable Revenues - One-time revenues should be used only for one-time expenditures and not for ongoing expenditures. By definition, one-time revenues cannot be relied on in future budget years. Appropriate uses of one-time revenues include early debt retirement, capital expenditures that will reduce operating costs or address deferred capital needs, and special projects that will not incur ongoing operating costs.

Expenditure Policies

Expenses should always be for City operations and strategic goals. Department heads and the Finance Department monitor expenditures. All expenditures must comply with City laws, rules and regulations and have proper support and authorization.

Debt Capacity, Issuance and Management

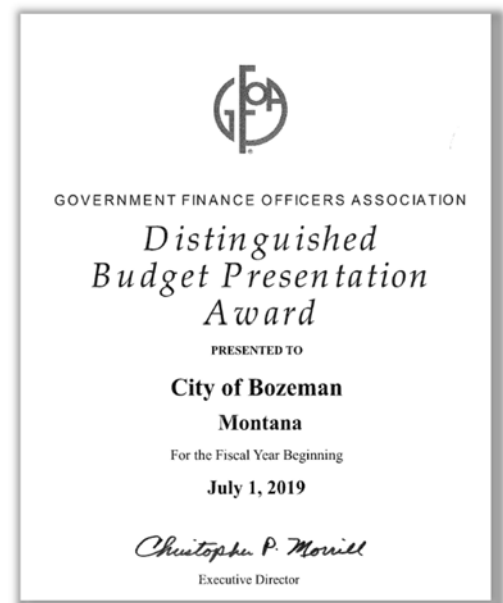
The City shall evaluate and consider the following factors in analyzing, reviewing and recommending the issuance of obligations before presenting a proposal to the Commission and voters as needed:

1. Purpose, feasibility and public benefit of the project
2. Impact on debt ratios generally applied by rating agencies
3. Availability of appropriate revenue stream(s)
4. Aggregate debt burden upon the City's tax base, including other entities' tax supported debt
5. Analysis of financing and funding alternatives, including available reserves from other City funds

Awards and Accomplishments

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the City of Bozeman for its annual budget for the fiscal year beginning July 1, 2019. The City has received this award for each budget it has prepared in the past 28 years.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.



FY 2021 Budget Summary

The City of Bozeman's Fiscal year 2021 is estimated to receive over \$121.4 million in revenue. FY21 Approved Budget appropriations are \$121.8 million. This will support 460.11 full-time equivalent employees and \$20.7 million in capital spending. Major changes to the FY21 budget are listed below:

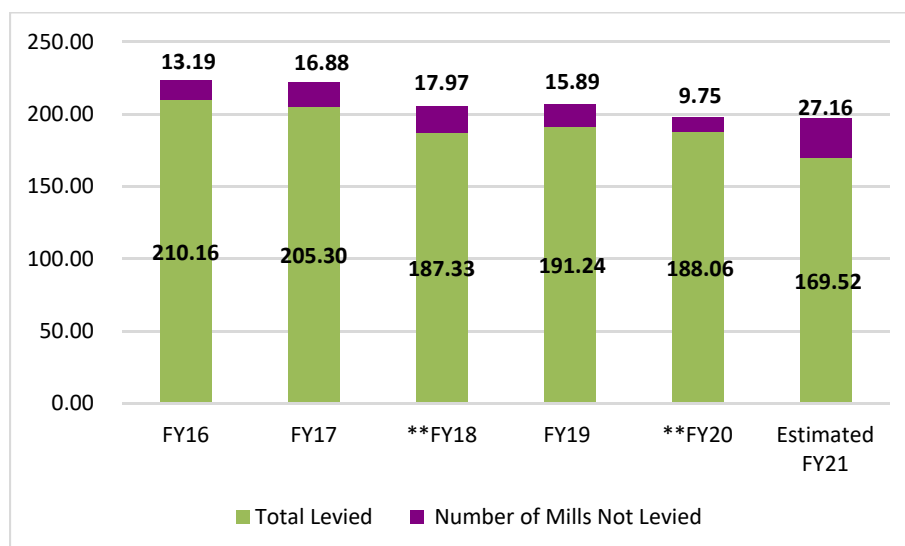
- COVID-19 has impacts in the reduction of Gas tax dollar (special revenue fund) and charges for services in many of our funds. We have kept our estimates conservative assuming a u-shaped recession and recovery.
- Parks & Trails District has been created adding a special revenue fund and a new assessment
- First full payment of Bozeman Public Safety Center Bonds.

FY 2021 Financial Summary

Financial Summary- Approved Budget Fiscal Year 2020 -2021								
	General Fund	Special Revenue	Debt Service	Construction Projects	Enterprise	Internal Service	Permanent	All Funds
Projected Beginning Fund Balance/Working Capital	\$ 7,439,729	\$21,342,345	\$ 8,627,366	\$ -	\$23,419,044	\$ 1,369,836	\$ 1,532,341	\$63,730,662
Estimated Revenues	32,858,963	32,570,838	4,738,910	2,621,807	38,492,610	10,101,796	100,500	121,485,424
Less Appropriations	34,817,091	36,486,011	5,542,649	2,250,000	32,443,299	10,291,960	-	121,831,010
Increase/(Decrease) in Fund Balance/Working Capital	(1,958,128)	(3,915,173)	(803,739)	371,807	6,049,311	(190,164)	100,500	(345,586)
Projected Ending Fund Balance/Working Capital	\$ 5,481,601	\$17,427,172	\$ 7,823,627	\$ 371,807	\$29,468,355	\$ 1,179,672	\$ 1,632,841	\$63,385,076

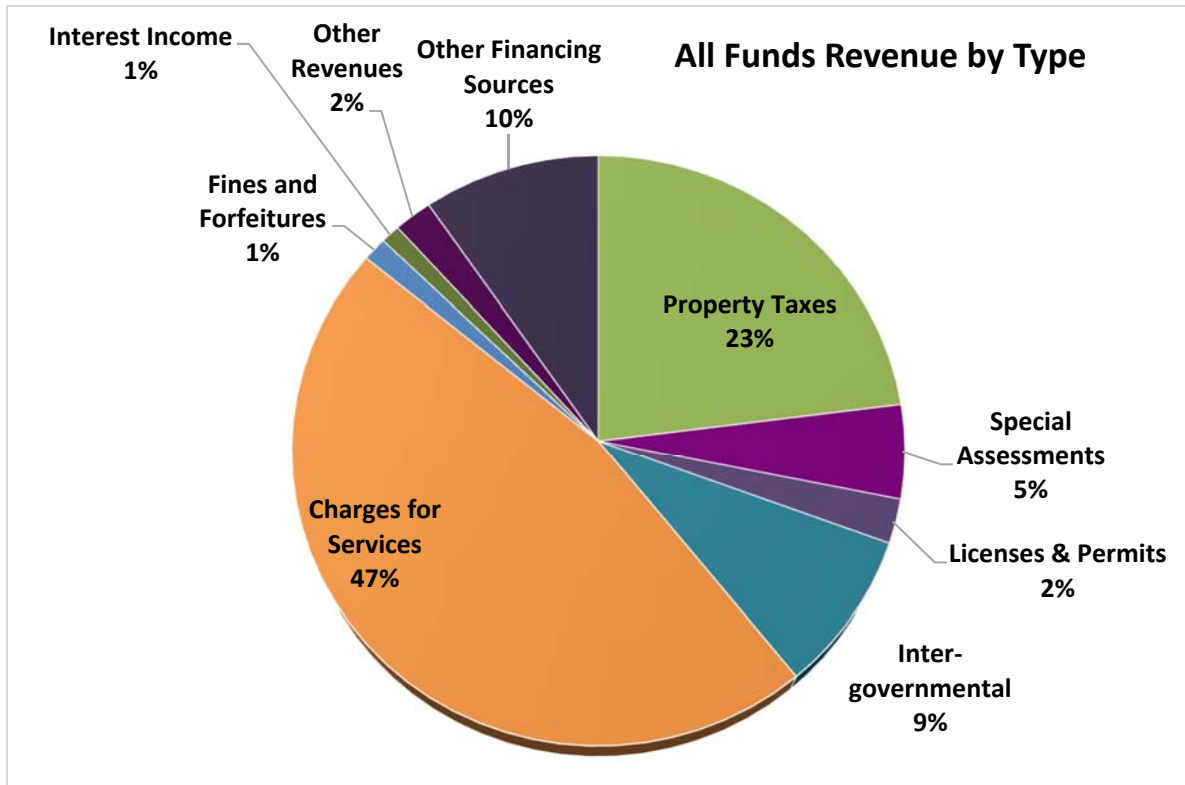
FY2021 Estimated Mill Levies and Values

MILL LEVIES & MILL VALUES													
FISCAL YEAR		FY16		FY17		**FY18		FY19		**FY20		Estimated FY21	
MILL VALUE (net of TIFD's)		\$	86,564	\$	89,325	\$	101,195	\$	104,321	\$	125,423	\$	129,408
PERCENTAGE CHANGE			-1.5%		3.2%		13.3%		3.1%		20.2%		3.2%
GENERAL FUND:													
All-Purpose			155.78		148.21		134.39		139.69		124.79		106.18
SPECIAL REVENUE:													
City Planning			2.00		2.00		2.00		2.00		2.00		2.00
Health/Med Insurance			27.11		26.40		24.48		25.44		22.45		21.40
Fire Capital & Equipment			4.00		4.00		4.00		4.00		4.00		4.00
Transfer to Stormwater - Landfill Project			1.62		1.56		1.38		0.71		0.71		0.77
Transfer to Landfill Closure - Monitoring			-		4.00		3.67		2.38		2.47		2.40
Senior Transportation			1.00		1.00		1.00		1.00		1.00		1.00
Community Housing			3.00		3.00		3.00		3.00		5.00		3.00
TOTAL SPECIAL REVENUE			38.72		41.96		39.53		38.53		37.63		34.56
DEBT SERVICE:													
BPSC GO Bonds			-		-		-		-		14.87		18.33
Park & Trail G.O.Bonds			12.49		12.06		10.68		10.38		8.58		8.32
Library G.O. Bonds			3.16		3.07		2.73		2.64		2.20		2.13
TOTAL DEBT SERVICE			15.65		15.13		13.41		13.02		25.64		28.78
Total Levied			210.16		205.30		187.33		191.24		188.06		169.52
Percentage Change in Mills			12.4%		-2.6%		-8.6%		1.9%		-1.7%		-9.7%
Property Taxes Levied		\$	18,191,892	\$	18,338,501	\$	18,956,859	\$	19,950,675	\$	23,587,322	\$	21,937,686
Percentage Change in Dollars			9.7%		0.8%		3.4%		5.2%		18.2%		-7.0%
These funds are being combined into the All Purpose Levy. They are all subject to MCA 15-10-420.													
Tax Authority Authorized but Not Levied													
General Fund Reduction		\$	363,096	\$	703,800	\$	907,719	\$	718,772	\$	94,015	\$	1,826,170
Capacity for future operations at BPSC												\$	524,102
911 Mills (Resolution No. 3954)		\$	779,076	\$	803,925	\$	910,755	\$	938,889	\$	1,128,807	\$	1,164,672
Total Authorized But Not Levied		\$	1,142,172	\$	1,507,725	\$	1,818,474	\$	1,657,661	\$	1,222,822	\$	3,514,945
Number of Mills Not Levied			13.19		16.88		17.97		15.89		9.75		27.16
Maximum Levy Allowed			223.35		222.18		205.30		207.13		197.81		196.69
** Assessment Year of the two year cycle													

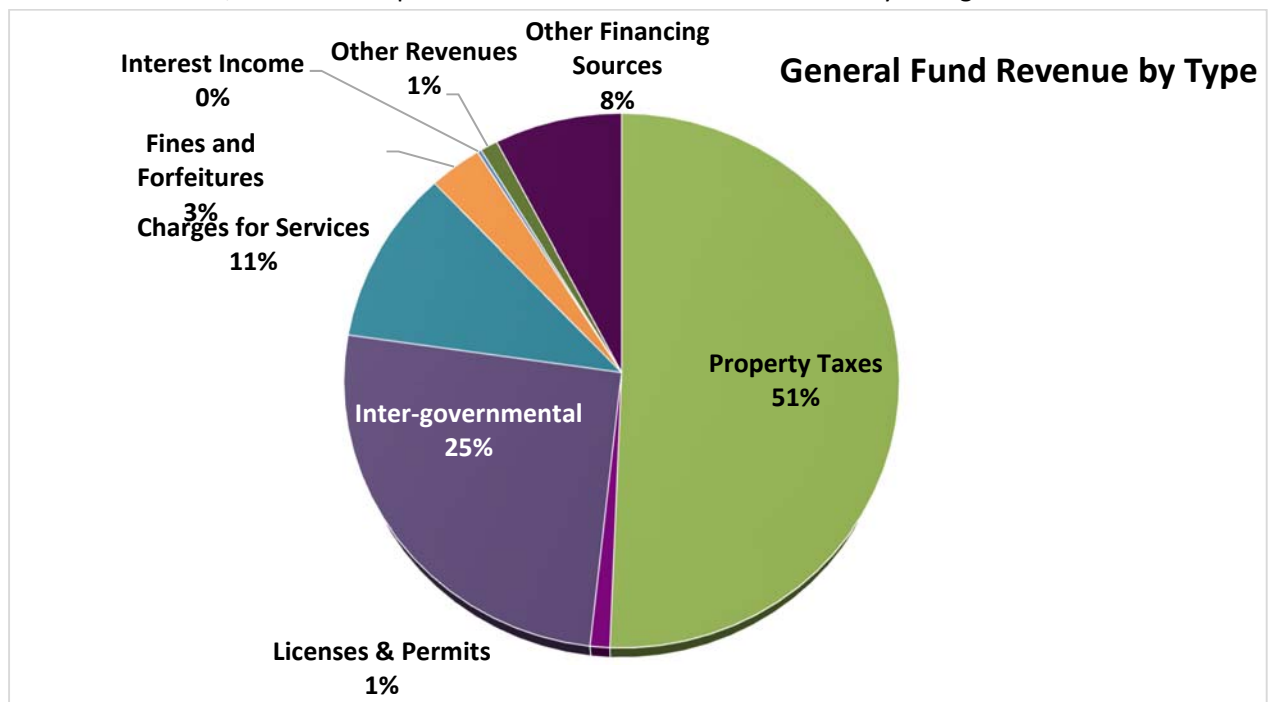


FY2021 Revenues

Overall, revenues are estimated at \$121.4 million, a \$64 million decrease or 34%, over the prior year. The large difference is mainly due to the bond issuance for the Bozeman Public Safety Center, along with water and sewer capacity projects being funded through financing that occurred in FY20. Charges for services make up 47% of revenues, followed by taxes at 23%.

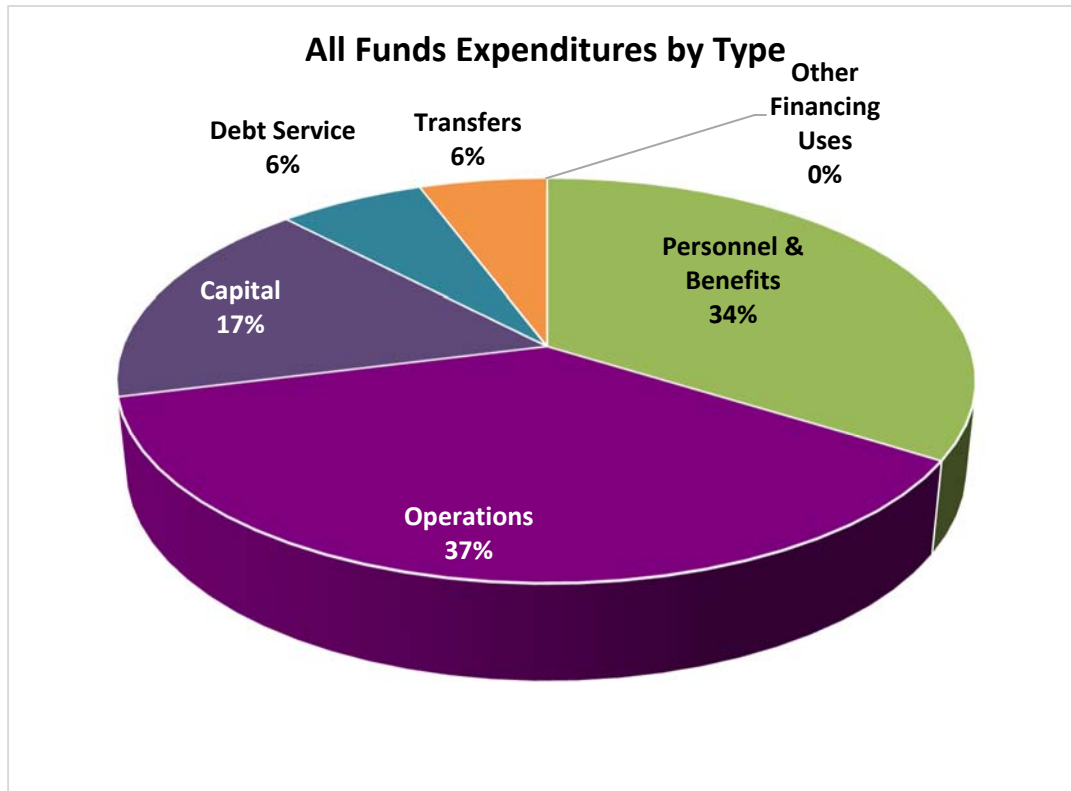


For the **General Fund**, taxes make up 51% of the revenue sources followed by intergovernmental revenue.

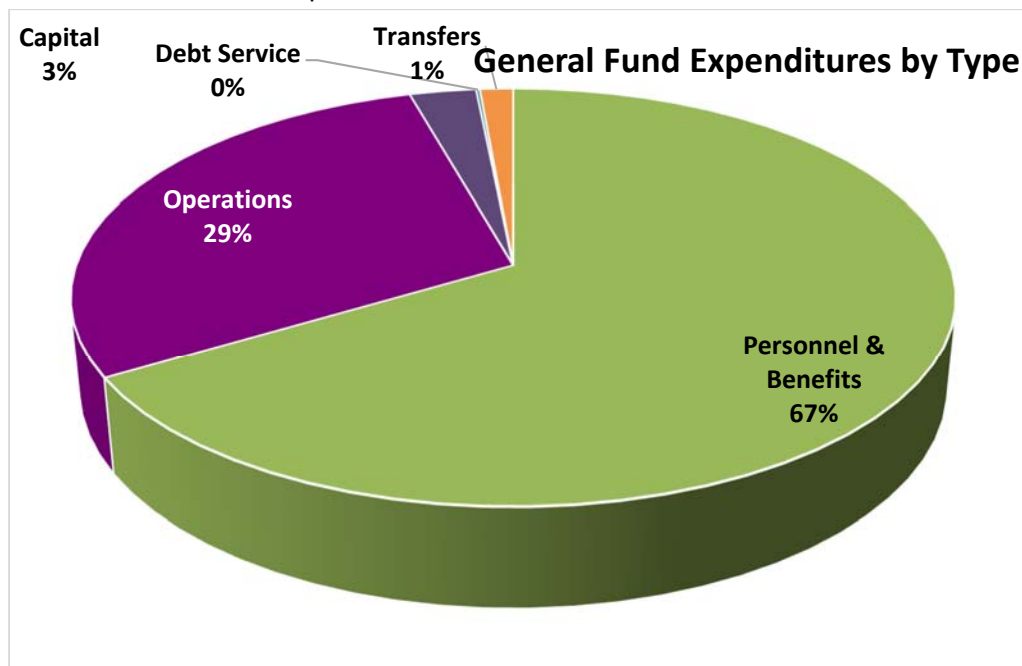


FY2021 Appropriations

Expenditures, often called “Appropriations,” are classified under one of six major categories: Personnel & Benefits, Operating Expense, Capital, Debt Service, Transfers, and Other Financing Uses. The graph below shows the relative percentage of the FY21 budget expenditures for all funds. Operations makes up 37%, followed by Personnel at 34% and Capital at 17%.



In general, governmental agencies see their largest percentage of expenditures as personnel. With our growing City, there is a need for more infrastructure spending. The **General Fund** personnel expenses are a much higher percentage, at 67%. There are fewer capital items in the General Fund than all the funds as a whole.



FY2021 Changes in Fund Balance/Working Capital

CHANGES IN FUND BALANCE/WORKING CAPITAL				
	Fiscal Year Projected Fund Balance/Working Capital	Estimated Revenues	Appropriations	Budgeted Ending Fund Balance/Working Capital
General Fund				
10 General Fund	7,439,729	32,858,963	34,817,091	5,481,601
Special Revenue Funds				
100 Planning Fund	1,735,841	1,643,654	2,545,583	833,912
103 Health-Medical Insurance	602,764	2,768,752	2,768,752	602,764
108 Community Transportation	18,008	900	5,000	13,908
109 Highway Safety Improvement Projects	23,706	200	-	23,906
110 Gas Tax Apportionment	1,244,472	1,165,000	2,344,500	64,972
111 Street Maintenance District	180,928	6,776,156	6,473,105	483,979
112 Tree Maintenance	411,878	818,252	777,909	452,221
113 Fire Impact Fee	3,108,066	470,000	22,500	3,555,566
114 Street Impact Fee	2,698,630	4,061,000	6,230,001	529,629
115 Building Inspection Special Revenue	1,197,080	2,070,600	3,217,852	49,828
116 Downtown Improvement District	1,885,421	2,026,653	2,026,653	1,885,421
119 Economic Development Loan Fund	823,034	50,000	31,000	842,034
120 Community Housing	880,251	972,252	1,024,705	827,798
121 Housing Revolving Loan Fund	2,426	1,195	-	3,621
123 Big Sky Ec Dev Grant	-	50,000	50,000	-
125 Drug Forfeiture	5,448	248,344	251,960	1,832
128 Fish Wildlife And Park Management Areas	13,186	200	2,000	11,386
130 Americans With Disability Act	37,309	500	-	37,809
131 Beautification of Bozeman	1,042	15	-	1,057
132 Bogert Park Special Revenue	18,479	2,750	5,000	16,229
133 Recreation Department Special Revenue	13,913	2,075	-	15,988
135 Cemetery Department Special Revenue	2,515	30	-	2,545
136 Park Department Special Revenue	5,281	2,250	-	7,531
137 Library Department Special Revenue	(10,596)	20,000	-	9,404
138 Law & Justice Center	274,125	-	19,125	255,000
139 Police Department Special Revenue	237,766	15,000	40,000	212,766
140 Police Domestic Violence	-	187,040	187,040	-
141 Street Arterial Construction	415,959	2,253,473	1,588,500	1,080,932
143 TIF Midtown (formerly N7th)	1,600,000	1,164,755	1,164,755	1,600,000
144 TIF NE Urban Renewal	320,000	273,201	273,201	320,000
145 TIF Mandeville Industrial	90,680	25,000	-	115,680
Various Lighting Dist.'s (146-170, 181, 182, 200-243)	483,368	475,883	528,934	430,317
174 Victim Witness Advocate	405,098	73,500	90,000	388,598
175 Senior Transportation	4,822	129,658	129,408	5,072
176 Business Improvement District	4,467	175,750	175,750	4,467
177 Neighborhood Associations	1,020	10	-	1,030
178 Veteran's Treatment Court	52,283	145,740	195,409	2,614
179 Disaster Relief Fund	1,335,117	11,000	-	1,346,117

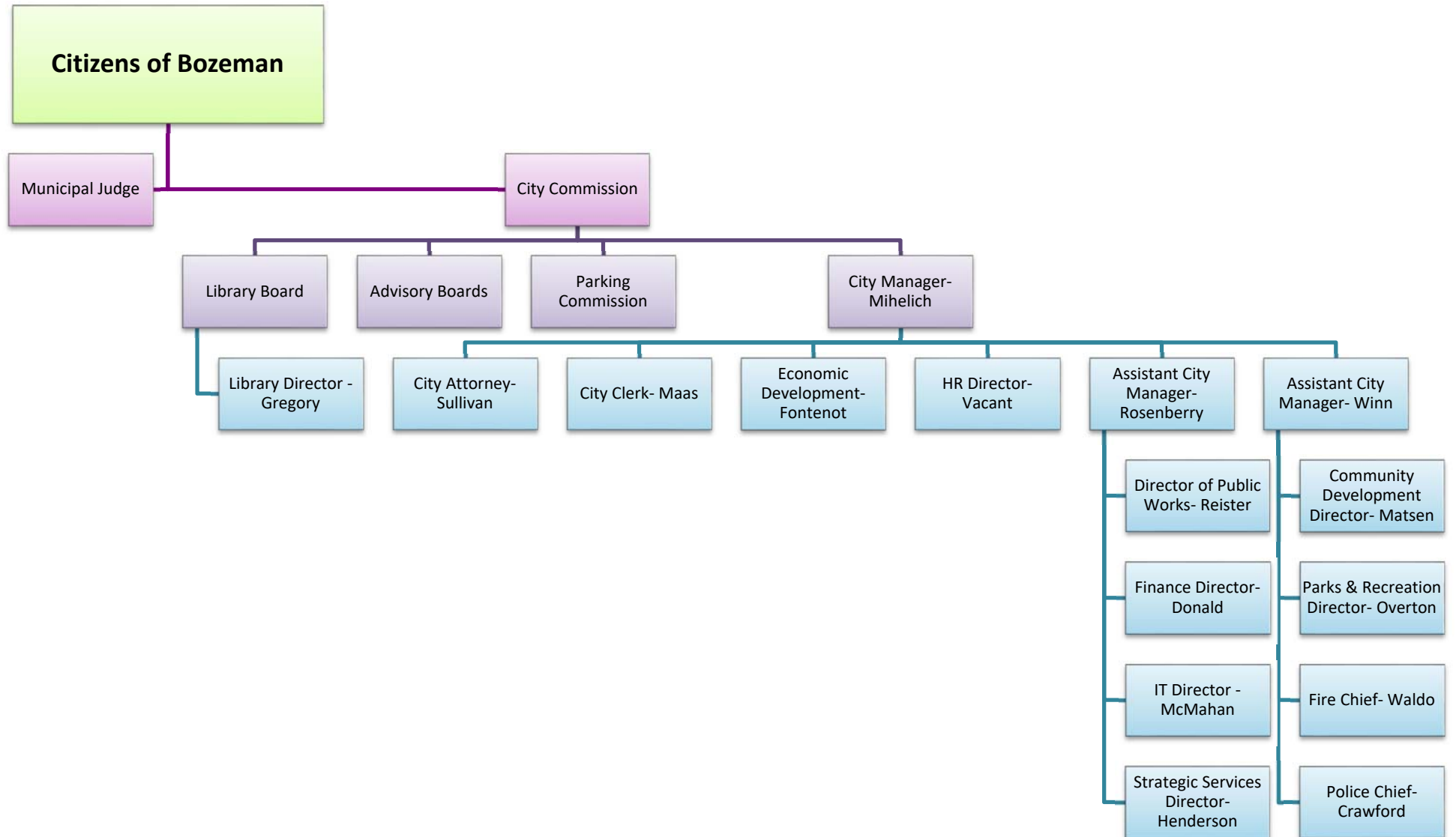
CHANGES IN FUND BALANCE/WORKING CAPITAL				
	Fiscal Year Projected Fund Balance/Working Capital	Estimated Revenues	Appropriations	Budgeted Ending Fund Balance/Working Capital
183 Fire Department Special Revenue	40,636	4,000	10,000	34,636
184 Parks Master Plan Develop	17,015	-	5,000	12,015
186 Development Impacts	145,705	1,500	5,000	142,205
187 Fire Department Equipment	70,561	522,632	477,500	115,693
188 City/County Drug Forfeiture	134,578	1,300	-	135,878
189 Story Mansion Special Revenue	1,606	35,000	35,048	1,558
193 Street Maintenance - Babcock SID	10,581	2,650	-	13,231
194 Street Maintenance - Durston SID	141,513	4,450	-	145,963
195 Parks & Trails District	-	3,716,407	3,632,174	84,233
196 COOCLI Grant	-	96,611	96,647	(36)
199 Sports Park	-	51,000	51,000	-
850 Park Land - Cash in Lieu	656,367	54,500	5,000	705,867
Total Special Revenue Funds	21,342,345	32,570,838	36,486,011	17,427,172
Debt Service Funds				
300 Special Improvement District Revolv. Fund	2,651,562	55,000	1,313,160	1,393,402
303 G.O. Refunding Series 2012	131,622	275,400	275,400	131,622
304 Park & Trails Bond	-	1,076,463	1,076,463	-
305 TIF 2007 Downtown Bonds	-	332,448	332,448	-
307 Bozeman Public Safety Center - GO Bonds	30,000	2,372,450	2,372,450	30,000
310-448 SID Funds	5,814,182	501,353	46,932	6,268,603
450 Sports Park Loan	-	125,796	125,796	-
Total Debt Service Funds	8,627,366	4,738,910	5,542,649	7,823,627
Construction Funds				
500's Capital Projects	-	2,621,807	2,250,000	371,807
Enterprise Funds				
600 Water	10,793,530	11,848,976	10,355,250	12,287,256
610 Water Impact Fee - Net Assets	1,423,503	1,965,831	1,561,291	1,828,043
620 Waste Water	3,915,993	10,363,430	10,682,441	3,596,982
630 Waste Water Impact Fee - Net Assets	3,768,547	6,500,674	1,508,452	8,760,769
640 Solid Waste	1,822,704	4,750,631	4,943,893	1,629,442
641 Landfill Post-Closure & Monitoring	62,209	312,000	310,000	64,209
650 Parking Enterprise	1,108,311	1,147,840	1,228,464	1,027,687
670 Storm Water	524,247	1,603,228	1,853,508	273,967
Total Enterprise Funds	23,419,044	38,492,610	32,443,299	29,468,355
Internal Service Funds				
710 Vehicle Maintenance Shop	362,173	1,415,728	1,444,636	333,265
720 Health-Medical Self-Insurance Fund	405,290	5,044,794	5,044,794	405,290
750 Public Works Administration	602,373	3,641,274	3,802,530	441,117
Total Internal Service Funds	1,369,836	10,101,796	10,291,960	1,179,672
Permanent Funds				
800 Cemetery Perpetual Care	1,532,341	100,500	-	1,632,841
Total All Funds	63,730,662	121,485,424	121,831,010	63,385,076

FY2021 Staffing Changes

We strive to maintain service levels with our growing community. We have a strategic approach to staffing using a three-year staffing plan to address our staffing needs on a citywide level. We are adding Parks staff for the new district and Public Works for level of service.

FTE Summary By Department				
	FY19	FY20	Approved Changes FY21	FY21 Total
General Government				
City Commission	2.10	2.10	-	2.10
City Manager	9.00	9.00	-	9.00
Municipal Court	9.50	9.60	0.38	9.98
City Attorney	10.70	12.70	-	12.70
Finance	14.00	14.00	1.00	15.00
Community Development	14.25	14.25	1.00	15.25
Facilities Management	5.00	5.00	1.00	6.00
Information Technology	7.00	7.00	-	7.00
Human Resources	5.00	5.00	-	5.00
	76.05	78.15	3.38	82.03
Public Safety				
Police	74.55	75.55	1.40	76.95
Fire	47.00	50.00	-	50.00
Building Inspection	19.75	19.75	-	19.75
Parking	6.00	6.00	-	6.00
	147.30	151.30	1.40	152.70
Public Services				
Public Works Administration	16.25	18.25	4.00	22.25
Streets	21.35	22.30	-	22.30
Stormwater	7.50	8.50	1.00	9.50
Water	26.45	27.65	1.50	29.15
Wastewater	28.55	29.55	0.50	30.05
Solid Waste Collection/Recycling	17.15	18.75	1.00	19.75
Vehicle Maintenance	7.50	8.50	-	8.50
	124.75	133.50	8.00	141.50
Public Welfare				
Parks	13.85	13.85	5.90	19.75
Recreation	21.90	21.90	-	21.90
Cemetery	4.55	4.55	-	4.55
Forestry	6.65	6.65	-	6.65
Library	25.78	25.78	0.75	26.53
Economic Development	2.00	3.00	-	3.00
Sustainability	1.50	1.50	-	1.50
	84.98	85.98	6.65	83.88
Total Employees	433.08	448.93	19.43	460.11
Net FTE % Increase From Previous Year		3.66%		4.33%

Organizational Chart





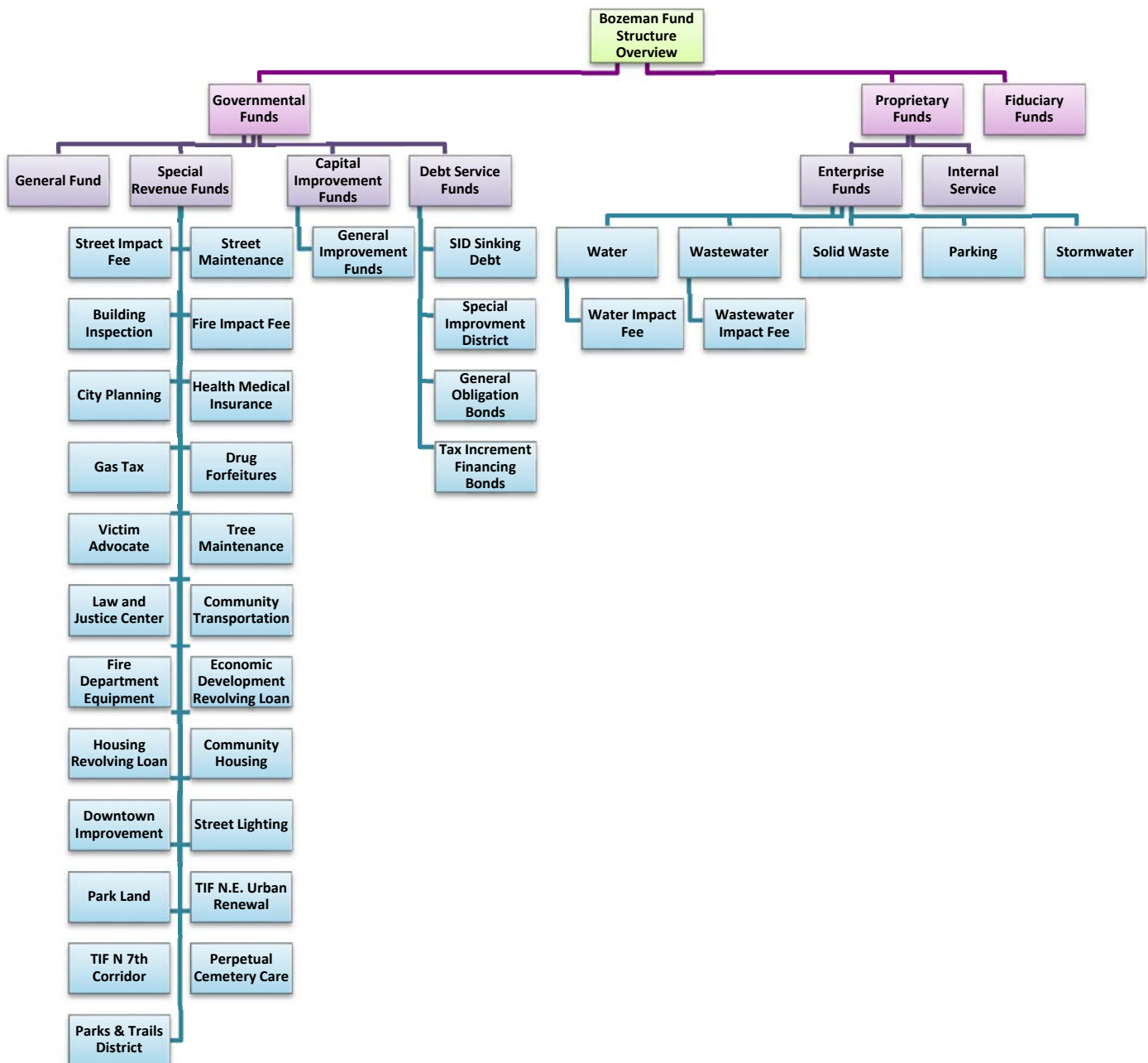
Fund Summaries



Fund Summaries

The purpose of fund summaries is to capture and detail the financial condition of each City fund. A fund summary provides information on revenues, expenditures and ending funds available. In addition, it functions as a planning mechanism, as it allows expenditures to be matched to available revenues and/or fund balance. Fund summaries also identify components of funds available and anticipated uses. It is important to note that sources and uses are always balanced because a fund's sources either are expended, become restricted, committed or assigned, or become unrestricted (unreserved or undesignated) funds available.

City funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. By maintaining separate funds, the City is able to comply with laws that require certain money to be spent for specific purposes.



Summary of all Fund Revenues by Type

City of Bozeman Revenues: All Funds	Property Taxes	Special Assessments	Licenses & Permits	Inter-governmental	Charges for Services	Fines and Forfeitures	Interest Income	Other Revenues	Other Financing Sources	TOTAL
010 - General Fund	\$ 16,230,541		\$ 371,900	\$ 8,591,802	\$ 3,573,896	\$ 1,070,000	\$ 80,000	\$ 354,890	\$ 2,585,934	\$ 32,858,963
100 - Community Development/Planning	258,516			115,766	879,600		10,000	217,598	162,174	1,643,654
103 - Health-Medical Insurance	2,768,752									2,768,752
108 - Community Transportation							900			900
109 - Highway Safety Improvement Projects							200			200
110 - Gas Tax				1,160,000			5,000			1,165,000
111 - Street Maintenance			18,000		6,658,156		10,000	40,000	50,000	6,776,156
112 - Tree Maintenance					806,252		4,000	8,000		818,252
113 - Fire Impact Fee					450,000		20,000			470,000
114 - Street Impact Fee					4,000,000		60,000	1,000		4,061,000
115 - Building Inspection Fund			2,050,000		600		20,000			2,070,600
116 - TIFD Downtown Improvement	1,919,863			56,050			50,740			2,026,653
119 - Economic Development Loan									50,000	50,000
120 - Community Housing Fund	388,224						5,000	579,028		972,252
121 - Housing Revolving Loan							20	1,175		1,195
123 - Big Sky Econ. Development Grant								50,000		50,000
125 - Drug Forfeiture Fund				118,000		60,000	700		69,644	248,344
128 - Fish Wildlife & Park Mgmt							200			200
130 - Americans with Disability							500			500
131 - Beautification of Bozeman							15			15
132 - Bogert Park Special Revenue							250	2,500		2,750
133 - Recreation Special Revenue							75	2,000		2,075
135 - Cemetery Special Revenue							30			30
136 - Park Special Revenue							50	2,200		2,250
137 - Library Special Revenue							-	20,000		20,000
139 - Police Special Revenue							2,500	12,500		15,000
140 -Police Domestic Violence				187,040						187,040
141 - Street Arterial Construction		1,442,306					7,000	304,167	500,000	2,253,473
143 - TIF N 7th Corridor	1,089,328			37,927			37,500		-	1,164,755
144 - TIF NE Urban Renewal District	268,847			1,354			3,000			273,201
145 - TIF Mandeville Farm Industrial	25,000									25,000
146 - 170;181;182; 200 -241 - Lighting Districts		475,883								475,883
174 - Victim/Witness Advocate						70,000	3,500			73,500
175 - Senior Transportation	129,408						250			129,658

City of Bozeman Revenues: All Funds	Property Taxes	Special Assessments	Licenses & Permits	Inter-governmental	Charges for Services	Fines and Forfeitures	Interest Income	Other Revenues	Other Financing Sources	TOTAL
176 - BID Downtown Improv Dist							-	750	175,000	175,750
177 - Neighborhood Association							10			10
178 - Veteran's Treatment Court				107,240				2,500	36,000	145,740
179 - Disaster Relief							11,000			11,000
183 - Fire Department Special Revenue							1,000	3,000		4,000
186 - Development Impacts							1,500			1,500
187 - Fire Dept Equipment	517,632						5,000			522,632
188 - City/County Joint Forfeiture							1,300			1,300
189 - Story Mansion Special Revenue					35,000					35,000
193 - Street Maintenance - Babcock SID							650	2,000		2,650
194 - Street Maintenance - Durston SID							500	3,950		4,450
195- Parks & Trails Distritc		3,713,907					2,500			3,716,407
196- COOCLI Grant				96,611						96,611
199- Sports Park								51,000		51,000
850 - Cash in Lieu of Parkland							4,500	50,000		54,500
300 - SID Revolving Fund							50,000	5,000		55,000
303 - G.O. Refunding Series 2012	275,400									275,400
304 - Parks & Open Space Bond	1,076,463									1,076,463
305 - 2007 Downtown TIF Bonds									332,448	332,448
307 - BPSC GO Bonds	2,372,450								-	2,372,450
310-447- SID Funds		376,127					28,345	96,881		501,353
450 - Sports Park Loan		125,796								125,796
500-566 - Construction Funds							534,000		2,087,807	2,621,807
600 - Water Fund				1,500	10,952,476		160,000	135,000	600,000	11,848,976
610 - Water Impact Fee					1,925,831		40,000			1,965,831
620 - Waste Water Fund				35,000	10,248,430		80,000	-		10,363,430
630 - Waste Water Impact Fee					1,280,674		20,000		5,200,000	6,500,674
640 - Solid Waste Fund					4,717,422		7,275	25,934		4,750,631
641 - Landfill Closure Costs							2,000	310,000		312,000
650 - Parking Fund			532,500		30,000	408,000	5,000	172,340		1,147,840
670 - Storm Water Fund					1,497,228		6,000	100,000		1,603,228
710 - Vehicle Maintenance					1,414,978		250		500	1,415,728
720 - Health-Medical Insurance					5,044,794					5,044,794
750 - Public Works Administration					3,641,274				-	3,641,274
800 - Cemetery Perpetual Care					90,500		10,000			100,500
	\$ 27,320,424	\$ 6,134,019	\$ 2,972,400	\$ 10,508,290	\$ 57,247,111	\$ 1,608,000	\$ 1,292,260	\$ 2,553,413	\$ 11,849,507	\$ 121,485,424
% of Total	22%	5%	2%	9%	47%	1%	1%	2%	10%	100%

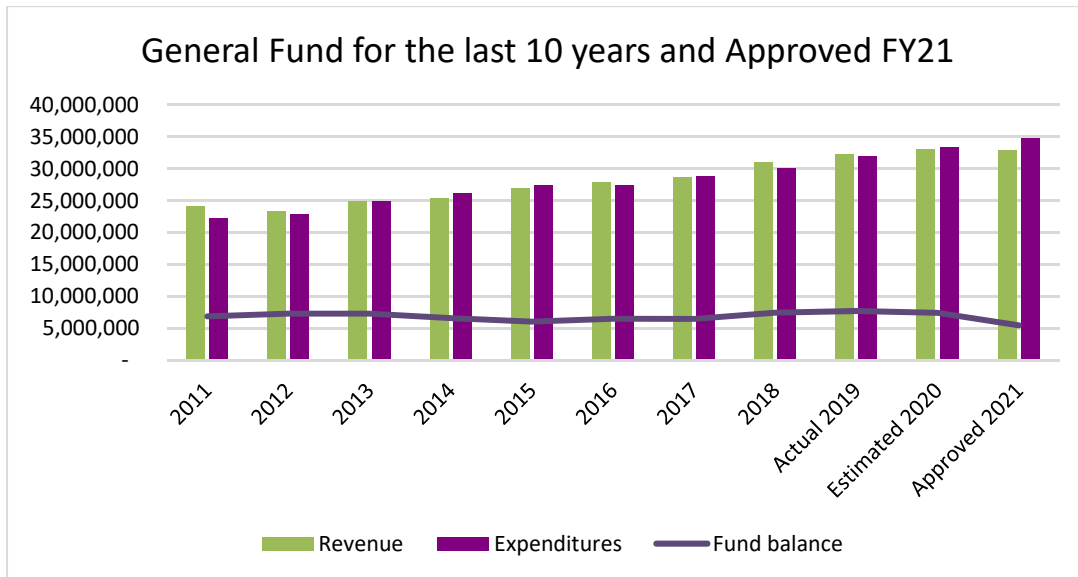
Summary of all Fund Expenditures by Type

City of Bozeman Expenditures: All Funds	Personnel & Benefits	Operations	Capital	Debt Service	Transfers	Other Financing Uses	TOTAL
010 - General Fund	\$ 22,992,981	\$ 10,372,359	\$ 857,364	\$ 54,387	\$ 540,000		34,817,091
100 - Community Development/Planning	1,629,272	793,640	122,671				2,545,583
103 - Health-Medical Insurance					2,768,752		2,768,752
108-Community Transportation			5,000				5,000
110 - Gas Tax		1,844,500			500,000		2,344,500
111 - Street Maintenance	1,829,674	2,765,984	842,000	310,800	724,647		6,473,105
112 - Tree Maintenance	481,089	296,820					777,909
113 -Fire Impact Fee		22,500					22,500
114 - Street Impact Fee		200,001	6,030,000				6,230,001
115 - Building Inspection Fund	2,002,912	862,925	352,015				3,217,852
116 - TIFD Downtown Improvement	21,741	1,672,464			332,448		2,026,653
119 - Economic Development Loan		31,000					31,000
120 - Community Housing Fund	88,705	936,000					1,024,705
123 - Big Sky Ec Dev Fund		50,000					50,000
125 - Drug Forfeiture Fund	244,060	7,900					251,960
128 - Fish Wildlife & Park Mgmt		2,000					2,000
132 - Bogert Park Special Revenue		5,000					5,000
138 - Law & Justice Center		19,125					19,125
139 - Police Special Revenue Fund		40,000					40,000
140 -Police Domestic Violence		187,040					187,040
141 - Street Arterial Construction		138,500	1,450,000				1,588,500
143 - TIF N 7th Corridor	69,284	1,095,471			-		1,164,755
144 - TIF NE Urban Renewal District	9,100	172,101		92,000	-		273,201
146 - 170;181;182; 200 -241 - Lighting Districts		503,414			25,520		528,934
174 - Victim/Witness Advocate		90,000					90,000
175 - Senior Transportation		129,408					129,408
176 - BID Downtown Improv Dist		175,750					175,750
178 - Veteran's Treatment Court	54,064	141,345					195,409

City of Bozeman Expenditures: All Funds	Personnel & Benefits	Operations	Capital	Debt Service	Transfers	Other Financing Uses	TOTAL
183 - Fire Dept Special Revenue		10,000					10,000
184- Parks Master Plan/Improvement Grants		5,000					5,000
186 - Development Impacts		5,000					5,000
187 - Fire Dept Equipment			427,500		50,000		477,500
189 - Story Mansion Special Revenue		35,048					35,048
195- Parks & Trails District	1,501,072	1,918,102	213,000				3,632,174
196- COOCLI Grant	42,557	54,090					96,647
199 - Sports Park		51,000					51,000
850- Cash In Lieu of Parkland		5,000					5,000
300 - SID Revolving Fund					1,313,160		1,313,160
303 - G.O. Refunding Series 2012				275,400			275,400
304 - Bond S & I Parks & Open Space Bond				1,076,463			1,076,463
305 - 2007 Downtown TIF Bonds				332,448			332,448
307- BPSC GO Bonds				2,372,450			2,372,450
310-447- SID Funds				46,932			46,932
450 - Sports Park Loan				125,796			125,796
500-566 - Construction Funds			2,250,000				2,250,000
600 - Water Fund	2,291,020	4,790,600	2,105,500	1,168,130			10,355,250
610 - Water Impact Fee		96,291	865,000		600,000		1,561,291
620 - Waste Water Fund	2,182,956	4,225,485	3,035,000	1,239,000			10,682,441
630 - Waste Water Impact Fee		414,035	525,000	530,012	39,405		1,508,452
640 - Solid Waste Fund	1,568,206	3,007,687	368,000				4,943,893
641 - Landfill Closure Costs		310,000					310,000
650 - Parking Fund	449,382	464,082	315,000				1,228,464
670- Storm Water Fund	640,866	317,907	700,000	194,735			1,853,508
710 - Vehicle Maintenance	588,729	855,907					1,444,636
720 - Health-Medical Insurance		5,044,794					5,044,794
750 - Public Works Administration	2,460,379	1,057,280	277,671	7,200			3,802,530
	\$ 41,148,049	\$ 45,222,555	\$ 20,740,721	\$ 7,825,753	\$ 6,893,932	\$ -	\$ 121,831,010
% of Total	34%	37%	17%	6%	6%	0%	100%

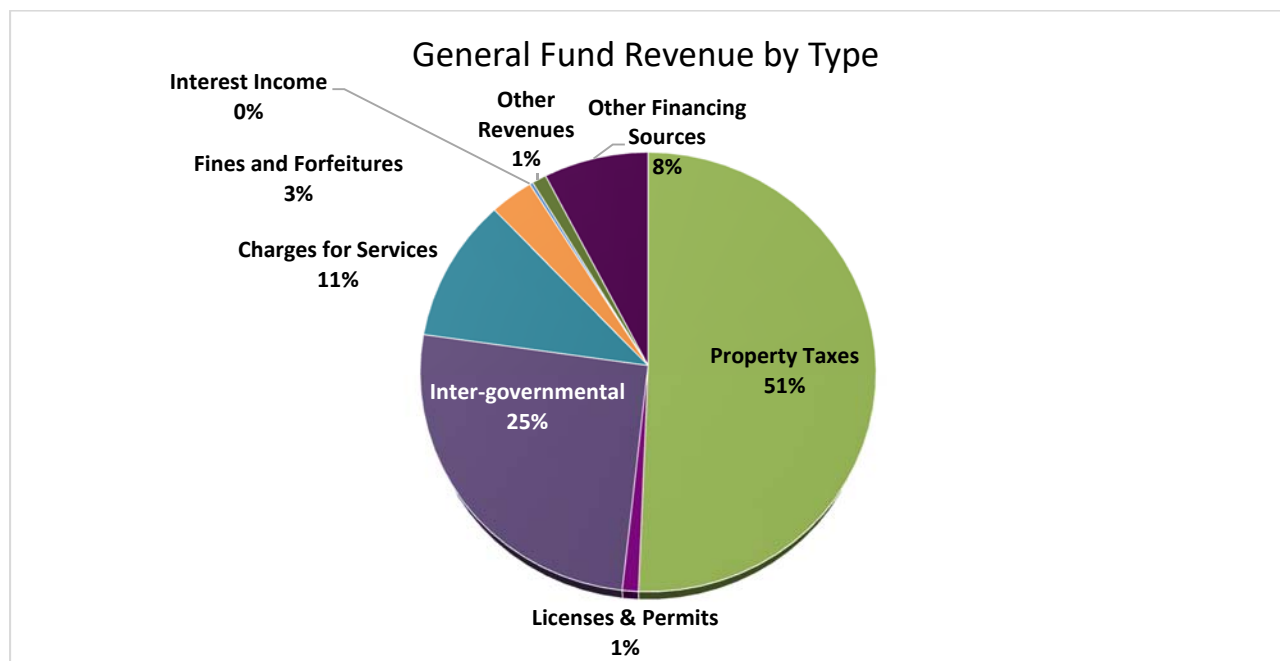
General Fund

The General Fund is used to account for all financial resources of the City, except for those required to be accounted for in another fund. The General Fund supports such basic services as the General Administration, Police, Fire, Finance, Recreation, and Library services. Over the past ten years, the average percent increase in revenue is 2% while expenditure change is 4%.



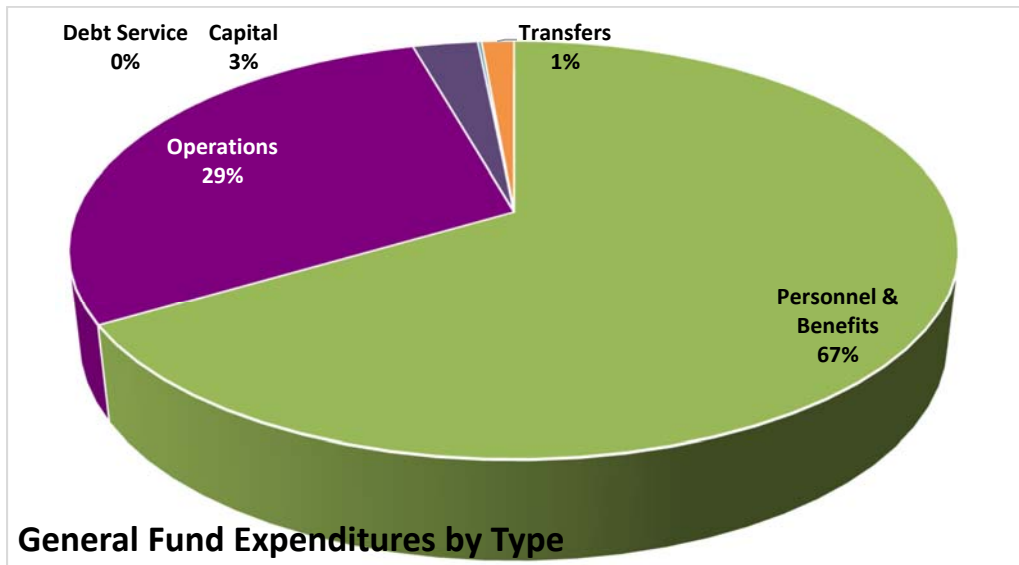
Revenues

The City's General Fund is financed heavily by property taxes, which provide nearly half of the General Fund revenue. Other revenue sources include: licenses and permits, intergovernmental revenue, charges for services, fines and forfeitures, interest on investments, operating transfers, and miscellaneous revenues. For the budget, we have estimated 3.2% growth and have proposed reducing mills with Parks operations being funded through the new District. Other revenues are estimated with some impact from COVID-19. We are estimating the General Fund to generate \$32.8 million in total revenue, with 51% is from property taxes, 25% from the State Entitlement share and 11% for charges for services. The following chart shows the breakdown of esimated revenues

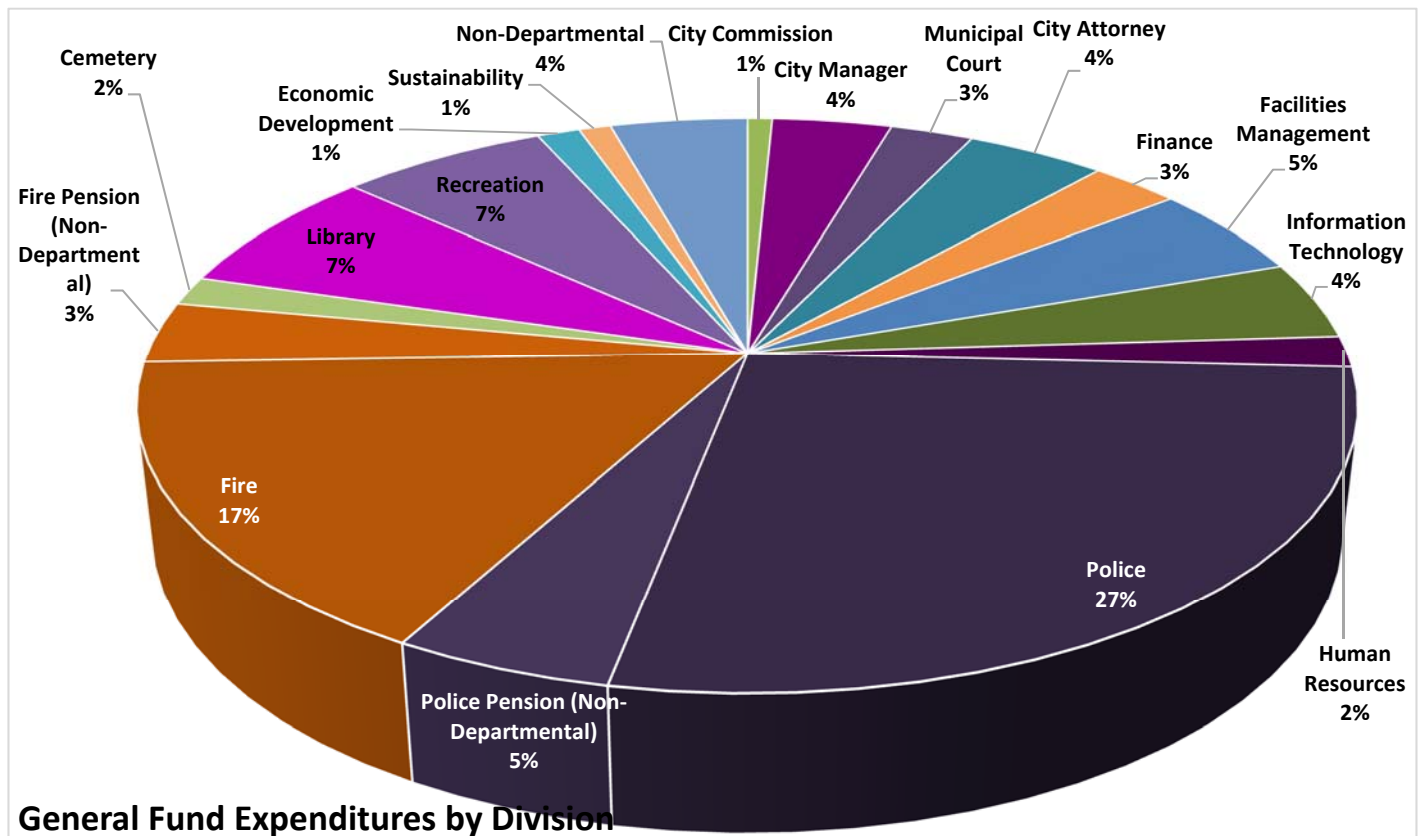


Expenditures

This year's General Fund budget has \$34.8 Million in expenditures. Personnel expenses are the highest portion at \$23 million, followed by operations of \$10.3 million. The capital expenditures are \$857k, which includes vehicle replacements, elevator replacement, and Storymill Community Center ventilation system. The break down by percentage is below:

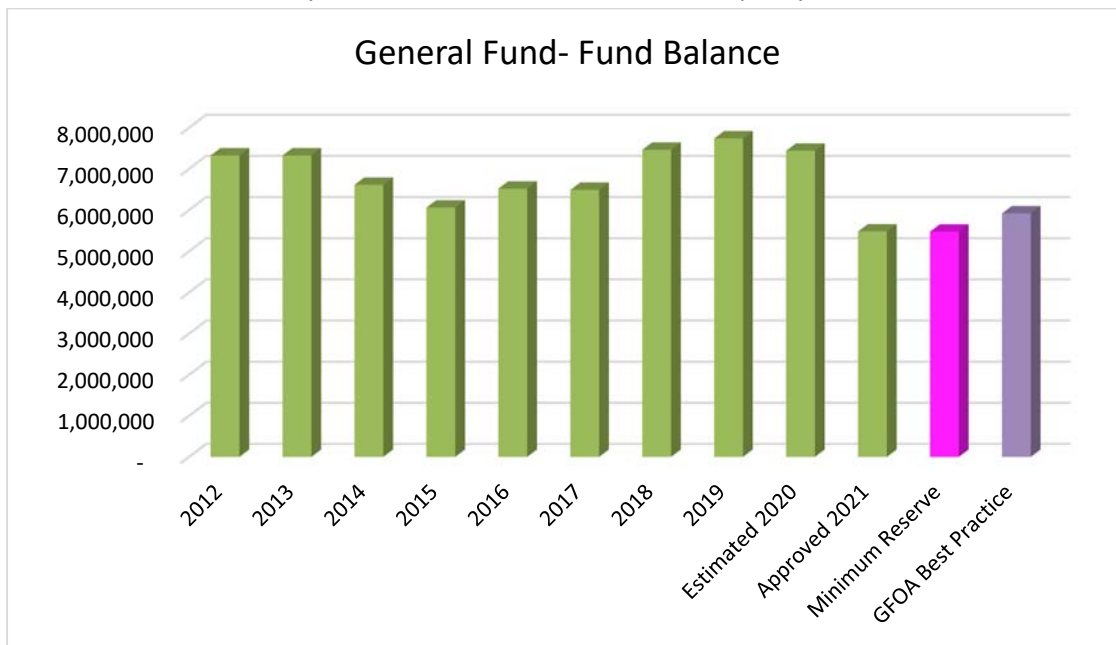


The expenditures by division show Police with 27% followed by Fire with 17%, non-cash transfer for State share of Police and Fire retirement adds to their portion. The next largest groups are the Library and Recreation. See budget details in the Activity/Division Detail section.



Fund Balance

The City adopted policy for General Fund Reserve is to maintain at least 16.67% of the year's revenue in ending fund balance. This was based on former Government Finance Officers Association (GFOA) best practice. We have done an analysis based on GFOA new recommended risk based approach. Based on this analysis, see Appendix D, we are recommending 17% of expenditures be the minimum reserve. Due to the current economic factors the Commission felt at this time the City should not move to a new reserve policy.



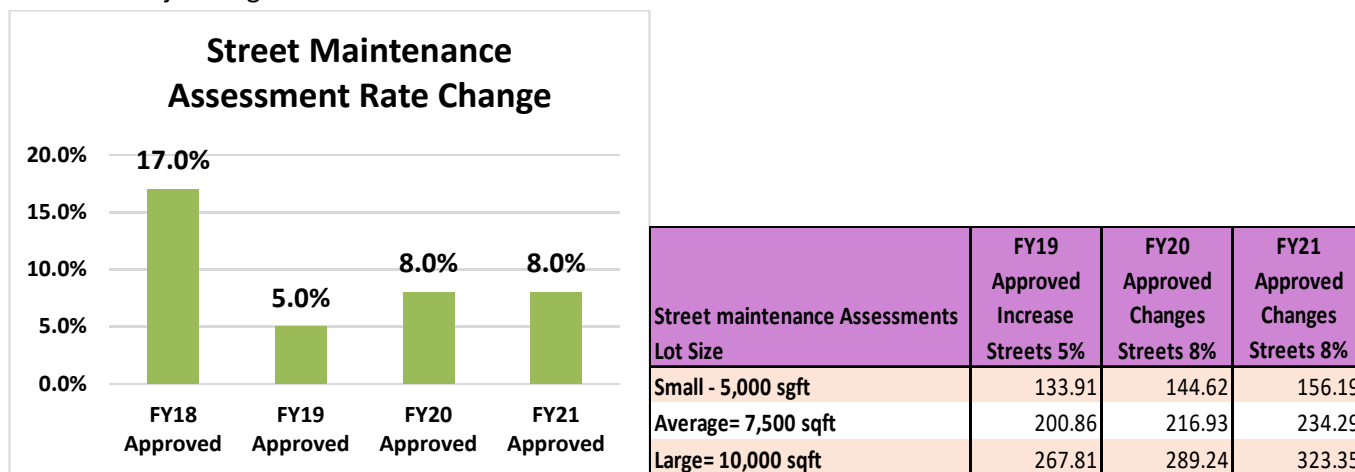
FUND	FY19 Actual	FY20 Budget	FY21 Approved
010 - General Fund			
Revenues			
Property Taxes	14,903,539	16,023,193	14,430,541
Gallatin County Option	1,756,872	1,680,000	1,800,000
Penalty & Interest	372	-	-
Business/Animal Licenses and Permits	383,320	414,975	371,900
Grants	131,620	40,000	50,000
County Shared - Library	706,762	706,762	740,716
State Shared	7,073,831	7,219,231	7,801,086
General Government Charges	3,182,509	2,916,037	3,573,896
Library Fines	35,200	50,000	18,000
Police Court Fines	1,016,839	1,025,000	1,020,000
Parking Fines	11,717	25,000	10,000
Snow Removal Fines	35,917	22,000	22,000
Interest Income	128,671	75,000	80,000
Admin Reimbursement	-	-	225,890
Miscellaneous Revenue	69,641	36,000	60,000
Refunds & Reimbursements	77,018	25,000	25,000
Rents and Royalties (Leases)	43,110	44,000	44,000
Sales/Unclaimed Property	-	5,500	-
Transfers	2,385,362	2,729,483	2,580,934
Loan Proceeds	344,167	-	-
Proceeds-Asset Disposition	5,763	20,000	5,000
Total Revenues	32,292,230	33,057,181	32,858,963
Expenditures			
Personnel & Benefits	23,373,030	22,734,715	22,992,981
Operations	6,573,747	10,149,112	10,372,359
Capital	1,454,335	1,283,580	857,364
Debt Service	13,459	44,470	54,387
Transfers	602,863	355,000	540,000
Total Expenditures	32,017,434	34,566,877	34,817,091

Special Revenue Funds

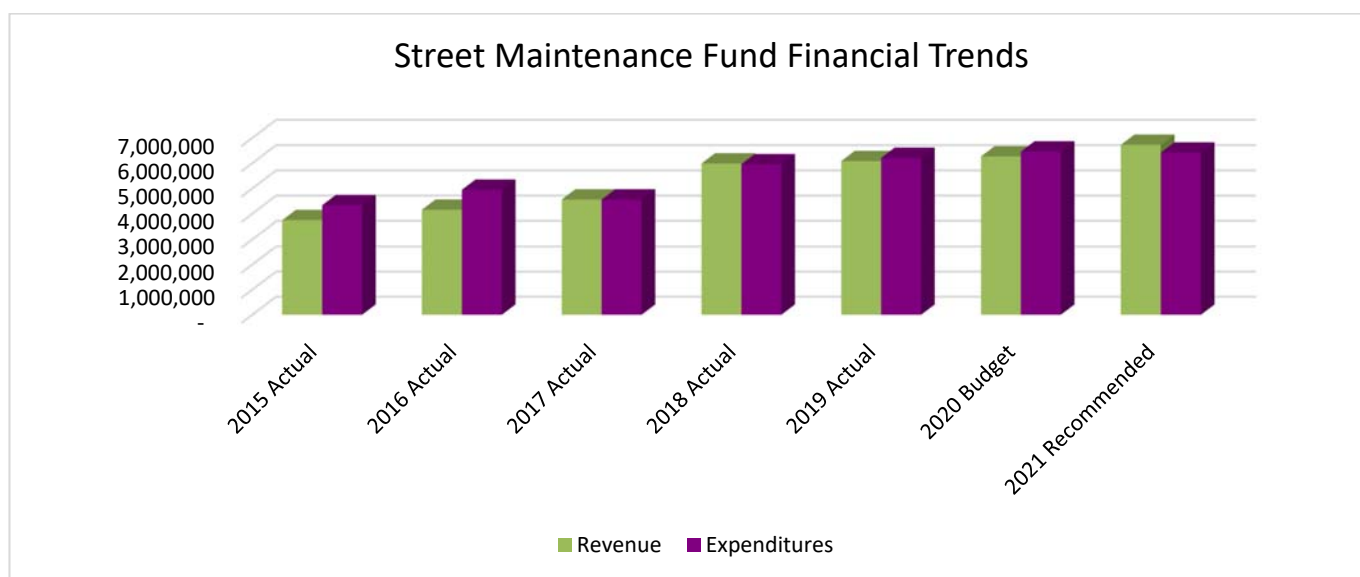
Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. The revenue is generated in different ways; some have assessments on properties, property taxes, charges for services, and some are funded through grants or donations. The City currently has 119 special revenue funds with a total of \$36.6 million expenditures planned in FY21. Information on the programs funded or partially funded by these Special Revenue Funds can be found in the description by division in the Activity/Division Detail section. Highlighted in the following discussion are our Transportation special revenue funds and some of our major program special revenue funds, followed by the financial information for all special revenue funds.

Transportation Special Revenue funds

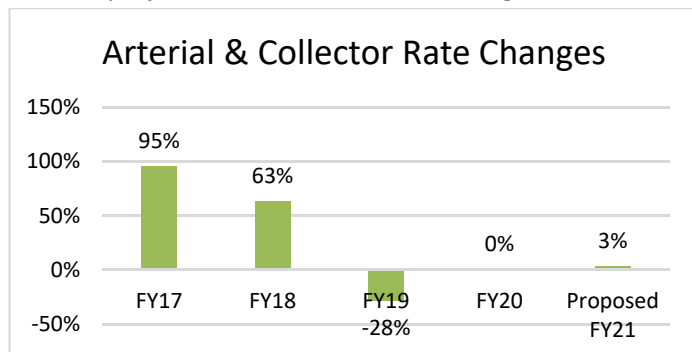
Street Maintenance Fund relies on assessments for revenue generation for street maintenance and reconstruction. The City expanded, the Streets program starting in FY16 to include increased maintenance. The City has seen an increase in the quantity of streets to maintain as well. This year we are increasing the assessment by 8% again to be able to adjust to growth and the increased costs.



The Street Maintenance fund budget includes increased amounts of pavement maintenance, capital projects, and the addition of Streets workers. This trend will continue with the Capital Improvement Plan and the three-year staffing plan showing increases for further growth.

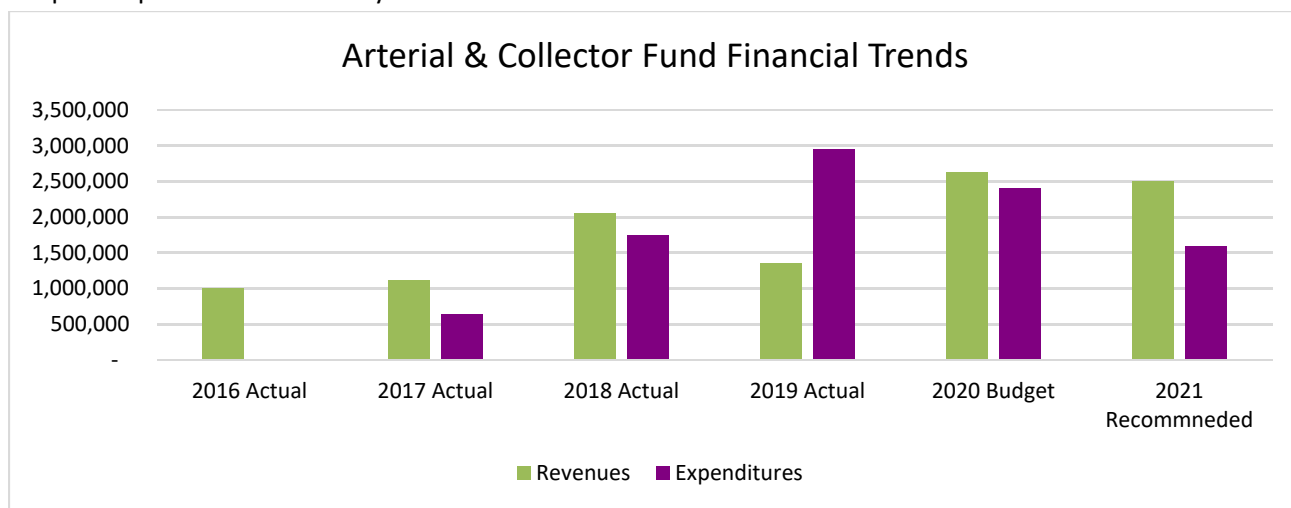


Arterial & Collector Street District Fund is a relatively new fund and has seen a phase-in approach with funding. Many of the projects funded help in the Street Impact Fee program's efforts. Due to the role Street Impact Fees play in the expansion of our Arterial & Collector streets, the A&CD capital plan is tied to projects on the Street Impact Fee CIP. Most projects receive funding from both sources. The District will be providing the "local share" of some projects in advance of development. The city intends to create a payback district to recover the "local share" once an adjacent project is developed. This payback will be deposited to the Arterial & Collector Fund. The passing of the new gas tax reduced rates in FY19. We are recommending a 3% rate increase in FY21. This is needed for the costs of projects and for the reduction in gas tax revenues we are predicted to receive.



Arterial & Collector Assessments Lot Size	Approved Decrease Arterial & Collector	Approved No Change Arterial & Collector	FY21 Approved Changes Streets 3%
Small - 5,000 sqft	32.04	32.04	33.01
Average= 7,500 sqft	48.06	48.06	49.51
Large= 10,000 sqft	64.08	64.08	71.10

The appropriations are mainly planned from the Capital Improvement Plan and the project listing can be found in the Capital Expenditures Summary Section.



Gas Tax Fund accounts for revenues from State gasoline taxes apportioned from the State of Montana Department of Transportation. These go towards street maintenance projects and projects associated with the above arterial and collector fund. The total appropriation for FY21 is \$2.1 million. It is estimated that with the Impacts of COVID-19 that we will see about 50% less in Gas Tax revenue. With fund balance due to conservative estimate and the rate increase described in the above Arterial & Collector fund we are able to keep all projects planned in the Capital Improvement Plan.

Gas Tax Revenue
predicted to be
50% lower in
FY21

Street Impact Fee Fund- Street Impact Fees go towards capacity expanding road improvements. The appropriations are based on the Capital Improvement Plan and total \$6.2 million. Both the Capital Improvement Plan and the project listing can be found in the Capital Expenditures Summary Section.

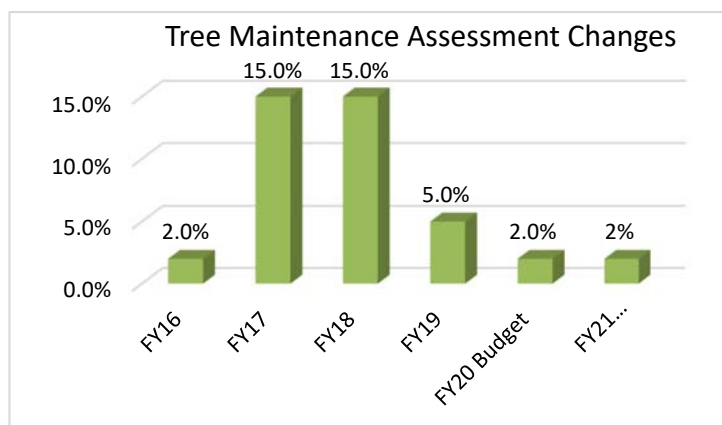
Program Special Revenue Funds

Parks & Trails District Fund accounts for special assessment revenues levied, received, and expended for the Parks & Trails district. This is a new fund with the voter approval on the District that came in May 2020 for the creation of the District for FY21. The plan as approved by the Commission is a five-year ramp up to Silver level of service.

Parks & Trails Assessments Lot Size	FY21 Approved Changes
Small - 5,000 sqft	85.00
Average= 7,500 sqft	127.50
Large= 10,000 sqft	170.00

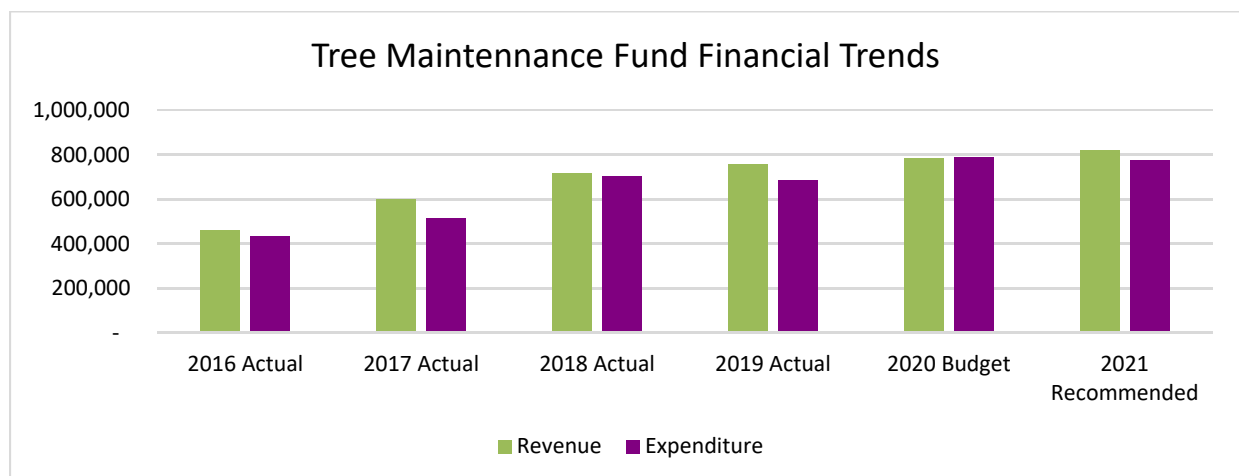
This first year the District will take on the Parks currently maintained by the Home Owner Associations and all the City Parks including the two recent large additions of the Sports Park and the Storymill Community Park. Normal Parks capital is included in the budget and deferred maintenance will be added in future years as we continue the ramp up of the District.

Tree Maintenance Fund accounts for special assessment revenues levied, received, and expended for tree maintenance provided in the public right of way. In previous years, we raised the assessment by 15% to aid working towards the Urban Forestry Management Plan. The desired reserve levels are being achieved and with basic inflation of costs and staffing, we are recommending an inflationary increase of 2% that is the same increase as last year fiscal year.

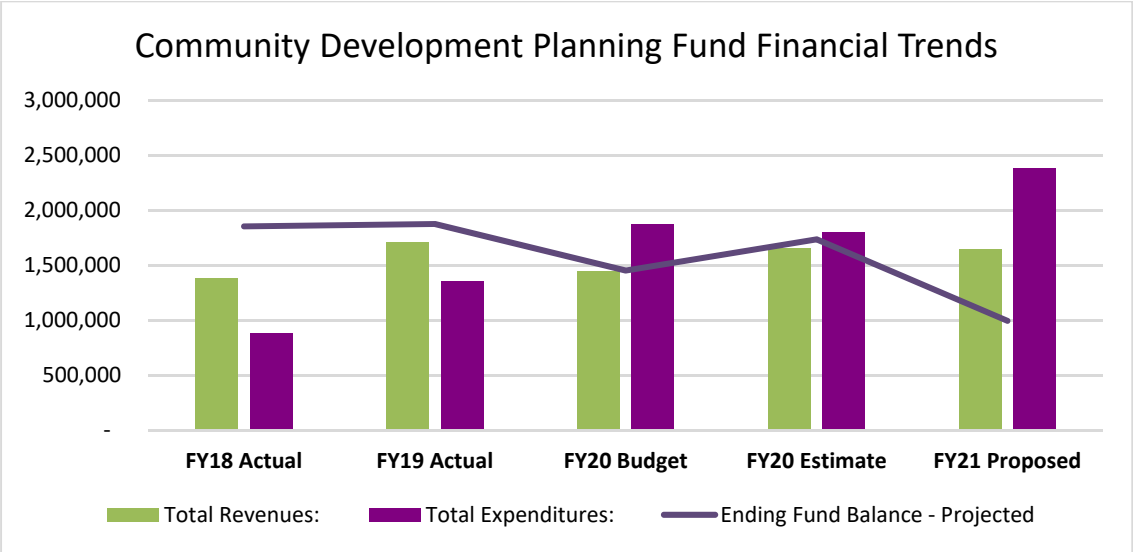


Tree Assessments Lot Size	FY19 Approved Increase Tree 5%	FY20 Approved Increase Tree 2%	FY21 Approved Changes 2%
Small - 5,000 sqft	17.39	17.74	18.09
Average= 7,500 sqft	26.09	26.61	27.15
Large= 10,000 sqft	34.78	35.48	36.19

The Tree Maintenance fund budget includes operating and personnel expenditures and no capital items are planned.

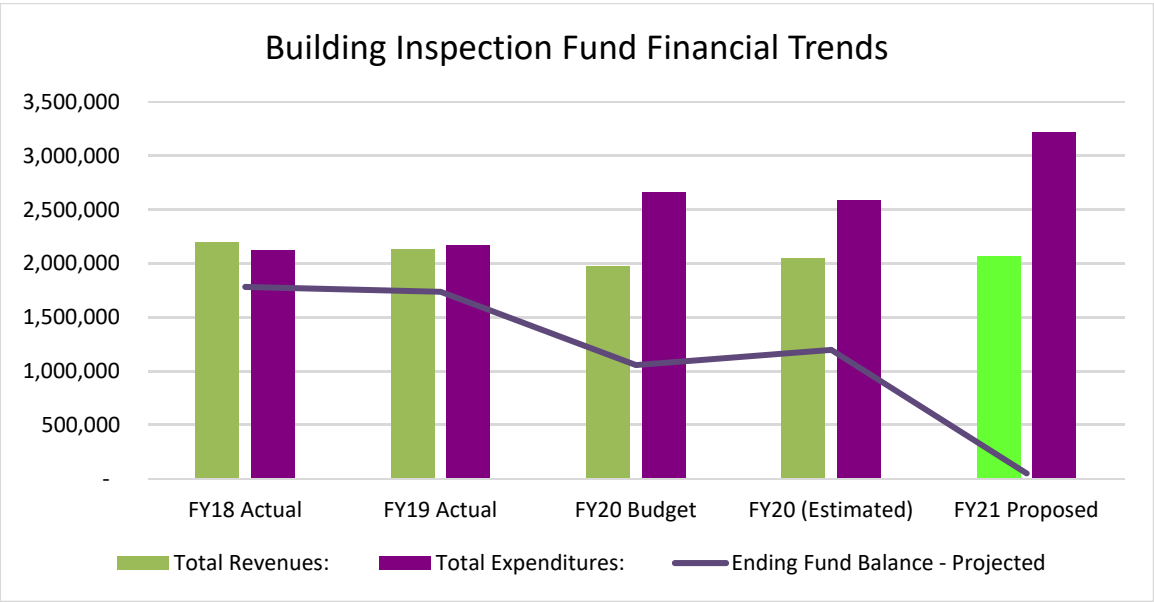


Community Development Planning Fund is a special revenue fund that accounts for revenues and expenditures related to community planning and zoning operations. There are two major revenue sources for the fund, mills from the general mill levy along with planning fees. During the end of FY20 and into FY21 Planning fees are being reviewed. The total planned expenditures are \$2.4 million.

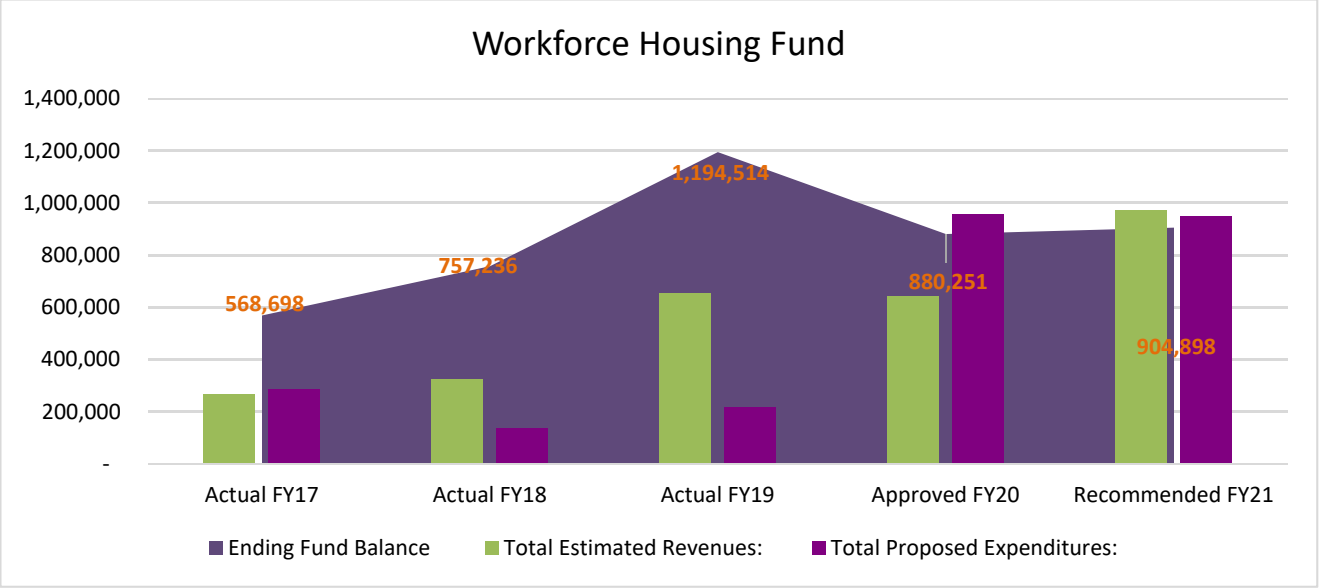


Building Inspection Fund is supported entirely by the revenue from building fees and permits. Revenues and expenditures are statutorily restricted to amounts that support the building safety program. We are currently examining Building fees and will adjust based on costs. This fund is dependent on construction in the City and therefore is monitored based on economic conditions. In addition, it is reported in the quarterly report to the Commission. Total planned expenditures are \$3.2 million which includes new software to aid in the efficiency and effectiveness of the Division.

Fees being reviewed and revenues are estimated at current rates



The Community Housing Fund is where our affordable housing program is accounted for. Affordable Housing is part of our Strategic Plan and a priority for FY21. With the hiring of the Program Manager, the City is forming an updated plan to be recommended by the Commission. The fund receives three mills of the general mill levy as well as cash-in-lieu of affordable housing for projects.



All Special Revenue Funds:

FUND	FY19 Actual	FY20 Budget	FY21 Approved
Special Revenue Funds			
100 - Community Development/Planning			
Revenues			
Property Taxes	199,071	216,980	258,516
State Shared	114,495	111,851	115,766
Charges for Services	909,607	788,800	879,600
Interest Income	-	6,500	10,000
Refunds & Miscellaneous Revenue	49,330	53,400	217,598
Transfers	106,750	273,043	162,174
Total Revenues	1,379,253	1,450,574	1,643,654
Expenditures			
Personnel & Benefits	881,772	1,416,573	1,629,272
Operations	337,908	421,775	793,640
Capital	-	35,000	122,671
Total Expenditures	1,219,680	1,873,348	2,545,583
103 - Health-Medical Insurance			
Revenues			
Property Taxes	2,652,759	2,815,374	2,768,752
Total Revenues	2,652,759	2,815,374	2,768,752
Expenditures			
Transfers	2,461,824	2,815,384	2,768,752
Total Expenditures	2,461,824	2,815,384	2,768,752
108 - Community Transportation			
Revenues			
Interest Income	1,120	900	900
Total Revenues	1,120	900	900
Expenditures			
Operating	5,312	-	-
Capital	33,340	-	5,000
Total Expenditures	38,652	-	5,000
109 - Highway Safety Improvement Projects			
Revenues			
Interest Income	339	200	200
Total Revenues	339	200	200

FUND	FY19 Actual	FY20 Budget	FY21 Approved
Special Revenue Funds			
110 - Gas Tax			
Revenues			
State Shared	1,297,155	1,416,750	1,160,000
Interest Income	34,209	5,000	5,000
Total Revenues	1,331,364	1,421,750	1,165,000
Expenditures			
Operations	887,732	1,157,500	1,844,500
Capital	-	240,000	-
Transfers	-	722,850	500,000
Total Expenditures	887,732	2,120,350	2,344,500

111 - Street Maintenance			
Revenues			
Penalty & Interest	24,246	11,500	15,000
Permits	20,311	18,000	18,000
Public Service	5,712,698	6,139,336	6,658,156
Interest Income	15,941	10,000	10,000
Other Financing Sources	241,815	-	-
Refunds & Reimbursements	9,250	25,000	25,000
Proceeds-Asset Disposition	28,135	-	-
Loan Proceeds	232,431	-	-
Transfers	31,900	-	50,000
Total Revenues	6,316,727	6,203,836	6,776,156
Expenditures			
Personnel & Benefits	1,633,168	1,756,594	1,829,674
Operations	1,989,848	2,175,136	2,765,984
Capital	1,625,341	1,510,080	842,000
Debt Service	269,723	310,800	310,800
Transfers	695,478	709,733	724,647
Total Expenditures	6,213,558	6,462,343	6,473,105

112 - Tree Maintenance			
Revenues			
Penalty & Interest	2,038	2,000	2,000
Grants	5,018	-	-
State Revenue	7,165	-	-
Public Service	718,527	774,945	806,252
Interest Income	5,108	3,000	4,000
Refunds & Reimbursements	13,943		
Sale of Raw Materials	5,990	3,000	6,000
Total Revenues	757,789	782,945	818,252
Expenditures			
Personnel & Benefits	451,983	455,103	481,089
Operations	173,720	242,664	296,820
Capital	60,522	90,000	-
Total Expenditures	686,225	787,767	777,909

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Special Revenue Funds			
113 - Fire Impact Fee			
Revenues			
Public Safety	525,828	404,134	450,000
Interest Income	58,971	12,000	20,000
Refunds & Reimbursements	62,170	-	-
Total Revenues	646,969	416,134	470,000
Expenditures			
Operations	39,279	-	22,500
Transfers	-	20,451	-
Total Expenditures	39,279	20,451	22,500
114 - Street Impact Fee			
Revenues			
Public Service	4,291,396	4,429,095	4,000,000
Interest Income	238,874	60,000	60,000
Admin Reimbursement	378	1,000	1,000
Refunds & Reimbursements	115,591	-	-
Total Revenues	4,646,239	4,490,095	4,061,000
Expenditures			
Operations	290,688	-	200,001
Capital	641,125	7,376,000	6,030,000
Transfers	-	189,195	-
Total Expenditures	931,813	7,565,195	6,230,001
115 - Building Inspection Fund			
Revenues			
Permits	1,985,699	1,958,700	2,050,000
General Government	93,171	1,500	600
Interest Income	49,736	15,000	20,000
Miscellaneous Revenue	102	-	-
Total Revenues	2,128,708	1,975,200	2,070,600
Expenditures			
Personnel & Benefits	1,530,176	1,869,291	2,002,912
Operations	635,390	787,945	862,925
Capital	8,000	-	352,015
Total Expenditures	2,173,566	2,657,236	3,217,852

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Special Revenue Funds			
116 - TIFD Downtown Improvement			
Revenues			
Property Taxes	1,270,885	1,674,400	1,919,863
State Shared	56,050	45,000	56,050
Interest Income	61,155	10,000	50,740
Other Revenues	-	-	-
Total Revenues	1,388,090	1,729,400	2,026,653
Expenditures			
Personnel	-	17,929	21,741
Operations	343,658	2,379,173	1,672,464
Capital	132,504		
Transfers	597,863	418,898	332,448
Total Expenditures	1,074,025	2,816,000	2,026,653

119 - Economic Development Loan			
Revenues			
Interest Income	1,503	-	-
Loan Principal	-	25,000	25,000
Loan Interest	26,377	25,000	25,000
Total Revenues	27,880	50,000	50,000
Expenditures			
Operations	34,600	31,000	31,000
Total Expenditures	34,600	31,000	31,000

120 - Community Housing Fund			
Revenues			
Property Tax Revenue	314,064	542,450	388,224
Interest Income	23,572	5,000	5,000
Loan Principal & Interest	299	9,500	1,000
Other Revenue	30,659	-	-
Affordable Housing	117,467	-	578,028
Transfers	166,188	-	-
Total Revenues	652,249	556,950	972,252
Expenditures			
Personnel	45,419	81,708	88,705
Operations	169,551	852,750	936,000
Total Expenditures	214,970	934,458	1,024,705

121 - Housing Revolving Loan			
Revenues			
Interest Income	31	10	20
Loan Principal	-	1,000	1,000
Loan Interest	-	275	175
Total Revenues	31	1,285	1,195

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Special Revenue Funds			
123 - Big Sky Econ. Development Grant			
Revenues			
Grants	216,125	50,000	50,000
Total Revenues	216,125	50,000	50,000
Expenditures			
Operations	215,000	50,000	50,000
Total Expenditures	215,000	50,000	50,000

125 - Drug Forfeiture Fund			
Revenues			
Grants	67,683	70,000	70,000
State Shared	47,681	45,000	48,000
Police Court Fines	64,350	60,000	60,000
Interest Income	852	700	700
Other Financing Sources	31,265	23,774	69,644
Total Revenues	211,831	199,474	248,344
Expenditures			
Personnel & Benefits	260,567	222,710	244,060
Operations	10,119	8,500	7,900
Total Expenditures	270,686	231,210	251,960

128 - Fish Wildlife & Park Mgmt			
Revenues			
Interest Income	299	200	200
Total Revenues	299	200	200
Expenditures			
Operations	73	8,000	2,000
Total Expenditures	73	8,000	2,000

130 - Americans with Disability			
Revenues			
Interest Income	524	400	500
Total Revenues	524	400	500

131 - Beautification of Bozeman			
Revenues			
Interest Income	15	9	15
Total Revenues	15	9	15

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Special Revenue Funds			
132 - Bogert Park Special Revenue			
Revenues			
Interest Income	259	175	250
Donations	2,722	5,000	2,500
Refunds & Reimbursements	-	1,100	-
Total Revenues	2,981	6,275	2,750
Expenditures			
Operations	10,175	5,000	5,000
Total Expenditures	10,175	5,000	5,000

133 - Recreation Special Revenue			
Revenues			
Interest Income	152	75	75
Donations	2,328	2,000	2,000
Total Revenues	2,480	2,075	2,075

135 - Cemetery Special Revenue			
Revenues			
Interest Income	35	30	30
Total Revenues	35	30	30

136 - Park Special Revenue			
Revenues			
Interest Income	(230)	100	50
Miscellaneous Revenue	2,176	2,500	2,200
Total Revenues	1,946	2,600	2,250
Expenditures			
Capital	34,024	-	-
Total Expenditures	34,024	-	-

137 - Library Special Revenue			
Revenues			
Grants	1,887	-	-
Interest Income	(342)	-	-
Donations	35,175	20,000	20,000
Total Revenues	36,720	20,000	20,000
Expenditures			
Operations	41,393	-	-
Total Expenditures	41,393	-	-

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Special Revenue Funds			
138 - Law & Justice Center			
Expenditures			
Operations	19,125	19,125	19,125
Total Expenditures	19,125	19,125	19,125

139 - Police Special Revenue			
Revenues			
Grants	2,908	-	-
Interest Income	3,736	2,500	2,500
Donations	5,719	3,000	3,000
Miscellaneous Revenue	4,232	9,000	9,000
Refunds & Reimbursements	10,653	500	500
Total Revenues	27,248	15,000	15,000
Expenditures			
Operating	14,617	40,000	40,000
Total Expenditures	14,617	40,000	40,000

140 - Police Domestic Violence			
Revenues			
Grants	71,451	187,040	187,040
Total Revenues	71,451	187,040	187,040
Expenditures			
Personnel & Benefits	-	-	-
Operating	71,527	187,040	187,040
Total Expenditures	71,527	187,040	187,040

141 - Street Arterial Construction			
Revenues			
Penalty & Interest	3,910	2,500	3,500
Street Maintenance Assessments	1,314,801	1,372,840	1,442,306
Other Revenues/Refunds	34,844	522,557	300,667
Interest Income	-	7,000	7,000
Transfers	-	722,850	500,000
Total Revenues	1,353,555	2,627,747	2,253,473
Expenditures			
Operating	53,562	15,000	138,500
Capital	2,897,746	2,381,000	1,450,000
Total Expenditures	2,951,308	2,396,000	1,588,500

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Special Revenue Funds			
143 - TIF Midtown (N 7th Corridor)			
Revenues			
Property Taxes	659,149	651,949	1,089,328
State Entitlement Share			37,927
Interest Income	48,224	9,500	37,500
Proceeds Sales of TIF Bonds	-	1,806,500	-
Transfers	19,940	-	-
Total Revenues	727,313	2,467,949	1,164,755
Expenditures			
Personnel	-	26,379	69,284
Operating	213,653	2,975,473	1,095,471
Capital	80,811	-	-
Transfers	40,000	-	-
Total Expenditures	334,464	2,975,473	1,164,755

144 - TIF NE Urban Renewal District			
Revenues			
Property Taxes	158,998	139,500	268,847
Grants	1,356	-	-
State Entitlement Share			1,354
Interest Income	3,900	3,000	3,000
Proceeds of Bond Sale	-	-	-
Total Revenues	164,254	142,500	273,201
Expenditures			
Personnel	-	26,379	9,100
Operating	11,949	220,121	172,101
Debt Service	92,000	93,000	92,000
Transfers	243,897	-	-
Total Expenditures	347,846	339,500	273,201

145 - TIF Mandeville Farm Industrial			
Revenues			
Property Taxes	14,140	25,000	25,000
Interest Income	795	-	-
Total Revenues	14,140	25,000	25,000
Expenditures			
Transfers	4,721	-	-
Total Expenditures	4,721	-	-

146 - 170;181;182; 200 -250 - Lighting Districts			
Revenues			
Special Assessments	472,264	477,499	475,883
Total Revenues	472,264	477,499	475,883
Expenditures			
Operating	443,780	457,286	503,414
Transfers	31,900	31,900	25,520
Total Expenditures	475,680	489,186	528,934

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Special Revenue Funds			
174 - Victim/Witness Advocate			
Revenues			
Police Court Fines	69,721	65,000	70,000
Interest Income	5,921	3,500	3,500
Total Revenues	75,642	68,500	73,500
Expenditures			
Operating	32,588	90,000	90,000
Total Expenditures	32,588	90,000	90,000
175 - Senior Transportation			
Revenues			
Property Taxes	104,719	108,490	129,408
Interest Income	202	250	250
Total Revenues	104,921	108,740	129,658
Expenditures			
Operating	104,703	108,490	129,408
Total Expenditures	104,703	108,490	129,408
176 - BID Downtown Improv Dist			
Revenues			
Principal	126,008	143,000	175,000
Penalty & Interest	353	100	-
Donations/other	2,750	25,250	750
Total Revenues	129,111	168,350	175,750
Expenditures			
Operating	129,108	168,350	175,750
Total Expenditures	129,108	168,350	175,750
177 - Neighborhood Association			
Revenues			
Interest Income	14	10	10
Total Revenues	14	10	10
178 - Veteran's Treatment Court			
Revenues			
Grants	82,260	113,000	107,240
Other Revenue	2,230	2,500	2,500
Transfers	-	-	36,000
Total Revenues	84,490	115,500	145,740
Expenditures			
Personnel & Benefits	40,416	34,386	54,064
Operating	42,772	117,960	141,345
Total Expenditures	83,188	152,346	195,409

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Special Revenue Funds			
179 - Disaster Relief (Hail Damage Events)			
Revenues			
Interest Income	40,952	11,000	11,000
Total Revenues	40,952	11,000	11,000

183 - Fire Department Special Revenue			
Revenues			
Interest Income	1,067	1,000	1,000
Donations	4,500	3,000	3,000
Refunds & Reimbursements	600	-	-
Total Revenues	6,167	4,000	4,000
Expenditures			
Operating	6,898	40,000	10,000
Total Expenditures	6,898	40,000	10,000

184 - Parks Master Plan/Improvement Grants			
Expenditures			
Operating	4,694	-	5,000
Total Expenditures	4,694	-	5,000

186 - Development Impacts			
Revenues			
Interest Income	2,475	1,500	1,500
Other Revenue	50	-	-
Total Revenues	2,525	1,500	1,500
Expenditures			
Operating	-	5,000	5,000
Total Expenditures	-	5,000	5,000

187 - Fire Dept Equipment			
Revenues			
Property Taxes	416,794	433,960	517,632
Interest Income	26,337	2,500	5,000
Total Revenues	443,131	436,460	522,632
Expenditures			
Operating	37,719	-	-
Capital	547,735	468,000	427,500
Transfers	-	600,000	50,000
Total Expenditures	585,454	468,000	477,500

FUND	FY19 Actual	FY20 Budget	FY21 Approved
Special Revenue Funds			
188 - City/County Joint Drug Forfeiture			
Revenues			
Interest Income	1,894	1,300	1,300
Total Revenues	1,894	1,300	1,300

189 - Story Mansion Special Revenue			
Revenues			
Charges for Services	33,035	35,000	35,000
Total Revenues	33,035	35,000	35,000
Expenditures			
Operating	36,282	40,792	35,048
Total Expenditures	40,792	40,792	35,048

193 - Street Maint - Babcock SID			
Revenues			
Principal	2,159	2,000	2,000
Interest	497	600	600
Interest Income	92	50	50
Total Revenues	2,748	2,650	2,650

194 - Street Maint - Durston SID			
Revenues			
Principal	2,436	40,000	3,000
Interest	456	500	500
Interest Income	1,382	950	950
Total Revenues	4,274	41,450	4,450

195- Parks & Trails District			
Revenues			
Parks & Trails Assessment	-	-	3,713,907
Other	-	-	2,500
Total Revenues	-	-	3,716,407
Expenditures			
Personnel	-	-	1,501,072
Operating	-	-	1,918,102
Capital	-	-	213,000
Total Expenditures	-	-	3,632,174

196 - COOCLI Grant			
Revenues			
Grants	-	-	96,611
Total Revenues	-	-	96,611
Expenditures			
Personnel & Benefits	-	-	42,557
Operating	-	-	54,090
Total Expenditures	-	-	96,647

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Special Revenue Funds			
199- Sports Park			
Revenues			
Other	-	51,000	51,000
Total Revenues	-	51,000	51,000
Expenditures			
Operating	-	51,000	51,000
Total Expenditures	-	51,000	51,000

850 - Cash in Lieu of Parkland			
Revenues			
Cash in Lieu of Parkland	177,287	50,000	50,000
Interest Income	22,713	4,500	4,500
Total Revenues	200,000	54,500	54,500
Expenditures			
Operations	-	5,000	5,000
Capital	74,686	-	-
Total Expenditures	74,686	5,000	5,000

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. General Obligation Bonds are backed by the full faith and credit of the City and are payable from ad valorem property taxes. Except for refunding bonds issued to achieve savings, Bozeman voters must approve general obligation debt prior to issuance. FY20 General Obligation bonds for the Bozeman Public Safety Center were issued with a full bond payment in FY21. Debt schedules are located at the end of the Activity/Division Section under the Non-Departmental.

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Debt Service Funds			
300 - SID Revolving Fund			
Revenues			
Interest Income	72,143	15,000	50,000
Loan Interest	5,019	3,700	5,000
Other	-		-
Total Revenues	77,162	18,700	55,000
Expenditures			
Operating	911		
Transfers	-	867,070	1,313,160
Total Expenditures	-	867,070	1,313,160

303 - G.O. Refunding Series 2012			
Revenues			
Property Taxes	276,584	273,300	275,400
Total Revenues	276,584	273,300	275,400
Expenditures			
Debt Service	276,400	273,300	275,400
Total Expenditures	276,400	273,300	275,400

304 - Bond S & I Parks & Open Space Bond			
Revenues			
Property Taxes	1,085,561	1,076,788	1,076,463
Total Revenues	1,085,561	1,076,788	1,076,463
Expenditures			
Debt Service	1,083,838	1,076,788	1,076,463
Total Expenditures	1,083,838	1,076,788	1,076,463

305 - 2007 Downtown TIF Bonds			
Revenues			
Transfers In	423,923	418,898	332,448
Total Revenues	423,923	418,898	332,448
Expenditures			
Debt Service	423,923	418,898	332,448
Total Expenditures	423,923	418,898	332,448

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Debt Service Funds			
307 - Bozeman Public Safety Center- GO Bonds			
Revenues			
Property Taxes	-	1,441,716	2,372,450
Proceeds Sales of GO Bonds	-	36,965,000	
Transfers	-	-	-
Total Revenues	-	38,406,716	2,372,450
Expenditures			
Debt Service	-	1,641,716	2,372,450
Transfers	-	36,735,000	
Total Expenditures	-	1,641,716	2,372,450
310-448- SID Funds			
Revenues			
Special Assessments	429,395	417,627	376,127
Penalty & Interest	88,957	94,529	96,881
Interest Income	35,738	13,045	28,345
Total Revenues	554,090	525,201	501,353
Expenditures			
Debt Service	252,528	1,000	46,932
Transfers	-	-	-
Total Expenditures	252,528	1,000	46,932
450- Ssports Park Foundation Turf Field Loan			
Revenues			
Special Assessments	-	32,000	125,796
Total Revenues	-	32,000	125,796
Expenditures			
Debt Service	-	-	125,796
Total Expenditures	-	-	125,796

Construction Funds

Capital Projects Funds account for the construction of general improvement projects financed by special assessments other than those financed by proprietary funds. The City's Capital Improvement Program (CIP) develops the Five-Year CIP, manages the City's annual budget process for funding citywide capital maintenance and expansion projects, supports strategic capital planning and programming efforts with City departments, and provides analysis for judicious financial decision making.

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Construction Funds			
500-566 - Construction Funds			
Revenues			
Interest Income	427,901	-	534,000
Donations	89,122	-	-
Refunds & Reimbursements	36,105	-	-
Transfers	1,037,050	38,044,733	2,087,807
Grants	186,670	-	-
Other Funding	2,283,000	-	-
Total Revenues	4,059,848	38,044,733	2,621,807
Expenditures			
Operating	334,465	280,000	-
Capital	7,213,794	41,187,362	2,250,000
Transfers	-	-	-
Total Expenditures	7,548,259	41,467,362	2,250,000

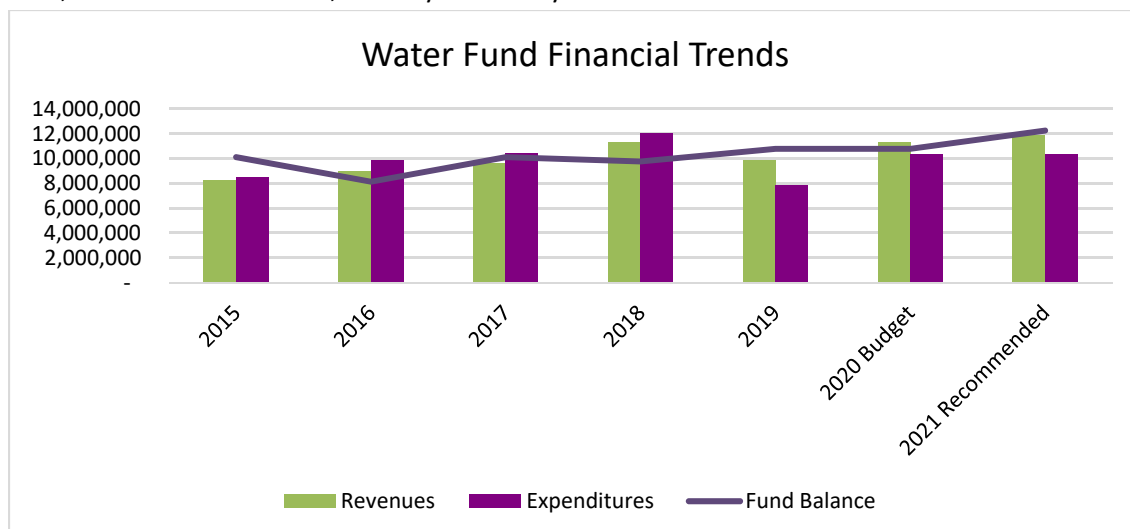
Enterprise Funds

Enterprise Funds are used to account for efforts that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The following is a discussion of some of the major enterprise funds and ones with larger changes for FY21, followed by all Enterprise Fund financials.

Water Fund- City property owners are, by and large, required to use the City's Water treatment systems. The City recently underwent a rate study that included water conservation rate examination, and drought rate and reserve design. The Commission adopted rates for FY20 and FY21 in Resolution 5065. The rates were based on a rate study adopted in August 2019. For FY21 the rates in all user classes increase with the exception of residential. Then rates will change based on user class:

Flow Charge - % Increase						
	2019	2020	2021	2022	2023	2024
Single Family/Low Income Residential						
Total	5.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Multi Family Residential						
Total	5.0%	2.0%	2.0%	2.0%	2.0%	1.0%
Commercial						
Total	5.0%	8.0%	8.0%	8.0%	8.0%	6.0%
Government						
Total	5.0%	20.0%	20.0%	20.0%	20.0%	20.0%
MSU						
Total	5.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Industrial						
Total	5.0%	0.0%	0.0%	0.0%	0.0%	0.0%

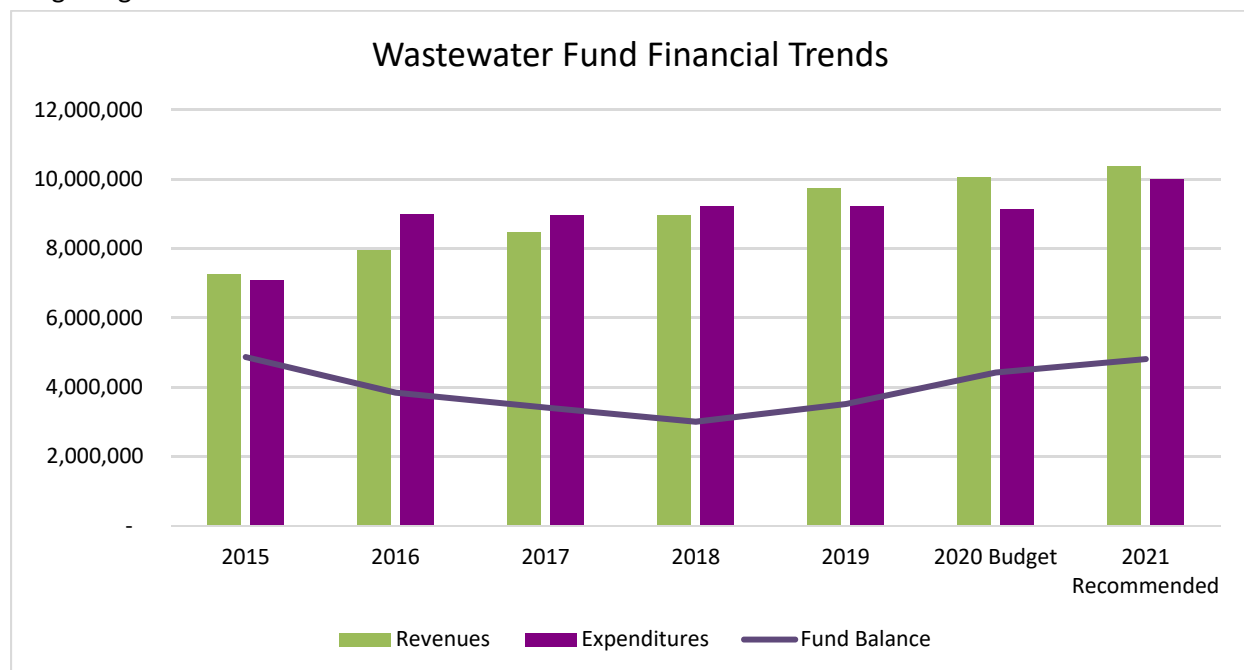
With these changes, appropriate users classes will be charged based on their cost of service and the City will be able to achieve and maintain appropriate revenue levels and reserves. Overall, the fund has maintained a healthy reserve and improved, as well as maintained, the City's water system.



Wastewater Fund- City Property owners are, by and large, required to use the City's Sewer treatment systems. The Commission adopted rates for FY20 and FY21 in Resolution 5066. The rates were based on a rate study adopted in August 2019. Rates vary by user class with all increases except residential:

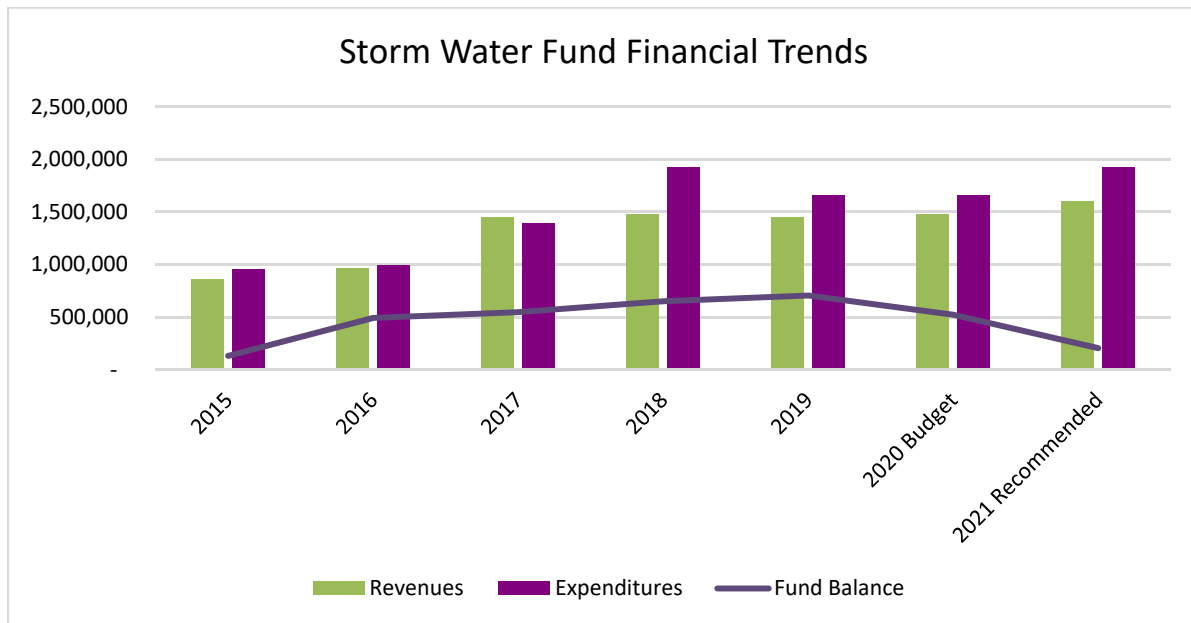
Flow Charge - % Increase						
	2019	2020	2021	2022	2023	2024
Single Family						
Total	4.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Multi Family						
Total	4.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Commercial						
Total	4.0%	6.0%	6.0%	4.0%	4.0%	4.0%
Government						
Total	4.0%	6.0%	6.0%	6.0%	6.0%	6.0%
MSU						
Total	4.0%	8.0%	8.0%	8.0%	8.0%	6.0%
Industrial						
Total		3.0%	3.0%	3.0%	3.0%	3.0%

With these changes, appropriate users classes will be charged based on their cost of service and the City will be able to achieve and maintain appropriate revenue levels and reserves. Overall, the fund has maintained a healthy reserve and improved as well as maintained the City's sewer system. The fund balance needs growth as the infrastructure is starting to age.

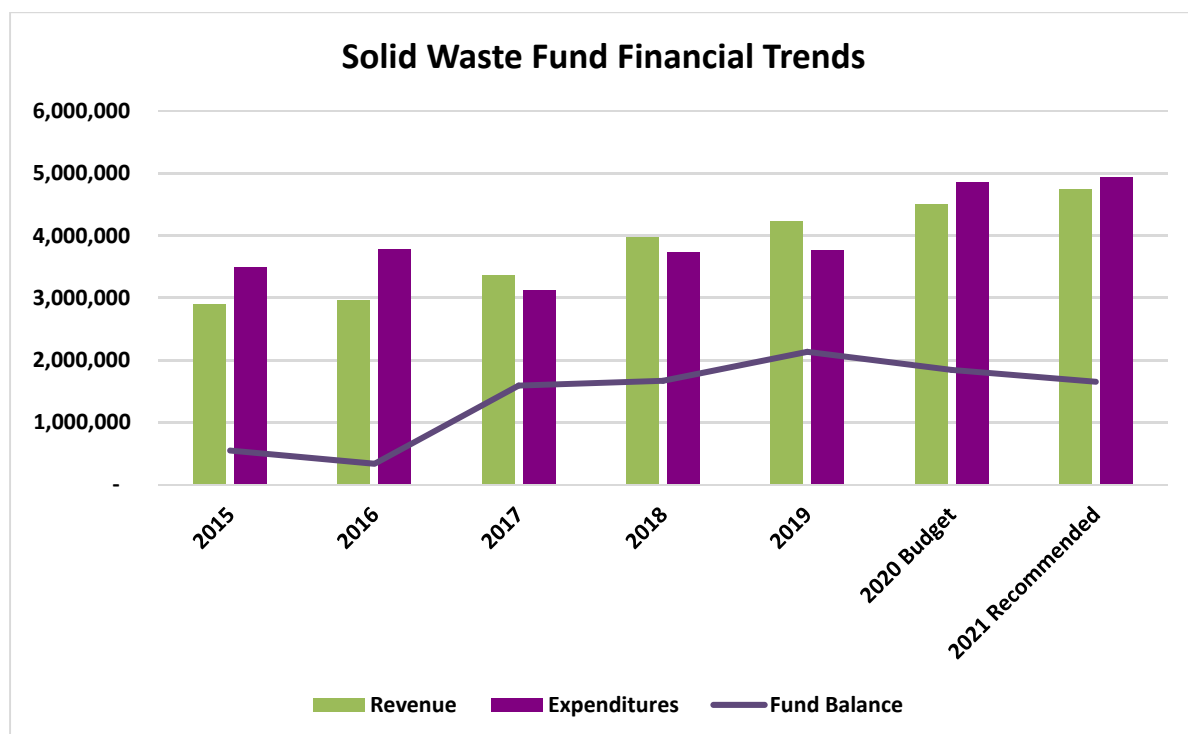


Stormwater Fund- The City's Stormwater fund started in 2013 and had its current rate structure set in April 2015, rates are based on impervious area, and existing infrastructure. The rate has not changed since the 2015 restructure. With inflation costs and growth, we are recommending a 4% rate increase. With increasing the rate and with projected growth, the fund will be able to maintain a 45-day operating reserve and a depreciation reserves to be able to replace unexpected loss of equipment.

5% rate increase



Solid Waste Fund -The City's Solid Waste Fund accounts for the garbage and recycling service provided to citizens. Revenues are comprised of solid waste and recycling fees. Expenses are for personnel, operations and capital items. Fund balance is sufficient for depreciation coverage and for an event, if we lose the use of a truck unexpectedly. A rate study was adopted October 2019 and rates were adopted based on the study. Rates varied depending on user class.



FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Enterprise Funds			
600 - Water Fund			
Revenues			
Penalty & Interest	1,749	-	-
State Shared	25,515	1,500	1,500
Utility Charges	8,715,531	10,455,076	10,952,476
Interest Income	(1,639)	160,000	160,000
Donations - Contributed Capital	4,874,798	-	-
Cash in Lieu-Water Rights	413,536	-	-
Miscellaneous Revenue	171,050	50,000	50,000
Refunds & Reimbursements	-		5,000
Rents & Royalties	38,567	80,000	80,000
Other Financing Sources	-	1,200,000	600,000
Total Revenues	14,239,107	11,946,576	11,848,976
Expenditures			
Personnel & Benefits	3,203,117	2,085,584	2,291,020
Operating	5,573,070	4,634,920	4,790,600
Capital	971,834	4,316,009	2,105,500
Debt Service	-	1,165,630	1,168,130
Total Expenditures	9,748,021	12,202,143	10,355,250
610 - Water Impact Fee			
Revenues			
Utilities & Enterprise	2,757,565	1,883,070	1,925,831
Interest Income	(344)	5,000	40,000
Total Revenues	2,757,221	1,888,070	1,965,831
Expenditures			
Operating	152,736	-	96,291
Capital	279,399	1,586,020	865,000
Transfers	-	600,000	600,000
Total Expenditures	432,135	2,186,020	1,561,291

FUND	FY19 Actual	FY20 Budget	FY21 Approved
Enterprise Funds			
620 - Waste Water Fund			
Revenues			
Penalties & Interest	23	-	-
State Shared	36,704	1,500	35,000
Utility & Enterprise	8,876,015	9,559,623	10,248,430
Interest Income	-	91,238	80,000
Refunds & Reimbursements	29,035	-	-
Contributed Capital	4,102,663	-	-
Other Financing	1,007	-	-
Total Revenues	13,045,447	9,652,361	10,363,430
Expenditures			
Personnel & Benefits	1,987,336	2,017,844	2,182,956
Operating	3,267,033	4,069,269	4,225,485
Capital	1,502,439	3,352,500	3,035,000
Debt Service	-	1,476,059	1,239,000
Transfers	-	-	-
Total Expenditures	6,756,808	10,915,672	10,682,441

630 - Waste Water Impact Fee			
Revenues			
Utility & Enterprise	1,810,489	1,282,208	1,280,674
Loan Proceeds	-	7,985,000	5,200,000
Interest Income	-	20,000	20,000
Total Revenues	1,810,489	9,287,208	6,500,674
Expenditures			
Operating	83,977	-	414,035
Capital	127,634	8,625,000	525,000
Debt Service	-	-	530,012
Transfers	-	-	39,405
Total Expenditures	211,611	8,625,000	1,508,452

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Enterprise Funds			
640 - Solid Waste Fund			
Revenues			
Penalty & Interest	234	-	-
State Shared	24,471	-	-
Recycling Revenue	446,931	408,035	578,133
Utilities & Enterprise	3,479,192	3,508,627	4,139,289
Interest Income	151	6,995	7,275
Miscellaneous Revenue	-	-	-
Refunds & Reimbursements	3,078	-	-
Rents and Royalties	-	8,240	8,571
Roll-Off Container Rental	14,778	16,695	17,363
Total Revenues	3,968,835	3,948,592	4,750,631
Expenditures			
Personnel & Benefits	1,463,392	1,351,142	1,568,206
Operating	2,769,103	2,312,942	3,007,687
Capital	736,637	100,000	368,000
Transfers	-	-	-
Total Expenditures	4,969,132	3,764,084	4,943,893

641 - Landfill Post Closure and Monitoring Costs			
Revenues			
Interest	2,914	-	2,000
Transfers	368,084	250,000	310,000
Total Revenues	370,998	250,000	312,000
Expenditures			
Operations	303,372	250,000	310,000
Capital	61,417	61,417	-
Total Expenditures	364,789	311,417	310,000

650 - Parking Fund			
Revenues			
Licenses and Permits	612,118	414,000	532,500
Charges for Services	64,308	50,000	30,000
Fines and Forfeitures	281,954	300,000	408,000
Interest Income	-	5,000	5,000
Loan Interest	762	840	840
Miscellaneous Revenue	18,401	-	-
Rents & Receivables	1,837	1,500	1,500
Transfers from other Funds	250,000	250,000	170,000
Total Revenues	1,229,380	1,021,340	1,147,840
Expenditures			
Personnel & Benefits	389,115	353,362	449,382
Operating	744,665	393,978	464,082
Capital	159,336	112,031	315,000
Total Expenditures	1,293,116	859,371	1,228,464

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Enterprise Funds			
670 - Storm Water Fund			
Revenues			
State Shared	8,299	-	-
Utilities & Enterprise	1,325,150	1,317,688	1,497,228
Interest Income	-	5,500	6,000
Contributed Capital	685,144	-	-
Transfers from other Funds	140,000	75,000	100,000
Total Revenues	2,158,593	1,398,188	1,603,228
Expenditures			
Personnel & Benefits	548,094	408,583	640,866
Opeartions	286,662	240,373	317,907
Capital	889,821	635,000	700,000
Debt Service	194,068	160,346	194,735
Transfers	-	-	-
Total Expenditures	1,918,645	1,444,302	1,853,508

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis. The City has three Internal Services, and fund 750- Public Works Administration was new in FY19 to allocate the Public Works Administration, GIS, and Engineering to the enterprise funds. Fund 710 - Vehicle Maintenance accounts for the maintenance and repair of vehicles used in operation of City services. Medical Health Insurance Fund 720 Accounts for insurance premiums received from the various City employees and retirees, and the related costs of health and dental premiums paid to the City's insurance provider.

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Internal Service Funds			
710 - Vehicle Maintenance			
Revenues			
General Government	1,360,558	1,389,462	1,414,978
Interest Income	-	250	250
Refunds & Reimbursements	1,418	500	500
Total Revenues	1,361,976	1,390,212	1,415,728
Expenditures			
Personnel & Benefits	507,716	541,468	588,729
Operating	991,537	846,332	855,907
Capital	-	-	-
Total Expenditures	1,499,253	1,387,800	1,444,636

720 - Health-Medical Insurance			
Revenues			
Public Welfare	4,950,836	5,044,794	5,044,794
Refunds & Reimbursements	12,393	-	-
Transfers In	-	-	-
Total Revenues	4,963,229	5,044,794	5,044,794
Expenditures			
Operating	4,963,229	5,044,794	5,044,794
Total Expenditures	4,963,229	5,044,794	5,044,794

750 - Public Works Administration			
Revenues			
General Government	2,683,979	2,945,060	3,641,274
Transfers	-	105,458	-
Total Revenues	2,683,979	3,050,518	3,641,274
Expenditures			
Personnel & Benefits	1,741,200	2,089,248	2,460,379
Operating	571,548	780,812	1,057,280
Capital	32,649	75,000	277,671
Debt Service	7,117		7,200
Total Expenditures	2,345,397	2,945,060	3,802,530

Permanent Funds

Perpetual Cemetery Care Fund 800 accounts for the maintenance fee received from the sale of City cemetery lots, which is to be used for perpetual care. Beginning in FY19, 35% of all revenue is recorded in to the fund. The fund balance has seen healthy growth over the last five years and is estimated to be just under \$1.6 million by the end of FY21.

FUND	FY19 Actual	FY20 Budget	FY21 Recommended
Permanent Funds			
800 - Cemetery Perpetual Care			
Revenues			
Public Welfare	177,287	80,000	90,500
Interest Income	22,713	10,000	10,000
Total Revenues	200,000	90,000	100,500

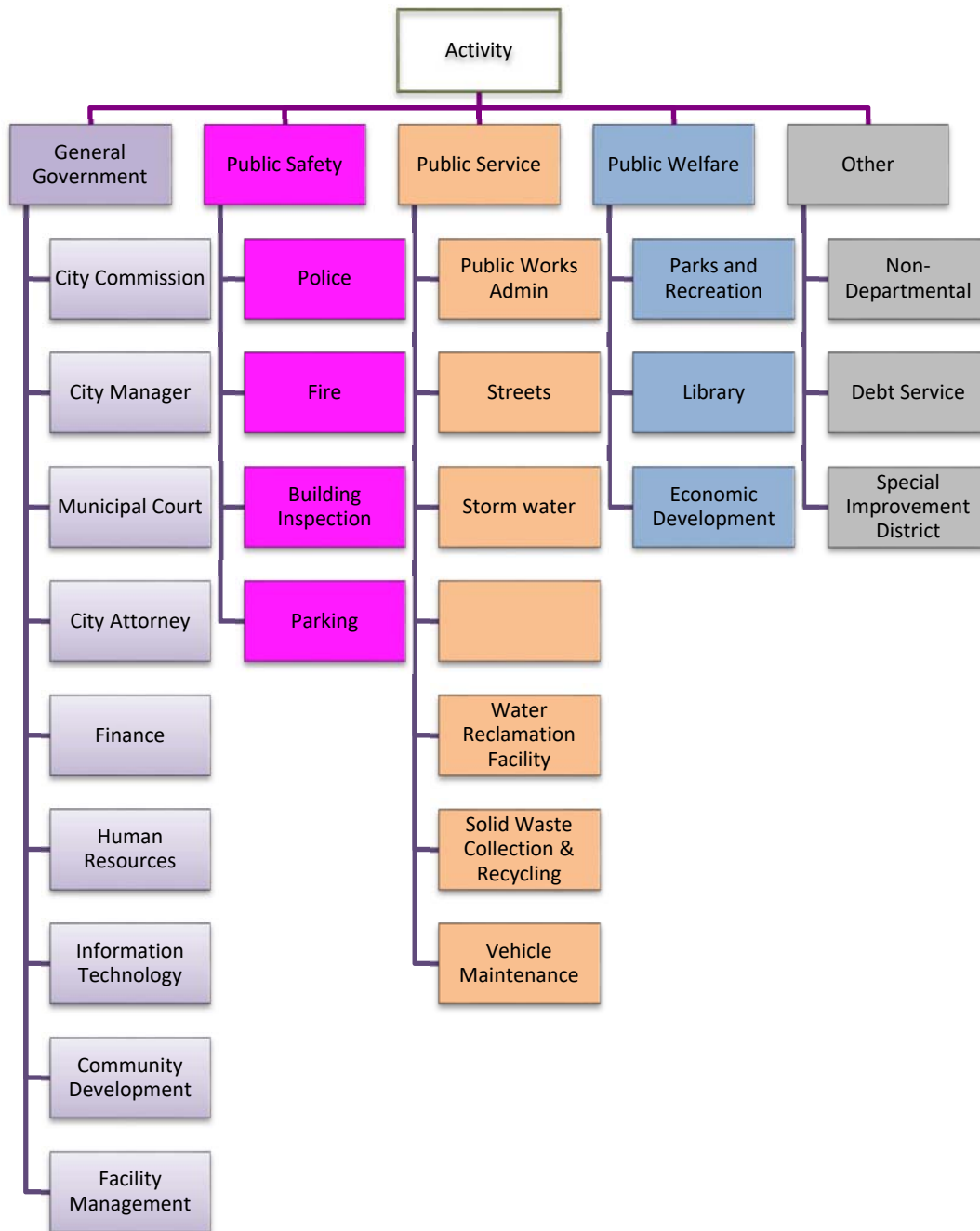


Activity/Department Details

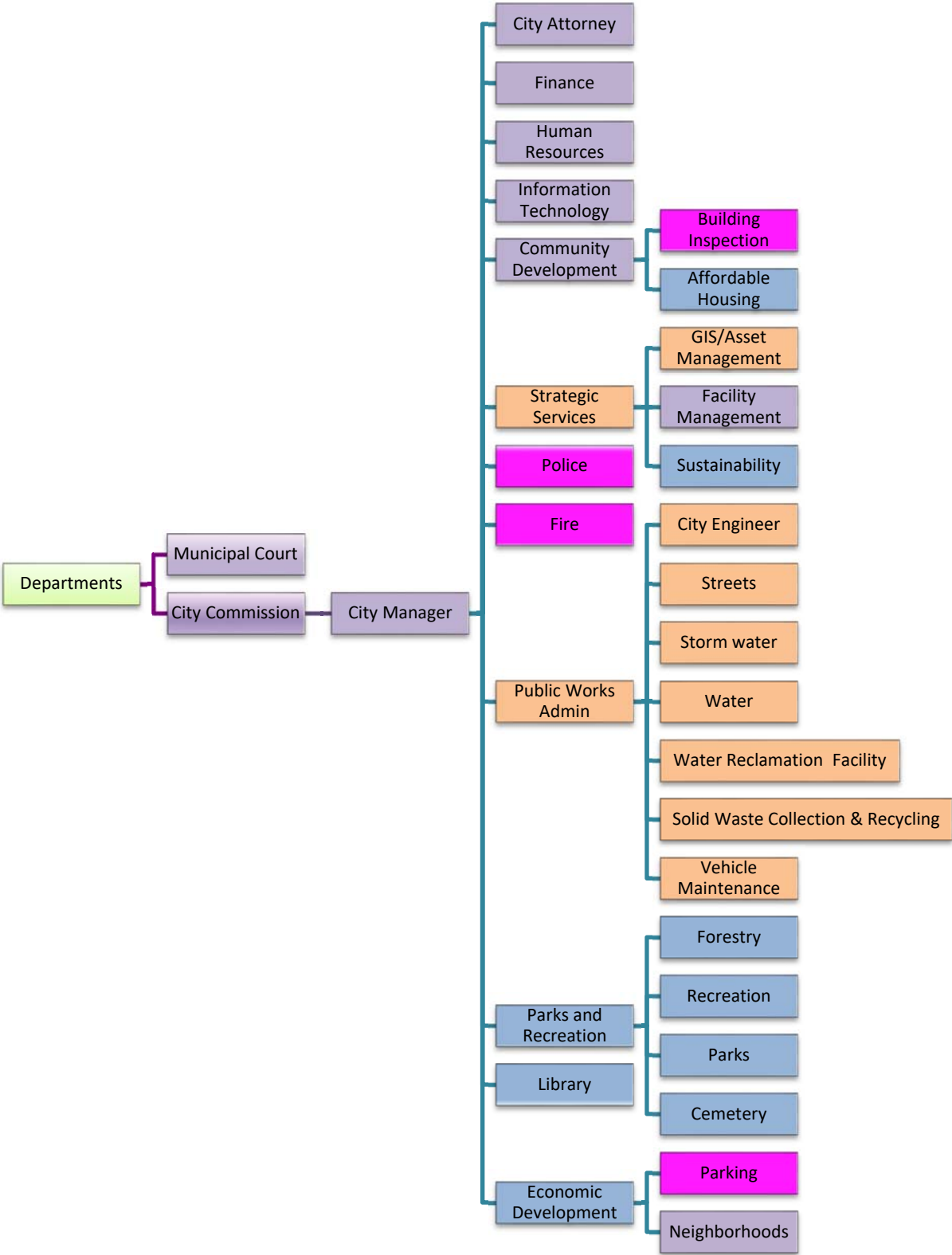


Activity/Division Detail

As stated in the Budget Summary, the budget is separated by activity. Within those activities are the divisions. See below the Activities and the corresponding divisions.



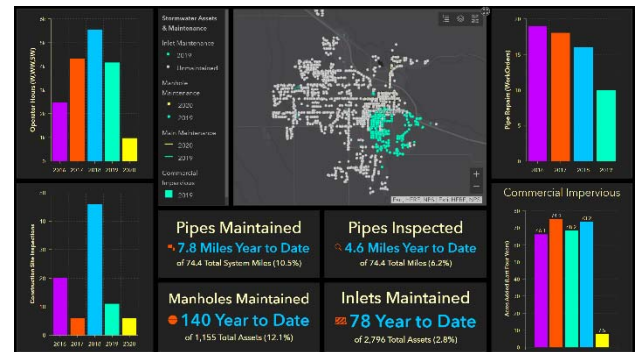
The divisions are part of larger Departments. The following table lists the Department and corresponding divisions with their activity shown with the corresponding color to the chart on the previous page.



Performance Measures

The City of Bozeman relies on a variety of data to help inform decisions across the organization. Vision Statement 7 for a High Performance Organization in the City's states the purpose of "utilizing key performance and cost measures to monitor, track, and improve the planning and delivery of City programs and services, and promote greater accountability, effectiveness and efficiency" (Strategy 7.4 – Performance Metrics). Three major focus areas of Performance Measures are utilized to manage community and employee expectations about the City's capacity to deliver services.

Many systems are currently in place to collect and visualize a wide range of data internal to the organization. Sophisticated tools such as Computerized Maintenance Management Systems (CMMS) provide detailed cost information, including time, materials, and equipment in an effort to improve efficiencies throughout operations such as Public Works.



Specific Performance Measures are updated annually to compliment the budget. These measures help communicate trends and justify additional resources needed to maintain an acceptable level of service. Most charts include a "target" or "standard", describing the overall goal or industry norm, respectively.

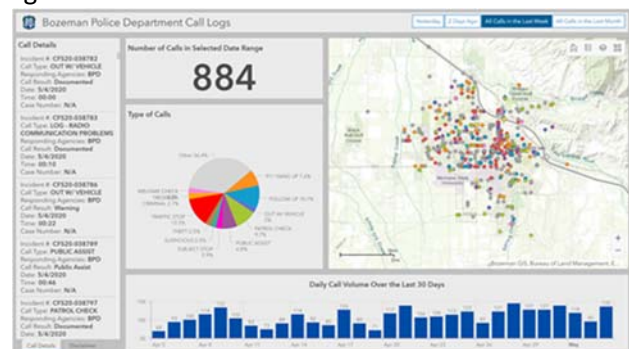
Extensive effort is made each year to identify relevant metrics to support decisions throughout the City's budget process. At least three years of data is used to demonstrate trends in order to provide valuable context as it relates to an overall increase or decrease over time. Current fiscal year "Approved" figures represent previously adopted estimates, while future fiscal year "Recommended" figures represent estimates based on projected changes for the upcoming budget cycle.



Estimates for Fiscal Year 2021 (FY21) were established prior to the COVID-19 pandemic. Changes in both FY20 & FY21 projections are likely to be experienced across all Divisions. Measures that are at risk include a graphical footnote as a placeholder while a thorough effort is made over the coming year to analyze any impact.

Budget metrics improve confidence in municipal management, ensuring that limited resources are focused on the most pressing issues, including ageing infrastructure and new growth.

Plans for additional qualitative measures will be implemented in FY21 through a broad community survey. Information collected through customer satisfaction and citizen surveys will be used to provide valuable perspective complimentary to the quantitative measures described above.



Overall, Performance Measures are critical to maximizing the efficiency and effectiveness of local government. Timely and relevant metrics at all levels provide a framework for improved decision making, while resulting in a better understanding of the value of services provided throughout the community.



General Government



General Government

City Commission- The City Commission is the legislative body of city government comprised of a mayor and four commissioners. Responsibilities of the Commission include: establishment of policies governing the operation of the City and appointment of members to citizen advisory boards and commissions.

City Manager – The role of the City Manager is to operate at the will of the City Commission with a focus on policy, long range planning, and strategy. The purpose of the City Manager's office is the administration of the City operations and is to provide overall leadership, direction, coordination, and support for the City's activities.

City Clerk (City Manager)- The City Clerk's Office is dedicated to preparing the proceedings of the City Commission and preserving the City records, along with enhancing the ability of the citizenry to participate in local government.

Neighborhoods (Economic Development) - The Neighborhoods Program creates systems for communication and engagement with Bozeman neighbors.

City Attorney - The City Attorney is the legal advisor and primary attorney for the city and as such is responsible for protecting the legal interests of the city and directing the legal operations of the city. The City Attorney and legal department staff: represent the city before all courts, administrative agencies, and all city legal proceedings.

Finance - The Finance Department is charged with the overall Finance, Accounting and Treasury administration of the City. The Department is comprised of three divisions: Administration, Accounting, and Treasury. The Finance Department provides support to other departments for all financial matters.

Facilities Management (Strategic Services) - Facilities Management is responsible for coordinating remodeling, renovations, and new construction projects. Contracted services include activities such as: janitorial services; snow removal; lawn care; and building systems ventilation, mechanical controls, and building generators.

Information Technology - The Information Technology Department purpose is to manage and operate the City's enterprise applications, hardware, and networking services. The division provides technology services, support to all departments across the city, and maintains daily operations of the data centers.

Human Resources - The Human Resources Department's purpose is to support City functions by ensuring the capability and stability of the workforce. The department supports management and employees with current lawful information, sound recruitment practices, and benefits, protecting the employment rights of the City and its employees.

Planning (Community Development) - Plans for the growth and development of the City of Bozeman. Responsible for Long Range Planning, Development Review, Historic Preservation, Impact Fees, Affordable Housing and serving related Advisory Boards and Commissions.

Municipal Court- Municipal Court accounts for costs associated with the judicial branch of City government. The Municipal Court hears cases involving city ordinances, misdemeanor cases defined by state criminal codes, may conduct (preliminary hearings) in felony cases, and Orders of Protection.



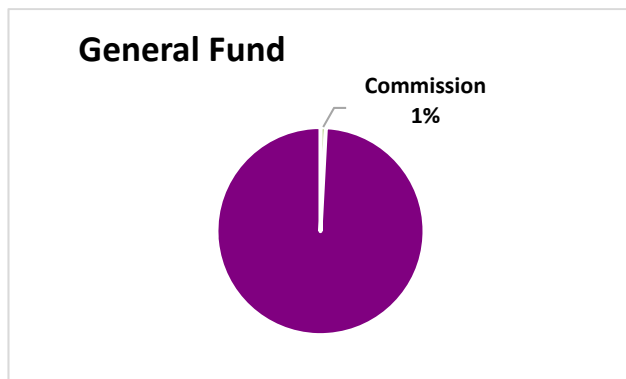
City Commission

Major Objectives:

- Work closely with the administration and other government officials to lobby for state legislation beneficial to cities.
- Improve public facilities and the quality of services delivered to the public in order to meet the needs of the citizenry.
- Ensure that all decisions are protective of the health, safety and general welfare of the citizens of this community.

Budget Allocation

Funded by the General Fund, making 1% of the funds expenses

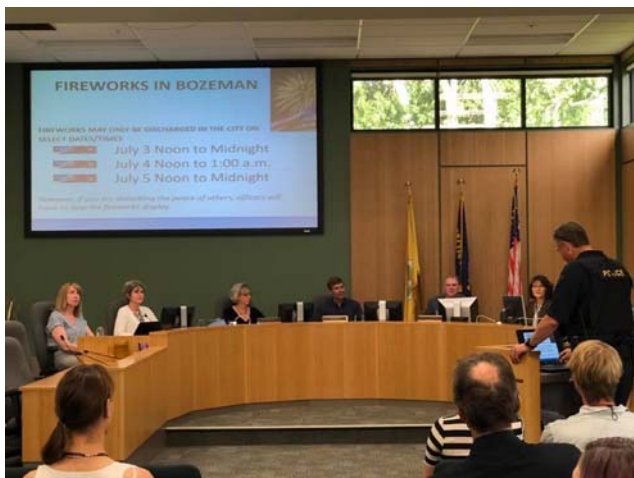


- o Planning & Land Use Initiatives
- o Annexation Analysis & Study
- o Parks Maintenance District



FY21 Strategic Plan

- Set FY21 Strategic Priorities
 - o Community Outreach
 - o Affordable Housing
 - o Planning & Land Use Initiatives
 - o Annexation Analysis & Study
 - o Parks Maintenance District
 - o Climate Action
 - o Property Tax Relief and Fairness



FY20 Strategic Plan

- Set FY20 Strategic Priorities
 - o Community Outreach
 - o Affordable Housing

FY21 Budget

Department Budget by Fund

Department	Fund	FY19 Actual	FY20 Budget	FY21 Approved	% Change
CITY COMMISSION	010- General	287,466	295,877	270,068	-8.7%

Department Budget by Category

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
CITY COMMISSION	Salaries & Benefits	143,088	158,882	163,189	2.7%
CITY COMMISSION	Operating	62,765	135,950	81,500	-40.1%
CITY COMMISSION	Capital	80,360	-	24,334	100.0%
CITY COMMISSION	Debt Service	1,253	1,045	1,045	0.0%
CITY COMMISSION	Transfers	-	-	-	0.0%
TOTALS		287,466	295,877	270,068	-8.7%

Department Budget by Division

Department	Division	FY19 Actual	FY19 Budget	FY21 Approved	% Change
CITY COMMISSION	1110- City Commission	287,466	295,877	270,068	-8.7%

Personnel

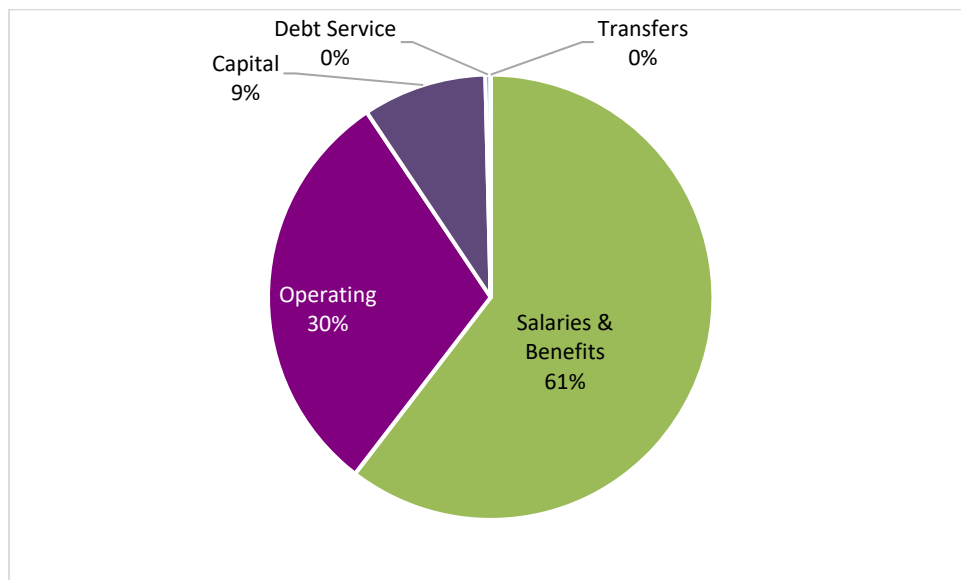
No FTE changes

Operating

Operating budget lower due to FY20 having the one-time technology for the Commission room

Capital

Portion of Laserfishe upgrade



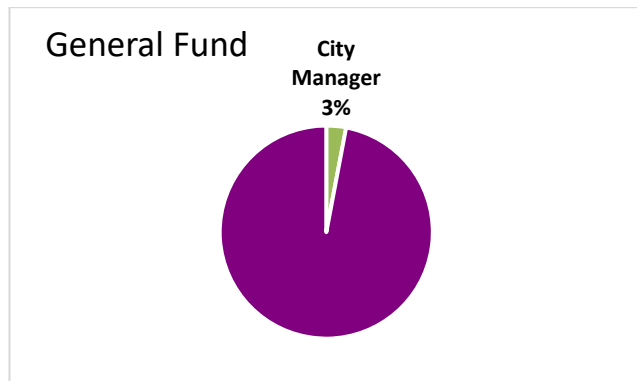
City Manager

Major Objectives:

The City Manager's office is support of the Mission, Values, and Goals of the City and to implement the City's Strategic Plan.

Budget Allocation

Funded by the General Fund, making up 4% of the fund's expenditures.



FY20 Accomplishments

- Design and Construction Management of Bozeman Public Safety Center; received 3CMA Award of Excellence for BPSC education effort
- Recruitment of new City Manager including Interim City Manager
- Passage of the Communications Plan



FY20 Strategic Plan

There were many accomplishments across the organization.



Performance Measures

The City Manager's office facilitates public education for ballot measures including BPSC and P&TD. The City Manager's office provides all employees with timely meetings to update on important topics impacting the City.

FY21 Strategic Plan

The City Manager is charged with implementing the plan. There is a focus on the seven priorities and the other projects selected by the Commission. Within the City Manager's Office there is a focus on:

- A high performing organization that utilizes best practices to anticipate future needs, and engages the community for continuous improvement

FY21 Budget

Department Budget by Fund

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
CITY MANAGER	010- General	1,024,196	951,156	949,774	-0.1%

Department Budget by Category

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
CITY MANAGER	Salaries & Benefits	779,318	814,010	790,550	-2.9%
CITY MANAGER	Operating	243,625	137,146	159,224	16.1%
CITY MANAGER	Capital		-	-	0.0%
CITY MANAGER	Debt Service	1,253	-	-	0.0%
CITY MANAGER	Transfers		-	-	0.0%
TOTALS		1,024,196	951,156	949,774	

Department Budget by Division

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
CITY MANAGER	1210- City Administration	1,024,196	951,156	949,774	-0.1%
TOTALS		1,024,196	951,156	949,774	

Personnel

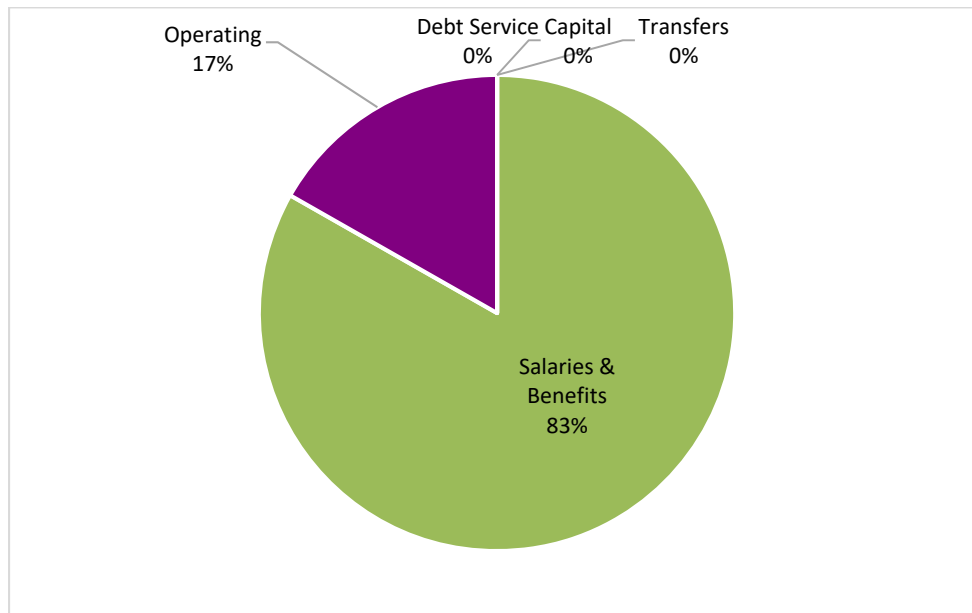
No FTE Changes

Operating

Lobbyist for upcoming legislative session.

Capital

None



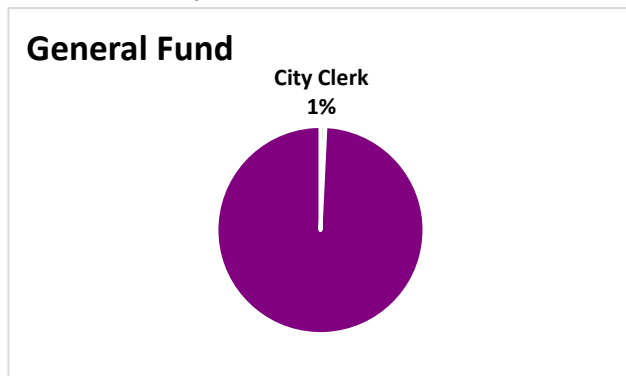
City Clerk (City Manager's Office)

Major Objectives:

- Support the City Commission by preparing the proceedings and managing the public meeting process.
- Preserve the City's records and manage organization, accuracy, accessibility, and completeness.
- Coordinate the City's many citizen advisory boards, commissions, and committees.
- Perform centralized administrative tasks including bid/RFP/RFP management, records requests, public noticing, public comment, codification, election coordination, ethics and financial disclosure tracking, grant approvals, etc.

Budget Allocation

Funded by the General Fund, making up less than 1% of the fund's expenditures.



FY20 Accomplishments

Procedural improvements:

- Online public notices
- Alcohol licensing cheat-sheet
- Resolution/Ordinance title consistency
- Board/commission/committee accuracy and consistency

FY20 Strategic Plan

Strategic Plan - 1.1 Outreach

b.) Dramatically increase transparency and create access to all city documents

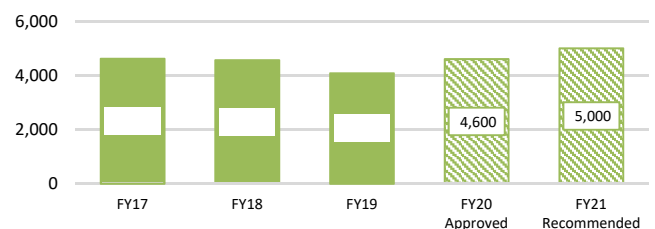
Performance Measures

****Performance measures will be refined in FY21 to match systems necessary to collect data*

- Process 100% of applicable documents for public access in the Laserfiche document management system.
- Track disposition across city departments, with a long-term goal of significantly increased disposal, document and disposition transparency through a formalized process, and increased facility space.

Documents Processed for Public Access

*Source = Laserfiche



FY21 Strategic Plan

Strategic Plan - 1.1 Outreach

b.) Dramatically increase transparency and create access to all city documents

Strategic Plan – 1.2 Community Engagement

a.) Enhance City Committees and Advisory Boards

c.) Create a Standard Boards and Commission Onboarding and Education Process

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
CITY CLERK	010- General	225,900	259,175	256,881	-0.9%

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
CITY CLERK	Salaries & Benefits	155,274	159,355	160,661	0.8%
CITY CLERK	Operating	69,373	98,775	95,175	-3.6%
CITY CLERK	Capital	-	-	-	0.0%
CITY CLERK	Debt Service	1,253	1,045	1,045	0.0%
CITY CLERK	Transfers	-	-	-	0.0%
TOTALS		225,900	259,175	256,881	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
CITY MANAGER	1220-City Clerk	225,900	259,175	256,881	-0.9%
TOTALS		225,900	259,175	256,881	

Personnel

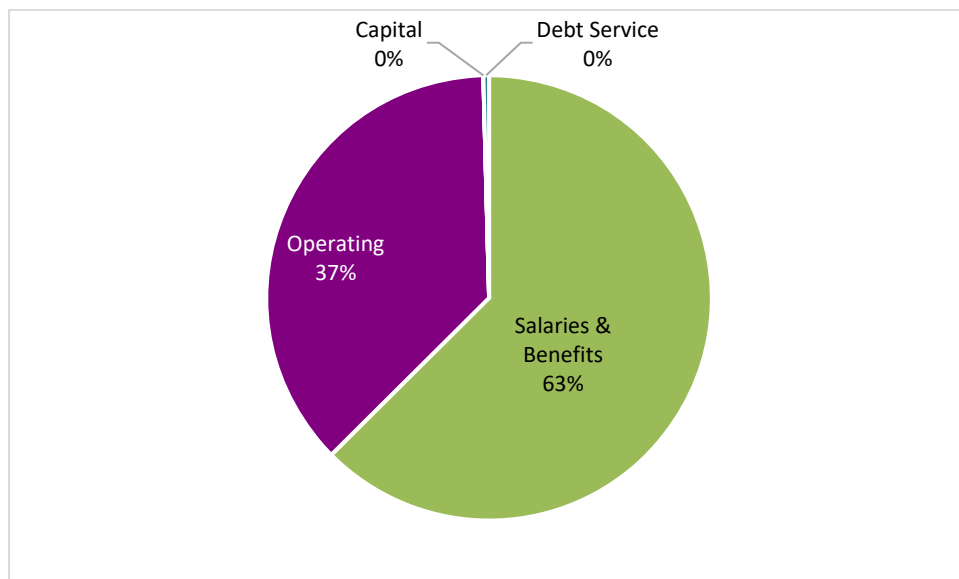
No FTE changes

Operating

No major changes

Capital

None



Neighborhoods

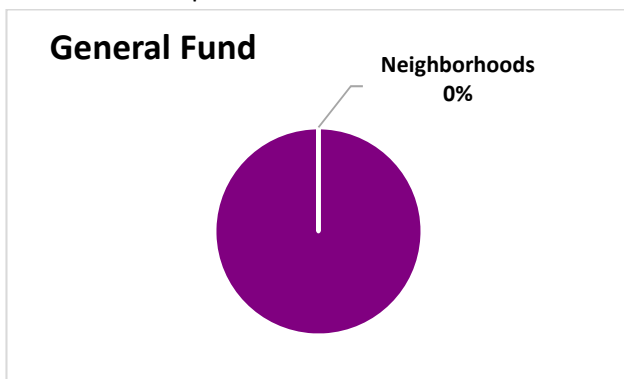
(Economic Development)

Major Objectives:

- Advance engagement opportunities and communication with Bozeman neighbors, MSU and students.
- Support neighbors by managing outreach systems that target underserved areas.
- Strengthen collaborations and partnerships with MSU, students, public agencies and community stakeholders.

Budget Allocation

Funded by the General Fund, making up less than 1% of the fund's expenditures.



FY20 Accomplishments

- Advance engagement opportunities and communication with Bozeman neighbors, MSU and students.
- Support neighbors by managing outreach systems that target underserved areas.
- Strengthen collaborations and partnerships with MSU, students, public agencies and community stakeholders.

FY20 Strategic Plans

- 1.2 Community Engagement – Broaden and deepen engagement of the community in city government, innovating methods for inviting input from the community and stakeholders.
- 1.3 Public Agencies Collaboration – Foster successful collaboration with other public agencies and build on these successes. (1.3c Enhance our relationship with MSU)

Performance Measures

****Performance measures will be refined in FY21 to match systems necessary to collect data*

- Monitor program activity both inside and outside of formal neighborhood boundaries to demonstrate the reach of community engagement.
- Track partnerships with community stakeholders to better understand the impact we can have when working together.
- Quantify public engagement meetings, events, and communication throughout City projects to show the value of the services we provide and the value that we place on community input.

FY21 Strategic Plan

- 1.2b Community Engagement Plan – Develop a plan to increase community engagement in city decision-making processes
 - o Advance engagement opportunities and communication with Bozeman neighbors, MSU and students.
 - o Support neighbors by managing outreach systems that target underserved areas.
 - o Strengthen collaborations and partnerships with MSU, students, public agencies and community stakeholders.
- 1.3c Enhance our relationship with MSU
 - o EPIC-N - 4-6 collaborative courses in FY21
 - o Assist with Off Campus Living Program

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
NEIGHBORHOODS	010- General	86,935	102,462	103,466	1.0%

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
NEIGHBORHOODS	Salaries & Benefits	70,284	72,442	73,446	1.4%
NEIGHBORHOODS	Operating	16,651	30,020	30,020	0.0%
NEIGHBORHOODS	Capital -		--		0.0%
NEIGHBORHOODS	Debt Service -	-	-		0.0%
NEIGHBORHOODS	Transfers -		- -		0.0%
TOTALS		86,935	102,462	103,466	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
Economic Development	1260- Neighborhood	86,935	102,462	103,466	1.0%
TOTALS		86,935	102,462	103,466	

Personnel

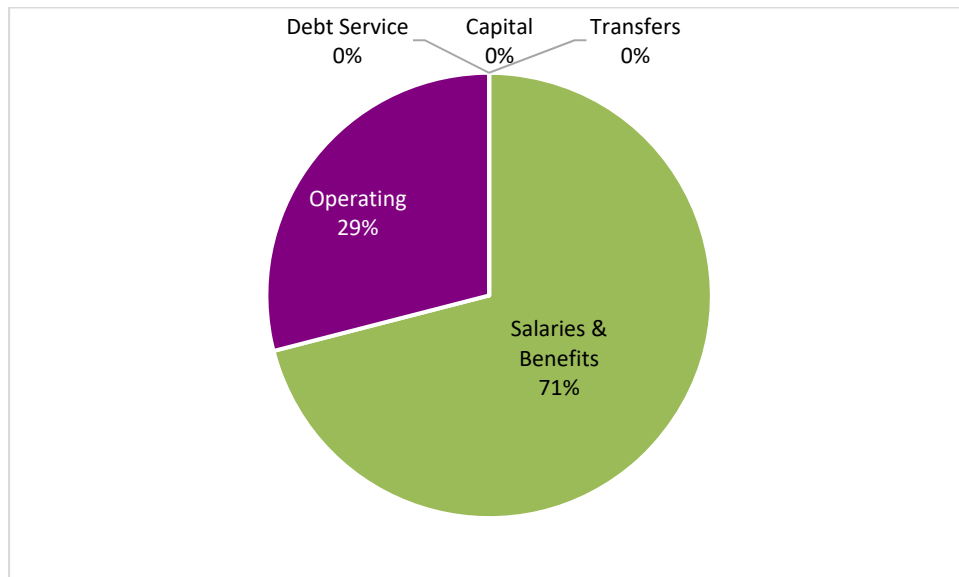
No FTE changes

Operating

No major changes

Capital

None



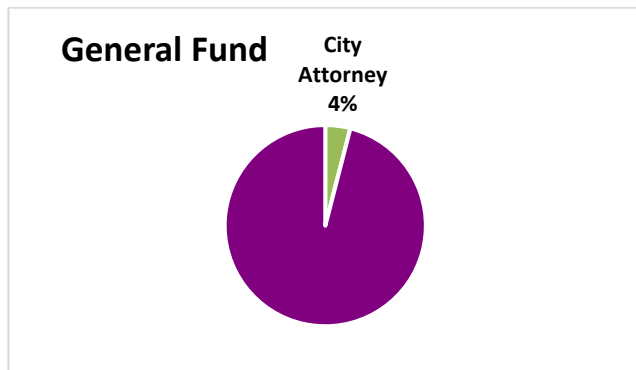
City Attorney

Major Objectives:

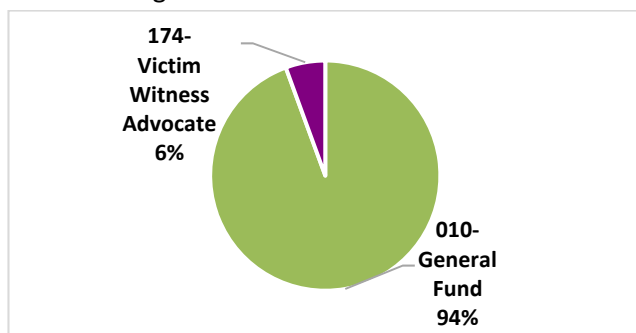
- To be a critical part of the City's leadership through integration with department directors, HPO members, the City Commission, and other city agencies.
- To enforce state laws and city ordinances pertaining to misdemeanor offenses within the city and to prosecute criminal cases in a timely and efficient manner.
- To direct the legal operations of the city and serve as the city's legal counsel.

Budget Allocation

Funded mainly from the General Fund, making up 4% of the fund's expenditures



The Department oversees the programming for the special revenue fund 174Victim/Witness advocate. Total funding breakdown:



FY20 Accomplishments

- Continuing to build our team through professional development, training, and coordination.
- Continued effective integration into all City departments as demonstrated by a significant list of accomplishments

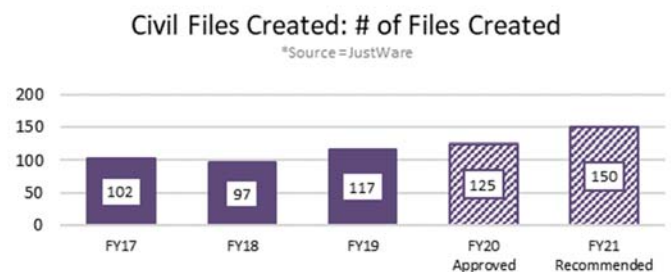
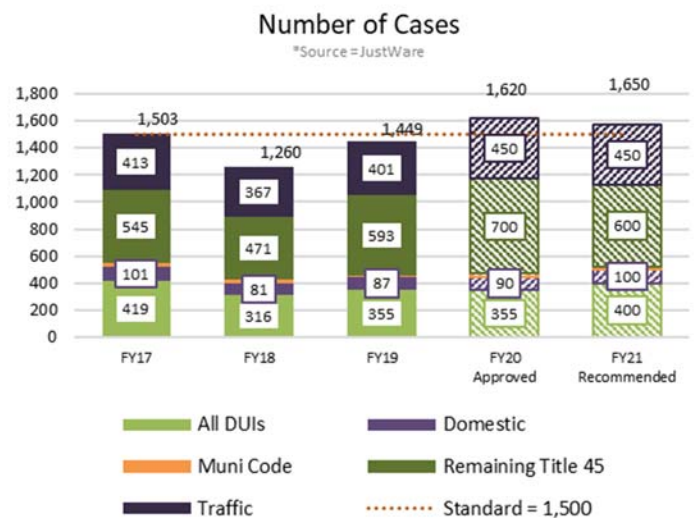
- Increase in efficiency and effectiveness of the prosecution team

FY20 Strategic Plans

The City Attorney's Office plays a role in the majority of strategic plan items especially, of the top seven, the following:

- Affordable Housing
- Planning and Land Use
- Annexation Analysis
- Parks & Trails District

Performance Measures



FY21 Strategic Plan

Resources are needed to participate in all aspects of strategic plan implementation.

FY21 Budget

Department Budget by Fund

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
CITY ATTORNEY	010- General Fund	1,223,019	1,315,436	1,524,785	15.9%
CITY ATTORNEY	174- Victim Witness Advocate	32,588	90,000	90,000	0.0%
TOTALS		1,255,607	1,405,436	1,614,785	

Department Budget by Category

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
CITY ATTORNEY	Salaries & Benefits	1,120,240	1,168,786	1,355,085	15.9%
CITY ATTORNEY	Operating	135,367	236,650	237,700	0.4%
CITY ATTORNEY	Capital	-	-	22,000	0.0%
CITY ATTORNEY	Debt Service	-	-	-	0.0%
CITY ATTORNEY	Transfers	-	-	-	0.0%
TOTALS		1,255,607	1,405,436	1,614,785	

Department Budget by Division

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
CITY ATTORNEY	1410- City Attorney	1,221,101	1,309,436	1,518,785	16.0%
CITY ATTORNEY	1460- Criminal Prosecution - General	125	1,000	1,000	0.0%
CITY ATTORNEY	1462- Criminal Prosecution - Victim/Witness	34,381	95,000	95,000	0.0%
TOTALS		1,255,607	1,405,436	1,614,785	

Personnel

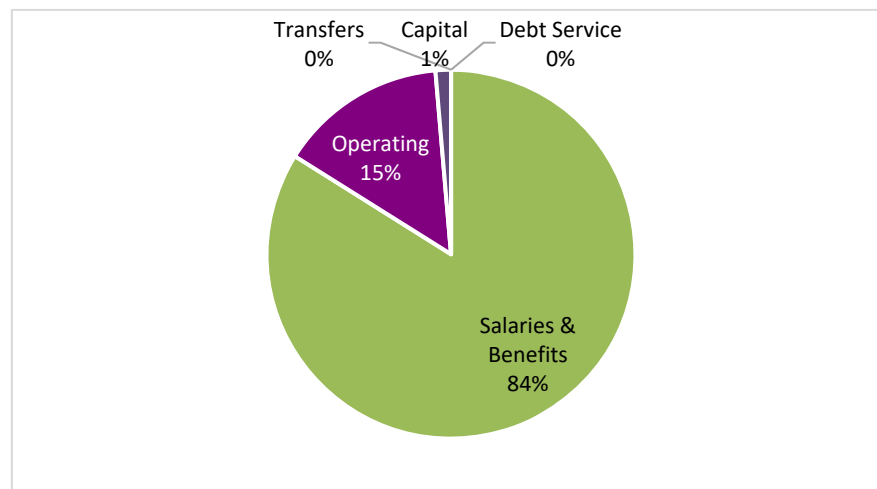
No changes in personnel, there was already an FTE added last year funded with different funds but is now in the General fund with our new administrative cost allocation we are able to recoup cost from other funds better.

Operating

No major changes

Capital

Project #	Project Name	Amount
0	VIRTUAL SERVER TO RUN EDISCOVERY	12,000
0	NEW PRINTER	10,000



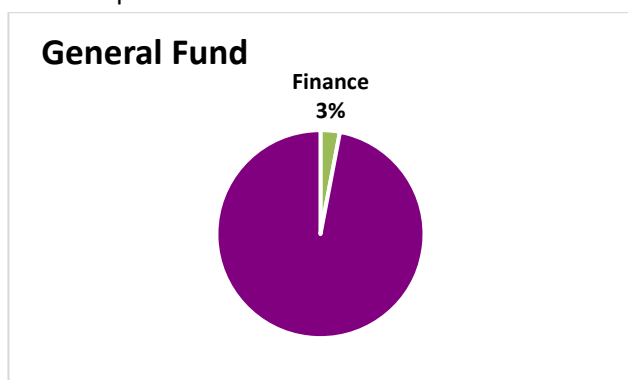
Finance

Major Objectives:

- To assure efficient and effective management of the public's resources by providing quality financial services and safeguarding the City's Assets
- To manage and account for the City's finances in accordance with Generally Accepted Accounting Principles, as set forth by the Governmental Accounting Standards Board and prepare a Comprehensive Annual Financial Report.
- To prepare a comprehensive budget on an annual basis that encompasses all funds of the City.

Budget Allocation

Funded by the General Fund, making up 3% of the fund's expenditures.



FY20 Accomplishments

- Government Finance Officers Association Awards for the Comprehensive Annual Financial Report and Budget Book
- Rate and fee studies in for Recreation and Solidwaste
- Bozeman Public Safety Center Bond Offering and receiving a bond rating upgrade to Aa1

FY20 Strategic Plans

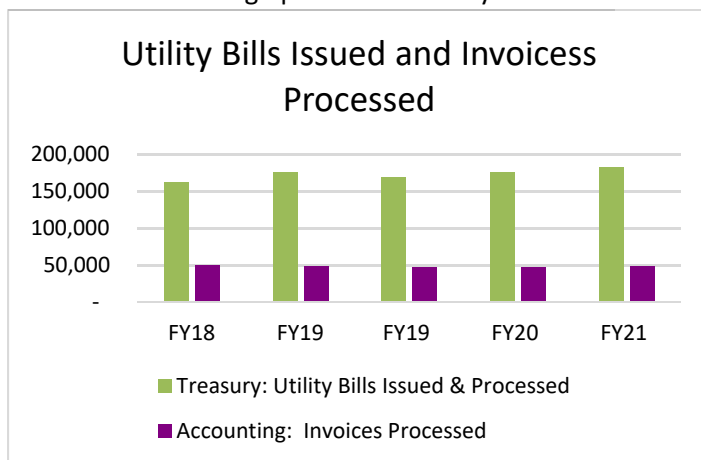
The Finance Department supports the strategic plan efforts across the organization and focused internally on:

- We worked towards item 7.1 b -Create a Culture of Innovation through lean practices

- 7.3 C Improve Departmental Collaboration through cross functional teams and in our internal support role
- 7.5 Funding and Delivery of City Services - Use equitable and sustainable sources of funding for appropriate City services, and deliver them in a lean and efficient manner

Performance Measures

- Receive Awards for financial reporting; FY18 Comprehensive Annual Financial Report received Government Finance Officer Association's certificate in Achieving Excellence in financial reporting and the FY20 Budget received their Distinguished Budget Award.
- Through lean process eliminate waste, and strive for efficiency while remaining effective. 2019 saw 1,200 hard cost savings per year and 768 hours of staff time per year. 2020 is off to a good start already saving 300 FTE hours through process efficiency.



FY21 Strategic Plan

The Finance Department supports the strategic plan efforts across the organization and will focus internally on:

- 7.1 b -Create a Culture of Innovation
- 7.3 C Improve Departmental Collaboration through cross functional teams and in our internal support role
- 7.5 Funding and Delivery of City Services - Use equitable and sustainable sources of funding for appropriate City services, and deliver them in a lean and efficient manner

FY21 Budget

Department Budget by Fund

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
FINANCE	010- General Fund	1,005,186	1,001,680	975,759	-2.6%

Department Budget by Category

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
FINANCE DEPARTMENT	Salaries & Benefits	789,200	805,392	752,367	-6.6%
FINANCE DEPARTMENT	Operating	215,186	196,288	195,362	-0.5%
FINANCE DEPARTMENT	Capital	800	-	28,030	0.0%
FINANCE DEPARTMENT	Debt Service	-	-	-	0.0%
FINANCE DEPARTMENT	Transfers	-	-	-	0.0%
TOTALS		1,005,186	1,001,680	975,759	

Department Budget by Division

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
FINANCE DEPARTMENT	1510- Finance Administration	281,877	281,303	233,893	-16.9%
FINANCE DEPARTMENT	1520- Accounting	463,501	457,303	476,657	4.2%
FINANCE DEPARTMENT	1530- Treasury	259,808	263,074	265,209	0.8%
TOTALS		1,005,186	1,001,680	975,759	

Personnel

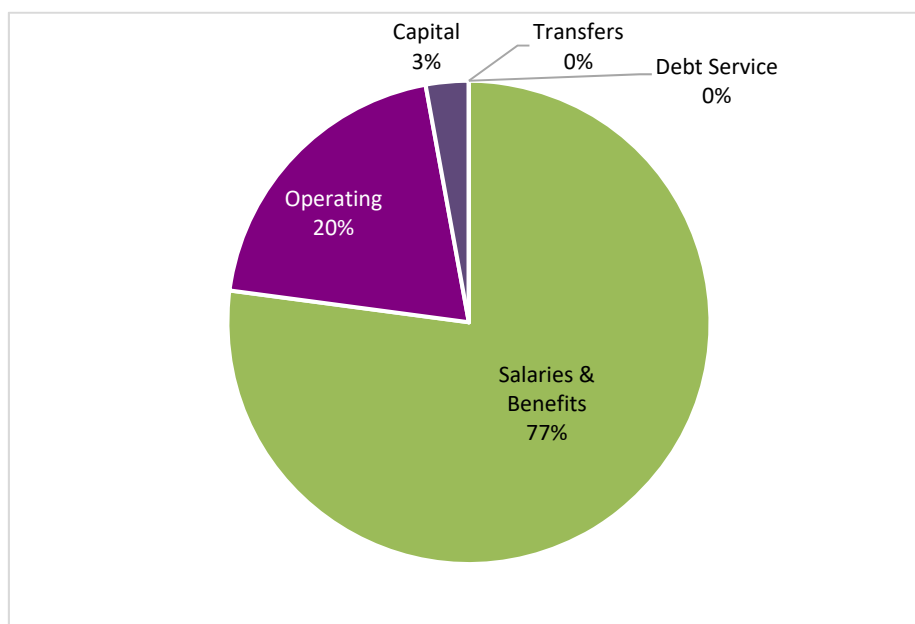
No FTE changes in regards to the General fund. Utility billing staff is budgeted under fund 750- PW Admin fund along with a new FTE for FY21 a Budget Analyst with a focus Public Works.

Operating

No major changes

Capital

Project #	Project Name	Amount
GF347	ANALYTICSNOW	28,030



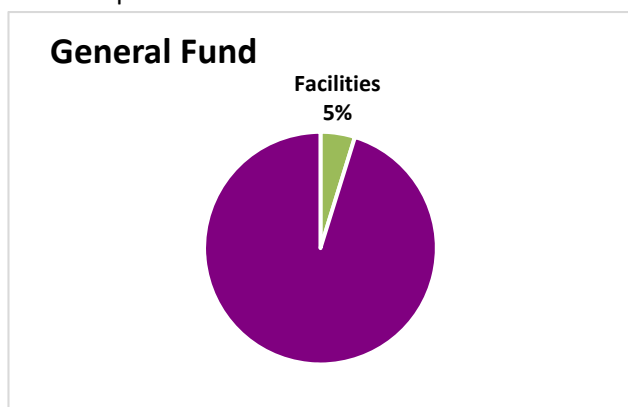
Facilities (Strategic Services)

Major Objectives:

- Provide a safe, comfortable, and professional working environment in all city facilities.
- Maintain all buildings and related equipment in good working condition in a proactive manner that will help extend useful life.
- Maintain a proactive approach for long-term facility planning and project scheduling in order to avoid costly problems of deferred maintenance.
- Implement building design, maintenance, and operational practices resulting in energy saving measures.

Budget Allocation

Funded by the General Fund, making up 5% of the fund's expenditures.



FY20 Accomplishments

- Bozeman Public Safety Center – Working with architect's, Contractor, Consultants, Clients, and Vendors in the overall design.
- Professional Building Renovation – Managing overall day to day activities with regard to move coordination, move activities, and construction activities.
- Bogert Pavilion Renovation – Working with contractors on the budget, design and winterization activities.

FY20 Strategic Plans

3.1.a Bozeman Public Safety Center

- Participated in all phases of the project design

7.3.c Improve Departmental Collaboration

- Stiff Building – Twelve Divisions within Six Department Impacted, Centralized Customer Service
- Public Safety Center – Collaboration with Police, Fire, Municipal Courts, Victim Services, Legal, and IT Departments

7.4.c Performance Measures

- Data is being collected within the structure of Cityworks process

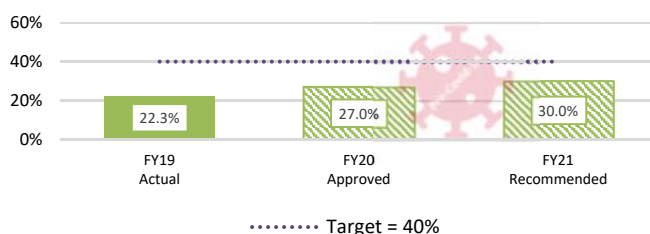
Performance Measures

- Establish a Facility Condition Index (FCI) for all City owned buildings to help prioritize current and future needs.

****Efforts in FY21 will establish necessary benchmarks, including future project needs*

Percent of Work That is Preventative Maintenance

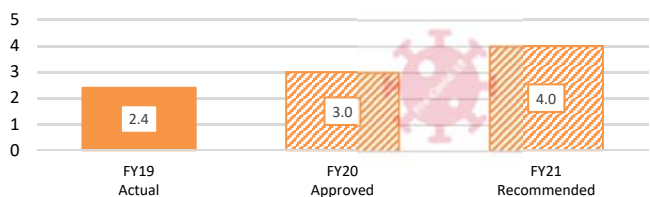
*Source = Cityworks



Service Request Median Response Time

Target < 24 hours

*Source = Cityworks



FY21 Strategic Plan

3.1.a Bozeman Public Safety Center

Complete design phases moving into construction phase

6.3.d Climate Change Adaptation and Mitigation
LED Retrofits

Solar PV (Site analysis)

EV Charging Stations (Site analysis)

Air Filtration

7.3.c Improve Departmental Collaboration

Preventative Maintenance between Parks & Facilities

Library Expansion Planning

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
FACILITIES MANAGEMENT	010- General Fund	1,293,395	1,572,966	1,808,708	15.0%

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
FACILITIES MANAGEMENT	Salaries & Benefits	332,299	356,169	445,648	25.1%
FACILITIES MANAGEMENT	Operating	920,156	1,183,297	1,213,060	2.5%
FACILITIES MANAGEMENT	Capital	40,940	33,500	150,000	347.8%
FACILITIES MANAGEMENT	Debt Service				0.0%
FACILITIES MANAGEMENT	Transfers				0.0%
TOTALS		1,293,395	1,572,966	1,808,708	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
FACILITIES MANAGEMENT	1810- City Hall	454,077	558,589	621,299	11.2%
FACILITIES MANAGEMENT	1820- Fire Station #1	40,547	53,189	61,381	15.4%
FACILITIES MANAGEMENT	1830- Shop Complex	84,627	109,190	115,267	5.6%
FACILITIES MANAGEMENT	1840- Professional Building	244,403	292,825	429,203	46.6%
FACILITIES MANAGEMENT	1850- Senior Center	87,740	83,465	89,390	7.1%
FACILITIES MANAGEMENT	1860- Library	320,948	383,489	390,994	2.0%
FACILITIES MANAGEMENT	1870- Fire Station #2	15,765	22,945	29,131	27.0%
FACILITIES MANAGEMENT	1880- Fire Station #3	45,288	69,274	68,716	-0.8%
FACILITIES MANAGEMENT	1890- Vehicle Mtc Facility	-	-	3,327	100.0%
TOTALS		1,293,395	1,572,966	1,808,708	

Personnel

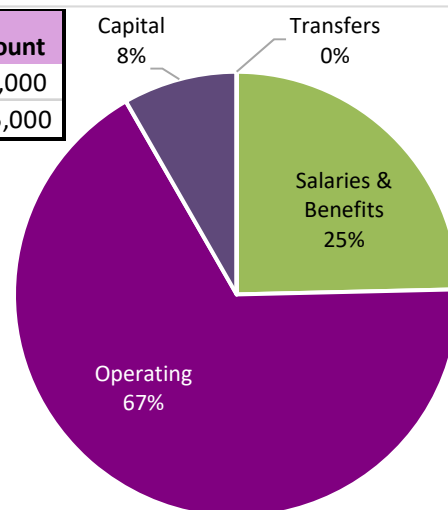
Project Coordinator added

Operating

Slight Increase in service costs

Capital

Project #	Project Name	Amount
GF001	ELEVATOR REPLACEMENT- STIFF	125,000
GF324	NEW DEPARTMENT VEHICLE	25,000



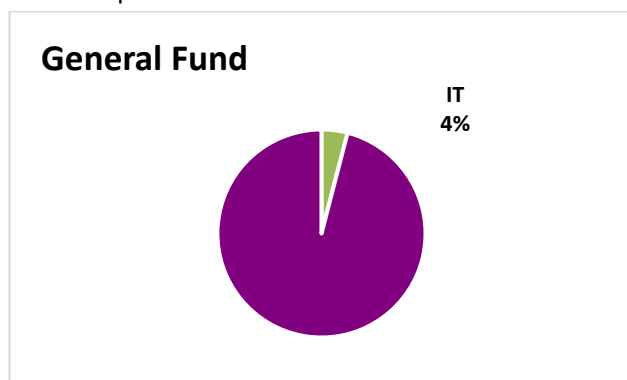
Information Technology

Major Objectives:

- Support all technology related hardware/software for the city.
- Maintain antivirus and other security related components to keep City data safe.
- Design and support systems that provide continuity of operations in the event of a system failure.
- Support Strategic plan objectives as they pertain to City Technology and communications.

Budget Allocation

Funded by the General Fund, making up 4% of the fund's expenditures.



FY20 Accomplishments

- Moved from 86% to 92% on ADA compliance for the website. Quality Assurance from 87% to 95%.
- New AV system for Commission Room
- New SQL Server 2017 Cluster created and database migrations started.

FY20 Strategic Plans

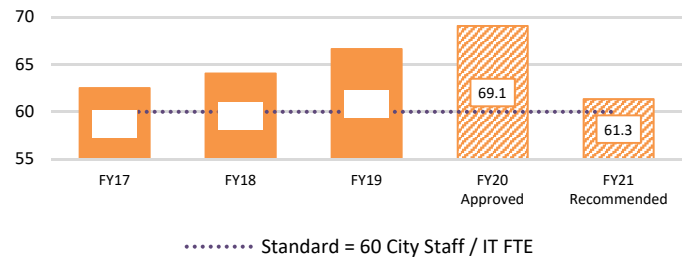
Department involved in 16 items

- Push Notifications-1.1a-All but texting completed
- PD and FD Technology-3.1d-Deployed fire and PD tablets
- Public Safety Center-3.1a-Meetings to discuss technology needs

Performance Measures

Number of City Staff per Full Time Employee

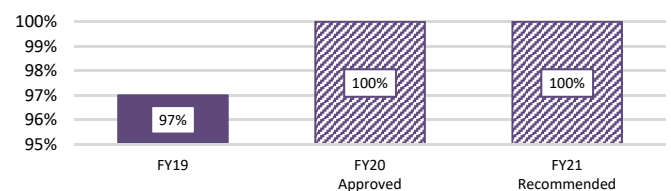
*Source = NeoGov



Deployments Completed

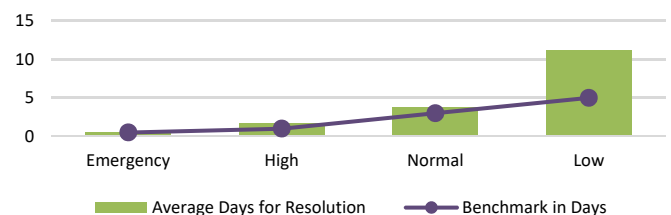
Standard = 100%

*Source = IT Documentation



Ticket Resolution (FY20 Q1/Q2)

*Source = Lansweeper



FY21 Strategic Plan

- Increased Community Engagement in City Decision Making-1.2b
 - o Assist with choice and deployment of engagement toolset
- Library Expansion Planning-5.1a \$3,000
 - o Working with BSD7 Tech to connect new High School Library branch to City Network.
- Systems Integrations-7.3b
 - o Avolve and Eplan review Upgrades and ties to Central Square and City Works

FY21 Budget

Department Budget by Fund

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
INFORMATION TECHNOLOGY	010- General Fund	1,078,941	1,336,193	1,526,921	14.3%

Department Budget by Category

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
INFORMATION TECHNOLOGY	Salaries & Benefits	644,715	740,212	850,565	14.9%
INFORMATION TECHNOLOGY	Operating	351,079	418,981	478,356	14.2%
INFORMATION TECHNOLOGY	Capital	83,147	177,000	198,000	11.9%
INFORMATION TECHNOLOGY	Debt Service	-	-	-	0.0%
INFORMATION TECHNOLOGY	Transfers	-	-	-	0.0%
TOTALS		1,078,941	1,336,193	1,526,921	

Department Budget by Division

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
INFORMATION TECHNOLOGY	1910- Information Technology	1,078,941	1,336,193	1,526,921	14.3%
TOTALS		1,078,941	1,336,193	1,526,921	

Personnel

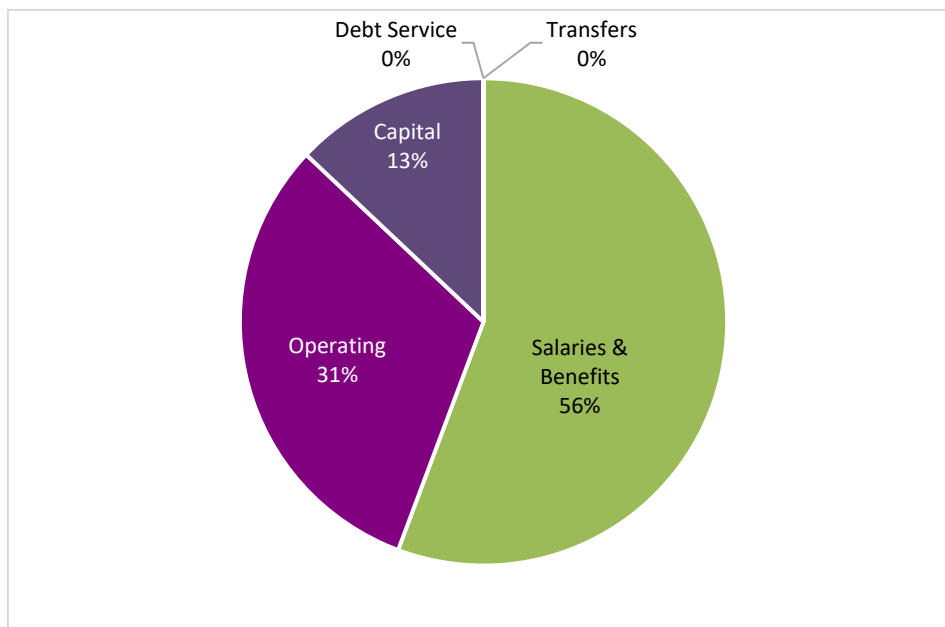
No FTE change

Operating

Increase due to software maintenance contracts

Capital

Project #	Project Name	Amount
GF062	PERSONAL COMPUTER (PC) RE	65,000
GF080	CITY-WIDE SWITCHES&ROUTRS	50,000
GF265	SERVER REPLACEMENT GF	48,000
GF289	SERVER FARM SOFTWARE UPGRADES	35,000



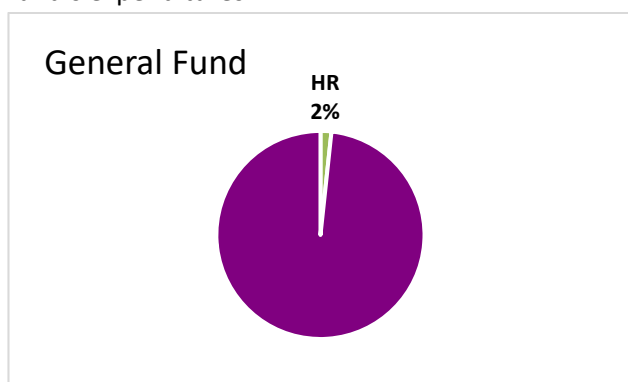
Human Resources

Major Objectives:

- Process the City's payroll and process all related payment and tax filings
- Manage the City's employee benefits
- Monitor compliance with labor contracts, employee handbook, laws, rules, and regulations
- Support Strategic Plan objectives as they pertain to the City's workforce

Budget Allocation

Funded by the General Fund, making up 2% of the fund's expenditures.



FY20 Accomplishments

- Successfully implemented NEOGOV applicant tracking
- Hired Training Specialist
- Implemented new hire orientation program

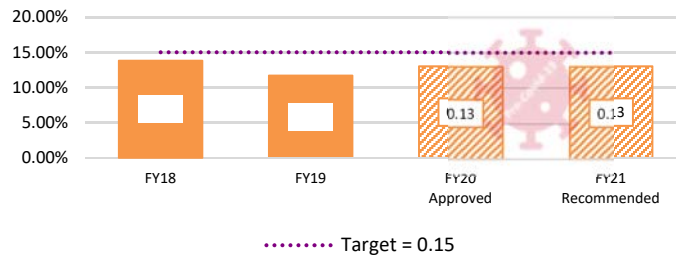
FY20 Strategic Plans

- 7.2a Be a "Best in Class" Employer We are engaging in pay studies for non-rep and open contracts to determine market pay for our positions.
- 7.2b Develop and Implement an Innovative Onboarding Program for New Employees – We developed an orientation program for new hires to welcome them to employment with the City.
- 7.3d Set Diversity Goals – In the past year, we have improved our diversity in positions traditionally held by males in the Public Safety and Public Works.

Performance Measures

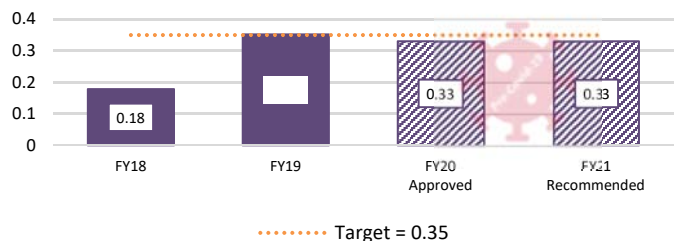
Selection Ratio

*Source = Internal Data/NeoGov



Turnover Rate

*Source = Internal Data



Work Comp Modification Factor

*Source = MMIA



FY21 Strategic Plan

- 7.2a- Increase training budget to assist with achieving "Best in Class" Employer status through professional development offered through training and development tracking
- 7.2d- Maintain diversity advertisement budget for focused effort on achieving diversity goals.
- 7.2a- Continue to refine and strengthen new hire orientation program to assure the City will remain a "Best in Class Employer"

FY21 Budget

Department Budget by Fund

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
HUMAN RESOURCES	010- General Fund	441,345	568,710	616,143	8.3%

Department Budget by Category

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
HUMAN RESOURCES	Salaries & Benefits	327,040	467,510	476,144	1.8%
HUMAN RESOURCES	Operating	114,305	101,200	139,999	38.3%
HUMAN RESOURCES	Capital	-	-	-	0.0%
HUMAN RESOURCES	Debt Service	-	-	-	0.0%
HUMAN RESOURCES	Transfers	-	-	-	0.0%
TOTALS		441,345	568,710	616,143	8.3%

Department Budget by Division

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
HUMAN RESOURCES	2010- Human Resources	441,345	568,710	616,143	8.3%
TOTALS		441,345	568,710	616,143	

Personnel

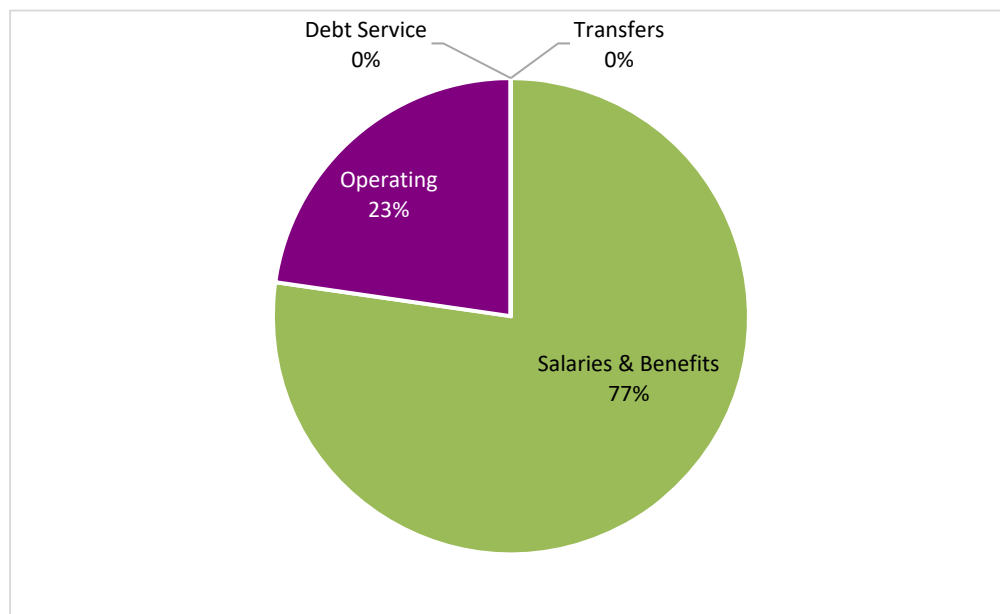
No FTE change

Operating

Increase is mainly due to new software licenses, one being a learning management system to aid in strategic plan vision statement 7

Capital

None



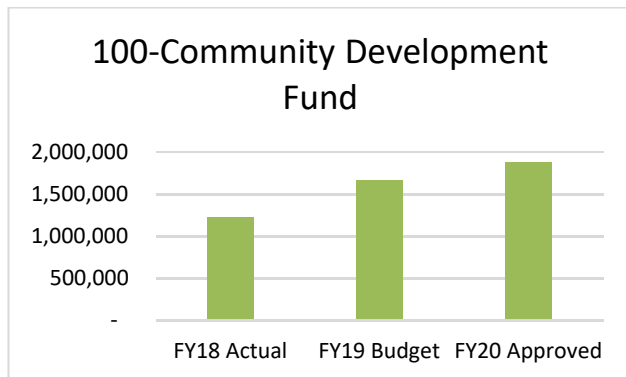
Planning (Community Development)

Major Objectives:

- Continually working toward making the planning process accessible, understandable and efficient for citizens
- Evaluate and make recommendations to the Planning Board, City Commission and the Director of Public Works on all annexations and subdivisions of land
- Review business licenses for compliance with the city's zoning ordinance

Budget Allocation

Planning Fund – Special Revenue Fund



FY20 Accomplishments

City Projects lead by Planning Division

- Community Plan Updates- continued efforts to update Bozeman's growth policy
- UDC Community Platform- gathering feedback from citizens

FY20 Strategic Plans

- New information available to the public through Push Notifications and GIS Land Use & Infrastructure Development Tracking Tools (Well Planned City | Objective Item 4.1c)
- New photos and inventory sheets on Historic Preservation and Architectural Inventory Map Viewer (Well Planned City | Objective Item 4.1c)
- Increased Outreach & Community Engagement by meeting regularly with the contractor and design professional communities to gather feedback on our review processes. (Engaged Community | Objective Items 1.1 & 1.2)

- Promoted informed conversations on growth through the Community Plan (Growth Policy) Update process by offering numerous community involvement opportunities (Well Planned City | Objective Item 4.1a)

Performance Measures

Performance Measures

****Additional performance measures will be developed in FY21 to replace metrics now under Code Compliance*

- Measure the median review time for projects and plans by type to both identify where additional efficiencies can be made internally as well as infer public and design professionals understanding of the planning process.

****FY21 investments in technology will provide the necessary data*

- Calculate the median number of work days to review a building permit for zoning compliance to identify planning's influence on the total building permit review time.

****FY21 efforts to improve efficiency through operational changes will establish the necessary benchmark (i.e., merging Planning & Building frontline staff responsibilities)*

FY21 Strategic Plan

Engaged Community

- Outreach – Strengthen and innovate how we deliver information to the community and our partners (Objective 1.1)
- Public Agencies Collaboration – Foster successful collaboration with other public agencies and build on these successes (Objective 1.3e)

A Well Panned City

- Update Historic Preservation Guidelines – Update the NCOD Guidelines and promote continued investment in the city's inventory of historic structures relative to ongoing infill and redevelopment (Objective 4.2d)

Sustainable Environment

- Work with Wetland Review professionals to ensure preservation of environmentally sensitive parcels that contribute to water quality, wildlife corridors, and wildlife habitat (Objective 6.6)

FY21 Budget

Department Budget by Fund

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
COMMUNITY DEVELOPMENT	100-Community Development Fund	1,350,715	1,873,348	2,330,696	24.4%

Department Budget by Category

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
COMMUNITY DEVELOPMENT	Salaries & Benefits	977,363	1,416,573	1,467,035	3.6%
COMMUNITY DEVELOPMENT	Operating	358,357	421,775	775,990	84.0%
COMMUNITY DEVELOPMENT	Capital	14,995	35,000	87,671	150.5%
COMMUNITY DEVELOPMENT	Debt Service				0.0%
COMMUNITY DEVELOPMENT	Transfers				0.0%
TOTALS		1,350,715	1,873,348	2,330,696	72.6%

Department Budget by Division

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
COMMUNITY DEVELOPMENT	1610- Planning Operations	515,953	793,670	1,341,215	69.0%
COMMUNITY DEVELOPMENT	1620- Development Review	512,239	633,524	696,491	9.9%
COMMUNITY DEVELOPMENT	1630- Long-Range Planning	322,523	446,154	292,990	-34.3%
TOTALS		1,350,715	1,873,348	2,330,696	

Personnel

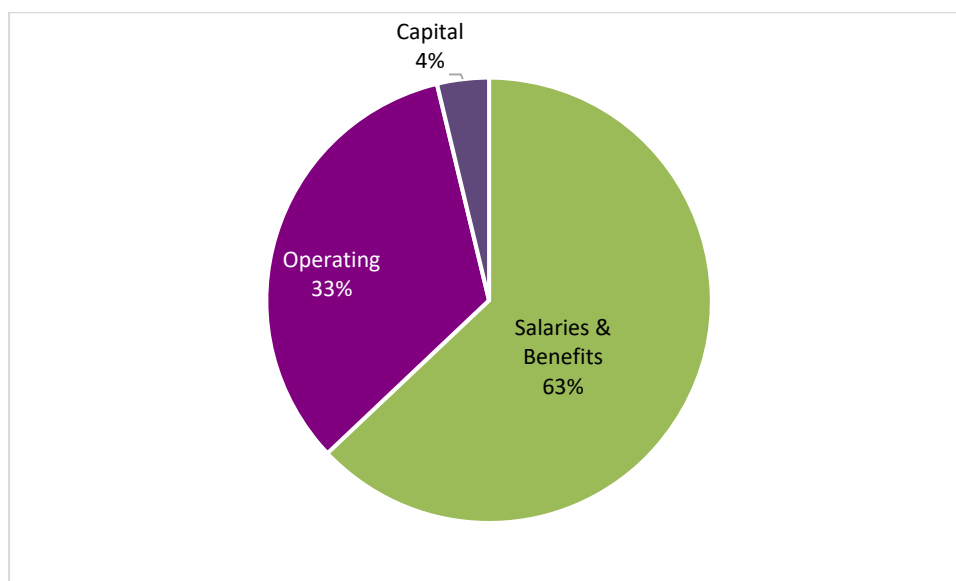
Addition, of a Planner II

Operating

Consulting services increase with the next round NCOD and public outreach funding

Capital

Project #	Project Name	Amount
GF284	LASERFISCHE	19,333
0	AVOLVE SOFTWARE (PLANNING PORTION)	68,338



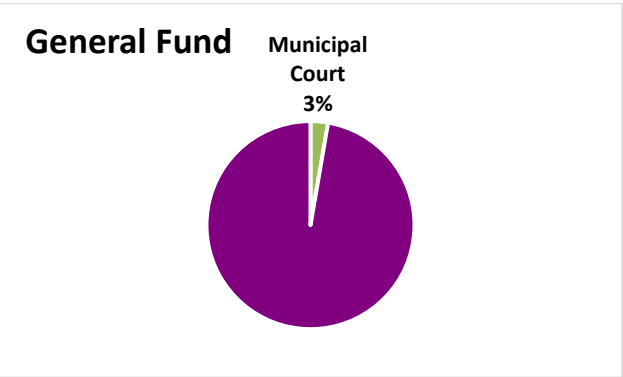
Municipal Court

Major Objectives:

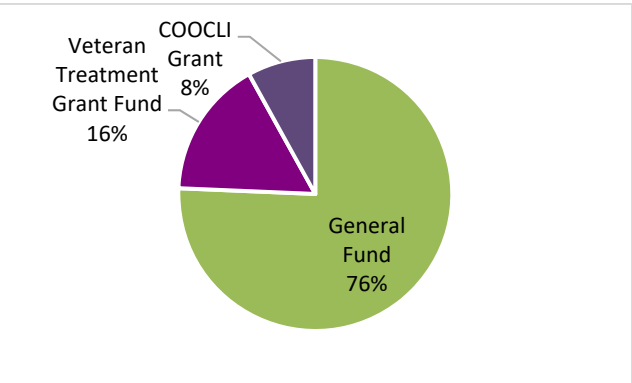
- Continue providing an up-to-date court docket.
- Plan an efficient operating space for the new BPSC.
- Begin planning for a smooth transition to the New Bozeman Public Safety Center.
- Maintain an efficient collection system concentrating on CitepayUSA.com, Municipal Services Bureau, and collection of fines and restitution.

Budget Allocation

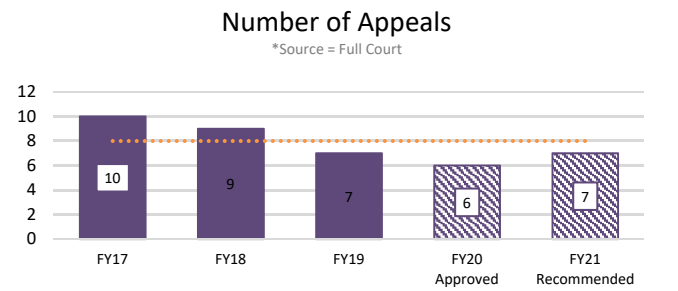
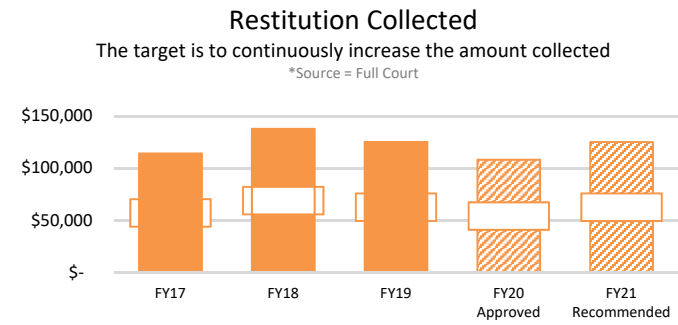
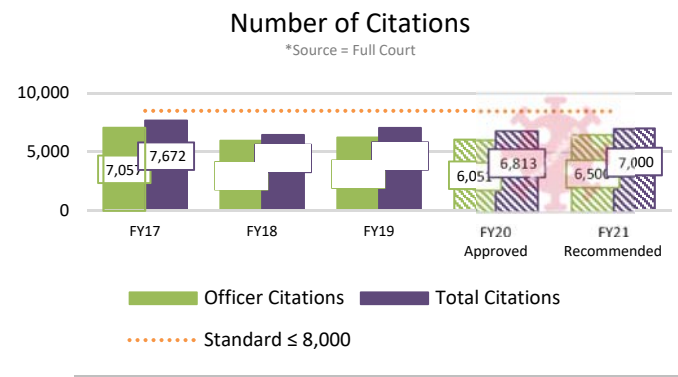
Funded mainly by General Fund



The Veteran Court is provided for by a grant and accounted for in the Special revenue fund 178- Veteran Treatment Grant and an opioid grant for the VET court supporting a case manager.



Performance Measures



FY21 Budget

Department Budget by Fund

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
MUNICIPAL COURT	010- General Fund	867,357	908,059	908,462	0.0%
MUNICIPAL COURT	178- Veteran Court	83,188	152,346	195,409	28.3%
MUNICIPAL COURT	196- COOCLI Grant			96,611	100.0%
TOTALS		950,545	1,060,405	1,200,482	

Department Budget by Category

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
MUNICIPAL COURT	Salaries & Benefits	769,172	776,013	835,991	7.7%
MUNICIPAL COURT	Operating	179,490	282,492	362,601	28.4%
MUNICIPAL COURT	Capital	-	-	-	-
MUNICIPAL COURT	Debt Service	1,883	1,900	1,890	0.0%
MUNICIPAL COURT	Transfers	-	-	-	0.0%
TOTALS		950,545	1,060,405	1,200,482	13.2%

Department Budget by Division

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
MUNICIPAL COURT	1310-Municipal Court	950,545	955,024	1,200,482	25.7%
TOTALS		950,545	955,024	1,200,482	25.7%

Personnel

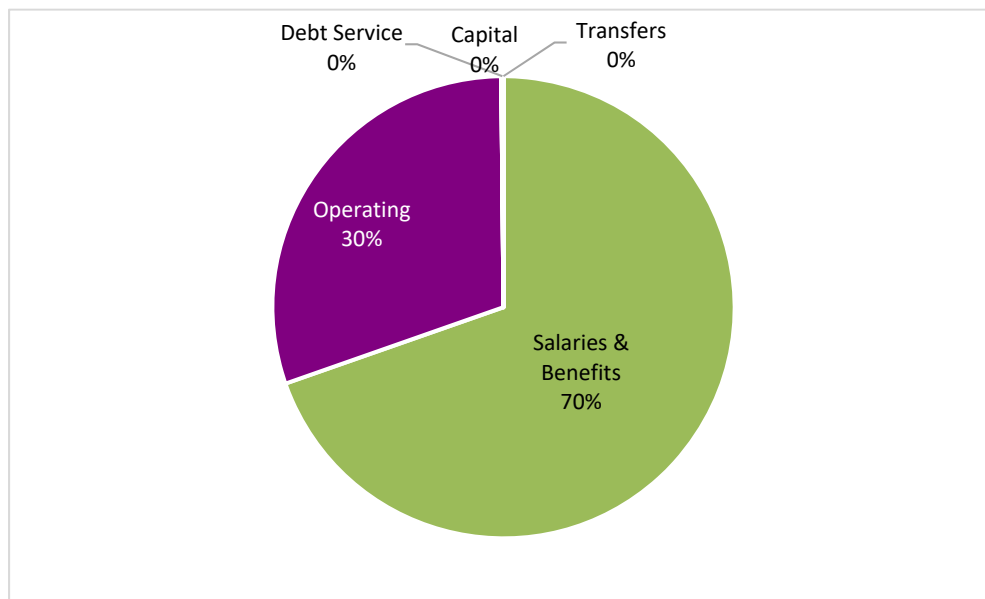
FTE increase of .13 for part time judge and a Vets Court case manager faded mid-FY20 funded by a grant.

Operating

Increase in grant funding operations

Capital

None





Public Safety



Public Safety



Police- The Police Department budget accounts for costs associated with providing all law enforcement services within the City of Bozeman. The general fund budget primarily supports the operation of the patrol, investigative and support services divisions. Officers from these divisions are responsible for detecting, preventing, and investigating all crimes occurring within the City as well as providing a broad range of public safety services.

Fire Department - The Fire Department provides fire, rescue, hazardous materials, and emergency medical services throughout Bozeman, while ensuring that firefighters are equipped and trained to nationally recognized consensus standards. Additionally the department maintains a fire prevention program that is comprised of fire and life safety inspections, community outreach, school programs, emergency preparedness, and public education.

Building Inspection (Community Development) - The Building Division unit accounts for expenditures utilized to monitor construction projects within the City of Bozeman jurisdictional area as allowed by state law. The intent of this budget unit is to provide guidance and to enforce the minimum building code standards in order to safeguard life, health, property and public welfare by regulating and controlling the use, design, quality of materials and construction of buildings and structures within the Bozeman city limits.

Parking (Economic Development)- The Parking Services Division (PSD), recently joined to the Economic Development Department, has responsibility for managing and enforcing public parking within the City of Bozeman, to include the Downtown (B-3), MSU & Bozeman High Residential Parking Permit Districts, Bridger Park Downtown Garage, the Black/Rouse/N Willson/S. Willson surface lots, and on all on-street parking.



Code Enforcement (Community Development)- The City of Bozeman's Code Compliance Officers address City and State ordinances and codes as they relate to the health, safety and general quality of life concerns of our residents, neighborhoods, and community.

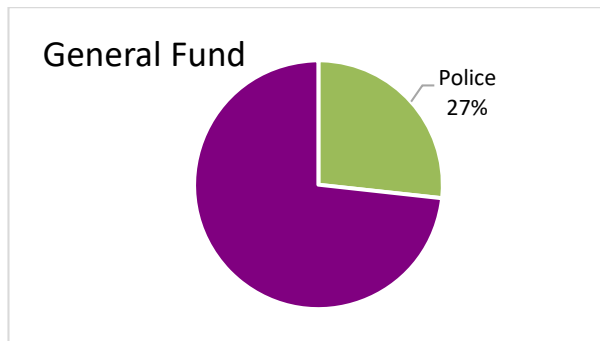
Police

Major Objectives:

- Detect, investigate, and proactively deter criminal activity and apprehend and hold criminal offenders accountable.
- Provide assistance to those who cannot care for themselves or those in danger of physical harm.
- Develop positive programs, in partnership with the members of our community, to address public safety issues through community engagement and outreach.

Budget Allocation

Funded mainly by the General Fund



Additional programs are funded by special revenue funds.

FY20 Accomplishments

- Hired and trained 6 full time officers and 2 part time officers with 3 more full time starting in March 2020 that will allow for full sworn staffing plus attainment of an over-hire target staffing level.
- Implemented a Community-Based Crisis Response Program in collaboration with partners utilizing a co-responder model with a therapist that responds to mental health calls with law enforcement.

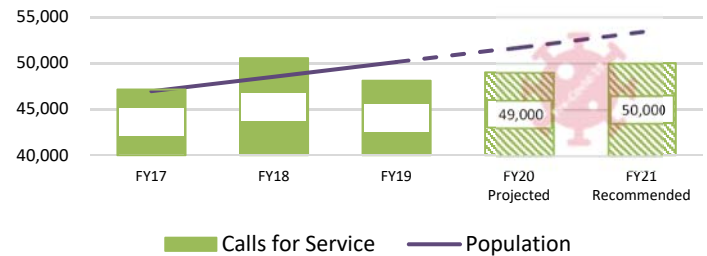
FY20 Strategic Plans

- 3.1 e Adopt, Fund and Implement Staffing Plan for Police
- 3.2a Strengthen Community Service Networks and 3.2c Develop a City/County Social Service Network of the Strategic Plan

Performance Measures

Total Calls for Service

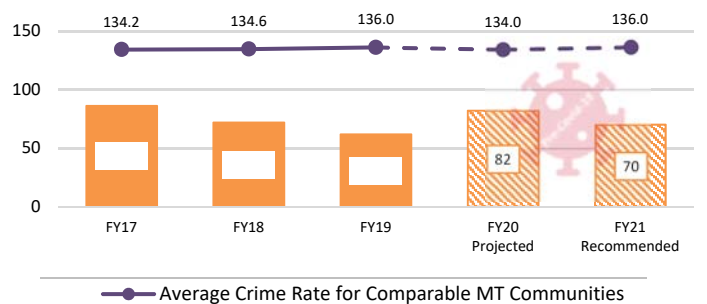
*Source = Zuercher



Crime Rate per 1,000 Citizens

The target is to have a lower crime rate than the average of comparable communities

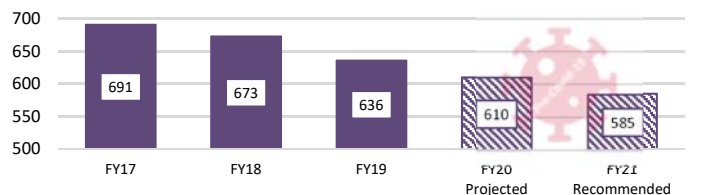
*Source = Zuercher



Mental Health-Related Calls for Service

The target is to improve service delivery and reduce repeat calls

*Source = Zuercher



FY21 Strategic Plan

- 3.1a, Develop a Criminal Justice Facility Plan - Continue to work with consultants on facility design and construction that is set to begin in Spring 2020.
- 3.1.d Update Public Safety Technology Systems - Further implementation of records management system assisting detention, prosecution and others with integration and improved workflow and service delivery.

FY21 Budget

Department Budget by Fund

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
POLICE	010- General Fund	9,502,293	8,994,621	9,453,639	5.1%
POLICE	125- Drug Forfeiture	270,651	242,052	251,960	4.1%
POLICE	138- Law & Justice Ctr. Prepaid Rent	19,125	19,125	19,125	0.0%
POLICE	139- Police Special Revenue	14,617	40,000	40,000	100.0%
POLICE	140- Police Domestic Violence	71,451	187,040	187,040	100.0%
TOTALS		9,878,137	9,482,838	9,951,764	

Department Budget by Category

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
POLICE	Salaries & Benefits	8,280,987	7,866,925	8,507,486	8.1%
POLICE	Operating	1,023,999	1,157,913	1,231,278	6.3%
POLICE	Capital	573,241	458,000	213,000	-53.5%
POLICE	Debt Service				0.0%
POLICE	Transfers				0.0%
TOTALS		9,878,227	9,482,838	9,951,764	4.9%

Department Budget by Division

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
POLICE	3010- Police Operations	7,783,684	7,237,004	7,539,794	4.2%
POLICE	3020- Crime Control & Investigations	1,580,540	1,743,165	1,882,769	8.0%
POLICE	3040- Drug Forfeiture	270,651	242,052	251,960	4.1%
POLICE	3070- Animal Control	243,262	260,617	277,241	6.4%
TOTALS		9,878,137	9,482,838	9,951,764	

Personnel

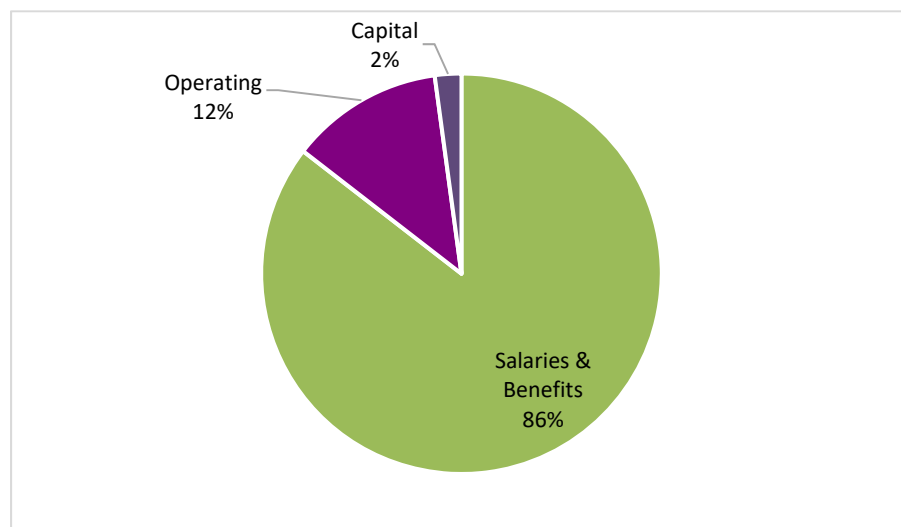
One Part-time officer and one new school Resource Officer for the new high school.

Operating

No major changes

Capital

Project #	Project Name	Amount
GF053	PATROL CAR & EQUIP REPLCMT	183,000
GF292	MOBILE DATA EQUIP	30,000



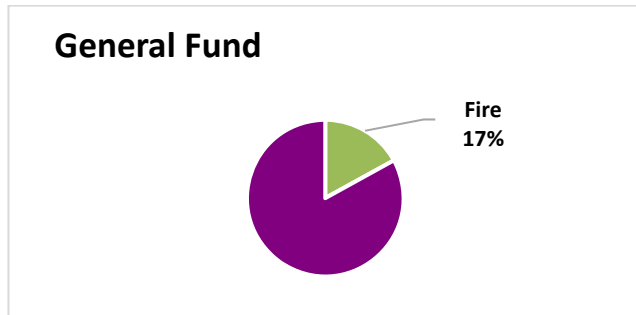
Fire

Major Objectives:

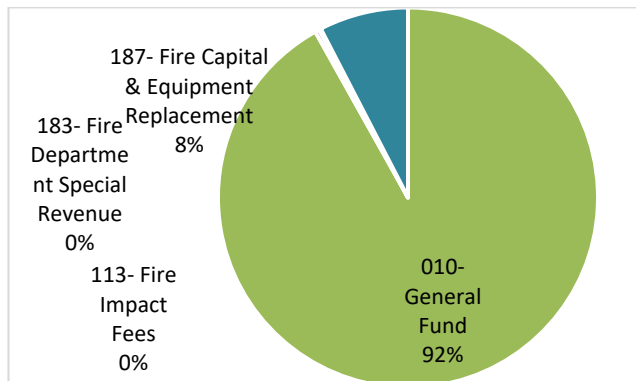
- Continued Implementation of Fire Master Plan
- Continued pursuit of Fire Department Accreditation
- Bozeman Public Safety Center

Budget Allocation

Fire is supported operationally through the General Fund.



The Fire Department is supported also by special revenue funds with one being for its capital replacements;



FY20 Accomplishments

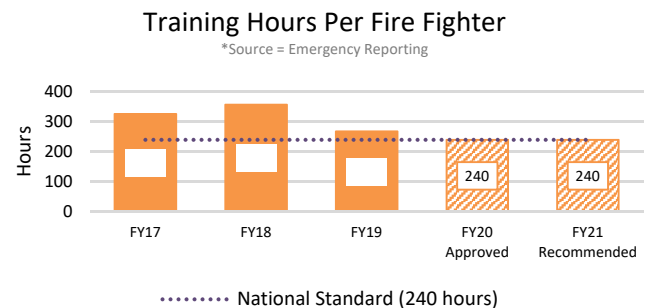
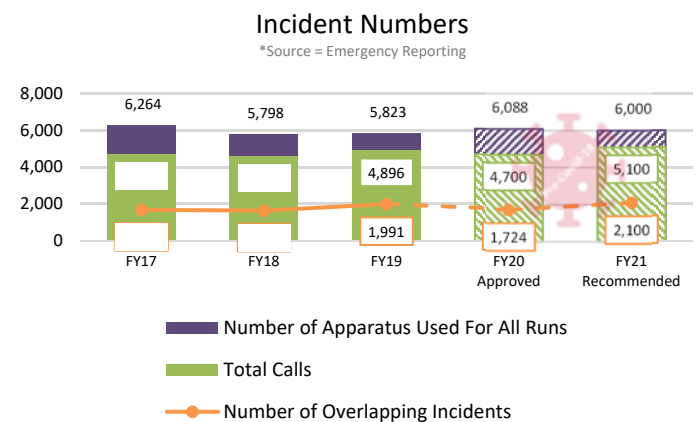
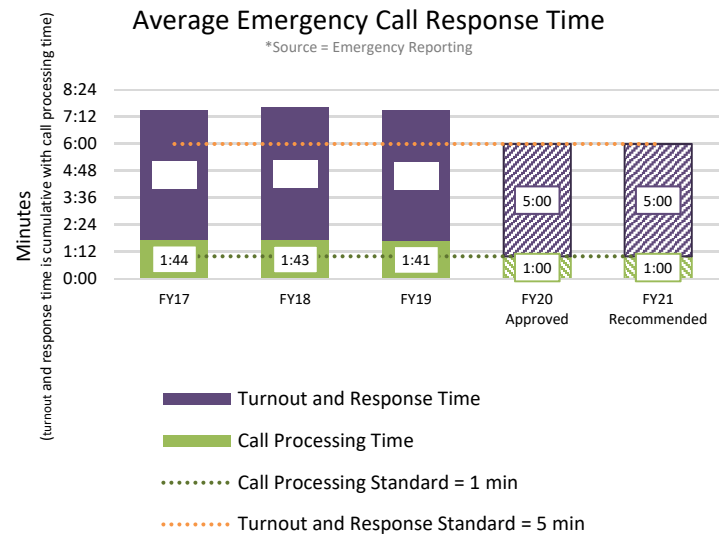
- Fire Station Alerting System
- Continuity of Operations Plan
- Brought on 7 new employees

FY20 Strategic Plans

- 1.3.c Enhance our relationship with Montana State University- COOP / Station 2 / Video Project / Gym Collapse / Police Chief Search / Event Planning
- 3.1.b Improve emergency preparedness plans- COOP / EMS Ordinance / Community Outreach Program

- 3.1.d Update public safety technology systems- Station Alerting / MDT updates

Performance Measures



FY21 Strategic Plan

- 3.1.b Improve Emergency Preparedness Plans - COOP / Community Program
- 3.1.c Implement Fire Station Location Plan - BPSC / Fire Station 2
- 3.1.d Update Public Safety Technology Systems - Fire Station Alerting

FY21 Budget

Department Budget by Fund

FIRE	010- General Fund	6,456,369	5,500,325	5,779,015	0.0%
FIRE	113- Fire Impact Fees	39,279	20,451	22,500	0.0%
FIRE	183- Fire Department Special Revenue	7,155	50,000	10,000	0.0%
FIRE	187- Fire Capital & Equipment Replacement	580,454	1,068,000	477,500	100.0%

Department Budget by Category

FIRE	Salaries & Benefits	6,028,867	5,064,356	5,262,860	3.9%
FIRE	Operating	506,655	485,969	548,655	12.9%
FIRE	Capital	547,735	468,000	427,500	-8.7%
FIRE	Debt Service				0.0%
FIRE	Transfers		620,451	50,000	0.0%

Department Budget by Division

FIRE	3110- Fire Administration	508,282	461,028	471,987	2.4%
FIRE	3120- Fire Operations	6,488,395	6,090,348	5,716,128	-6.1%
FIRE	3130- Operational Readiness	48,516	48,000	51,500	7.3%
FIRE	3140- Fire Prevention	25,845	26,000	36,000	38.5%
FIRE	3160- Hazardous Materials	10,752	13,400	13,400	0.0%
FIRE	3170- Disaster & Emergency services	1,467	-	-	0.0%

Personnel

No changes to FTE but an increase in overtime budget

Operating

Operational increases due inflation and cost increases with station alerting system

Capital

Project #	Project Name	Amount
FE12	PERSONAL PROTECTIVE EQUIPMENT	39,500
FE15	CARDIAC MONITOR REPLACEMENT	175,000
FE16	EXTRACTION TOOLS	150,000
FE24	DIESEL FILTER SYSTEMS	63,000

Building Inspection

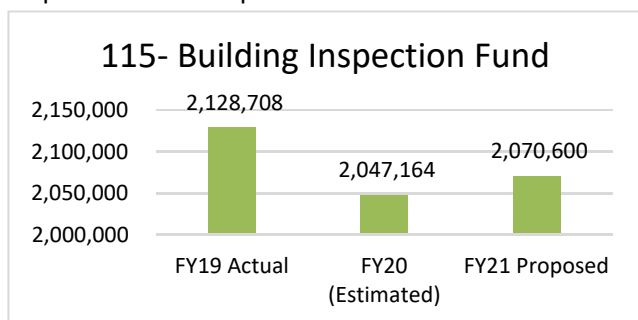
(Community Development)

Major Objectives:

- Recruit staff to provide an adequate level of qualified staff to handle our current and projected workload.
- Build a diverse workforce in both experience and education without sacrificing our work quality, service and minimum performance standards.
- Reevaluate and adjust the Division operational budget to eliminate any unnecessary spending but ensure funding for all of the necessary/required Division expenditures.

Budget Allocation

Department is funded in a single fund, Building Inspection Fund – Special Revenue Fund.



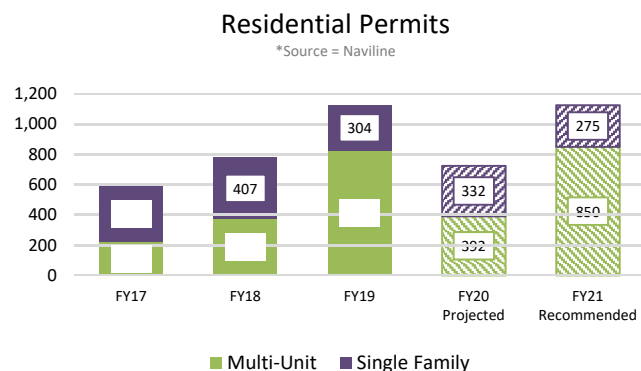
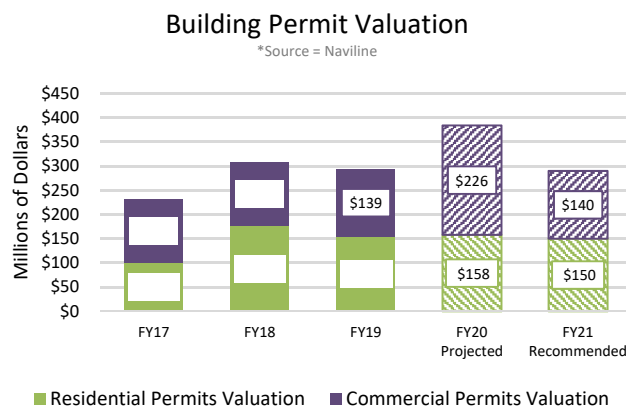
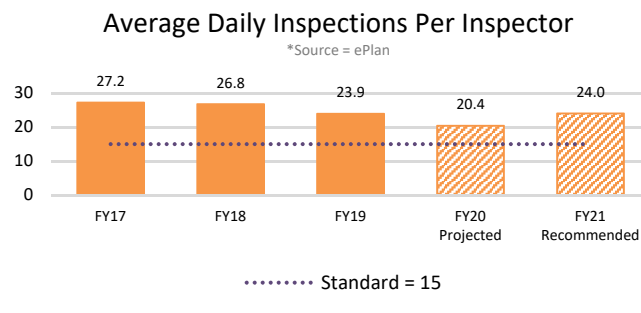
FY20 Accomplishments

- Continued working to improve coordination and communications between the Building Division, other city departments and our customers.
- Provided expert technical advice and consultation for our customers.
- All office staff became nationally certified Permit Technicians

FY20 Strategic Plans

- Continue to provide educational opportunities for our customers and our staff.
- Maintain the Building Division web page to keep it functioning as a valuable tool and information source for our customers.
- Fine tune and optimize our computer software for both field and office staff to improve customer service and gain staff efficiency.

Performance Measures



FY21 Strategic Plan

- Continue to make staff time available allowing customers to make appointments with Plans Examiners and the Building Official to review plans and code requirements.
- Continue with our Winter Training Program to provide building code based classes for our staff and our customers.
- Continue with staff continuing education to stay current with code changes as well as new materials and construction methods.
- Continue training our new Building Inspectors, allowing them to gain code knowledge.

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
BUILDING INSPECTION	115- Building Inspection Fund	2,176,566	2,657,236	3,217,852	21.1%

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
BUILDING INSPECTION	Salaries & Benefits	1,530,176	1,869,291	2,002,912	7.1%
BUILDING INSPECTION	Operating	635,390	787,945	862,925	9.5%
BUILDING INSPECTION	Capital	8,000	-	352,015	100.0%
TOTALS		2,173,566	2,657,236	3,217,852	21.1%

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
BUILDING INSPECTION	3210-Buidling Inspection	2,176,566	2,657,236	3,217,852	21.1%
TOTALS		2,176,566	2,657,236	3,217,852	

Personnel

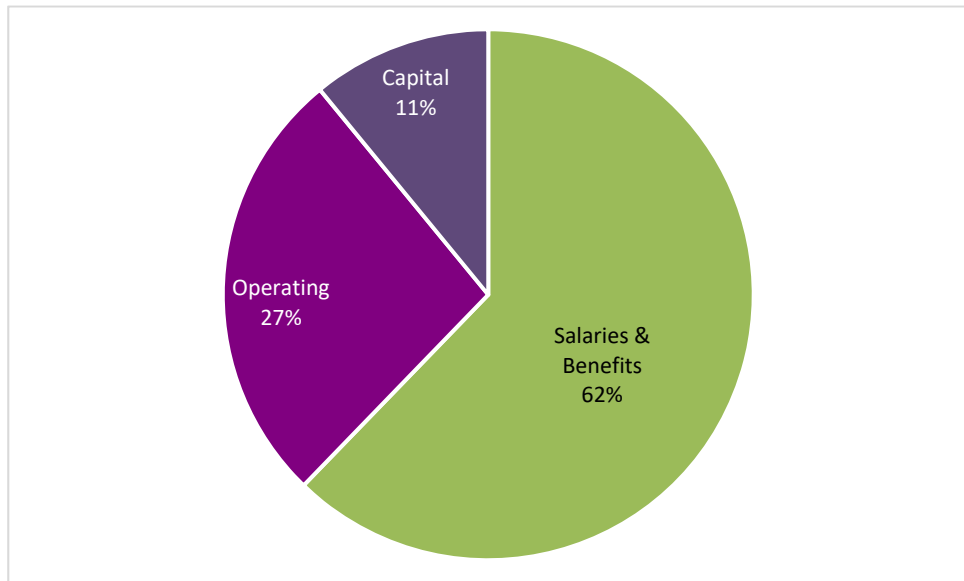
No changes in FTE

Operating

Increase due to computer supplies for replacing field tough pads and software licenses

Capital

Project #	Project Name	Amount
0	AVOLVE SOFTWARE (BUILDING PORTION)	205,015
0	SELECTRON	147,000



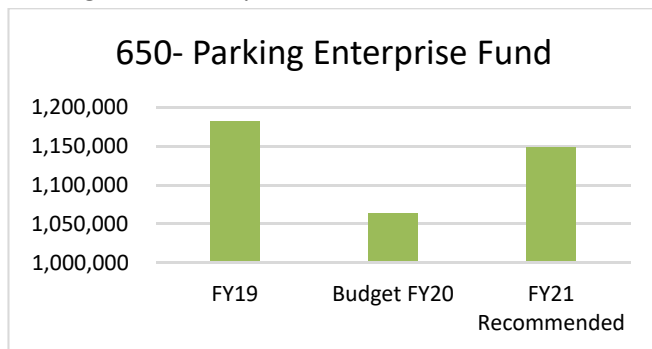
Parking (Economic Development)

Major Objectives:

- Regulate the use of on-street and off-street public parking to the best use of our citizens through equitable enforcement and management practices.
- Operate the Parking Services Division in an effective and fiscally sustainable manner.
- Facilitate a prosperous local economic environment through the provision of safe, convenient, available, and cost-appropriate public parking resources.

Budget Allocation

Parking Fund- Enterprise fund



FY20 Accomplishments

- Received 2019 IMPACT Award from T2 Systems, Inc.
- Organized the first-ever 'Montana Parking Summit'
- Implemented 'mail citation' program at parking garage
- Submitted ordinance to the Bozeman City Commission (2033) for creation of new Parking Benefit Zones.

FY20 Strategic Plans

- 4.2 High Quality Urban Approach - Parking Management by District - Developed, and submitted to the Bozeman City Commission, a legal/operational structure for the creation of Parking Benefit Zones.
- 4.3 Strategic Infrastructure Choices - Working with other stakeholders, completed 2 separate studies.

- 4.4 Vibrant Downtown, Districts & Centers - Expanded relationships with downtown stakeholders and businesses to enhance the public parking.

Performance Measures

****Development of performance measures are currently underway in a combined effort with the Parking Commission*

- Measure the effectiveness of on-street parking management by demonstrating that, over time, an increasing percentage of downtown block faces have occupancy rates within, but not exceeding, the target range of 75-85%.

****FY21 efforts to collect and analyze on-street occupancy data will deliver this information*

- Measure fiscal health of the public parking management system by tracking, over time, a ratio of total revenue per paid public parking space to total cost per paid public parking space.

****Systems adjustments are needed to track operations associated with this level of detail*

FY21 Strategic Plan

- 4.2 High Quality Urban Approach - Parking Management by District - Develop a comprehensive, integrated approach to parking management for the downtown, midtown, university, and other districts. Consider a range of solutions including both on-street parking and parking garages.
- 4.3 Strategic Infrastructure Choices - Prioritize long-term investment and maintenance for existing and new infrastructure.
- 4.4 Vibrant Downtown, Districts & Centers - Promote a healthy, vibrant Downtown, Midtown, and other commercial districts and neighborhood centers – including higher densities and intensification of use in these key areas.

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PARKING	650- Parking Enterprise Fund	1,443,919	1,082,669	1,228,464	13.5%

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PARKING	Salaries & Benefits	404,709	426,764	449,382	5.3%
PARKING	Operating	714,762	425,905	464,082	9.0%
PARKING	Capital	324,448	230,000	315,000	37.0%
PARKING	Debt Service	-	-	-	0.0%
PARKING	Transfers	-	-	-	0.0%
TOTALS		1,443,919	1,082,669	1,228,464	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PARKING	3310- Parking Administration	558,061	326,950	369,967	13.2%
PARKING	3320- Parking Operations/Enforcement	353,070	380,283	598,886	57.5%
PARKING	3330- Parking Garage Operations	532,788	375,436	259,611	-30.9%
TOTALS		1,443,919	1,082,669	1,228,464	

Personnel

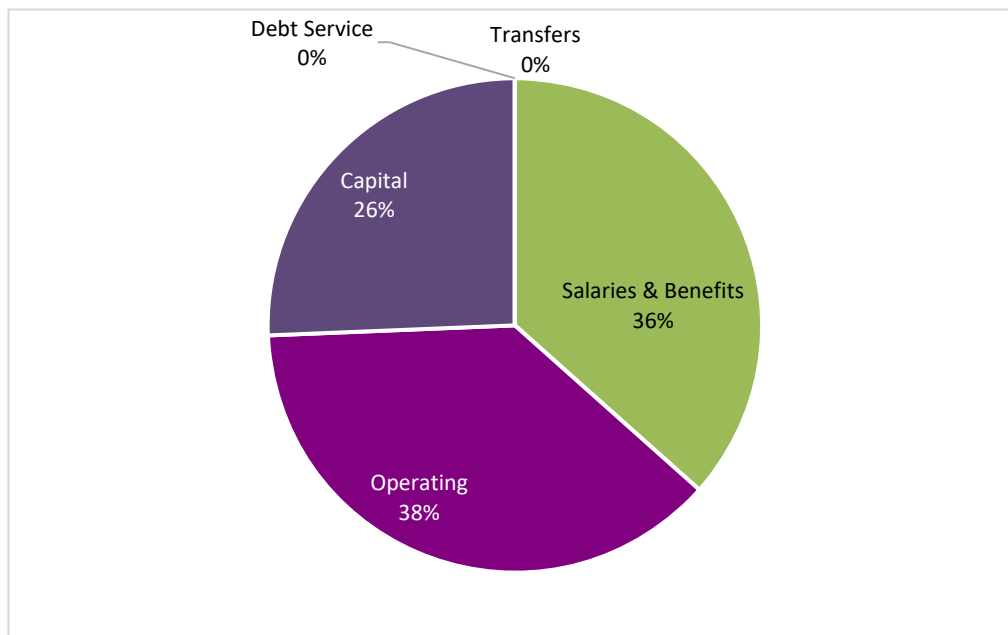
No FTE added

Operating

Increase in costs, such as DMV fees, postage and roof snow removal

Capital

Project #	Project Name	Amount
P017	ROUSE PARKING LOT RE-DESIGN AND IMPROVEMENTS	280,000
P025	REPLACEMENT VEHICLE	35,000



Code Enforcement

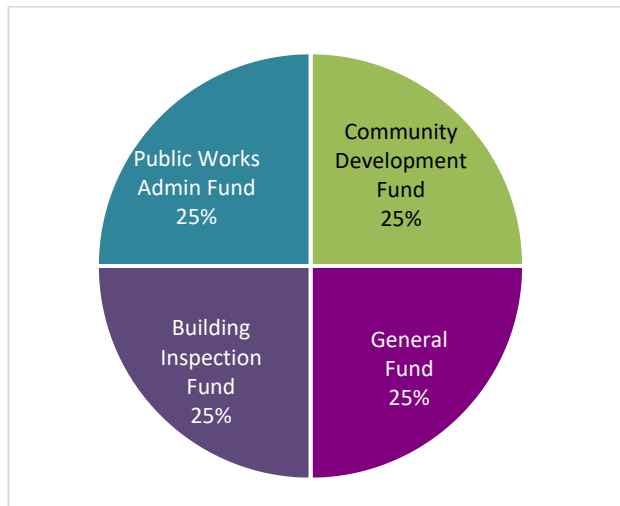
(Community Development)

Major Objectives:

- Promote and maintain a safe and desirable living and work environment
- Maintain and improve the quality of life for community members
- Administer fair and unbiased enforcement to correct violations of State and Municipal Codes

Budget Allocation

Funding split with 4 funds:



FY20 Accomplishments

- 66% reduction in non-compliant STRs with over 50% of the approved STRs being granted since compliance efforts began
- Surpassed snow removal fines by 14% so far this season compared to last season, without the aid of short term worker (Mark is really hitting the streets)
- Increased cooperation between Code Compliance and other city agencies (Storm Water/Forestry/Engineering/Building) (over 20 joint cases)

FY20 Strategic Plans

- Installed mobile system in one code compliance vehicle (Safe, Welcoming Community | Objective 3.1d)

- Began using Central Square for cases: 839 cases entered as of 2-28-20 (A Well-Planned City | Objective 4.1c)
- Partnered w/ Solid Waste on Illegal Dumping cases increasing efficiency of both organizations and better serving the citizens (High Performance Organization | Objective 7.3c)

Performance Measures

****Additional performance measures will be developed in FY21 (formally Community Dev.)*

- Track the median compliance time from complaint to closure for zoning code compliance complaints to show the effectiveness of the code compliance program and gauge our public education communication efforts.

FY21 Strategic Plan

- GIS Land Use & Infrastructure Development Tracking - Provide easy-to-use, accurate and informative tracking of land-use and infrastructure development trends and project-specific progress for use across the organization to inform strategic infrastructure investments. (Objective 4.1c).

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
COMMUNITY DEVELOPMENT	100-Community Development Fund		-	214,887	100.0%

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
COMMUNITY DEVELOPMENT	Salaries & Benefits			162,237	100.0%
COMMUNITY DEVELOPMENT	Operating			17,650	100.0%
COMMUNITY DEVELOPMENT	Capital			35,000	100.0%
TOTALS		-	-	214,887	100.0%

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
COMMUNITY DEVELOPMENT	1650- Code Enforcement	-	-	214,887	100.0%
TOTALS		-	-	214,887	

Personnel

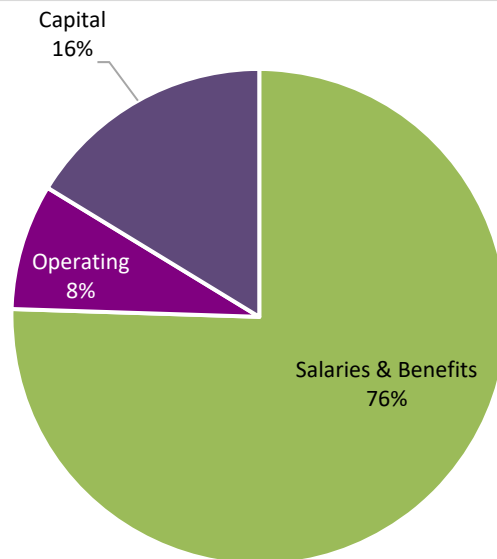
No FTE added

Operating

Typical operating costs for this program

Capital

Project #	Project Name	Amount
CC01	CODE COMPLIANCE VEHICLE	35,000





Public Works



Public Works

Public Works Administration- Public Works administration oversees and supports the Public Works' divisions.

Engineering - Provide professional level technical support to the other Public Works divisions and other City Departments.

GIS & Asset Management (Strategic Services)- Geographic Information System provides the foundation for data collection, analysis and visualization for many aspects of city government. Asset Management leverages this data to minimize risk and life-cycle costs to effectively deliver best-in-class service throughout the community.

Solidwaste - The Solid Waste Division (SWD) proudly serves the City of Bozeman Solid Waste customers by providing them with a myriad of programs and services that effectively and efficiently manage municipal solid waste generated within the Bozeman City limits.

Stormwater- Manage stormwater infrastructure through maintenance, improvement, and repair activities to ensure the adequate control and conveyance of urban stormwater runoff, reducing the City's liability associated with flooding. Protect and improve waterway health and treatment infrastructure projects to safeguard the public, environment, and local waterways from pollution.

Streets Maintenance - The goal of the Street Maintenance division is to help provide for a network of safe roadways for the traveling public and access to desired destinations in a quick, convenient, safe and comfortable manner while minimizing harmful effects on the environment.



Vehicle Maintenance - The Vehicle Maintenance budget unit accounts for the costs of repairing and maintaining vehicles of the City. The budget unit operates under an internal service fund. Charges are assessed against departments, which have vehicles repaired.

Wastewater – Operations - Providing and maintaining a wastewater collection system for the City. The Division maintains a program of inspecting, cleaning, root cutting, repairing sanitary sewer mains and manholes, and tapping for new wastewater stubs. Wastewater operations is also responsible for maintaining the City's eight sanitary sewer lift stations.

Wastewater- Water Reclamation Facility (WRF) - The WRF is an award-winning plant with the main objective being to protect and enhance the water quality of the East Gallatin River where it discharges. Through its beneficial reuse program, the WRF maintains compliance with the Montana Pollutant Discharge Elimination System (MPDES) discharge permit administered by the DEQ.

Water – Operations - Operating and maintaining the City's water transmission and distribution system. We are responsible for: locating, maintaining, and repairing existing water lines and appurtenances; overseeing installation of new water lines; installing and rotating water meters and reading all meters monthly.

Water- Water Treatment Plant (WTP) - Water Treatment Plants maintain a quality drinking water supply. The City has 2 WTPs: 22 MGD Sourdough Plant and 3.7 MGD Lyman Creek Plant. All plants are operated 24 hours per day, 365 days per year.

Water- Water Conservation - Protect and enhance water resources through conservation in order to meet the IWRP's 50-year demand reduction target.

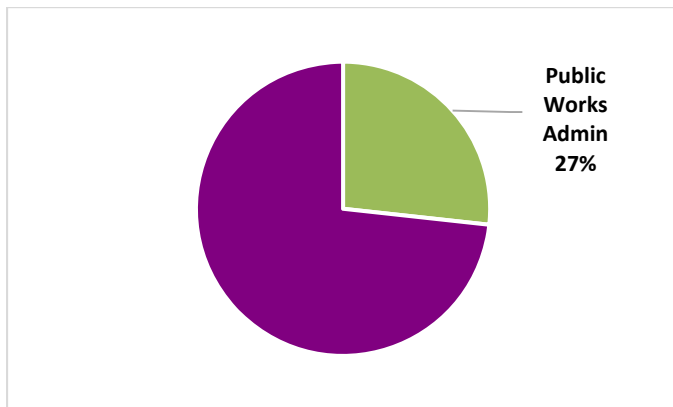
Public Works Admin

Major Objectives:

- Coordinate the activities of the Public Works Dept. Divisions.
- Establish and maintain policies, procedures, and protocol for the department's functions.
- Provide general oversight of activities affected by new federal and state mandates.
- Assure master plan implementation is cost-effective and that infrastructure improvements are constructed in a quality manner to provide reliable service for immediate and long-term needs.

Budget Allocation

Public Works Admin Internal Service Fund



FY20 Accomplishments

The Administrative Division has successfully hired a new Public Works Director.

FY20 Strategic Plans

- 4.3 E Annexation of Islands & Critical Adjacent Lands – Working with other City departments on updating the City's Annexation policy
- 1.3 E Enhance our relationship with State & Federal Agencies
- 4.3 F Prepare for Metropolitan Planning Organization Designation (hired Transportation Engineer)

Performance Measures

This function oversees the performance of all of public works.

FY21 Strategic Plan

Oversee all of Public Works Strategic Plan efforts in FY21



FY21 Budget

Department Budget by Fund

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PUBLIC WORKS ADMIN	750- Public Services Admin.	551,630.00	693,816	1,016,370	46.5%
PUBLIC WORKS ADMIN	600- Water Fund	-	2,896	-	0.0%
TOTALS		551,630	696,712	1,016,370	

Department Budget by Category

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PUBLIC WORKS ADMIN	Salaries & Benefits	444,682	562,011	638,760	13.7%
PUBLIC WORKS ADMIN	Operating	106,948	134,701	358,277	166.0%
PUBLIC WORKS ADMIN	Capital	-	-	19,333	100.0%
PUBLIC WORKS ADMIN	Debt Service	-	-	-	0.0%
PUBLIC WORKS ADMIN	Transfers	-	-	-	0.0%
TOTALS		551,630	696,712	1,016,370	45.9%

Department Budget by Division

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PUBLIC WORKS ADMIN	4010- Public Services Administration	551,630	696,712	1,016,370	45.9%
TOTALS		551,630	696,712	1,016,370	

Personnel

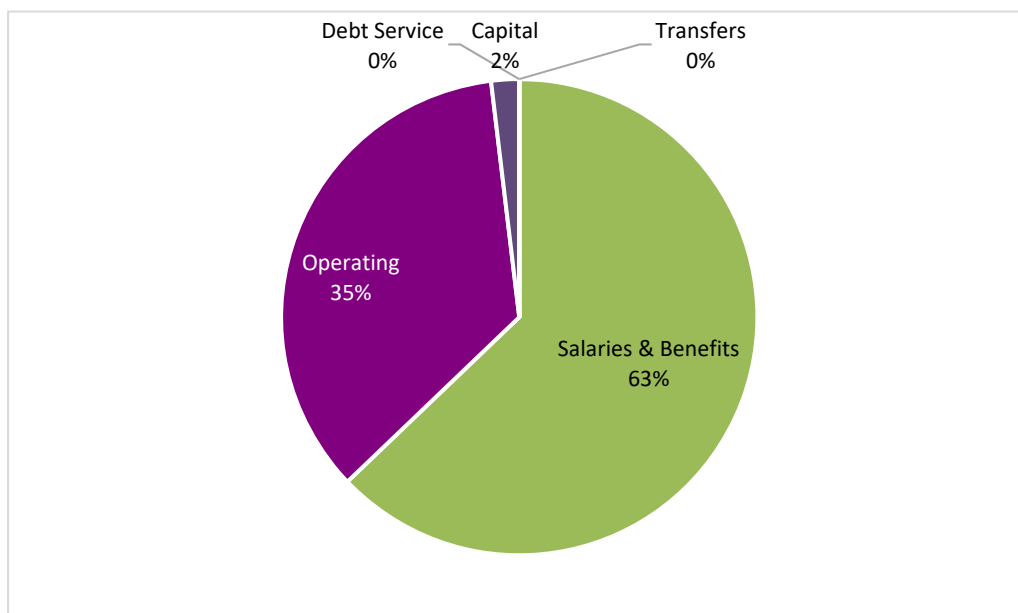
Administrative assistant and Budget Analyst (reporting to Finance) added.

Operating

Administrative allocation methodology change for administrative services (HR, IT Finance, Legal etc) and computer supplies.

Capital

Project #	Project Name	Amount
GF284	LASERFISCHE	19,333



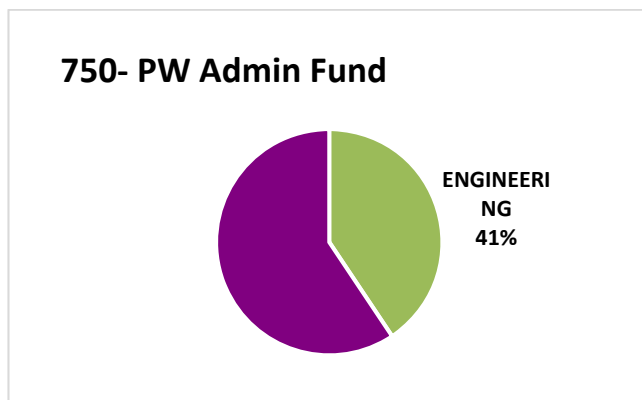
Engineering

Major Objectives:

- Design and oversee construction of the annual street, water, and wastewater replacement projects
- Review and ensure that public infrastructure installed by private sector conforms to the City's standards
- Develop and implement the City's water, wastewater, stormwater, water resources, and transportation master plans and associated capital budgets

Budget Allocation

Engineering personnel and basic operating costs are funded Public Works Admin Internal Service Fund:



FY20 Accomplishments

- Completed Sourdough Transmission Main Phase I and Water Treatment Tank
- Work 75% complete on Streets around new high school
- Completed Baxter Lane Improvements
- N. Tracy Street Reconstruction

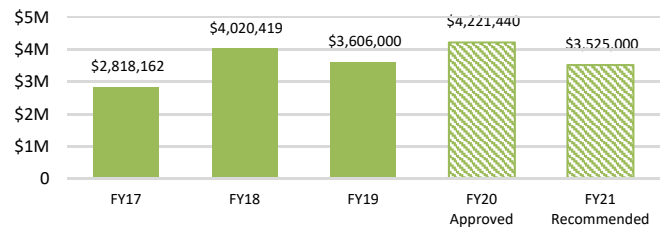
FY20 Strategic Plans

- Completed sewer capacity mapping for development
- Completed failing intersections mapping for development
- Completed street light study
- Ongoing work on Annexation Analysis and Study (4.3e)

Performance Measures

Value of Internal Design Work

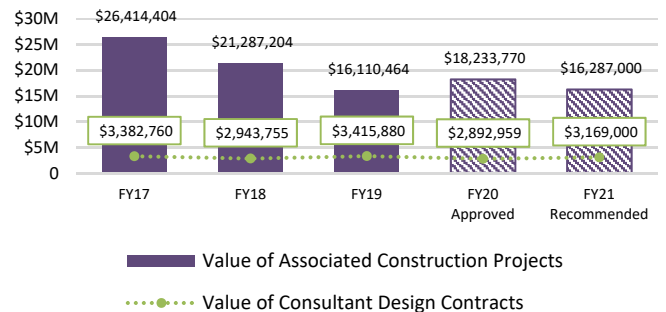
*Source = Internal Tracking



Value of Consultant Work

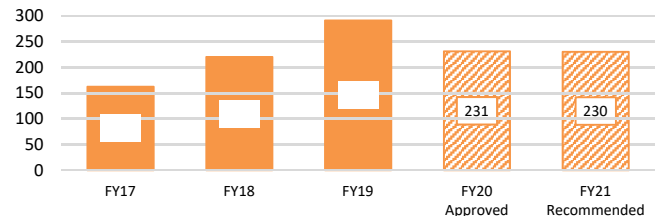
*Actual FY19 & FY20 numbers will vary due to the start/completion date of the approved projects.

*Source = Internal Tracking



Development Application Reviews

*Source = Internal Tracking



FY21 Strategic Plan

- Staff Water Resources Engineer and Transportation Demand Management Specialist Positions to Strategic Vision
- Project Management Software Development
 - o Strategic Plan 1.1 a and b – Communication and Transparency
 - o Strategic Plan 7 – High Performance Organization
- Engineering Standards Update- Strategic Plan 4 – Well Planned City

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
ENGINEERING	750- Public Services Admin.	960,762	1,255,758	1,544,935	23.0%
TOTALS		960,762	1,255,758	1,544,935	

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
ENGINEERING	Salaries & Benefits	815,745	973,288	1,157,588	18.9%
ENGINEERING	Operating	105,251	282,470	311,809	10.4%
ENGINEERING	Capital	32,649		68,338	#DIV/0!
ENGINEERING	Debt Service	7,117		7,200	0.0%
ENGINEERING	Transfers				0.0%
TOTALS		960,762	1,255,758	1,544,935	23.0%

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PUBLIC WORKS ADMIN	4020- Engineering	960,762	1,255,758	1,544,935	23.0%
TOTALS		960,762	1,255,758	1,544,935	

Personnel

Travel Demand Engineer and Engineer II- Water

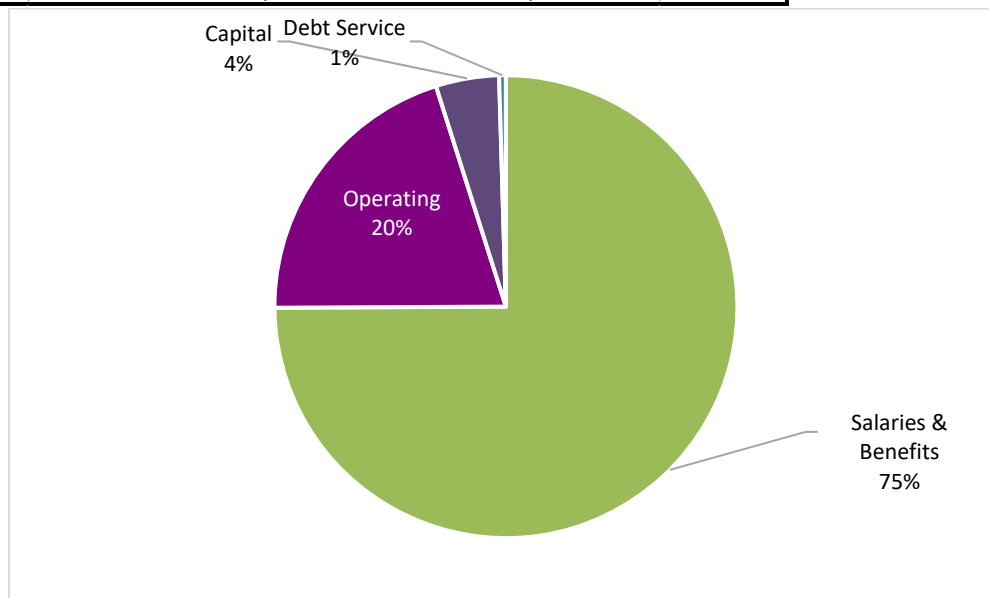
Operating

Increases in outside consulting work for the division

Capital

Oversees capital in the impact fee funds and the Arterial & Collector fund.

Project #	Project Name	Amount
0	AVOLVE SOFTWARE (ENGINEERING PORTION)	68,338



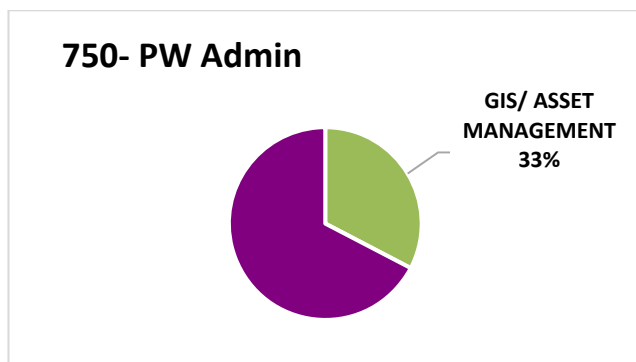
GIS/Asset Management (Strategic Services)

Major Objectives:

- Reduce operations & maintenance costs by leveraging data to be more efficient
- Plan for future growth while mitigating issues related to aging infrastructure
- Measure, monitor and communicate performance for city services
- Engage citizens and provide transparency to effectively communicate value

Budget Allocation

Funded by the Public Works Admin Internal Service Fund



FY20 Accomplishments

- Development Project Portal- Planning Process + Building Permits + Current & Future Infrastructure
- ArcGIS Enterprise – Staff Enabled
 - Intersection LOS & Sanitary Constrictions (*2019 Commission Priority)
 - Street Closures / Encroachment Permits / Street Cuts
- Community Outreach & Transparency- Smartsheet / Growth Policy / PD Calls for Service

FY20 Strategic Plans

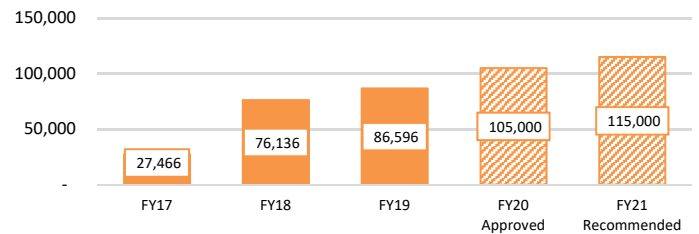
- Land Use & Infrastructure Tracking (4.1.c)
- Data Analysis Tools (7.4.a)
- Performance Measures (7.4.b)

Performance Measures

Number of Web Map Application Sessions

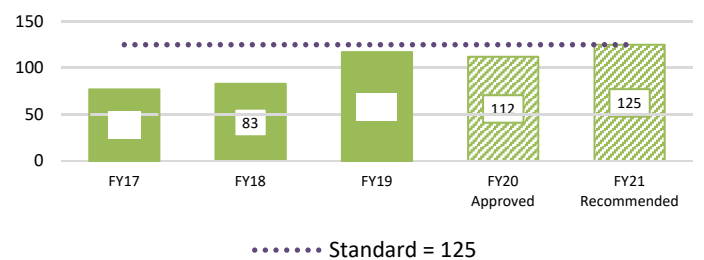
Target is to continuously increase web map use

*Source = Geocortex Analytics, ArcGIS Portal, & ArcGIS Online



Cityworks Users

*Source = Cityworks



Asset Management Report Card Grade

Grades reflect GIS/AM work in support of the Divisions

*Source = GIS/AM Staff

	Parks	Forestry	Streets	Water/	
Level of Service (defined)	A	B-	A-	A+	A+
Overall Risk (analyzed)	B-	C	B-	A+	A-
Deferred Maintenance (declining)	F	C+	A+	A-	A-
Preventative Maintenance (In place)	C-	B	A	A+	A+
Measured Outcomes (communicated)	C+	A-	C-	B-	A-
Overall Grade	C				

FY21 Strategic Plan

- Sustainable Technology (4.3.d)-Utility Tracking Software *Commission Priority = Climate Action
- System Integration (7.3.b)- Cityworks for Forestry / Water Conservation / Sustainability
- Data Analysis Tools (7.4.a)- ArcGIS Urban 3-D *Commission Priority = Planning & Land Use
- Performance Measures (7.4.b & 7.4.c)- National Citizen Survey

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
GIS/ASSET MANGT	750- Public Services Admin.	796,309	995,486	1,241,225	24.7%
TOTALS		796,309	995,486	1,241,225	

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
GIS/ASSET MANGT	Salaries & Benefits	480,773	553,949	664,031	19.9%
GIS/ASSET MANGT	Operating	218,206	366,537	387,194	5.6%
GIS/ASSET MANGT	Capital	97,330	75,000	190,000	153.3%
GIS/ASSET MANGT	Debt Service				0.0%
GIS/ASSET MANGT	Transfers	-	-	-	0.0%
TOTALS		796,309	995,486	1,241,225	24.7%

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PUBLIC WORKS ADMIN	4025- GIS (Strategic Services Department)	796,309	995,486	1,241,225	24.7%
TOTALS		796,309	995,486	1,241,225	

Personnel

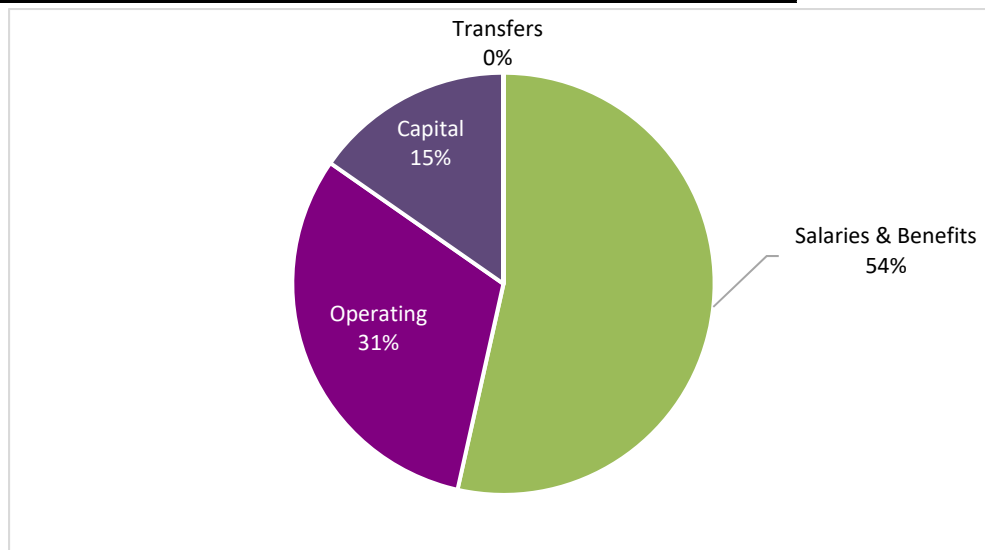
GIS Coordinator

Operating

Increases due to software maintenance contracts and software purchases

Capital

Project #	Project Name	Amount
GIS04	AERIAL PHOTOGRAPHY	65,000
GIS16	PERFORMANCE MANAGEMENT AND CIVIC	125,000



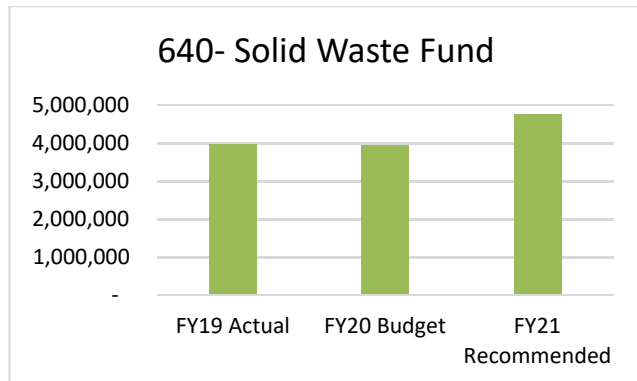
Solid Waste

Major Objectives:

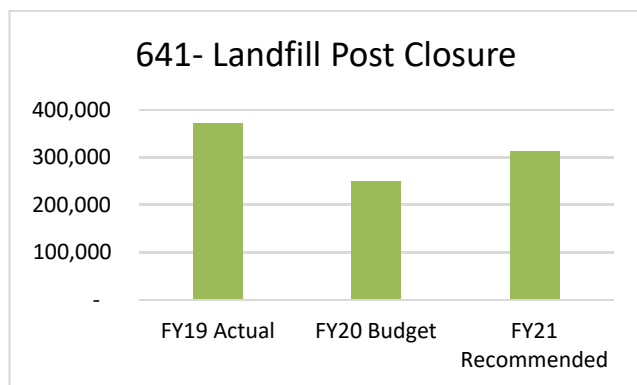
- Offer quality service to the residents of Bozeman
- Promote waste reduction thru recycling efforts
- Optimize operational efficiencies

Budget Allocation

Solid Waste Fund – Enterprise Fund



The Division also oversees the Landfill Post Closure fund:



FY20 Accomplishments

- Burns & McDonnell completed rate study which commission adopted rates for FY20 – FY21 in October 2019

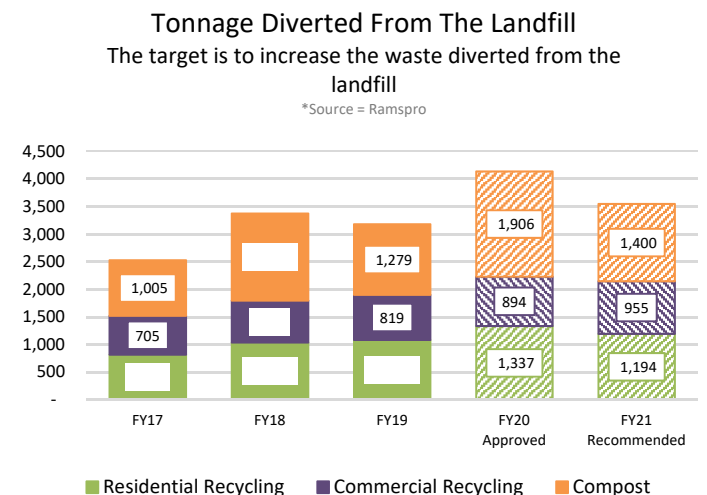
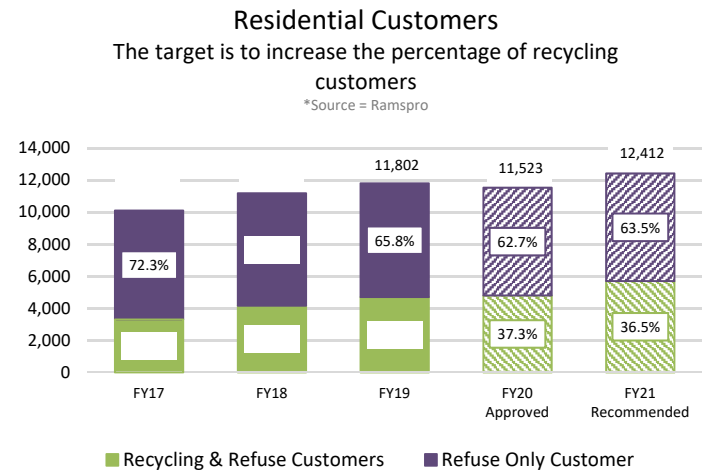
FY20 Strategic Plans

- 1.3c Enhance our relationship with Montana State University- Pooling our resources with MSU, there has been over 100,000 pounds of recycling diverted from football games in the past 7 years.
- 6.3b Increase Solid Waste Recycling Services. Adopt incentive programs to increase the public's utilization of city recycling and solid waste services.

Performance Measures

- Measure the pounds of refuse and recycling per customer per collection event to measure the impact of the waste diversion programs.

*****Methodology will be defined in FY21 based on recently implemented systems to track the necessary data.**



FY21 Strategic Plan

- 1.3c Enhance our relationship with Montana State University
- 6.3b Increase Solid Waste Recycling Services. Adopt incentive programs to increase the public's utilization of city recycling and solid waste service
 - o Efforts underway in a feasibility study on City-wide recycling and organics collection program delivery due end of April 2020.
 - o Adding ReCollect Software to our webpage

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
SOLIDWASTE	640- Solid Waste Fund	4,554,380	5,154,777	4,943,893	-4.1%
SOLIDWASTE	641 - Landfill Post Closure	236,997	287,417	310,000	0.0%
TOTALS		4,791,377	5,442,194	5,253,893	

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
SOLIDWASTE	Salaries & Benefits	1,511,047	1,465,420	1,568,206	7.0%
SOLIDWASTE	Operating	3,228,667	3,025,357	3,317,687	9.7%
SOLIDWASTE	Capital	51,663	951,417	368,000	-61.3%
SOLIDWASTE	Debt Service	-	-	-	0.0%
SOLIDWASTE	Transfers	-	-	-	0.0%
TOTALS		4,791,377	5,442,194	5,253,893	-3.5%

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
SOLIDWASTE	5810-Collection Operation	4,109,406	4,691,539	4,420,004	-5.8%
SOLIDWASTE	5820- Recycling	444,974	463,238	523,889	13.1%
SOLIDWASTE	Landfill Post Closure	236,997	287,417	310,000	7.9%
TOTALS		4,791,377	5,442,194	5,253,893	

Personnel

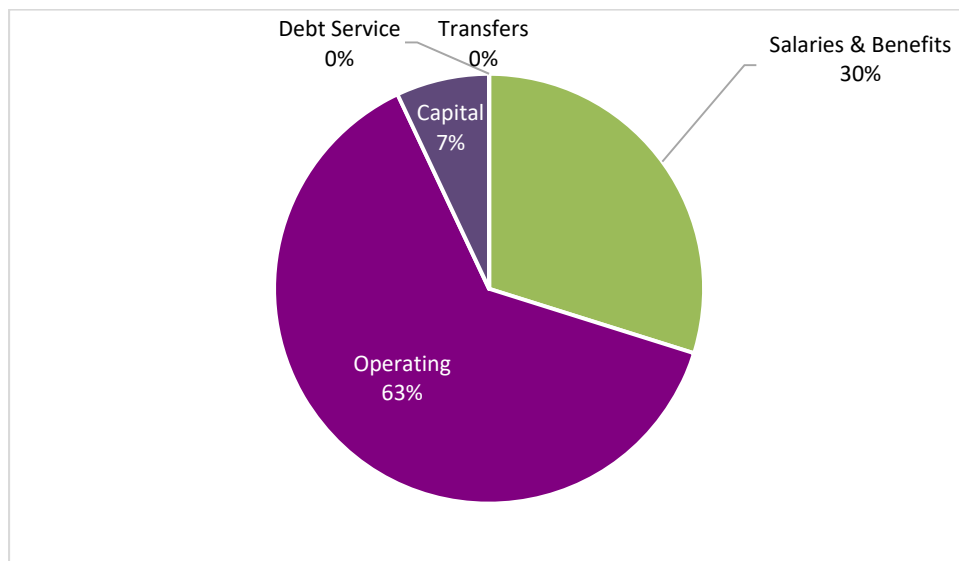
One Solid Waste Operator

Operating

Increases in costs of operations for gas and recycling charges

Capital

Project #	Project Name	Amount
SW45	TOTE DELIVERY TRUCK	38,000
SW52	SIDE LOAD TRUCK- REPLACEMENT	300,000
SW54	PICKUP TRUCK	30,000



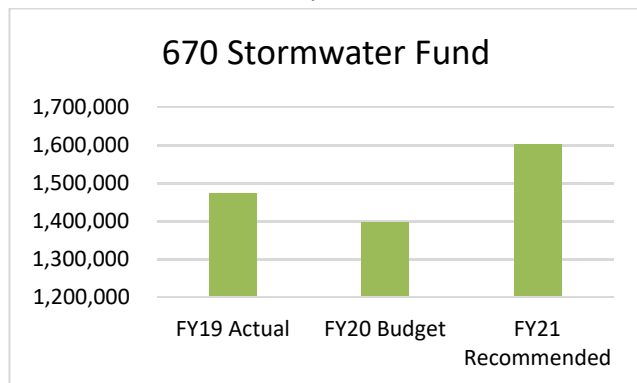
Stormwater

Major Objectives:

- Protect the public from flooding and pipe failures
- Improve stream health
- Comply with environmental regulations

Budget Allocation

Stormwater Fund – Enterprise Fund

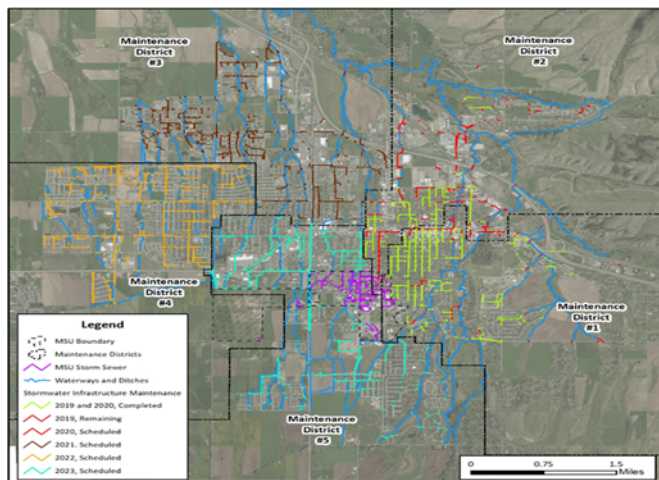


FY20 Accomplishments

- Inspected and Maintained 18.1% of the Storm Sewer
- Wrote Six Facility Stormwater Pollution Prevention Plans
- Created Adopt a Drain Program, 11 Residents, 772 lbs. of debris

FY20 Strategic Plans

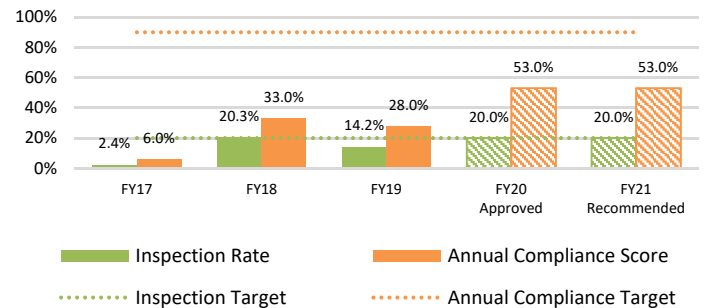
- An Engaged Community -1.2 Community Engagement
- 6. Sustainable Environment
 - o 6.1 Clean Water Supplies
 - o 6.6 Habitat



Performance Measures

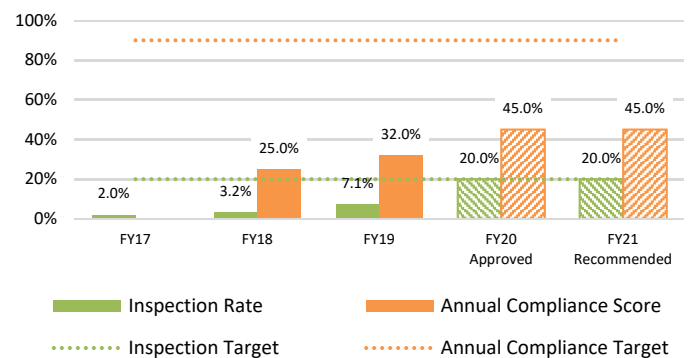
Construction Site Management Program

*Sources = Cityworks



Stormwater Facility Management Program

*Source = Cityworks



Stormwater River Impact Report Card

*Source = COB Stormwater Management Plan



** See the City of Bozeman and Montana State University Stormwater Management Plan for more information at <https://www.bozeman.net/government/stormwater/learn-about-stormwater>.

FY21 Strategic Plan

- Continue working towards strategic vision 4 for a well-planned City
- Work towards vision statement 7 High Performing Organization

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
SOLIDWASTE	640- Solid Waste Fund	4,554,380	5,154,777	4,943,893	-4.1%
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Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
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SOLIDWASTE	Capital	51,663	951,417	368,000	-61.3%
SOLIDWASTE	Debt Service	-	-	-	0.0%
SOLIDWASTE	Transfers	-	-	-	0.0%
TOTALS		4,791,377	5,442,194	5,253,893	-3.5%

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
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TOTALS		4,791,377	5,442,194	5,253,893	

Personnel

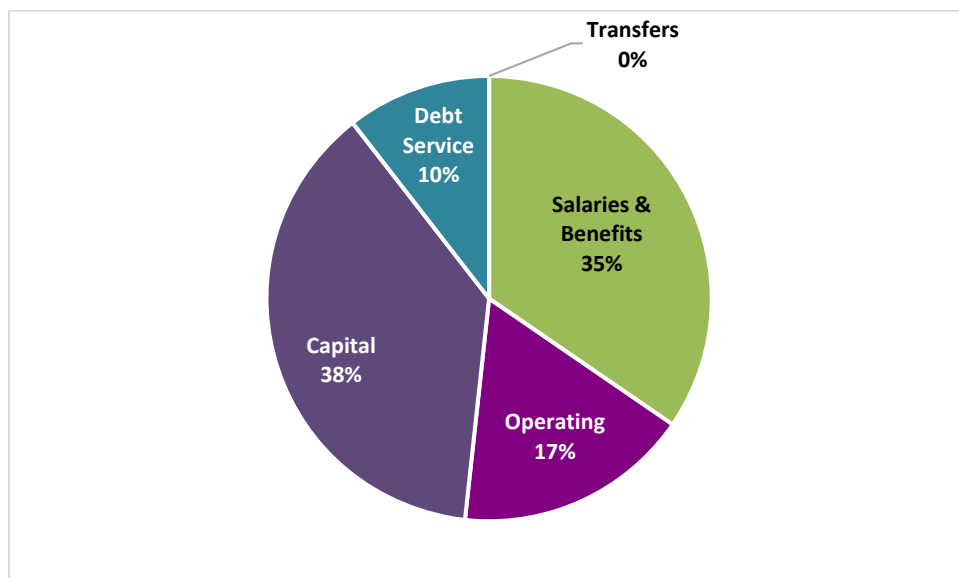
One Project manager

Operating

Increases in costs of operations and initial costs for new employee.

Capital

Project #	Project Name	Amount
STDM03	DOWNTOWN TRUNK LINE PH2	350,000
STRH01	DOWNTOWN MECH STORM PH3	300,000
STOP02	STORMWATER RATE STUDY	50,000



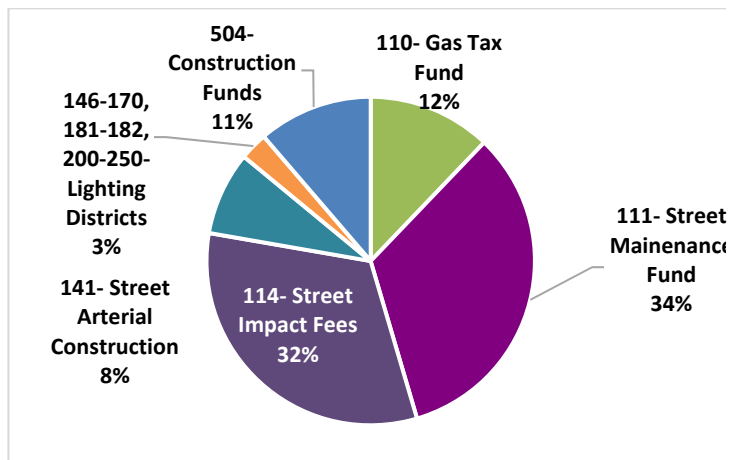
Street Maintenance

Major Objectives:

- Implement an efficient pavement management plan, in turn creating yearly maintenance programs for failing street infrastructure.
- Utilize pavement condition assessment for planning and scheduling our repairs from potholes to complete reconstruction
- Maintain streets and alley right-of-ways to allow traffic to move in a safe and prudent manner.

Budget Allocation

Funded is from Special revenue funds mainly the Street Maintenance Fund and Street Projects funded by Street Impact Fees and the Arterial & Collector Fund



FY20 Accomplishments

- With the help of HR, fully staffed for 6 months of FY20. All new hires got CDL licenses before winter.
- No pothole claims.
- At the Montana Snow Rodeo, operators Andy Pitcher won first in motor grader and all around champion, Raven Spears placed second in motor grader in her first year of state wide competition. Matt Heckel placed first in snowplow.

FY20 Strategic Plans

- 1.1 Outreach- Use of Next Door, Facebook and Twitter to keep our citizens informed where we are working.
- 1.3 Public Agencies Collaboration- Enhance our relationship with MSU by use of the Industrial &

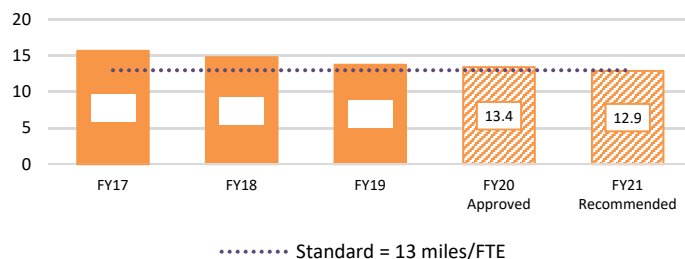
Management Systems Engineering Design Capstone for Optimizing Snow Plow Routes.

- 4.5 Housing and Transportation Choices- Enhancing the Pedestrian and Cycling System. Sweeping and cleaning bike lanes year round.

Performance Measures

Street Mileage per Full Time Employee

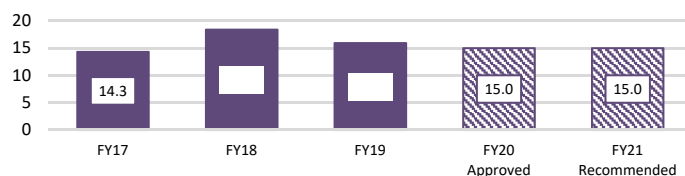
*Source = GIS & NeoGov



Number of Potholes Filled per Street Mile

Standard is to fill potholes at a rate to sustain 0 MMIA pothole claim payouts

*Source = Cityworks



Number of Paid Pothole Related MMIA Claims*



The COB Streets Department's standard is to have 0 paid pothole related claims

*Source = MMIA

Strategic Plan

- 4.3d Strategic Infrastructure Choices: Explore Sustainable Technology-Always look at ways to purchase or up fit vehicles and equipment with non fossil fuel energy sources such as electricity and solar power.
- 4.5c,d Housing and Transportation Choices- Enhancing the Pedestrian and Cycling System. Sweeping and cleaning bike lanes year round.
- 6.2 Protect Local Air Quality- Protect local air quality by sweeping up sand and other road debris as soon as possible.

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
STREETS	010- General Fund	168,321	-	-	0.0%
STREETS	108- Community Transportaion Fund	38,652	-	5,000	0.0%
STREETS	110- Gas Tax Fund	887,732	2,120,350	2,344,500	10.6%
STREETS	111- Street Mainenance Fund	6,213,302	6,462,343	6,473,105	0.2%
STREETS	114- Street Impact Fees	5,216,654	7,565,195	6,230,001	-17.6%
STREETS	141- Street Arterial Construction	2,951,308	2,396,000	1,588,500	-33.7%
STREETS	146-170, 181-182, 200-250- Lighting Districts	472,270	477,499	528,934	10.8%
STREETS	504- Construction Funds	1,090,959	1,072,000	2,178,000	103.2%
TOTALS		17,039,198	20,093,387	19,348,040	

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
STREETS	Salaries & Benefits	1,633,168	1,756,594	1,829,674	4.2%
STREETS	Operating	4,141,365	3,805,995	5,452,399	43.3%
STREETS	Capital	10,267,564	12,579,080	10,505,000	-16.5%
STREETS	Debt Service	269,723	310,800	310,800	0.0%
STREETS	Transfers	727,378	1,640,918	1,250,167	-23.8%
TOTALS		17,039,198	20,093,387	19,348,040	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
STREETS	4110- Street Operations	5,741,015	12,655,465	11,076,597	-12.5%
STREETS	4120- Street Maintenance	887,732	2,120,350	2,594,500	22.4%
STREETS	4130- Street Construction	9,231,457	4,320,733	4,639,147	7.4%
STREETS	4150- Street Lighting	565,034	535,499	586,934	9.6%
STREETS	4171- Traffic Signs & Markers	613,960	461,340	450,862	-2.3%
TOTALS		17,039,198	20,093,387	19,348,040	

Personnel

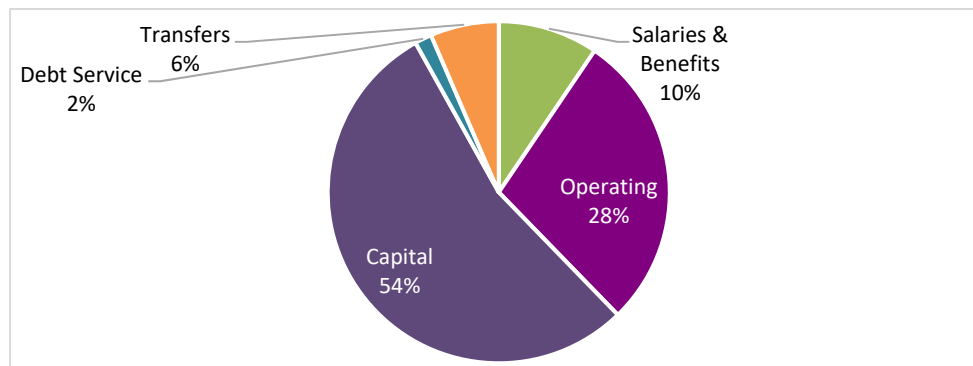
No Changes

Operating

Operational costs increasing with maintaining more roads and an increase in general construction costs.

Capital

Many replacement and new vehicles and annual street projects, see Capital section for all the detailed capital listing for the Street maintenance fund, Gas tax fund, Street Impact Fee fund, and Arterial & Collector fund.



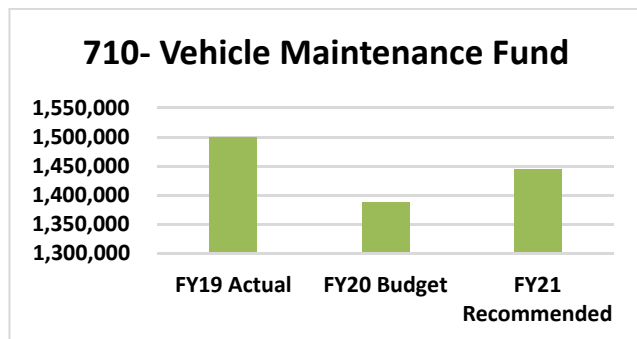
Vehicle Maintenance

Major Objectives:

- To maintain vehicles and equipment in good running condition thereby enabling various City personnel to perform daily assignments safely and without delay due to mechanical failure or breakdown.
- The Division emphasizes the importance of having a well-structured preventative maintenance program online for all equipment and vehicles.

Budget Allocation

Internal Service Fund- Vehicle Maintenance Internal Service Fund



FY20 Accomplishments

- All technicians are Automotive Service Excellence (ASE) certified with half of them Master Certified.
- Three technicians are Emergency Vehicle Technician certified. Both supervisors are certified.
- Benefits of an Internal Service fund.

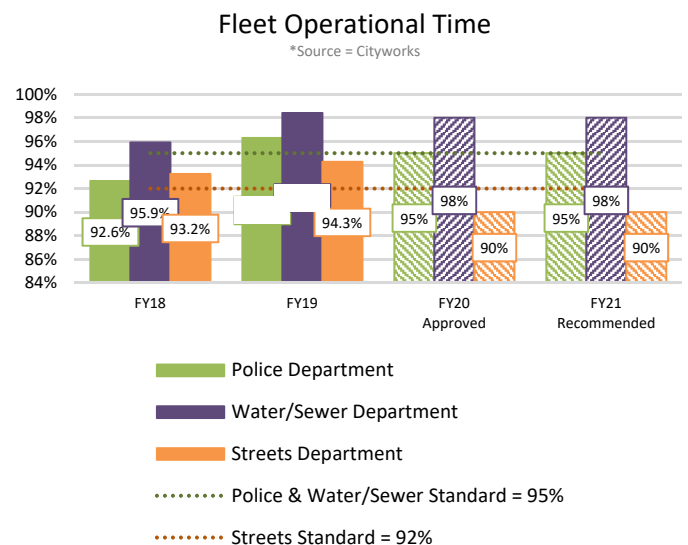
FY20 Strategic Plans

- 6.2 Protect local Air Quality- Any time we diagnose an emissions problem it is repaired. Driving with the check engine light on can emit 50% more Co2.
- 7.2 Employee Excellence- Our mechanics are the best in the valley maybe even the state. One minute they are working on a weed eater and then repairing a 30,000 pound motor grader in a snowstorm at 10 below zero while a ladder truck awaits.
- 7.3c Best Practices, Creativity & Foresight- Improve Departmental Collaboration- We work

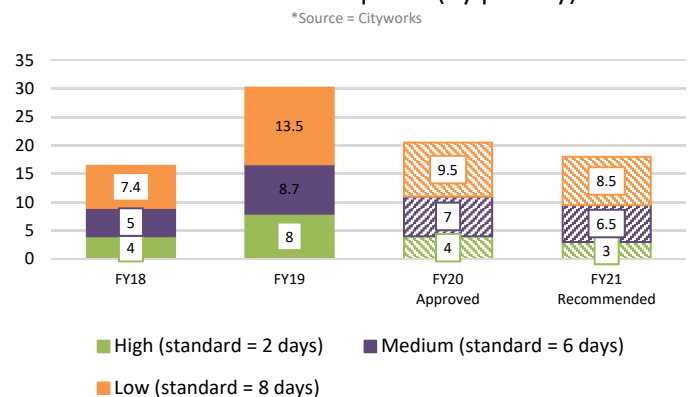
with every department to purchase and bid equipment that best fits the needs of the user as well as explore options to share equipment.

Performance Measures

- Calculate and monitor preventative vs reactive maintenance.
- ***Systems adjustments will be made in FY21 to collect the necessary data**



Days from Initiation to Completion for Internal Vehicle Service Requests (by priority)



FY21 Strategic Plan

- 7.2 Protect local Air Quality- Any time we diagnose an emissions problem it is repaired.
- 7.2 Employee Excellence- Our mechanics are the best in the valley maybe even the state.
- 7.3c Best Practices, Creativity & Foresight- Improve Departmental Collaboration.

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
VEHICLE MAINTENANCE	710- Vehicle Maintenance Fund	1,499,253	1,387,800	1,444,636	4.1%

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
VEHICLE MAINTENANCE	Salaries & Benefits	507,716	541,468	588,729	8.7%
VEHICLE MAINTENANCE	Operating	991,537	846,332	855,907	1.1%
VEHICLE MAINTENANCE	Capital	-	-	-	0.0%
VEHICLE MAINTENANCE	Debt Service	-	-	-	0.0%
VEHICLE MAINTENANCE	Transfers	-	-	-	0.0%
TOTALS		1,499,253	1,387,800	1,444,636	4.1%

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
VEHICLE MAINTENANCE	6010- Vehicle Maintenance Shop	1,499,253	1,387,800	1,444,636	4.1%
TOTALS		1,499,253	1,387,800	1,444,636	

Personnel

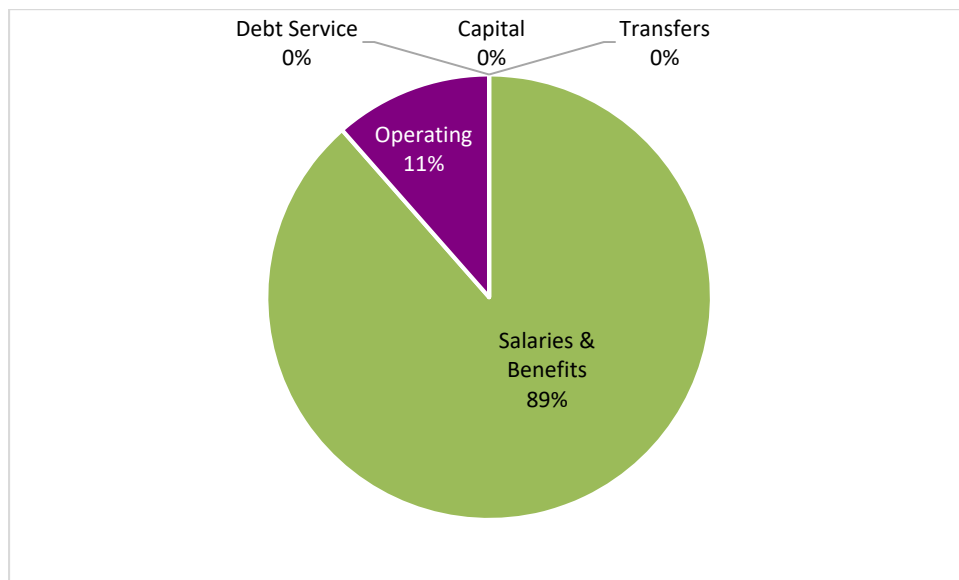
No changes

Operating

No major changes

Capital

None



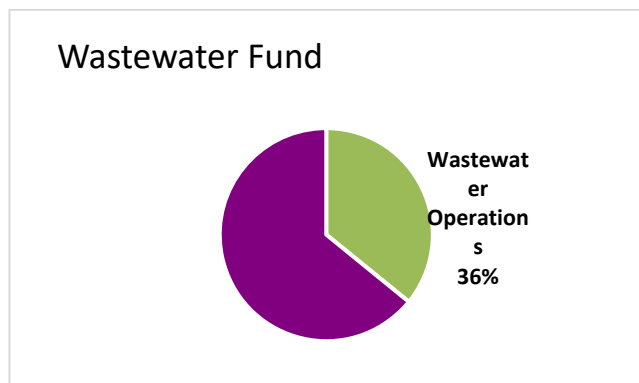
Wastewater- Operations

Major Objectives:

- Adequately maintain and locate the City's wastewater system including manholes, wastewater collection and transmission systems and lift stations
- Clean our entire collections system annually to minimize stoppages
- Televisize the existing sewer infrastructure to determine problems and overall condition of sewer mains, enabling repairs in a timely manner and helping to prioritize renovation projects funded through CIP

Budget Allocation

Operations are funded by the Wastewater Enterprise Fund and new capacity projects are funded by the Wastewater impact Fee



FY20 Accomplishments

- Continued aggressively engaging educating and inspecting businesses for Fats Oils and Grease issues inspected over 50 businesses this FY.
- Lower than median sewer backups caused by blockages in the main (43 / 100 miles of pipe / year).
- Going to replace root bound sewer connections in New Hyalite view this summer. Dowl selected as project engineer.

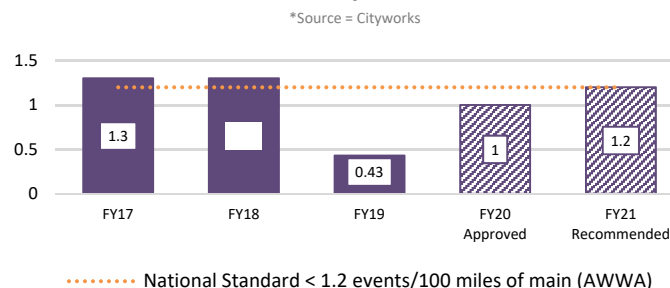
FY20 Strategic Plans

- 6.1 Clean Water Supplies- Ensure adequate supplies of clean water for today and tomorrow.

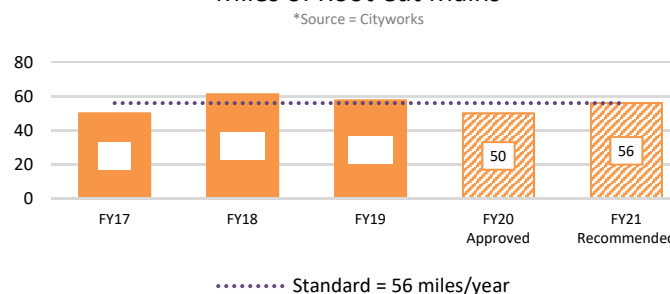
By cleaning and root cutting our sewer mains we maintain a low number of backups.

Performance Measures

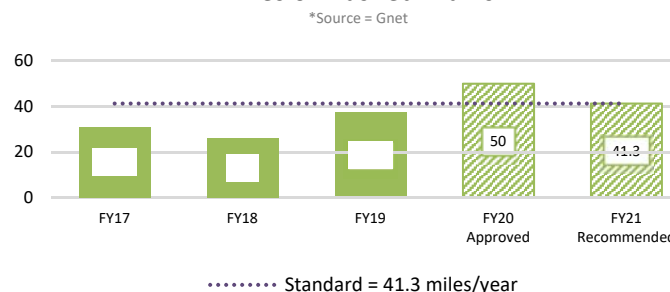
Number of Overflow Events per 100 Miles of Main



Miles of Root Cut Mains



Miles of Flushed Mains



FY21 Strategic Plan

- 6.1 Clean Water Supplies- Ensure adequate supplies of clean water for today and tomorrow. By cleaning and root cutting our sewer mains we maintain a low number of backups.

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WASTEWATER OPERATIONS	620- Wastewater Fund	3,774,968	3,505,788	3,579,910	2.1%
WASTEWATER OPERATIONS	630- Wastewater Impact Fee	1,826,376	7,343,417	1,508,452	-79.5%
TOTALS		5,601,344	10,849,205	5,088,362	

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WASTEWATER OPERATIONS	Salaries & Benefits	984,263	926,727	942,035	1.7%
WASTEWATER OPERATIONS	Operating	2,691,592	1,806,561	1,901,910	5.3%
WASTEWATER OPERATIONS	Capital	1,925,073	7,546,500	1,675,000	-77.8%
WASTEWATER OPERATIONS	Debt Service	416	530,012	530,012	0.0%
WASTEWATER OPERATIONS	Transfers	-	39,405	39,405	0.0%
TOTALS		5,601,344	10,849,205	5,088,362	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WASTEWATER	5210- Wastewater Operations	3,269,682	9,647,300	3,883,957	-59.7%
WASTEWATER	5220- Utilities Locates	73,387	92,900	92,900	0.0%
WASTEWATER	5230- Wastewater Services	3,657	5,000	5,000	0.0%
WASTEWATER	5240- Wastewater Construction	2,230,005	1,061,905	1,064,405	0.2%
WASTEWATER	5250- Manholes	13,971	25,000	25,000	0.0%
WASTEWATER	5260- Televising	6,733	12,100	12,100	0.0%
WASTEWATER	5280- Main Repairs	3,909	5,000	5,000	0.0%
TOTALS		5,601,344	10,849,205	5,088,362	

Personnel

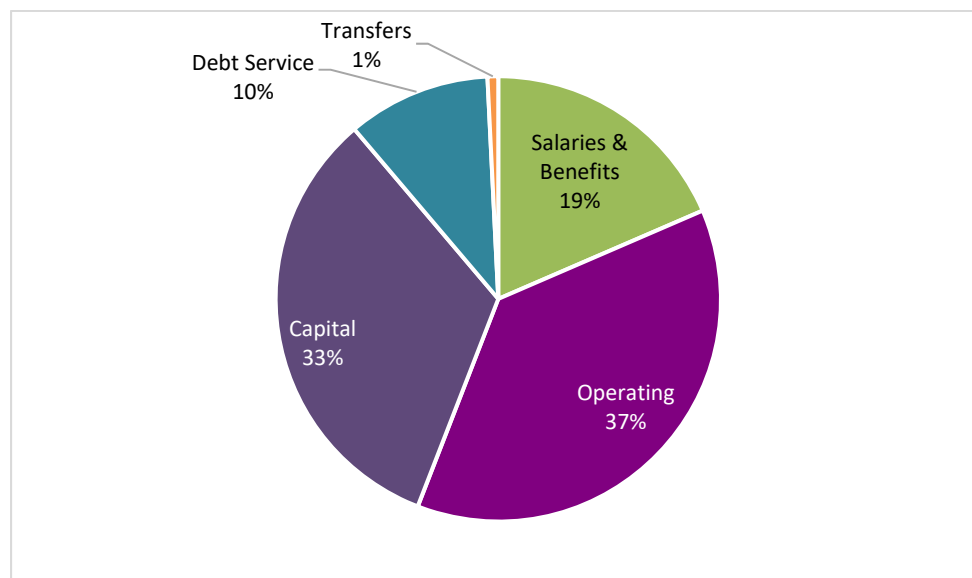
Adding 1 FTE- Water/Sewer Operator split with the Water fund

Operating

Increase in costs and increased staffing supplies

Capital

Annual pipe replacement and other annual projects, see Capital section for all the detailed capital listing for the Wastewater fund, and Wastewater Impact Fee fund.

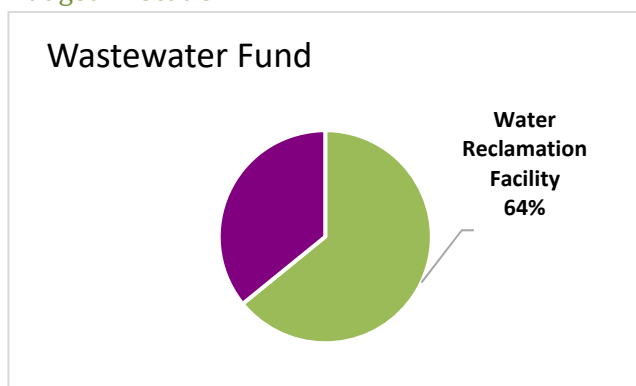


Wastewater- Water Reclamation Facility

Major Objectives:

- Protect and enhance the water quality of the East Gallatin River
- Consistently achieve compliance with all aspects of the city's Discharge permit (MPDES) and in most cases be below allotted limit.
- Comply with all EPA 503 Bio-solids requirements and regulations, minimizing unpleasant odors.

Budget Allocation



FY20 Accomplishments

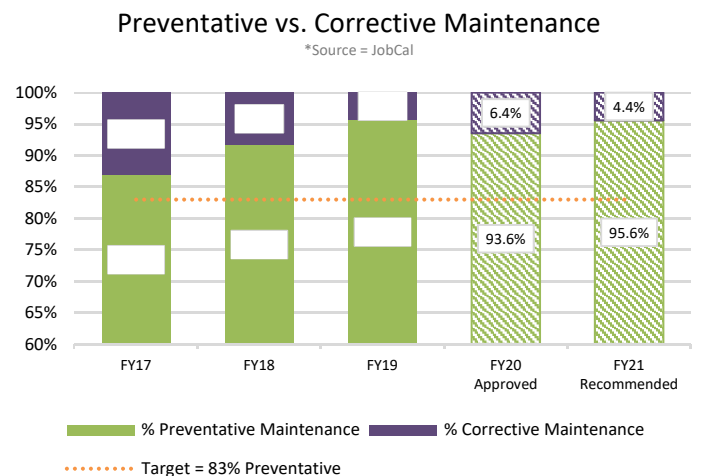
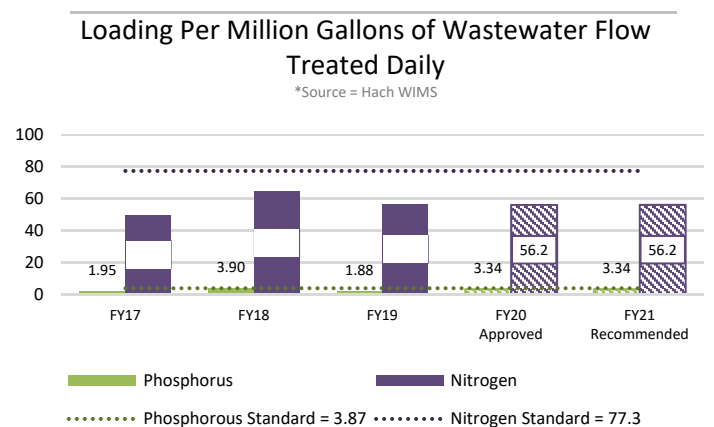
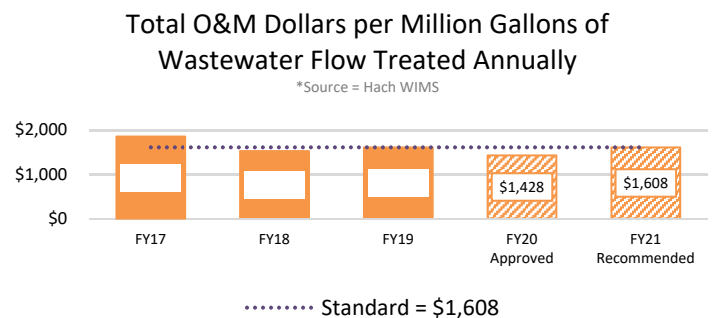
- Continued with asset maintenance management through CIP program and operating budget.
- Operation staff Increased number of SOP/training exercises, implemented cross-training with maintenance, Expanded data tracking and microbial analysis (microscopy), Decreased use of a major chemical Mg(OH)₂.
- Meet Montana Department of Environmental Quality discharge permit requirements. No permit violations FY20

FY20 Strategic Plan

- 1.3e) Enhance our relationship with State and Federal Agencies: Ongoing permit negotiation with DEQ and EPA requesting discharge variance.
- 6.4d) Climate Change Adaption and Mitigation: Completed Digesters #1 and #2 clean and refurbishment. To increase methane production used as primary heat for the WRF.

- 7.2a) Be a "Best in Class" Employer: 10 out of 14 WRF employees are State of Montana Wastewater Certified.

Performance Measures



FY21 Strategic Plan

- 6.1 Clean Water Supplies- The WRF has, in preparation for their permit renewal, studied and will continue to study the river downstream of the WRF plant discharge. The goal of the WRF is to understand the river so we can protect the watershed downstream of the treatment plant.

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WATER RECLAMATION FACILITY	620- Wastewater Fund	4,082,425	5,618,824	7,102,531	26.4%

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WATER RECLAMATION FACILITY	Salaries & Benefits	1,184,297	1,202,252	1,240,921	3.2%
WATER RECLAMATION FACILITY	Operating	2,324,045	2,677,572	2,737,610	2.2%
WATER RECLAMATION FACILITY	Capital	574,083	500,000	1,885,000	277.0%
WATER RECLAMATION FACILITY	Debt Service		1,239,000	1,239,000	0.0%
WATER RECLAMATION FACILITY	Transfers	-	-	-	0.0%
TOTALS		4,082,425	5,618,824	7,102,531	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WASTEWATER	5610- WRF Operations	3,089,143	4,474,372	6,070,039	35.7%
WASTEWATER	5620- Laboratory	519,150	511,052	463,492	-9.3%
WASTEWATER	5630- Sludge Injection	392,492	568,600	554,200	-2.5%
WASTEWATER	5640- Pretreatment	14,761	64,800	14,800	-77.2%
WASTEWATER	5650- WRF Construction	66,879	-	-	0.0%
TOTALS		4,082,425	5,618,824	7,102,531	

Personnel

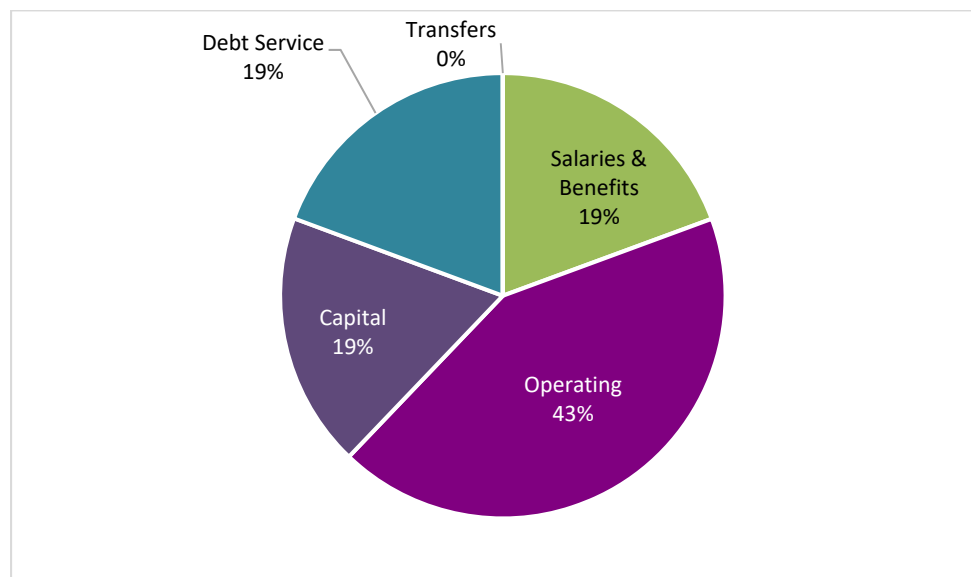
No change

Operating

Minor inflationary costs to operations

Capital

Annual projects, see Capital section for all the detailed capital listing for the Wastewater fund, and Wastewater Impact Fee fund.



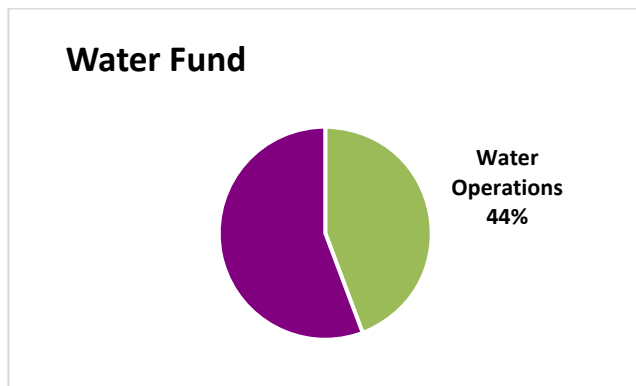
Water- Operations

Major Objectives:

- Maintain the City's 288 miles of the water distribution system, hydrants, valves, meters and pressure reducing valves.
- Respond to water distribution problems 24 hrs a day 7 days a week.

Budget Allocation

Operations are funded by the Water Enterprise Fund and new capacity projects are funded by the Water impact Fee



FY20 Accomplishments

- Helped oversee refurbishment and startup of the Pear St Booster Station.

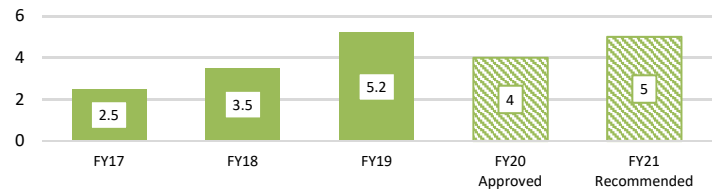
FY20 Strategic Plans

- 6.1 Clean Water Supplies Continued Lead Service Line removal both within the department and outside contractors down to 30 known lead service lines. Have started second inventory looking for galvanized lines with lead goosenecks.

Performance Measures

Water Main Breaks/Leaks 100 Miles of Pipe (National Standard (AWWA) ≤ 31)

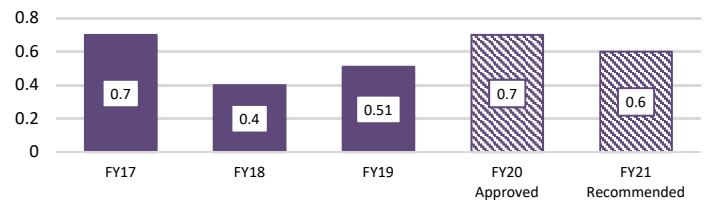
*Source = Cityworks



4-12 Hour Disruption of Water Service/1,000 Accounts

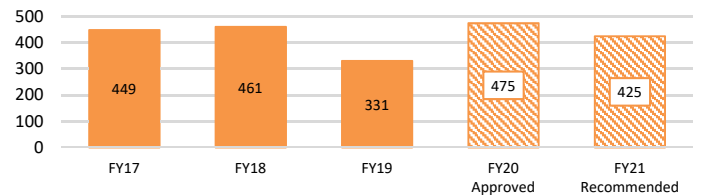
(National Standard (AWWA) ≤ 1.43)

*Source = Cityworks



New Water Service Line Inspections

*Source = Cityworks



FY21 Strategic Plan

6.3 Climate Action- Reduce community and municipal Greenhouse Gas (GHG) emissions, increase the supply of clean and renewable energy; foster related businesses.

- Pear Street Booster Station was designed for energy efficiency using variable frequency drives for the pumps.

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WATER OPERATIONS	600- Water Fund	5,260,189	4,533,824	4,585,224	1.1%
WATER OPERATIONS	610- Water Impact Fees	1,276,585	2,575,729	1,036,291	-59.8%
TOTALS		6,536,774	7,109,553	5,621,515	

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WATER OPERATIONS	Salaries & Benefits	1,160,086	1,196,370	1,212,444	1.3%
WATER OPERATIONS	Operating	4,212,787	2,114,954	2,219,571	4.9%
WATER OPERATIONS	Capital	562,660	3,198,229	1,589,500	-50.3%
WATER OPERATIONS	Debt Service	1,241	-	-	0.0%
WATER OPERATIONS	Transfers	600,000	600,000	600,000	0.0%
TOTALS		6,536,774	7,109,553	5,621,515	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WATER	5010- Water Operations	3,166,587	4,453,456	2,624,554	-41.1%
WATER	5020- Utility Locates	57,762	93,750	93,750	0.0%
WATER	5030- Water Services	42,355	35,000	35,000	0.0%
WATER	5040- Water Construction	2,657,698	1,822,500	2,162,500	18.7%
WATER	5060- Meter Reading	539,571	587,347	588,211	0.1%
WATER	5070- Hydrants	41,343	80,000	80,000	0.0%
WATER	5080- Water Valves	7,662	17,500	17,500	0.0%
WATER	5090- Main Repairs	23,796	20,000	20,000	0.0%
TOTALS		6,536,774	7,109,553	5,621,515	

Personnel

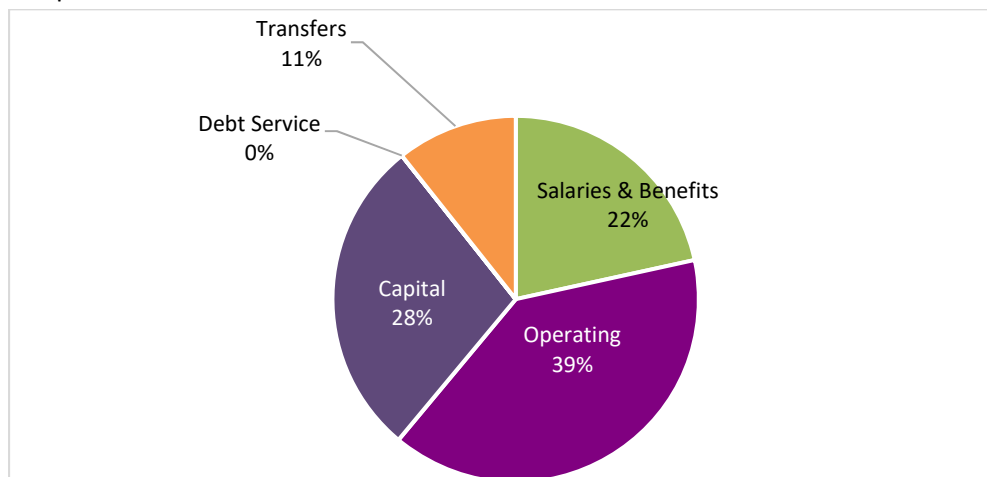
Adding 1 FTE- Water/Sewer Operator shared funding with the Wastewater fund.

Operating

Inflationary increases in the costs of operations

Capital

Annual projects and equipment replacements, see Capital section for all the detailed capital listing for the Water fund, and Water Impact Fee fund.



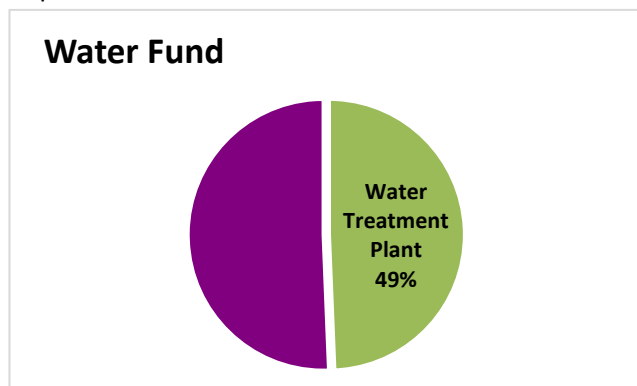
Water- Water Treatment Plant

Major Objectives:

- Protect public health through optimization of the Sourdough and Lyman Creek Plants.
- Maintain high-quality drinking water of low turbidity, void of contaminants, and meeting water supply demands of the City.
- Monitoring and maintaining WTP facilities to ensure current needs are met and to anticipate future water quality and quantity needs.

Budget Allocation

Operations are funded by the Water Enterprise Fund and new capacity projects are funded by the Water impact Fee



FY20 Accomplishments

- 5.3 MG finished water storage tank online July 2019
- Sourdough 48" pipeline segment completed December 2019

FY20 Strategic Plans

6.1 Clean Water Supplies

7.3 Best Practices, Creativity & Foresight

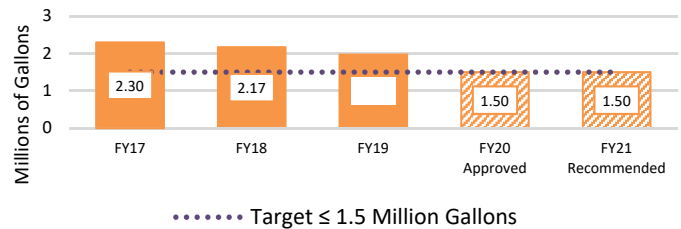
- 7.3d Updated the WTP Emergency Response Plan

7.4 Performance Metrics

Performance Measures

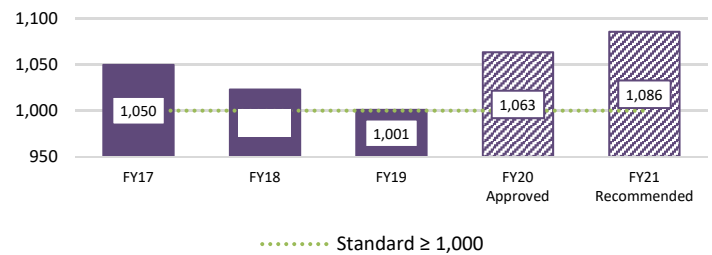
Purchased Median Daily Surplus Hyalite Water (Indicating water the City purchased but did not use)

*Source = Hach WIMS



Number of samples per 10,000 people

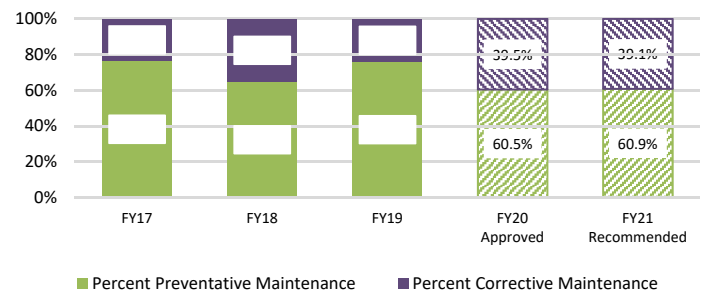
*Source = Hach WIMS



Corrective vs Preventative Maintenance

Target = 60% Preventative / 40% Corrective

*Source = JobCal



FY21 Strategic Plan

6.1 Clean Water Supplies

7.3 Best Practices, Creativity & Foresight

- 7.3c Improve Departmental Collaboration
- 7.3d Update Departmental Plans- Complete Risk and Resiliency Plan required by EPA

7.4 Performance Metrics- Continue to improve on performance measures through plant optimization and data collection

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WATER PLANT	600- Water Fund	2,877,362	5,088,729	5,111,197	0.4%
WATER PLANT	610- Water Impact Fees	181,958	4,387,323	525,000	-88.0%
TOTALS		3,059,320	9,476,052	5,636,197	

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WATER PLANT	Salaries & Benefits	841,751	827,179	918,347	11.0%
WATER PLANT	Operating	1,996,609	2,091,920	2,207,220	5.5%
WATER PLANT	Capital	220,960	5,324,000	1,345,000	-74.7%
WATER PLANT	Debt Service		1,165,630	1,165,630	0.0%
WATER PLANT	Transfers	-	67,323	-	
TOTALS		3,059,320	9,476,052	5,636,197	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WATER	4610- Water Plant Operations	2,877,362	5,088,729	5,111,197	0.4%
WATER	4620 - Water Plan Construction	181,958	4,387,323	525,000	-88.0%
TOTALS		3,059,320	9,476,052	5,636,197	

Personnel

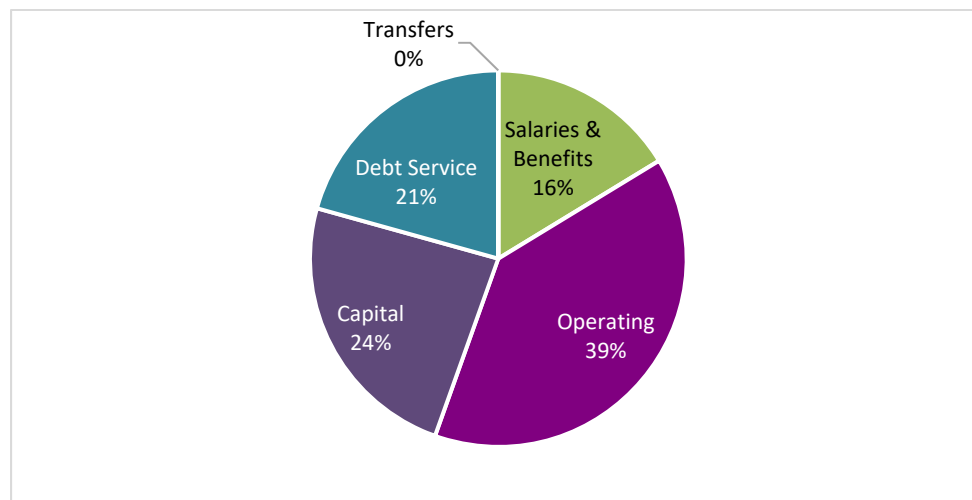
No changes

Operating

Operational increases due increase in chemical costs and minor parts that and equipment.

Capital

Annual projects and equipment replacements, see Capital section for all the detailed capital listing for the Water fund, and Water Impact Fee fund.



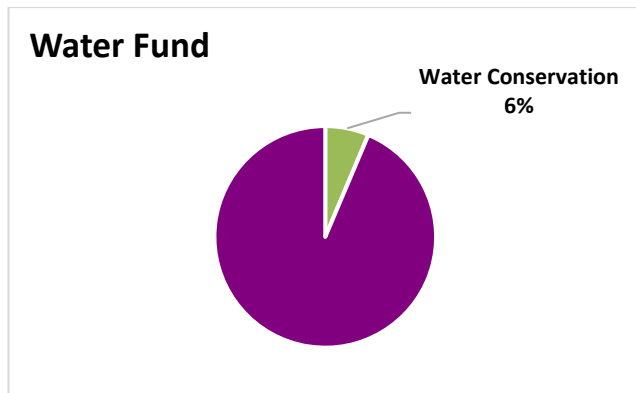
Water Conservation

Major Objectives:

- Establishing and strengthening the community's water conservation ethic.
- Ensuring adequate water supplies are available; to meet current and future demands, in times of drought, for emergency response and long term drought mitigation

Budget Allocation

Funded by the Water Enterprise Fund



FY20 Accomplishments

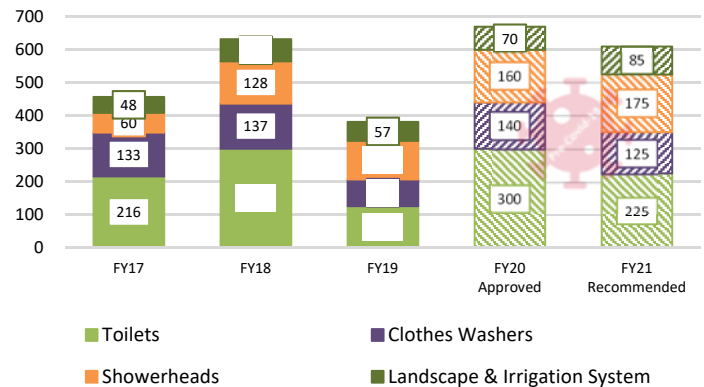
- Completion of the Sunset Hills Cemetery and Lindley Park Water Conservation Project
- Launched & recruited participation in Dropcounter water use portal (~920 users)
- Launched commercial rebate program

FY20 Strategic Plans

- An Engaged Community: 1.1 Outreach, 1.2 Community Engagement, 1.3.c.d Enhanced Relationships
- A Well Planned City: 4.3.d Explore Sustainable Technology - Development of 'LawnAssist' lawn watering/water budget application feature
- A Sustainable Environment: 6.1.a Watershed Management Safe Community: 3.1 Public Safety & emergency Preparedness- Additional water supply sources integrated in drought monitoring tool

Performance Measures

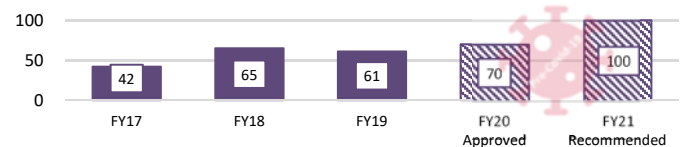
Water Conservation Rebates
The target is to continuously increase the rebate program
*Source = GIS Rebate Tracking Database



Number of Outdoor Sprinkler System Assessments

Target = 200 assessments

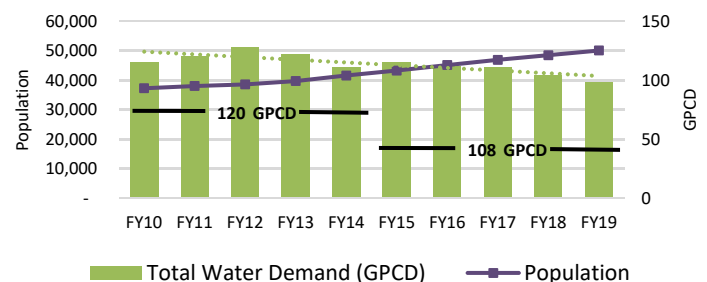
*Source = Internal Tracking System



Gallons Per Capita Per Day (GPCD) Water Demand & Population

The target is to show a long term decreasing GPCD trend independent of annual weather anomalies

*Source = Naviline & US Census



FY21 Strategic Plan

- An Engaged Community: 1.1 Outreach and 1.2 Community Engagement- Professional Services for Water Smart Bozeman Education Campaign
- A Well Planned City: 4.3.d Explore Sustainable Technology - Irrigation Audits for City Facilities and Water Loss Audit on Water Distribution System
- A Sustainable Environment: 6.1.a

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WATER CONSERVATION	600- Water Fund	341,721	546,285	658,829	20.6%

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WATER CONSERVATION	Salaries & Benefits	142,241	150,185	160,229	6.7%
WATER CONSERVATION	Operating	177,768	393,600	460,100	16.9%
WATER CONSERVATION	Capital	18,349		36,000	100.0%
WATER CONSERVATION	Debt Service	3,363	2,500	2,500	100.0%
WATER CONSERVATION	Transfers				0.0%
TOTALS		341,721	546,285	658,829	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
WATER	4640- Water Conservation	341,721	546,285	658,829	20.6%
TOTALS		341,721	546,285	658,829	

Personnel

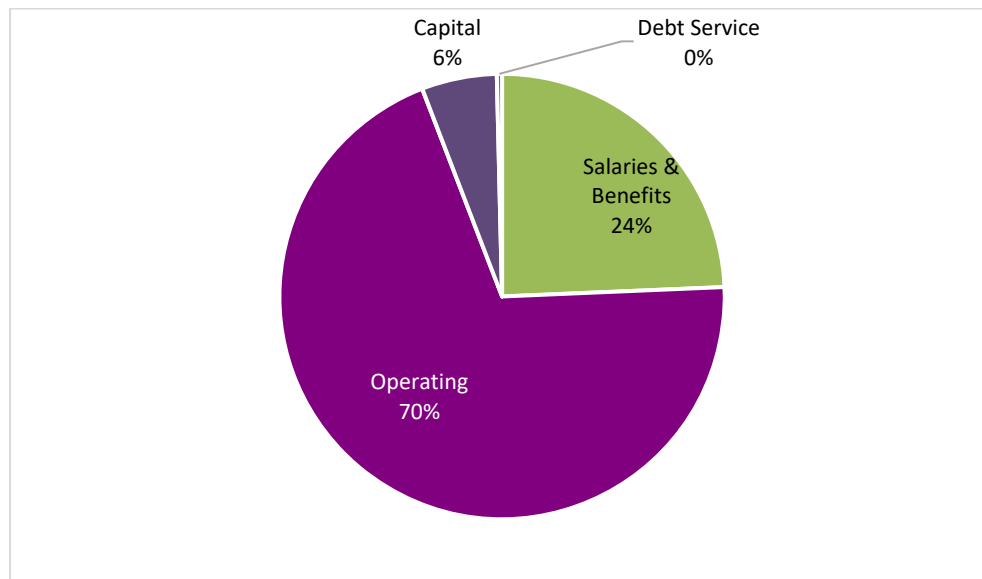
1 FTE Water Conservation Technician

Operating

Increases in operations with new staff and expanding program

Capital

Project #	Project Name	Amount
WC02	WATER USE DATA DEVELOPMENT	36,000





Public Welfare

Public Welfare

Recreation (Parks & Recreation)- The Recreation Division is responsible for identifying the recreation needs of our growing community and offering quality programs in diverse interest areas that satisfy those needs. The division has a committed staff that remains focused on program quality and customer satisfaction while offering all-inclusive opportunities in outdoor recreation, sports, fitness, and cultural arts. The Aquatics Division is comprised of one year-round indoor facility, the Swim Center and one outdoor seasonal facility, Bogert Pool.



Forestry (Parks & Recreation)- The Forestry Division is committed to providing a healthy, safe, and aesthetically pleasing community forest. Environmental, economic, and social benefits from the urban forest raise the standard of living for Bozeman residents.

Parks (Parks & Recreation)- The Parks Division is responsible for the overall development and maintenance of 44 public parks, 52 + miles of trails and associated sports fields and open space within the City limits.

Cemetery (Parks & Recreation)- The 73+acre Sunset Hills Cemetery, the only City owned and maintained cemetery, is a virtual arboretum of stately pine, fir, spruce, ash, maple, cedar and various ornamental trees, which are maintained by the Forestry Division with assistance from the Cemetery Division. The cemetery currently contains over 16,000 burial sites, three columbariums, nine dedicated affiliation areas and ample room for expansion.



Library- The Bozeman Public Library creates opportunities that inspire curiosity, exploration and connection. The Library is the community cultural center that connects all Bozeman citizens to their neighbors and the world.

Economic Development - Our community strengthens and diversifies the local economy by supporting business sectors that create & sustain mid- to high-paying jobs, enhancing the high quality of life in the greater Bozeman

Sustainability (Strategic Services) - Coordinates with city departments and community stakeholders to

promote a sustainable environment and reduce greenhouse gas emissions.

Affordable Housing (Community Development) - As Bozeman grows, the city is working to develop a long-term plan to meet the housing needs of its residents through the Affordable Housing Program.

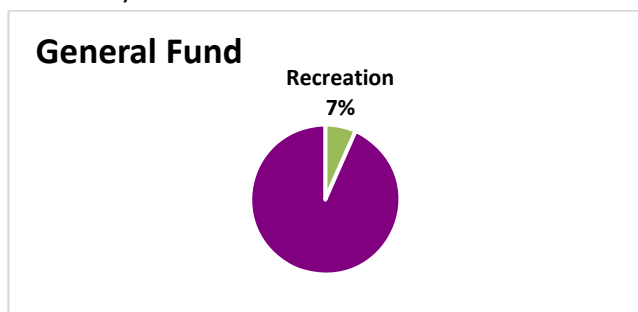
Recreation (Parks & Recreation)

Major Objectives:

- Offer recreational opportunities and facilities that promote health and wellness and improve the quality of life for the Bozeman community.
- To provide recreation and fitness opportunities to the community in an environment that encourages and instructs individuals how to be safe in, on, and around water.

Budget Allocation

Funded by the General Fund



FY20 Accomplishments

- Enhanced program and facility safety procedures & training
- Added family events: Spooky Swim, Easter Egg Hunt, and Dive in Movie.
- Replacement of secondary sanitization system. Increased air and water quality. Decreased chemical and energy consumption.

FY20 Strategic Plans

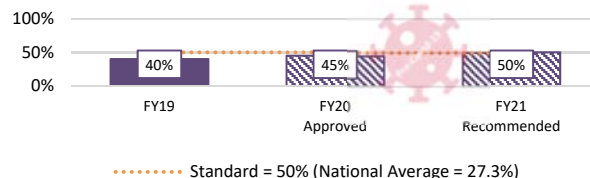
- 1.3 b) Enhance our relationship with Bozeman School District #7
- 1.4 Business and Institutional Partnerships- Explore opportunities for partnerships with key business groups and non-profit organizations.
- 3.4 Active Recreation-Facilitate and promote recreational opportunities and active health programs and facilities

Performance Measures

Recreation

Recreation Program Cost Recovery

*Source = Naviline & COB Finance Department



Percentage of Participants Satisfied with Recreation Programs

*Source = Hard copy surveys. Moving to digital surveys in FY21 to capture more feedback

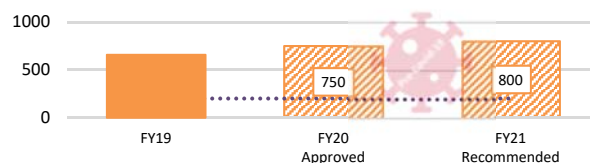


Aquatics

Number of Individuals on the Aquatics Program Wait Lists

Standard ≤ 200

*Source = Sportsman

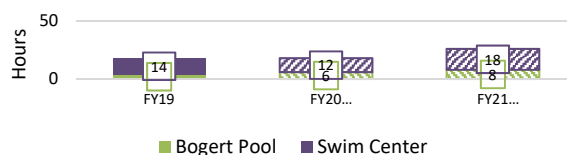


Pool Closures Due to Mechanical Failures

Swim Center Standard ≤ 48 hours

Bogert Standard ≤ 24 hours

*Source = Manually Tracking



FY21 Strategic Plan

- 1.3 b) Enhance our relationship with Bozeman School District #7
- 3.4 Active Recreation-Facilitate and promote recreational opportunities and active health programs and facilities.
- 7.3 Best Practices, Creativity & Foresight- Utilize best practices, innovative approaches, and constantly anticipate new directions and changes relevant to the governance of the City.

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
RECREATION	010- General Fund	1,818,963	1,939,523	2,182,249	12.5%
RECREATION	189- Story Mansion Operating Fund	36,282	40,792	35,048	-14.1%
TOTALS		1,855,245	1,980,315	2,217,297	

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
RECREATION	Salaries & Benefits	1,018,646	1,131,688	1,164,451	2.9%
RECREATION	Operating	685,271	811,547	891,158	9.8%
RECREATION	Capital	151,328	37,080	157,000	100.0%
RECREATION	Debt Service	-	-	4,688	0.0%
RECREATION	Transfers				0.0%
TOTALS		1,855,245	1,980,315	2,217,297	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PARKS AND RECREATION	8010- Recreation Operations	1,098,342	569,258	657,550	15.5%
PARKS AND RECREATION	8020- Swim Center	348,980	1,036,463	1,066,584	2.9%
PARKS AND RECREATION	8030- Bogert Pool	89,394	86,576	85,976	-0.7%
PARKS AND RECREATION	8040- Facilities: Lindley, Beall & Story	277,818	205,743	328,159	59.5%
PARKS AND RECREATION	8050- Recreation Programs	40,711	82,275	79,028	-3.9%
TOTALS		1,855,245	1,980,315	2,217,297	

Personnel

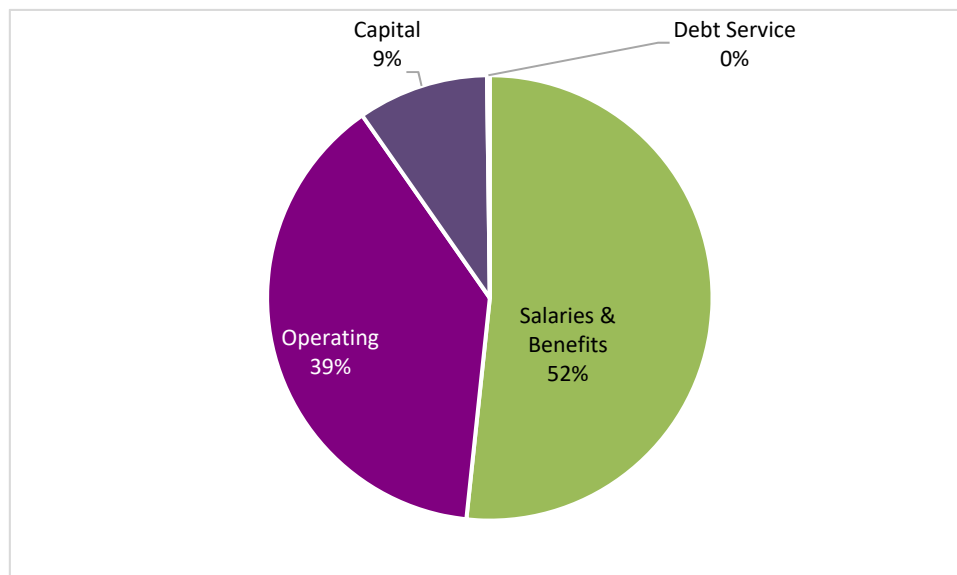
No FTE Changes

Operating

Increase in operating cost from program increases and Recreations' share of the PROST plan update

Capital

Project #	Project Name	Amount
GF302	PASSENGER VAN	37,000
GF333	SMCC GYM VENTILATION SYSTEM	120,000



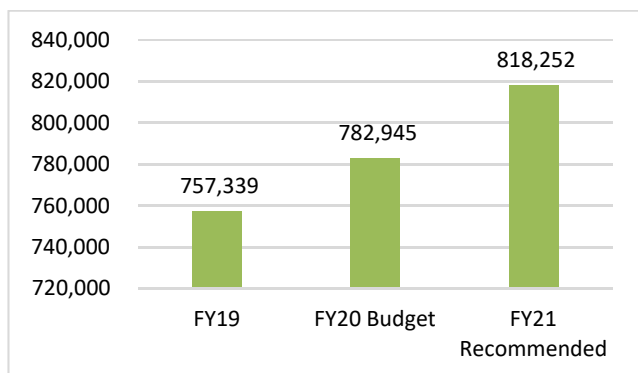
Forestry (Parks & Recreation)

Major Objectives:

- Continue both reactive and proactive maintenance for Bozeman's 23,946 public trees in boulevards, developed city parks, and city-owned properties.
- Manage potential risk factors through site inspections, proper pruning, and high-risk tree removals.
- Identify and correct encroaching vegetation utilizing Forestry staff (public trees) and Code Compliance (private trees).
- Maintain Cost Share and Voucher Replacement programs, while increasing Public Outreach to improve tree diversity and resident interaction.

Budget Allocation

Funded by the Tree Maintenance Special Revenue Fund



FY20 Accomplishments

- Spring Planting – Increasing tree diversity with innovative programs and new partnerships
- Contracted Services – High risk tree removals and mature tree pruning
- Hosted Northern Rockies Tree School

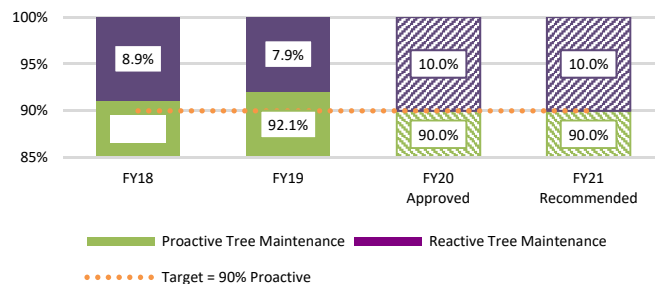
FY20 Strategic Plans

Climate Change Adaptation and Mitigation - Increase the community's resiliency and preparedness in response to climate change.

Performance Measures

Proactive vs. Reactive Maintenance

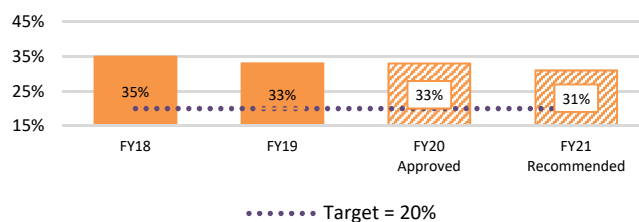
Source = GIS Work Tracking System



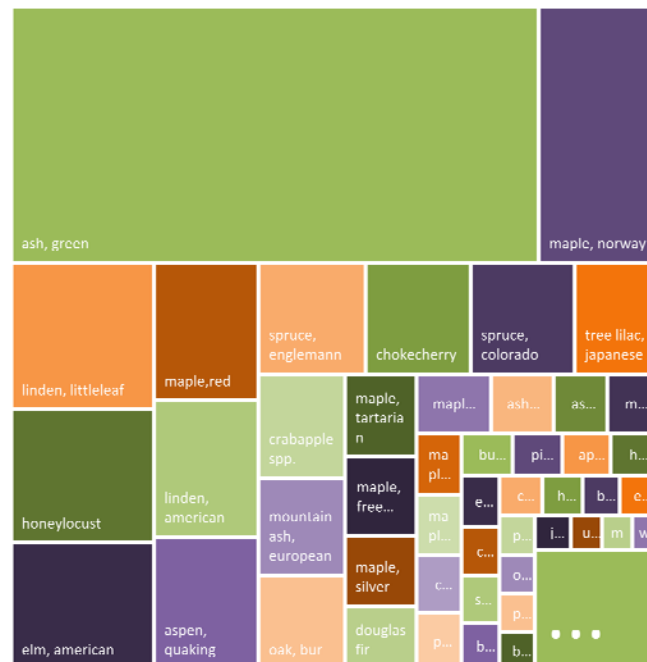
Percent of Population That is Ash

Standard: Reduce Ash to 20% of Population

Source = GIS Work Tracking System



Species Diversity



FY21 Strategic Plan

- 6.2 Protect Local Air Quality
- 6.3 Climate Action -d) Climate Change Adaptation and Mitigation - Increase the community's resiliency and preparedness in response to climate change.

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
FORESTRY	112- Tree Maintenance Fund	686,225	787,767	777,909	-1.3%

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
FORRESTRY	Salaries & Benefits	451,983	455,103	481,089	5.7%
FORRESTRY	Operating	173,720	242,664	296,820	22.3%
FORRESTRY	Capital	60,522	90,000	-	-100.0%
FORRESTRY	Debt Service	-	-	-	0.0%
FORRESTRY	Transfers	-	-	-	0.0%
TOTALS		686,225	787,767	777,909	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PARKS AND RECREATION	7710- Tree Maintenance	686,225	787,767	777,909	-1.3%
TOTALS		686,225	787,767	777,909	

Personnel

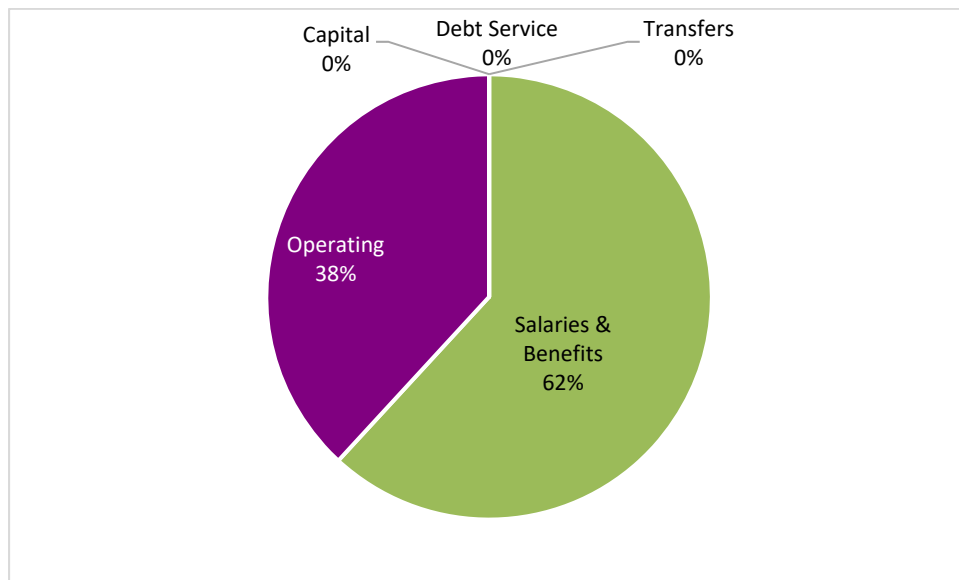
No changes

Operating

Increase in District administrative costs.

Capital

None



Parks (Parks & Recreation)

Major Objectives:

- Continue adding, upgrading, and maintaining safe and quality sports fields, trail corridors, community gathering areas, and playground equipment.
- Provide expanded maintenance and care to restrooms, litter control, pet waste disposal, turf care, and water conservation efforts.
- Improve, maintain, and expand the trail system in coordination with development and our partners.
- Continue to upgrade park signage for uniformity and less maintenance.

Budget Allocation

With the New District Parks will be funded through a special assessment in a special revenue fund. It's the first year of the Parks & Trails District Special Revenue fund.

FY20 Accomplishments

- Effectively managed and maintained the Bozeman Sports Park during its inaugural season, with over 4000 hours of play and 8500 tournament visitors.
- Assumed maintenance responsibilities of the Story Mill Community Park.
- Construction completed on the Path to the "M" & Drinking Horse, with maintenance responsibilities turned over to the Parks Division in spring of 2020.

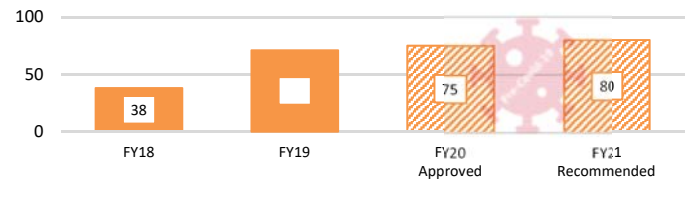
FY20 Strategic Plans

- 3.4 Active Recreation
- 4.3 Strategic Infrastructure (Parks and Trails District.)
- 6.5 Parks, Trails & Open Space

Performance Measures

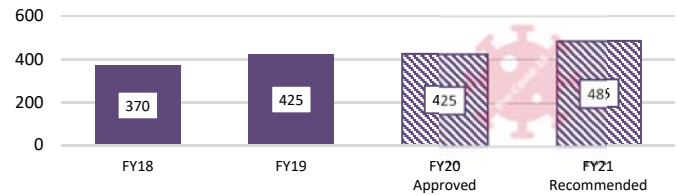
User Agreements

*Source = Sportsmans



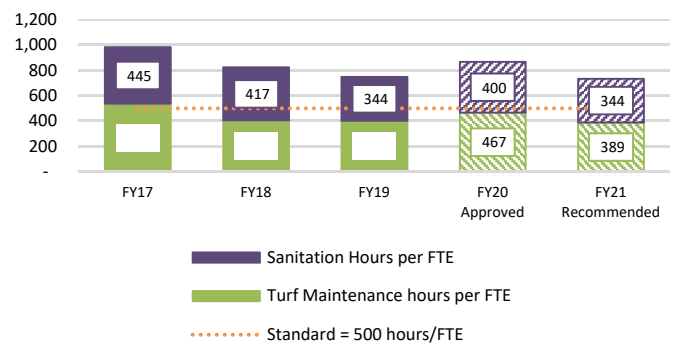
Park Reservations

*Source = Sportsmans



Hours spent on Sanitation & Turf Maintenance per FTE

*Source = Cityworks



FY21 Strategic Plan

- 3. A Safe, Welcoming Community 3.4- Active Recreation- Facilitate and promote recreational opportunities and active health programs and facilities. (Maintaining and operating high quality playgrounds, sports fields, trail corridors.)
- 4. High Quality Urban Approach 4.3- Prioritize long-term investment and maintenance for existing and new infrastructure. A.) Develop a comprehensive parks maintenance and facilities plan. (Parks and Trails District Implementation)
- 6. A Sustainable Environment 6.5- Support the maintenance and expansion of an interconnected system of parks, trails and open space. A.) (PROST update)

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PARKS	10- General Fund	1,895,309	2,458,500	-	-100.0%
PARKS	128- FWP Management Areas	73	8,000	2,000	-75.0%
PARKS	132 - Bogart Park	5,300	5,000	5,000	0.0%
PARKS	136- Park Special Revenue	34,024	-	-	100.0%
PARKS	184- Parks Master Plan Development	4,694	-	5,000	100.0%
PARKS	195 - Parks & Trails Mtc District	-	-	3,632,174	100.0%
PARKS	199- Sports Park	-	51,000	51,000	0.0%
PARKS	563- 568- Parks & Open Space Bond	5,273,312	-	-	0.0%
PARKS	850- Parkland Trust	74,686	5,000	5,000	0.0%
TOTALS		7,287,398	2,527,500	3,700,174	

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PARKS	Salaries & Benefits	945,766	1,031,864	1,501,072	45.5%
PARKS	Operating	791,304	962,636	1,986,102	106.3%
PARKS	Capital	5,541,242	533,000	213,000	-60.0%
PARKS	Debt Service	9,086			0.0%
PARKS	Transfers				0.0%
TOTALS		7,287,398	2,527,500	3,700,174	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PARKS AND RECREATION	7610- Parks Operations	7,287,398	2,527,500	3,700,174	46.4%
TOTALS		7,287,398	2,527,500	3,700,174	

Personnel

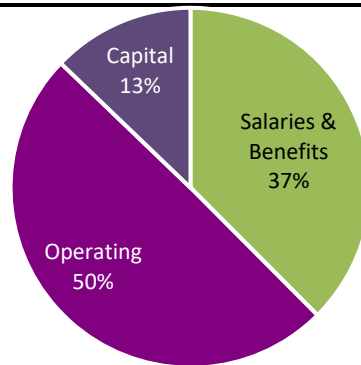
With the new District additional seasonal workers are being added along with a Contract Coordinator, an Assistant Superintendent and Parks planner for a total of 5.9 FTE

Operating

Increases in operational costs with new Sports Park and Storymill being added

Capital

Project #	Project Name	Amount
GF115	PARK VEHICLE REPLACEMENTS	60,000
GF291	PICKLEBALL COURTS	95,000
GF339	ADDITIONAL PARKING SMC	300,000
PTD04	PARK VEHICLES	58,000



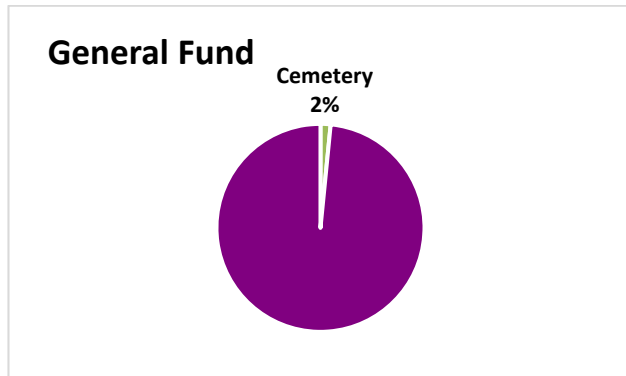
Cemetery (Parks & Recreation)

Major Objectives:

Develop new cemetery blocks and lots for internments as demand dictates. Provide an easily accessible, safe, and serene setting for cemetery/gravesite visitation. Continued excellence in providing professional and dignified interment services.

Budget Allocation

Funding through the General Fund



FY20 Accomplishments

- Construction continuing on the Southwest Montana Veteran's Cemetery, with retaining walls completed during the winter of 2020 and the spine and sidewalk scheduled for spring of 2020.
- Continuing design and construction of Southwest Montana Veteran's Cemetery with Phase II being the 5000 square foot plaza scheduled for summer of 2020.
- GF 231-Cemetery irrigation project completed in the fall of 2019, implementation scheduled for the spring of 2020.

FY20 Strategic Plans

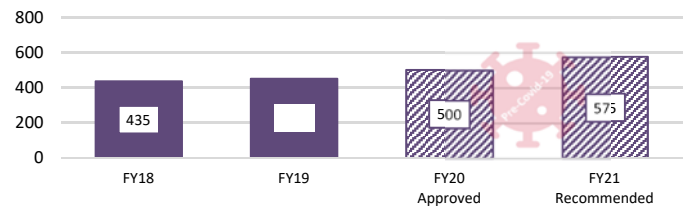
- 6.1- Clean Water Supplies- Project Gf 231- converting the cemetery from treated water to surface water. Saving 258 acre feet of treated water per year
- 7.3 Best Practices, Creativity & Foresight- Utilize best practices, innovative approaches, and constantly anticipate new directions and

Performance Measures

Number of User Group Agreements & Partnerships

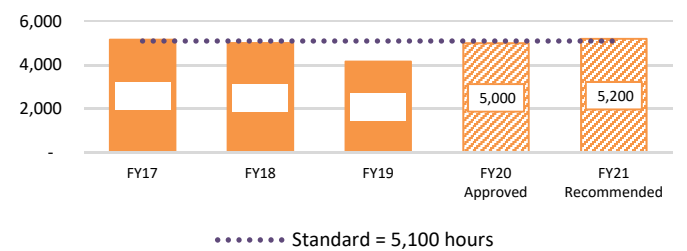
Including BSF, Farmer Agreement, Cyclocross, etc.

*Source = Cemetery Staff



Groundskeeping & Cemetery Beautification Hours

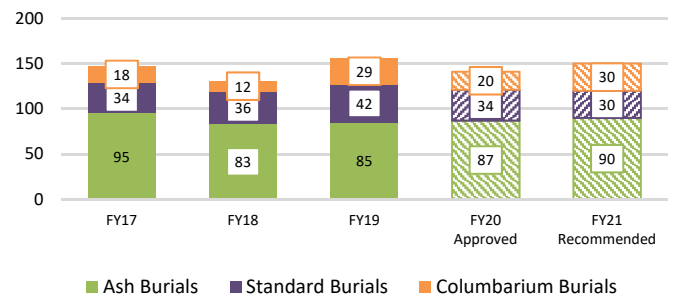
*Source = Cityworks



Number of Burials by Type

The standard is to support community burial needs

*Source = CIMS



FY21 Strategic Plan

- 6.A Sustainable Environment - We cultivate a strong environmental ethic; protect our clean air, water, open spaces and climate; and promote environmentally sustainable businesses and lifestyles.
- 6.1-Clean Water Supplies- Ensure adequate supplies of clean water for today and tomorrow. GF 231- Cemetery Irrigation Project
- 6.2- Protect local air quality- The cemetery's diverse array of trees, turf and open space contributes to a vast amount of carbon sequestration.

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
CEMETERY	010- General Fund	772,606	541,628	564,835	4.3%

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
CEMETERY	Salaries & Benefits	329,502	354,994	363,299	2.3%
CEMETERY	Operating	117,202	141,634	156,536	10.5%
CEMETERY	Capital	325,902	45,000	45,000	0.0%
CEMETERY	Debt Service	-	-	-	0.0%
CEMETERY	Transfers	-	-	-	0.0%
TOTALS		772,606	541,628	564,835	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
PARKS AND RECREATION	7210- Cemetery Operations	772,606	541,628	564,835	4.3%
TOTALS		772,606	541,628	564,835	

Personnel

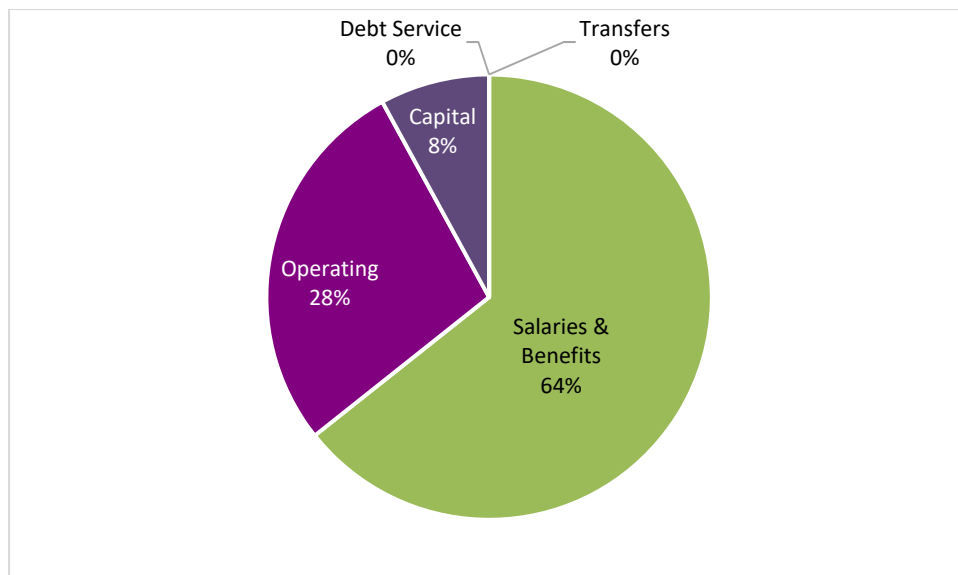
No changes

Operating

Small equipment purchase increase operating costs.

Capital

Project #	Project Name	Amount
GF268	SW MT VETERAN'S CEMETERY	45,000



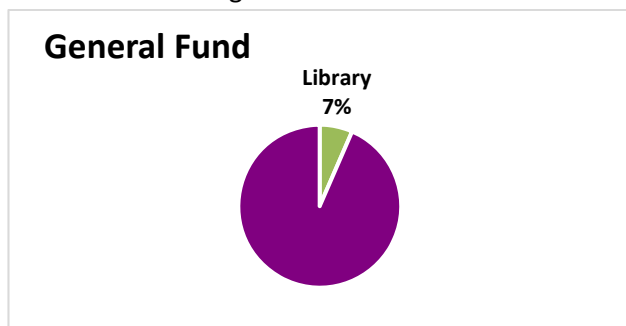
Library

Major Objectives:

- Space - Design & Implement an expansion to ensure that the Library has adequate space to Bozeman's growing needs.
- Technology - Use technology & digital resources to enhance the Library experience.
- Programming - Provide unique programming to inform & enrich the lives of target audiences of Library users.
- Outreach - Engage new & broader audiences in taking advantage of the Library's resources.

Budget Allocation

Funded through the General fund



A construction fund is setup for Library Maintenance which is funded by up to 2% of unspent appropriation from the prior year.

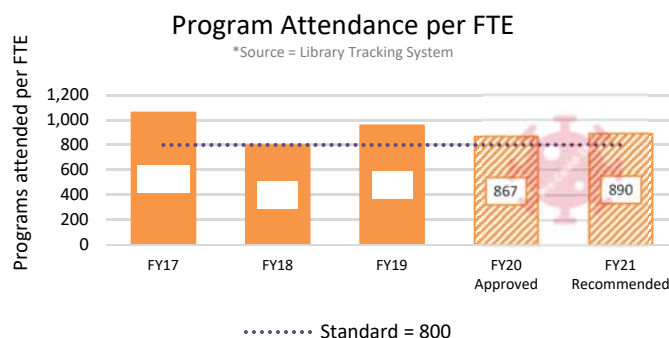
FY20 Accomplishments

- Library Strategic Plan for 2018-2021 - Continue to implement the strategic plan: making progress on increasing Library Space, Technology, Programming and Outreach.

FY20 Strategic Plans

5.1 a) Library Expansion Planning -Continue to work with the Library Foundation on a RFP for a Master Plan of the existing building and grounds. In partnership with the Bozeman Public Schools for a BPL presence in the Gallatin High School Library starting in the fall of 2020.

Performance Measures

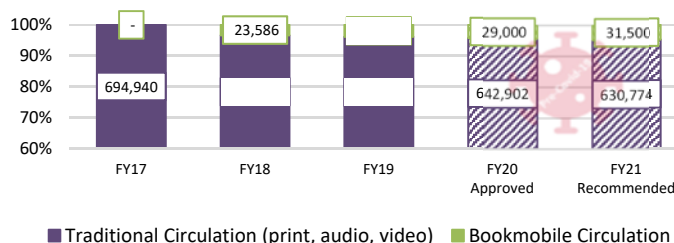


Library* vs Bookmobile Circulation Trends

Standard is to see increased bookmobile use

*Library circulation refers to all traditional hard copy print, audio, & video circulation

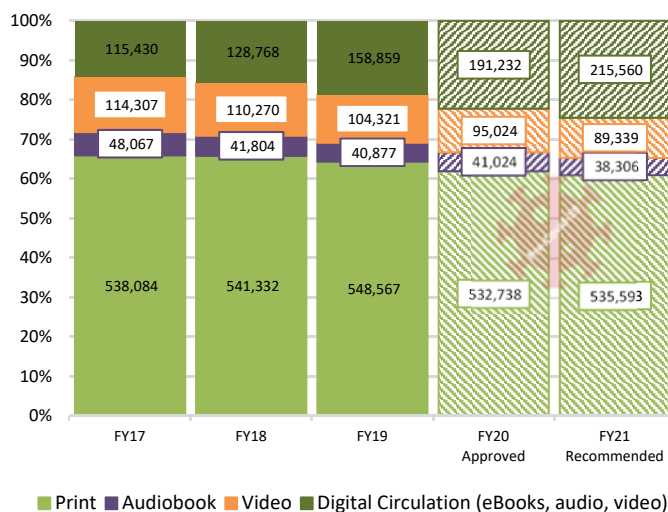
Source = Workflows



Circulation Trends

Standard is to increase digital circulation

*Source = Workflows



FY21 Strategic Plan

- Strategic Plan 5.1 a) Library Expansion Plan- The Library's staffing plan for FY21 adds .75 FTE for Library Assistants. These hours will be added to existing part time staff and enable us to have a presence in the Gallatin High School Library.

FY21 Budget

Department Budget by Fund

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
LIBRARY	010- General Fund	2,201,567	2,244,974	2,478,892	10.4%
LIBRARY	137- Library Special Revenue	41,393	-	-	#DIV/0!
LIBRARY	561- Library Depreciation Fund	48,187	280,000	72,000	-74.3%
TOTALS		2,291,147	2,524,974	2,550,892	

Department Budget by Category

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
LIBRARY	Salaries & Benefits	1,586,944	1,687,401	1,802,659	6.8%
LIBRARY	Operating	540,933	837,573	676,233	-19.3%
LIBRARY	Capital	48,208		72,000	0.0%
LIBRARY	Debt Service	3,387			0.0%
LIBRARY	Transfers	111,675			0.0%
TOTALS		2,291,147	2,524,974	2,550,892	

Department Budget by Division

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
LIBRARY	7810- Library Operations	940,317	1,037,157	1,000,265	-3.6%
LIBRARY	7820- Technical Services	314,392	318,245	337,626	6.1%
LIBRARY	7830- Information Services	393,164	495,148	528,224	6.7%
LIBRARY	7840- Children's Services	191,388	193,661	287,813	48.6%
LIBRARY	7850- Circulation Services	451,886	480,763	396,964	-17.4%
TOTALS		2,291,147	2,524,974	2,550,892	

Personnel

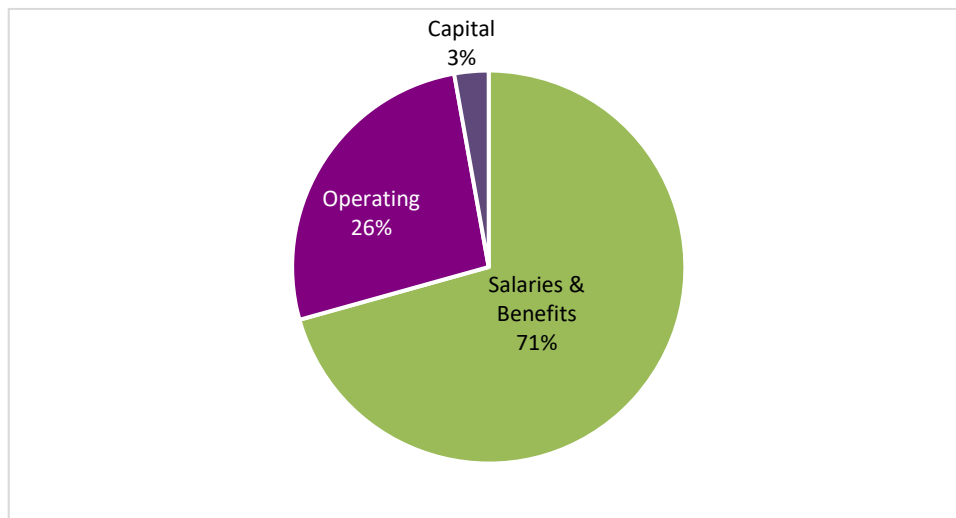
Increase of part time hours for West Side Library at the new high school for a total of .75FTE

Operating

Decrease is due to the reduction in the Library Depreciation fund spending. Increase in the General fund is mainly in Library Materials

Capital

Continued carpet replacement



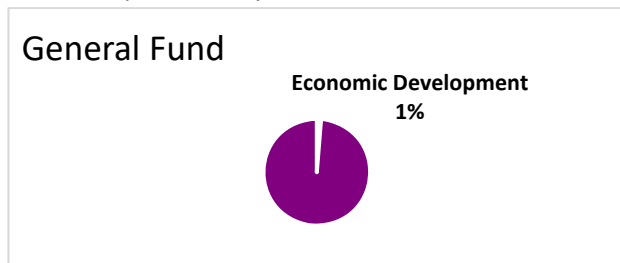
Economic Development

Major Objectives:

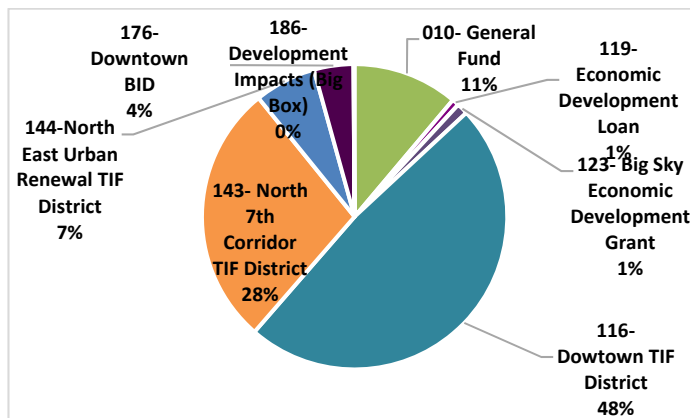
- Increasing economic activity that improves our community's prosperity;
- Supporting innovation and encouraging growth in mid-to-high wage sectors; and
- Facilitating the creation of mid-to-high paying jobs/high quality employment to match the high quality of life.

Budget Allocation

Funded Operationally from the General Fund



Oversees the programming of Special Revenue Fund, which includes Urban Renewal Districts.



FY20 Accomplishments/ FY20 Strategic Plan

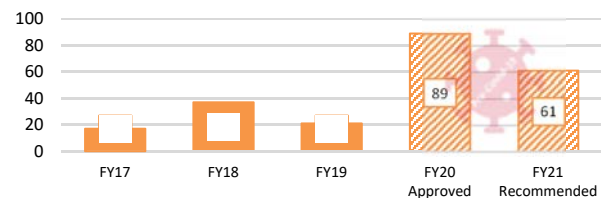
- 2.1 Business Growth - Support retention and growth of both the traded and local business sectors while welcoming and encouraging new and existing businesses, in coordination with the Economic Development Plan.
- 2.2 Infrastructure Investments - Strategically invest in infrastructure as a mechanism to encourage economic development. a) Identify Commercial/Industrial Infrastructure Needs. Identify sites for new or redevelopment in areas that lack adequate infrastructure and develop new financing strategies to fund these investments.

- 2.3 Workforce Development - Support education and workforce development initiatives to improve the skills of our citizens.

Performance Measures

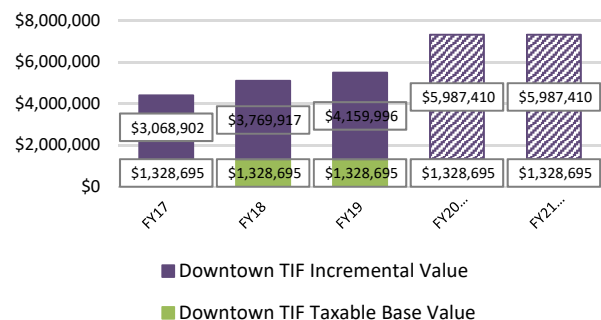
Jobs created through the Big Sky Trust Fund Program

*Source = Big Sky Trust Fund



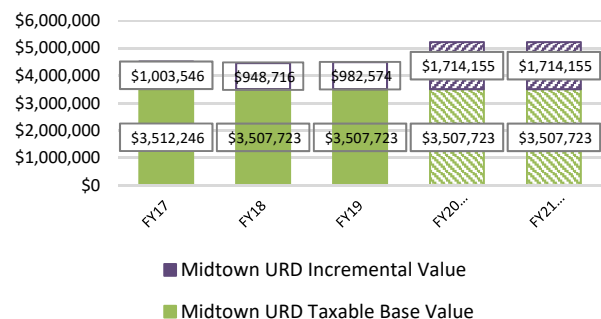
Downtown TIF Incremental Taxable Value

*Source = Prospera



Midtown TIF Incremental Taxable Value

*Source = Prospera



FY21 Strategic Plan

- 2.1 Business Growth - Support retention and growth of both the traded and local business sectors.
- 2.2 Infrastructure Investments - Strategically invest in infrastructure.
- 2.3 Workforce Development - Support education and workforce development initiatives.

FY21 Budget

Department Budget by Fund

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
ECONOMIC DEVELOPMENT	010- General Fund	361,881	474,229	467,010	-1.5%
ECONOMIC DEVELOPMENT	119- Economic Development Loan	34,600	31,000	31,000	0.0%
ECONOMIC DEVELOPMENT	123- Big Sky Economic Development Grant	215,000	50,000	50,000	0.0%
ECONOMIC DEVELOPMENT	116- Downtown TIF District	1,074,025	2,816,000	2,026,653	-28.0%
ECONOMIC DEVELOPMENT	143- North 7th Corridor TIF District	334,464	3,001,852	1,164,755	-19.5%
ECONOMIC DEVELOPMENT	144-North East Urban Renewal TIF District	347,391	339,500	273,201	#DIV/0!
ECONOMIC DEVELOPMENT	145- Mandeville Farm TIF	4,000			5.1%
ECONOMIC DEVELOPMENT	176- Downtown BID	128,801	167,160	175,750	5.1%
ECONOMIC DEVELOPMENT	186- Development Impacts (Big Box)		5,000	5,000	-61.2%
ECONOMIC DEVELOPMENT	191- Tourism BID	1,087,916			#DIV/0!
ECONOMIC DEVELOPMENT	505- NEURD TIF Bond Construction	930,587			#DIV/0!
TOTALS		4,518,665	6,884,741	4,193,369	

Department Budget by Category

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
ECONOMIC DEVELOPMENT	Salaries & Benefits	231,015	289,826	292,745	1.0%
ECONOMIC DEVELOPMENT	Operating	2,166,446	6,083,017	3,456,176	-43.2%
ECONOMIC DEVELOPMENT	Capital	1,143,444		20,000	#DIV/0!
ECONOMIC DEVELOPMENT	Debt Service	92,000	93,000	92,000	0.0%
ECONOMIC DEVELOPMENT	Transfers	885,760	418,898	332,448	-20.6%
TOTALS		4,518,665	6,884,741	4,193,369	

Department Budget by Division

Department	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
ECONOMIC DEVELOPMENT	8240- Economic Development	611,481	560,229	553,010	-1.3%
ECONOMIC DEVELOPMENT	- Downtown Improvement Districts	3,907,184	6,324,512	3,640,359	-42.4%
TOTALS		4,518,665	6,884,741	4,193,369	

Personnel

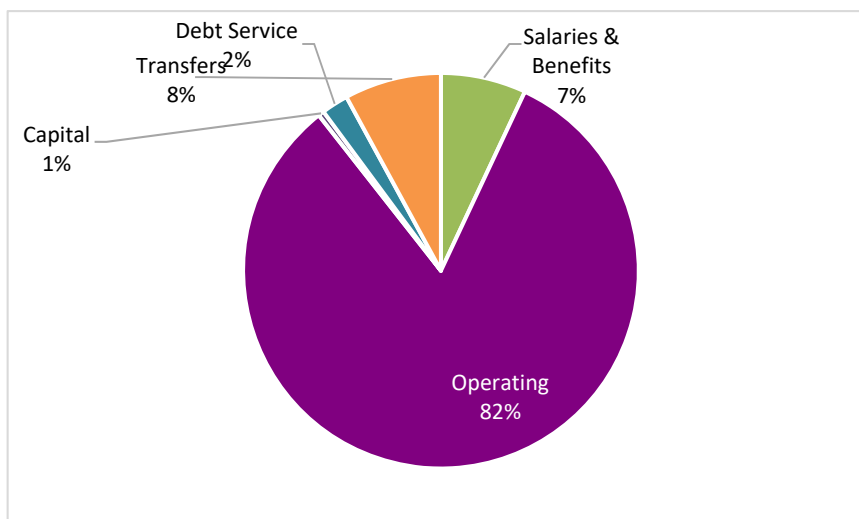
No changes

Operating

Broadband study, Economic Development Strategy update and other matching funds for economic projects

Capital

Project #	Project Name	Amount
GF275	FIBER OPTIC CONDUIT AND VAULTS	20,000



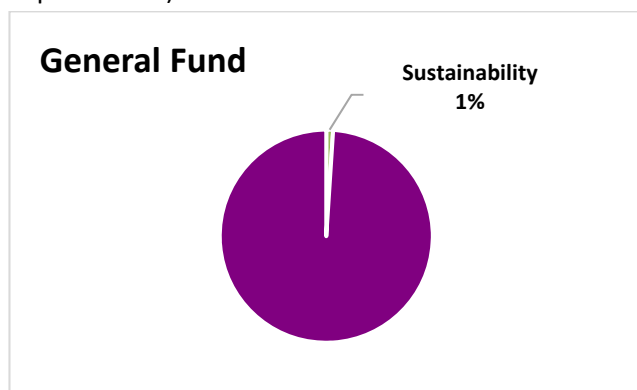
Sustainability (Strategic Services)

Major Objectives:

- Advance our utility tracking capabilities and reporting
- Develop a Climate Action & Resiliency Plan
- Implement the 2019 Climate Vulnerability Assessment & Resiliency Strategy
- Explore a building energy stretch code

Budget Allocation

Funded by the General Fund (only 0.48% of the fund expenditures)



FY20 Accomplishments

- Completed Climate Vulnerability Assessment & Resiliency Strategy (Climate Change Adaptation & Mitigation, 6.3.d)
- 2020 Bozeman Climate Plan (Update the Climate Action Plan 6.3a)
 - o 10 of 13 public engagement events completed with diverse staff participation
 - o Provisionally adopted new greenhouse gas emissions reduction targets

FY20 Strategic Plans

Expanded City-Utility Collaboration (Create Solar Energy Policies 6.3.c)

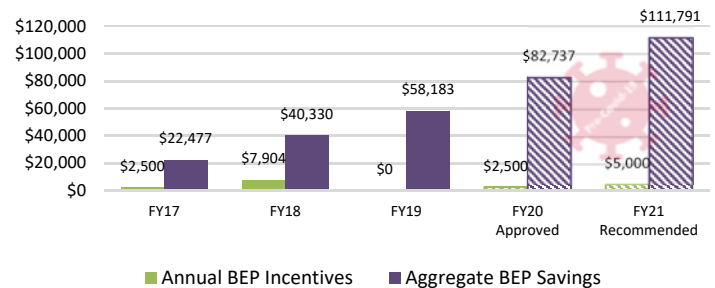
- Renewable Energy Steering Committee with Big Sky, Bozeman, Helena, Missoula, and NorthWestern Energy
- Green Tariff Stakeholder Committee

Performance Measures

Bozeman Energy Project Annual incentives & Aggregate Savings

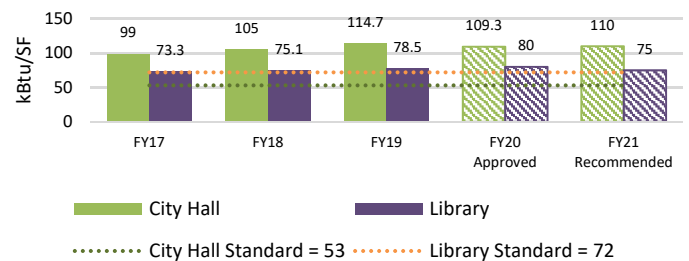
Target: Annual 30% Increase to Total Savings

*Source = Bozeman Energy Project

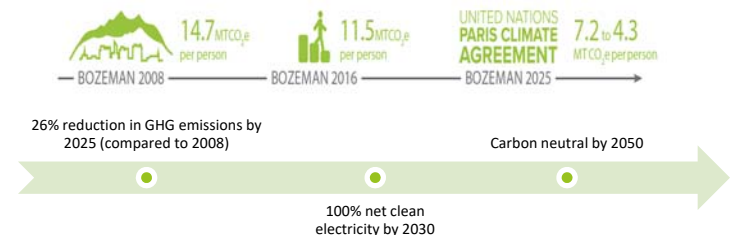


Municipal Building Energy Use Intensity (EUI)

*Source = NorthWestern Energy



- Monitor community greenhouse gas emissions to inform adopted goals for reduction.



FY21 Strategic Plan

- Update the Climate Action Plan 6.3.a
- Create Solar Energy Policies 6.3.c
- Climate Change Adaptation & Mitigation, 6.3.d
- Explore Sustainable Technology 7.3.b

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
SUSTAINABILITY	10- General Fund	192,169	165,790	349,205	110.6%

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
SUSTAINABILITY	Salaries & Benefits	123,853	127,115	136,641	7.5%
SUSTAINABILITY	Operating	47,883	38,675	207,325	436.1%
SUSTAINABILITY	Capital	16,067	-	-	100.0%
SUSTAINABILITY	Debt Service	4,366	-	5,239	0.0%
SUSTAINABILITY	Transfers	-	-	-	0.0%
TOTALS		192,169	165,790	349,205	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
SUSTAINABILITY	8250- Sustainability (Strategic Services)	192,169	165,790	349,205	110.6%
TOTALS		192,169	165,790	349,205	

Personnel

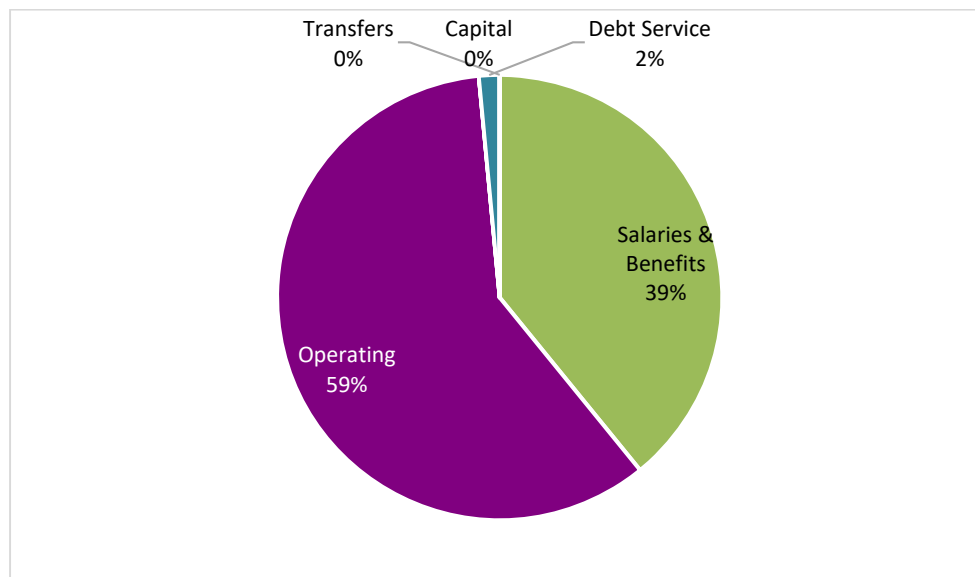
No changes

Operating

Additional projects and consultant work for Economic Analysis for Community Renewable Energy, LED Retrofits for City Facilities, EV Site Assessments for City Facilities and Solar Site Assessments for City Facilities

Capital

None



Community Housing

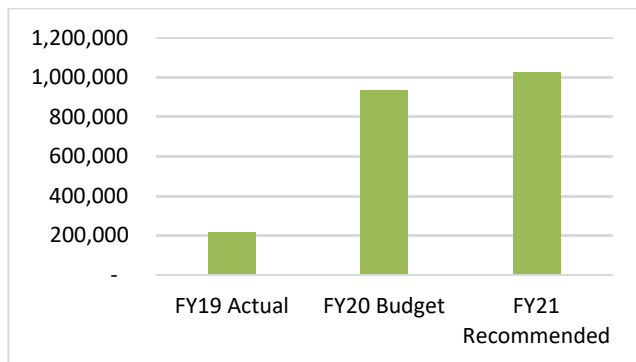
(Community Development)

Major Objectives:

- Provide down-payment assistance & low-interest loans
- Offer impact fee reimbursement for affordable housing projects
- Match funds for low-interest tax credit project applications.

Budget Allocation

Funded by the Community Housing Special Revenue Fund



FY20 Accomplishments

- Affordable Housing Needs Assessment Completed in February, 2019
- Community Housing Action Plan Adopted in November, 2019 (Resolution 5081)

FY20 Strategic Plans

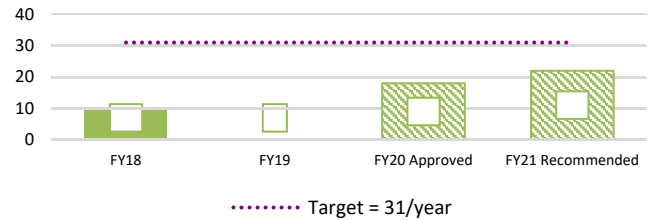
Strategic Plan - Develop a Comprehensive Affordable Housing Action Plan that does the following: (Objective 4.5b)

- Mandates the creation of affordable housing across all dwelling unit types. (Current inclusionary zoning ordinance pertains to single family homes only)
- Provides the prescribed flexibility in the manner in which the mandate can be accomplished.
- Provides a substantial, broad-based and reliable source of funding for the construction of affordable housing and for affordable housing loans.
- Actively encourages Bozeman's major employers to develop workforce housing programs for their employees. (Ongoing meetings and efforts regarding this issue)

Performance Measures

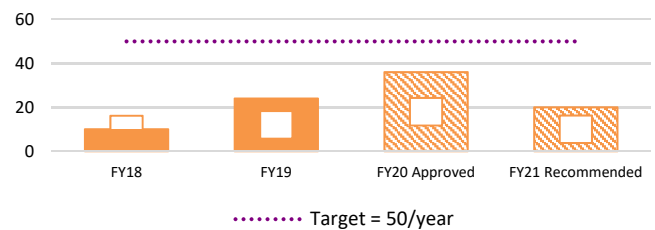
Number of Affordable Units Constructed (mandated by Inclusionary Zoning Ordinance)

*Source = Approved Affordable Housing Plans



Number of Units in Approved Housing Plans (final plat)

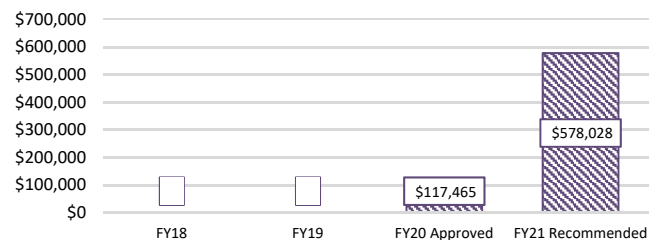
*Source = Approved Affordable Housing Plans



Cash-in-Lieu Funds Received

Standard = \$0, as units are preferable to Cash-in-Lieu

*Source = Approved Affordable Housing Plans



FY21 Strategic Plan

A Well Planned City | Housing & Transportation Choices (Objective 4.5b, 1-3)

- Impact Fee / Down Payment Assistance | \$200K
- Road to Home HRDC | \$40K
- HRDC Annual Administration Contract | \$20K
- Studies and Code work | \$120K

FY21 Budget

Department Budget by Fund

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
COMMUNITY HOUSING	120- WCommunity Housing Fund	214,970	934,458	1,024,705	9.7%

Department Budget by Category

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
COMMUNITY HOUSING	Salaries & Benefits	45,419	81,708	88,705	8.6%
COMMUNITY HOUSING	Operating	169,551	852,750	936,000	9.8%
COMMUNITY HOUSING	Capital	-	-	-	0.0%
COMMUNITY HOUSING	Debt Service	-	-	-	0.0%
COMMUNITY HOUSING	Transfers	-	-	-	0.0%
TOTALS		214,970	934,458	1,024,705	

Department Budget by Division

Division	Category	FY19 Actual	FY20 Budget	FY21 Approved	% Change
COMMUNITY HOUSING	8230- Community Housing	214,970	934,458	1,024,705	9.7%
TOTALS		214,970	934,458	1,024,705	

Personnel

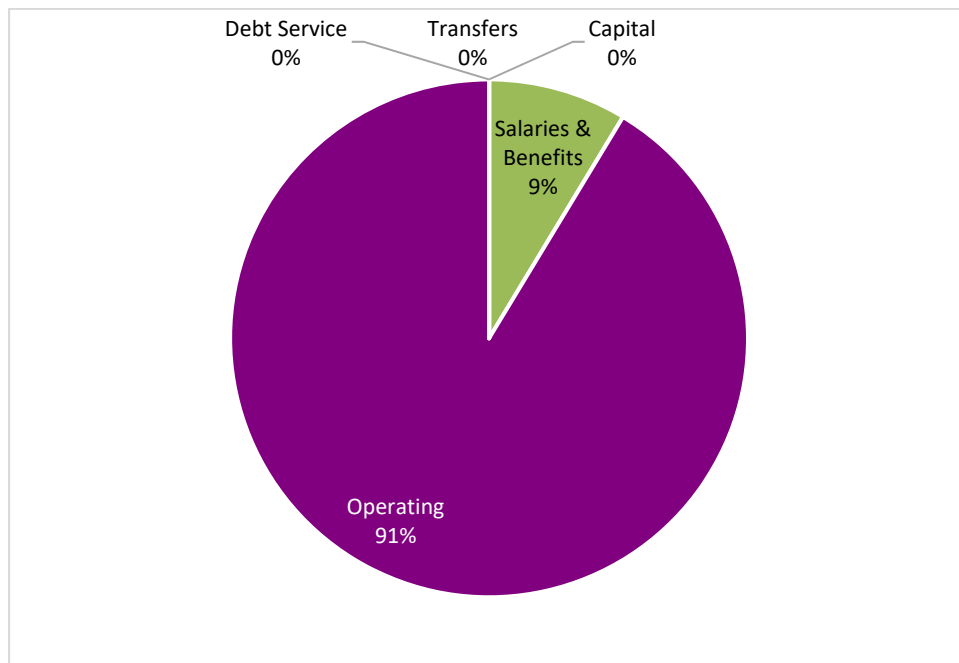
No changes

Operating

Increased funding to projects based on approvals from CAHAB and consultant services to implement plan.

Capital

None



Non-Departmental

About:

The Non-Departmental unit accounts for expenditures that are not associated with a specific city department. Examples include insurance premiums paid by the City, costs of leave pay-outs for terminating employees, contingency funds, etc.

Major Objectives:

To accurately budget and account for non-departmental costs.

Budget Issues and Details

General Fund

- General fund allocation of liability & property insurance - \$510,345;
- General fund
 - Contribution to the band - \$10,440; Professional services for the landfill, \$25,000; Contingency appropriation - \$150,000; HRDC Streamline \$300,000; HAVEN \$30,000; Help Center \$30,000;
 - Police & Fire state share retirement (non-cash) - \$2,915,014;
- Debt service fund for InterCap loan for Bronken and Storymill projects - \$40,480
- Transfer to Landfill Monitoring Fund - \$310,000; Transfer to Stormwater Fund for Landfill Loan payments - \$100,000; and Special revenue funds support \$80,000.

Fund	Category	Division	FY19 Actual	FY20 Budget	FY21 Approved
10	Operating	Insurance	489,046	491,391	510,345
10	Operating	General	133,982	3,228,702	3,505,454
10	Debt	Debt Service InterCap		40,480	40,480
10	Transfers	Transfers	491,188	405,000	540,000
		General Fund Non-Departmental	1,114,216	4,165,573	4,596,279
103	Transfers	Transfers - Insurance	2,461,824	2,815,384	2,768,752
175	Operating	General - Galavan	104,703	108,490	129,408
501	Construction	BPSC	178,014	40,115,362	-
720	Operating	Insurance	4,949,240	5,044,794	5,044,794

Debt items

Fund	Category	Division	FY19 Actual	FY20 Budget	FY21 Approved
300	Transfers	SID Revolving Loan Fund	911	867,070	1,313,160
303	Debt Service	G.O. Refunding Series 2012	276,400	273,300	275,400
304	Debt Service	Parks and Open Space Bond	1,083,838	1,076,788	1,076,463
305	Debt Service	2007 Downtown TIF Bonds	423,923	418,898	332,448
307	Debt Service	Bozeman Public Safety Center	-	38,376,716	2,372,450
310-448	Debt Service	SID funds	253,240	1,000	46,932
450	Debt Service	Sports Park Turf Loan	-	32,000	125,796

Below are the budget details followed by the debt schedules:

CITY OF BOZEMAN					
General Obligation Bonds Bozeman Publice Safet Center, Series 2019					
DEBT SERVICE SCHEDULE					
Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2021	-		546,225.00	546,225.00	
7/1/2021	1,280,000.00	2.000%	546,225.00	1,826,225.00	2,372,450.00
1/1/2022	-		533,425.00	533,425.00	
7/1/2022	1,305,000.00	2.000%	533,425.00	1,838,425.00	2,371,850.00
1/1/2023	-		520,375.00	520,375.00	
7/1/2023	1,330,000.00	3.000%	520,375.00	1,850,375.00	2,370,750.00
1/1/2024			500,425.00	500,425.00	
7/1/2024	1,370,000.00	4.000%	500,425.00	1,870,425.00	2,370,850.00
1/1/2025	-		473,025.00	473,025.00	
7/1/2025	1,425,000.00	4.000%	473,025.00	1,898,025.00	2,371,050.00
1/1/2026	-		444,525.00	444,525.00	
7/1/2026	1,480,000.00	4.000%	444,525.00	1,924,525.00	2,369,050.00
1/1/2027	-		414,925.00	414,925.00	
7/1/2027	1,540,000.00	4.000%	414,925.00	1,954,925.00	2,369,850.00
1/1/2028	-		384,125.00	384,125.00	
7/1/2028	1,600,000.00	4.000%	384,125.00	1,984,125.00	2,368,250.00
1/1/2029	-		352,125.00	352,125.00	
7/1/2029	1,665,000.00	4.000%	352,125.00	2,017,125.00	2,369,250.00
1/1/2030	-		318,825.00	318,825.00	
7/1/2030	1,730,000.00	4.000%	318,825.00	2,048,825.00	2,367,650.00
1/1/2031	-		284,225.00	284,225.00	
7/1/2031	1,800,000.00	4.000%	284,225.00	2,084,225.00	2,368,450.00
1/1/2032	-		248,225.00	248,225.00	
7/1/2032	1,875,000.00	4.000%	248,225.00	2,123,225.00	2,371,450.00
1/1/2033	-		210,725.00	210,725.00	
7/1/2033	1,950,000.00	4.000%	210,725.00	2,160,725.00	2,371,450.00
1/1/2034	-		171,725.00	171,725.00	
7/1/2034	2,025,000.00	4.000%	171,725.00	2,196,725.00	2,368,450.00
1/1/2035	-		131,225.00	131,225.00	
7/1/2035	2,110,000.00	2.250%	131,225.00	2,241,225.00	2,372,450.00
1/1/2036			107,487.50	107,487.50	
7/1/2036	2,155,000.00	2.375%	107,487.50	2,262,487.50	2,369,975.00
1/1/2037			81,896.88	81,896.88	
7/1/2037	2,205,000.00	2.375%	81,896.88	2,286,896.88	2,368,793.76
1/1/2038			55,712.50	55,712.50	
7/1/2038	2,260,000.00	2.375%	55,712.50	2,315,712.50	2,371,425.00
1/1/2039			28,875.00	28,875.00	
7/1/2039	2,310,000.00	2.500%	28,875.00	2,338,875.00	2,367,750.00
TOTALS	33,415,000.00		11,616,193.76	45,031,193.76	45,031,193.76

CITY OF BOZEMAN					
General Obligation Refunding Bonds, Trails, Open Space & Parks, Series 2014					
DEBT SERVICE SCHEDULE					
Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2021	-		73,406.25	73,406.25	
7/1/2021	220,000.00	2.250%	73,406.25	293,406.25	3,925,000.00
1/1/2022	-		71,206.25	71,206.25	
7/1/2022	225,000.00	2.250%	71,206.25	296,206.25	3,700,000.00
1/1/2023	-		68,675.00	68,675.00	
7/1/2023	230,000.00	2.500%	68,675.00	298,675.00	3,470,000.00
1/1/2024	-		65,800.00	65,800.00	
7/1/2024	235,000.00	2.500%	65,800.00	300,800.00	3,235,000.00
1/1/2025	-		62,862.50	62,862.50	
7/1/2025	245,000.00	2.500%	62,862.50	307,862.50	2,990,000.00
1/1/2026	-		59,800.00	59,800.00	
7/1/2026	250,000.00	4.000%	59,800.00	309,800.00	2,740,000.00
1/1/2027	-		54,800.00	54,800.00	
7/1/2027	260,000.00	4.000%	54,800.00	314,800.00	2,480,000.00
1/1/2028	-		49,600.00	49,600.00	
7/1/2028	270,000.00	4.000%	49,600.00	319,600.00	2,210,000.00
1/1/2029	-		44,200.00	44,200.00	
7/1/2029	280,000.00	4.000%	44,200.00	324,200.00	1,930,000.00
1/1/2030	-		38,600.00	38,600.00	
7/1/2030	290,000.00	4.000%	38,600.00	328,600.00	1,640,000.00
1/1/2031	-		32,800.00	32,800.00	
7/1/2031	305,000.00	4.000%	32,800.00	337,800.00	1,335,000.00
1/1/2032	-		26,700.00	26,700.00	
7/1/2032	315,000.00	4.000%	26,700.00	341,700.00	1,020,000.00
1/1/2033	-		20,400.00	20,400.00	
7/1/2033	325,000.00	4.000%	20,400.00	345,400.00	695,000.00
1/1/2034	-		13,900.00	13,900.00	
7/1/2034	340,000.00	4.000%	13,900.00	353,900.00	355,000.00
1/1/2035	-		7,100.00	7,100.00	
7/1/2035	355,000.00	4.000%	7,100.00	362,100.00	-
TOTALS	5,100,000.00		2,266,840.63	7,366,840.63	

CITY OF BOZEMAN					
General Obligation Refunding Bonds, Trails, Open Space & Parks, Series 2013					
DEBT SERVICE SCHEDULE					
Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2021	-		137,325.00	137,325.00	
7/1/2021	435,000.00	2.500%	137,325.00	572,325.00	7,180,000.00
1/1/2022	-		131,887.50	131,887.50	
7/1/2022	450,000.00	2.750%	131,887.50	581,887.50	6,730,000.00
1/1/2023	-		125,700.00	125,700.00	
7/1/2023	460,000.00	3.000%	125,700.00	585,700.00	6,270,000.00
1/1/2024	-		118,800.00	118,800.00	
7/1/2024	475,000.00	2.800%	118,800.00	593,800.00	5,795,000.00
1/1/2025	-		112,150.00	112,150.00	
7/1/2025	490,000.00	3.250%	112,150.00	602,150.00	5,305,000.00
1/1/2026	-		104,187.50	104,187.50	
7/1/2026	505,000.00	3.500%	104,187.50	609,187.50	4,800,000.00
1/1/2027	-		95,350.00	95,350.00	
7/1/2027	520,000.00	3.750%	95,350.00	615,350.00	4,280,000.00
1/1/2028	-		85,600.00	85,600.00	
7/1/2028	540,000.00	4.000%	85,600.00	625,600.00	3,740,000.00
1/1/2029	-		74,800.00	74,800.00	
7/1/2029	565,000.00	4.000%	74,800.00	639,800.00	3,175,000.00
1/1/2030	-		63,500.00	63,500.00	
7/1/2030	585,000.00	4.000%	63,500.00	648,500.00	2,590,000.00
1/1/2031	-		51,800.00	51,800.00	
7/1/2031	610,000.00	4.000%	51,800.00	661,800.00	1,980,000.00
1/1/2032	-		39,600.00	39,600.00	
7/1/2032	635,000.00	4.000%	39,600.00	674,600.00	1,345,000.00
1/1/2033	-		26,900.00	26,900.00	
7/1/2033	660,000.00	4.000%	26,900.00	686,900.00	685,000.00
1/1/2034	-		13,700.00	13,700.00	
7/1/2034	685,000.00	4.000%	13,700.00	698,700.00	-
TOTALS	9,900,000.00		4,355,805.28	14,255,805.28	

CITY OF BOZEMAN					
General Obligation Refunding Bonds, Series 2012					
DEBT SERVICE SCHEDULE					
Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2021	-		2,700.00	2,700.00	
7/1/2021	270,000.00	2.000%	2,700.00	272,700.00	-
TOTALS	3,080,000.00		250,394.38	3,330,394.38	

CITY OF BOZEMAN					
TAX INCREMENT URBAN RENEWAL REVENUE BONDS, SERIES 2007 (DOWNTOWN BOZEMAN IMPROVEMENT DISTRICT)					
DEBT SERVICE SCHEDULE					
Payment Date	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2021	-	-	41,724.00	41,724.00	
7/1/2021	249,000.00	2.44	41,724.00	290,724.00	3,171,000.00
1/1/2022	-	-	38,686.20	38,686.20	
7/1/2022	255,000.00	2.44	38,686.20	293,686.20	2,916,000.00
1/1/2023	-	-	35,575.20	35,575.20	
7/1/2023	259,000.00	2.44	35,575.20	294,575.20	2,657,000.00
1/1/2024	-	-	32,415.40	32,415.40	
7/1/2024	268,000.00	2.44	32,415.40	300,415.40	2,389,000.00
1/1/2025	-	-	29,145.80	29,145.80	
7/1/2025	277,000.00	2.44	29,145.80	306,145.80	2,112,000.00
1/1/2026	-	-	25,766.40	25,766.40	
7/1/2026	279,000.00	2.44	25,766.40	304,766.40	1,833,000.00
1/1/2027	-	-	22,362.60	22,362.60	
7/1/2027	286,000.00	2.44	22,362.60	308,362.60	1,547,000.00
1/1/2028	-	-	18,873.40	18,873.40	
7/1/2028	293,000.00	2.44	18,873.40	311,873.40	1,254,000.00
1/1/2029	-	-	15,298.80	15,298.80	
7/1/2029	303,000.00	2.44	15,298.80	318,298.80	951,000.00
1/1/2030	-	-	11,602.20	11,602.20	
7/1/2030	308,000.00	2.44	11,602.20	319,602.20	643,000.00
1/1/2031	-	-	7,844.60	7,844.60	
7/1/2031	317,000.00	2.44	3,977.20	320,977.20	326,000.00
1/1/2032	-	-	3,977.20	3,977.20	
7/1/2032	326,000.00	2.44	10,125.00	336,125.00	-
TOTALS	3,420,000.00		568,824.00	3,988,824.00	



CAPITAL EXPENDITURES SUMMARY

Capital Expenditure Summary

The CIP includes any planned expenditure of \$25,000 or greater, that results in the acquisition of an asset with a useful life of 3 years or more. There is a couple of “exceptions” or “extensions” of this definition that we have found helpful and necessary in past years:

- General Planning Documents (master plans, community surveys, etc.) are NOT included in our CIP.
- Specific plans that involve pre-engineering or preliminary design of facilities are often (but not always) included in the CIP.
- Software purchases that could potentially be “software as a service”. Cloud based services are beginning to replace our purchase of outright software and hardware. In the CIP, we have treated the software projects as a capital outlay purchase; although a “service” type, solution may actually be chosen during the bidding/proposal process.

State law and City charter require the City to prepare the CIP. State Law requires the City to maintain a Capital Improvement Plan for our Development Impact Fee programs. Under Montana Code Annotated (MCA), this Capital Improvement Plan provides the schedules and cost projections required under MCA §7-6-1602(2)(k)(i-iv). In Article 5.06 of the adopted City Charter, the City Manager is responsible for preparing and submitting a multi-year capital program to the City Commission no later than December 15 for the ensuing fiscal year.

This five-year plan includes long-range plans for our current facilities while keeping in mind level of service standards. In a community with relatively high cost of living, the ability of citizens to afford the needed utility rate, fee, and assessment levels is of concern. At the same time, the City strives to keep existing facilities properly maintained — and not pass deferred maintenance costs and problems on to future generations. The staff have taken a lot of time and care in preparing this document. The efforts toward our Strategic Plan when developing our plan.

FY21 Capital impacts on operational costs:

- The larger infrastructure projects have an impact on our operational costs, which can include increased cost for maintenance, additional monitoring, and additional services such as more roads to plow with the street construction scheduled. The major wastewater projects discussed earlier will add maintenance time and monitoring. The streets that will be constructed will affect the Street Maintenance fund’s operational budgets in FY21 with the additional snow plowing and into the future for repairs and maintenance.
- Expanding the vehicle fleet increases maintenance and gas expenditures. This budget year there are some vehicles and other mobile equipment replacements that will not have as big of impact as the new vehicles expanding the number in the fleet.
- We are not constructing any major building in this budget but there are some remodels but their operational impact is minimal since there is not additional need for cleaning and utilities. This includes the Professional building elevator replacement and Storymill Community Center.

FY21 Capital Project Listing

Fund	Fund - Division	Project #	Project Name	Amount
General (10)				
10	Cemetery	GF268	SW MT VETERAN'S CEMETERY	45,000
10	City Attorney	0	VIRTUAL SERVER TO RUN EDISCOVERY	12,000
10	City Attorney	0	NEW PRINTER	10,000
10	Commission	GF284	LASERFISCHE	19,334
10	Commission	0	ADDITIONAL TECH FOR SOFTWARE UPGRADES	5,000
10	Economic Development	GF275	FIBER OPTIC CONDUIT AND VAULTS	20,000
10	Facilities Management	GF001	ELEVATOR REPLACEMENT- STIFF	125,000
10	Facilities Management	GF324	NEW DEPARTMENT VEHICLE	25,000
10	Finance	GF347	ANALYTICSNOW	28,030
10	Information Technology	GF062	PERSONAL COMPUTER (PC) RE	65,000
10	Information Technology	GF080	CITY-WIDE SWITCHES&ROUTRS	50,000
10	Information Technology	GF265	SERVER REPLACEMENT GF	48,000
10	Information Technology	GF289	SERVER FARM SOFTWARE UPGRADES	35,000
10	Police	GF053	PATROL CAR & EQUIP RPLCMT	183,000
10	Police	GF292	MOBILE DATA EQUIP	30,000
10	Recreation	GF302	PASSENGER VAN	37,000
10	Recreation	GF333	SMCC GYM VENTILATION SYSTEM	120,000
10 Total				857,364
Planning (100)				
100	Planning- Code Compliance	CC01	CODE COMPLIANCE VEHICLE	35,000
100	Planning	GF284	LASERFISCHE	19,333
100	Building Inspection	0	AVOLVE SOFTWARE (Planning PORTION)	68,338
100 Total				122,671
Community Transportation (108)				
108	Community Transportation	0	FY21 TAP Projects	5,000
108 Total				5,000
Street Maintenance (111)				
111	Street Maintenance	STR20	Annual Bike Path Improvement	100,000
111	Street Maintenance	STR22	Grader Lease	60,000
111	Street Maintenance	STR30	Annual Median & Boulevard	65,000
111	Street Maintenance	STR34	Sweepers	100,000
111	Street Maintenance	STR40	Dump Truck Plow Sander	200,000
111	Street Maintenance	STR49	Sanders	27,000
111	Street Maintenance	STR75	Annual Pedestrian Ramp	100,000
111	Street Maintenance	STR83	N 27TH MEDIAN LANDSCAPING	50,000
111	Street Maintenance	STR92	OAK ST MEDIAN LANDSCAPING	60,000
111	Street Maintenance	STR98	REPLACE #3223-LIGHT DUTY	35,000
111	Street Maintenance	STR99	REPLACE #3250-LIGHT DUTY	45,000
111 Total				842,000

Fund	Fund - Division	Project #	Project Name	Amount
Street Impact Fee (114)				
114	Street Impact Fee	SIF001	RIGHT OF WAY ACQUISITION	300,000
114	Street Impact Fee	SIF009	KAGY (WILLSON TO 19TH) DESIGN & CONSTRUCTION	1,000,000
114	Street Impact Fee	SIF110	*MANLEY & GRIFFIN (INTERSECTION IMPROVEMENTS)	1,600,000
114	Street Impact Fee	SIF112	HIGHLAND & MAIN INTERSECTION REIMBURSEMENT	130,000
114	Street Impact Fee	SIF113	*GRIFFIN (7TH TO ROUSE) - CONSTRUCTION	1,000,000
114	Street Impact Fee	SIF116	*BRIDGER DR & STORY MILL RD (INTERSECTION IMPROVEMENTS) CONSTRUCTION	1,200,000
114	Street Impact Fee	SIF117	*STORY MILL (GRIFFIN TO BRIDGER)	250,000
114	Street Impact Fee	SIF118	*BABCOCK (15TH TO 19TH)	200,000
114	Street Impact Fee	SIF146	KAGY/11TH INTERIM IMPROVEMENTS	100,000
114	Street Impact Fee	SIF150	15TH - PATRICK TO BAXTER IMPROVEMENTS	250,000
114 Total				6,030,000
Building Inspection (115)				
115	Building Inspection	0	AVOLVE SOFTWARE (BUILDING PORTION)	205,015
115	Building Inspection	0	SELECTRON	147,000
115				352,015
Arterial & Collector (141)				
141	Arterial & Collector	SIF110	MANLEY & GRIFFIN	400,000
141	Arterial & Collector	SIF113	GRIFFIN (7TH TO ROUSE) - CONSTRUCTION	500,000
141	Arterial & Collector	SIF116	BRIDGER DR & STORY MILL RD (INTERSECTION IMPROVEMENTS) - CONSTRUCTION	300,000
141	Arterial & Collector	SIF117	STORY MILL (GRIFFIN TO BRIDGER) - CONSTRUCTION	250,000
141 Total				1,450,000
Fire & Capital Equipment (187)				
187	Fire & Capital Equipment	FE12	PERSONAL PROTECTIVE EQUIPMENT	39,500
187	Fire & Capital Equipment	FE15	CARDIAC MONITOR REPLACEMENT	175,000
187	Fire & Capital Equipment	FE16	EXTRACTION TOOLS	150,000
187	Fire & Capital Equipment	FE24	DIESEL FILTER SYSTEMS	63,000
187 Total				427,500
Parks & Trails District (195)				
195	Parks & Trails District	GF115	PARK VEHICLE REPLACEMENTS	60,000
195	Parks & Trails District	GF291	PICKLEBALL COURTS	95,000
195	Parks & Trails District	GF339	ADDITIONAL PARKING SMC	300,000
195	Parks & Trails District	PTD04	PARK VEHICLES	58,000
195 Total				513,000
Street Reconsturction (504)				
504	Street Reconsturction	SCR01	CURB SPOT REPAIR	60,000
504	Street Reconsturction	SCR13	S 6TH: BABCOCK TO CLEAVELAND	2,118,000
504 Total				2,178,000
Library Depreciation (561)				
561	Library Depreciation Fund	LIB22	NEW CARPET PUBLIC AREA	72,000
561 Total				72,000

Fund	Fund - Division	Project #	Project Name	Amount
Water (600)				
600	Water Fund	WC02	WATER USE DATA DEVELOPMENT	36,000
600	Water Fund	W03	ANNUAL WATER PIPE REPLACEMENT	22,500
600	Water Fund	W04-21	WATER PIPE REPLACEMENT PROGRAM - CONSTRUCTION	1,200,000
600	Water Fund	W47	REPLACE #2647 - 1998 1/2 TON CHEVY PICKUP	27,000
600	Water Fund	W87	LYMAN TANK & TRANSMISSION MAIN DESIGN	750,000
600	Water Fund	W99	HYALITE GUARDRAIL EXTENSION	70,000
600 Total				2,105,500
Water Impact Fee (610)				
610	Water Impact Fee	WIF32	GROUNDWATER WELL FIELD AND TRANSMISSION CONSTRUCTION	500,000
610	Water Impact Fee	WIF37	SOURDOUGH CANYON NATURAL STORAGE - PLANNING & DESIGN	25,000
610	Water Impact Fee	WIF53	NELSON MDWS WATER MAIN OV	340,000
610 Total				865,000
Wastewater (620)				
620	Wastewater fund	WW07	ANNUAL WASTEWATER PIPE REPLACEMENT PROGRAM-DESIGN	25,000
620	Wastewater fund	WW08	WASTEWATER PIPE REPLACEMENT PROGRAM-CONSTRUCTION	1,000,000
620	Wastewater fund	WW106	FIBER CONDUIT: DAVIS>WRF	69,000
620	Wastewater fund	WW107	FIBER CONDUIT: I-90 XING	36,000
620	Wastewater fund	WW49	ADDITIONAL FUNDING FOR ROLL OFF STORAGE	700,000
620	Wastewater fund	WW69	SMALL WORKS PROJECTS	120,000
620	Wastewater fund	WW70	WRF FACILITY ENGINEERING & OPTIMIZATION	60,000
620	Wastewater fund	WW71	WRF FACILITY PLAN UPDATE	300,000
620	Wastewater fund	WW76	THIRD PRETREATMENT SCREEN	500,000
620	Wastewater fund	WW96	E GALLATIN RIVER AVULSION	70,000
620	Wastewater fund	WWIF47	WW COLLECTION PLAN UPDATE	125,000
620	Wastewater fund	WWIF50	JOINT MSU/DEQ PILOT	30,000
620 Total				3,035,000
Wastewater Impact Fee (630)				
630	Wastewtaer Impact Fee	WWIF47	WASTEWATER COLLECTION PLAN UPDATE	125,000
630	Wastewtaer Impact Fee	WWIF51	COTTONWOOD SUB SEWER OVERSIZING	400,000
630 Total				525,000
Solidwaste (640)				
640	Solidwaste	SW45	TOTE DELIVERY TRUCK	38,000
640	Solidwaste	SW52	SIDE LOAD TRUCK- REPLACEMENT	300,000
640	Solidwaste	SW54	PICKUP TRUCK	30,000
640 Total				368,000
Parking (650)				
650	Praking	P017	ROUSE PARKING LOT RE-DESIGN AND IMPROVEMENTS	280,000
650	Praking	P025	REPLACEMENT VEHICLE	35,000
650 Total				315,000
Stormwater (670)				
670	Stormwater	STDM03	DOWNTOWN TRUNK LINE PH2	350,000
670	Stormwater	STRH01	DOWNTOWN MECH STORM PH3	300,000
670	Stormwater	STOP02	STORMWATER RATE STUDY	50,000
670 Total				700,000

Fund	Fund - Division	Project #	Project Name	Amount
Public Works Admin (750)				
750	GIS	GIS04	AERIAL PHOTOGRAPHY	65,000
750	Public Works Admin	GIS16	PERFORMANCE MANAGEMENT AND CIVIC ENGAGEMENT SYSTEM INVESTMENTS	125,000
750	Public Works Admin	GF284	LASERFISCHE	19,333
750	Engineering	0	AVOLVE SOFTWARE (ENGINEERING PORTION)	68,338
750 Total				277,671
Grand Total				20,414,221

Appendices

Appendix A- Statistical Information

Appendix B- Budget Financial Policies

Appendix C- Long Range Planning

Appendix D- General Fund Minimum Reserve Analysis

Appendix E- Glossary

Appendix A: Statistical Information

Statistical Information

Consumer Price Index

The City uses the Consumer Price Index as a general gauge of price inflation this includes all Items, Unadjusted, Urban Consumers (CPI-U). The City's living wage ordinance bases increases on CPI-U for Western States.

Source: Bureau of Labor Statistics, US Department of Labor

United States CPI					
Year Ending December,	CPI-U	% Change	ANNUAL	CPI-U Western	% Change
2009	216	2.70%	2009	218.8	-0.40%
2010	219.2	1.50%	2010	221.2	1.10%
2011	225.7	3.00%	2011	227.5	2.90%
2012	229.6	1.70%	2012	232.4	2.20%
2013	233.0	1.50%	2013	236.1	1.60%
2014	234.8	0.80%	2014	239.1	1.30%
2015	236.5	0.70%	2015	243.0	1.60%
2016	241.4	2.10%	2016	247.7	1.90%
2017	246.5	2.11%	2017	257.3	3.88%
2018	251.2	1.92%	2018	265.2	3.07%
2019	255.8	1.80%	2019	272.6	2.79%

Population

Bozeman's population has been growing steadily since 2000. The rate of population has shown a larger increase the last three years. The Bozeman Population has median age 28 and has a high percentage of residents holding a bachelor's degree or higher at 56.9%. Source: US Census Bureau:

Fiscal Yr	Estimated Population	Bozeman's Estimated Annual % Change in Population	Accumulated % Growth Since 2010
2010	37,336	0.94%	
2011	38,091	0.09%	0.09%
2012	38,645	2.15%	2.24%
2013	39,788	1.67%	3.91%
2014	41,645	0.28%	4.19%
2015	43,334	7.21%	11.39%
2016	45,200	4.19%	15.58%
2017	46,951	4.25%	19.83%
2018	48,532	4.25%	24.08%
2019	49,504	4.25%	28.33%
2020	51,287	4.25%	32.58%

Year	% Change in Population	Per capita Income	Median Age	% Residents w/ Bachelors	K-12 enrollment	Unemployment rate
2009	2.7%	\$ 26,313	27.0	52.7%	5,463	4.6%
2010	0.9%	\$ 25,909	26.0	50.6%	5,509	5.8%
2011	0.1%	\$ 25,611	27.2	50.1%	5,679	5.6%
2012	2.1%	\$ 24,709	27.2	53.9%	5,810	5.2%
2013	1.6%	\$ 25,608	27.1	55.4%	5,994	4.3%
2014	0.3%	\$ 26,427	26.8	53.3%	6,216	3.5%
2015	6.7%	\$ 26,335	27.3	53.6%	6,294	2.9%
2016	4.0%	\$ 26,350	27.5	54.4%	6,533	2.8%
2017	4.1%	\$ 26,506	27.7	56.5%	6,770	2.8%
2018	4.1%	\$ 28,748	27.9	56.5%	6,908	2.8%
2019	4.1%	\$ 29,097	28	56.9%	7,015	3.8%

Business:

Private Employers: The Montana Department of Labor and Industry reports the following largest private employers within the City's boundaries (2018 data).

Private Employers	Size
Bozeman Deaconess Hospital	1,000+ Employees
Oracle America	500 to 999 Employees
Kenyon Noble Lumber & Hardware	250 to 499 Employees
Town Pump Convenience Stores	250 to 499 Employees
Wal Mart	250 to 499 Employees
Zoot Enterprises	250 to 499 Employees
Albertson's	100 to 249 Employees
Target	100 to 249 Employees
Bridger Bowl	100 to 249 Employees
Community Food Co-Op	100 to 249 Employees
Costco	100 to 249 Employees
First Security Bank	100 to 249 Employees
First Student	100 to 249 Employees
Reach Inc	100 to 249 Employees
McDonalds	100 to 249 Employees
Murdoch's Ranch & Home Supply	100 to 249 Employees
Ressler Motor	100 to 249 Employees
Simms Fishing Products	100 to 249 Employees
Town & Country Foods	100 to 249 Employees
Williams Plumbing & Heating	100 to 249 Employees

Public Employers: The Montana Department of Labor and Industry reports the following largest public employers within the City's boundaries, one of which is the City.

Public Employers	Size
Montana State University	1,000+ Employees
School District #7	500 to 999 Employees
Belgrade School District	500 to 999 Employees
Gallatin County	500 to 999 Employees
City of Bozeman	250 to 499 Employees

Principal Tax Payers:

The annual certified valuation of taxable real and personal property is completed by the Montana Department of Revenue and transmitted to the City each August. For fall of 2019, the top taxpayers within the City were as follows. These ten taxpayers comprised a total of 9.4% of our property tax base.

Tax Payer	Assessed Value	% of Total City Taxable Value
Northwestern Energy - Transmission & Distribution	3,870,184	3.71%
Verizon Wireless	374,861	0.36%
Harry Daum - Gallatin Mall	344,005	0.33%
Mitchell Development & Investment	320,473	0.31%
NB Stadium View District	312,170	0.30%
Stone Ridge Partners LLC	298,223	0.29%
CCC Bozeman LLC	292,641	0.28%
Bridger Peaks Holding LLC	259,668	0.25%
First Security Bank	257,102	0.25%
SNH/LTA Properties Trus	248,664	0.24%

Debt Limits

	Fiscal Year		
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt limit*	147,500,000	79,407,072	84,657,390
Total net debt applicable to limit	\$ (11,230,087)	\$ (10,648,215)	\$ (185,828,020)
Legal debt margin	\$ 136,269,913	\$ 68,758,856	\$ (101,170,630)
Total net debt applicable to the limit as a percentage of debt limit	7.6%	13.4%	219.5%

Appendix B: Budget and Financial Policies

The overall goal of the City's financial policies is to establish and maintain effective management of the City's financial resources. Formal policy statements and major objectives provide the foundation for achieving this goal. Accordingly, this section outlines the policies used in guiding the preparation and management of the City's overall budget and the major objectives to be accomplished. In addition, the rationale, which led to the establishment of the fiscal policy statements, is also identified.

Budget Development & Administration

1. A comprehensive annual budget will be prepared for all funds expended by the City.

State law provides that "no money shall be drawn from the treasury of the municipality nor shall any obligation for the expenditure of money be incurred except pursuant to the appropriation made by the commission." Inclusion of all funds in the budget enables the commission, the administration, and the public to consider all financial aspects of city government when preparing, modifying, and monitoring the budget, rather than deal with the City's finances on a "piece meal" basis.

2. The budget will be prepared in such a manner as to facilitate its understanding by citizens and elected officials.

One of the stated purposes of the budget is to present a picture of the City government operations and intentions for the year to the citizens of Bozeman. Presenting a budget document that is understandable to the citizens furthers the goal of effectively communicating local government finance issues to both elected officials and the public.

3. Budgetary emphasis will focus on providing those basic municipal services which provide the maximum level of services, to the most citizens, in the most cost effective manner, with due consideration being given to all costs--economic, fiscal, and social.

Adherence to this basic philosophy provides the citizens of Bozeman assurance that its government and elected officials are responsive to the basic needs of the citizens and that its government is operated in an economical and efficient manner.

4. The budget will provide for adequate maintenance of capital, plant, and equipment and for their orderly replacement.

All governments experience prosperous times as well as periods of economic decline. In periods of economic decline, proper maintenance and replacement of capital, plant, and equipment is generally postponed or eliminated as a first means of balancing the budget. Recognition of the need for adequate maintenance and replacement of capital, plant, and equipment, regardless of the economic conditions, will assist in maintaining the government's equipment and infrastructure in good operating condition.

5. The City will avoid budgetary practices that balance current expenditures at the expense of meeting future years' expenses.

Budgetary practices such as postponing capital expenditures, accruing future years' revenues, or rolling over short-term debt are budgetary practices which can solve short-term financial problems; however, they can create much larger financial problems for future administrations and commissions. Avoidance of these budgetary practices will assure citizens that current problems are not simply being delayed to a future year.

6. The City will give highest priority in the use of one-time revenues to the funding of capital assets or other non-recurring expenditures.

Utilizing one-time revenues to fund on-going expenditures results in incurring annual expenditure obligations which may be unfunded in future years. Using one-time revenues to fund capital assets or other non-recurring expenditures better enables future administrations and commissions to cope with the financial problems when these revenue sources are discontinued, since these types of expenditures can more easily be eliminated.

7. The City will maintain a budgetary control system to help it adhere to the established budget.

The budget passed by the Commission establishes the legal spending limits for the City. A budgetary control system is essential in order to insure legal compliance with the City's budget.

8. The City will exercise budgetary control (maximum spending authority) through City Commission approval of appropriation authority for each appropriated budget unit.

Exercising budgetary control for each appropriated budget unit satisfies requirements of State law. It also assists the commission in monitoring current year operations and acts as an early warning mechanism when departments deviate in any substantive way from the original budget.

9. Reports comparing actual revenues and expenditures to budgeted amounts will be prepared monthly.

The City's budget is ineffective without a system to regularly monitor actual spending and revenue collections with those anticipated at the beginning of the year. Monthly reports comparing actual revenues and expenditures to budget amounts provide the mechanism for the Commission and the administration to regularly monitor compliance with the adopted budget.

Revenue Collection

1. The City will seek to maintain a diversified and stable revenue base.

A city dependent upon a few volatile revenue sources is frequently forced to suddenly adjust tax rates or alter expenditure levels to coincide with revenue collections. Establishment of a diversified and stable revenue base, however, serves to protect the City from short-term fluctuations in any one major revenue source.

2. The City will estimate revenues in a realistic and conservative manner.

Aggressive revenue estimates significantly increase the chances of budgetary shortfalls occurring during the year--resulting in either deficit spending or required spending reductions. Realistic and conservative revenue estimates, on the other hand, will serve to minimize the adverse impact of revenue shortfalls and will also reduce the need for mid-year spending reductions.

3. The City will pursue an aggressive policy of collecting revenues.

An aggressive policy of collecting revenues will help to ensure the City's revenue estimates are met, all taxpayers are treated fairly and consistently, and delinquencies are kept to a minimum.

4. The City will aggressively pursue opportunities for Federal or State grant funding.

An aggressive policy of pursuing opportunities for federal or state grant funding provides citizens assurance that the City is striving to obtain all state and federal funds to which it is entitled, thereby reducing dependence on local taxpayers for the support of local public services.

5. User fees and charges will be used, as opposed to general taxes, when distinct beneficiary populations or interest groups can be identified.

User fees and charges are preferable to general taxes because user charges can provide clear demand signals which assist in determining what services to offer, their quantity, and their quality. User charges are also more equitable, since only those who use the service must pay--thereby eliminating the subsidy provided by nonusers to users, which is inherent in general tax financing.

6. User fees will be collected only if it is cost-effective and administratively feasible to do so.

User fees are often times costly to administer. Prior to establishing user fees, the costs to establish and administer the fees will be considered in order to provide assurance that the city's collection mechanisms are being operated in an efficient manner.

Expenditures and Payments

1. On-going expenditures will be limited to levels which can be supported by current revenues.

Utilization of reserves to fund on-going expenditures will produce a balanced budget; however, this practice will eventually cause severe financial problems. Once reserve levels are depleted, the City would face elimination of on-going costs in order to balance the budget. Therefore, the funding of on-going expenditures will be limited to current revenues.

2. Minor capital projects or recurring capital projects, which primarily benefit current residents, will be financed from current revenues.

Minor capital projects or recurring capital projects represent relatively small costs of an on-going nature, and therefore, should be financed with current revenues rather than utilizing debt financing. This policy also reflects the view that those who benefit from a capital project should pay for the project.

3. Major capital projects, which benefit future as well as current residents, will be financed with current revenues as well as other financing sources (e.g. debt financing).

This policy reflects the view that those who benefit from a capital project should pay for the project.

4. Major capital projects, which benefit future residents, will be financed with other financing sources (e.g. debt financing).

Major capital projects represent large expenditures of a non-recurring nature which primarily benefit future residents. Debt financing provides a means of generating sufficient funds to pay for the costs of major projects. Debt financing also enables the costs of the project to be supported by those who benefit from the project, since debt service payments will be funded through charges to future residents.

5. Construction projects and capital purchases of \$10,000 or more will be included in the Capital Improvement Plan (CIP); minor capital outlays of less than \$10,000 will be included in the regular operating budget.

The Capital Improvement Plan (CIP) differentiates the financing of high cost long-lived physical improvements from low cost "consumable" equipment items contained in the operating budget. CIP items may be funded through debt financing or current revenues while operating budget items are annual or routine in nature and should only be financed from current revenues.

6. Spending Policy:

The City will spend its resources in the following order. Resources will be categorized according to Generally Accepted Accounting Principles (GAAP) for state and local governments, with the following general definitions:

- **Restricted** -- Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation.
- **Committed** -- Amounts constrained to specific purposes by the City Commission; to be reported as committed, amounts cannot be used for any other purpose unless the City Commission takes action to remove or change the constraint.
- **Assigned** -- Amounts the City intends to use for a specific purpose; intent can be expressed by the Commission or by an official or body to which the Commission delegates the authority. The City Commission delegates this authority to the City Manager.
- **Unassigned** -- Amounts that are available for any purpose; these amounts are reported only in the General Fund.

When both restricted and unrestricted resources are available, spending will occur in the following order, for the identified fund types:

Fund Type	Order of Spending
General Fund	1. Restricted 2. Committed 3. Assigned 4. Unassigned The City Commission and the City Manager, individually, have the authority to express assignments in the General Fund.
Special Revenue Funds	1. Restricted 2. Committed 3. Assigned The City Commission and the City Manager, individually, have the authority to express assignments in Special Revenue Funds.
Debt Service Funds	1. Assigned 2. Committed 3. Restricted The City Commission and the City Manager, individually, have the authority to express assignments in Debt Service Funds.
Capital Projects Funds	1. Restricted 2. Committed 3. Assigned The City Commission and the City Manager, individually, have the authority to express assignments in Capital Project Funds.

Debt Administration

1. The City will limit long-term debt to capital improvements, which cannot be financed from current revenues.

Incurring long-term debt serves to obligate future taxpayers. Excess reliance on long-term debt can cause debt levels to reach or exceed the government's ability to pay. Therefore, conscientious use of long-term debt will provide assurance that future residents will be able service the debt obligations left by former residents.

2. The City will repay borrowed funds, used for capital projects, within a period not to exceed the expected useful life of the project.

This policy reflects the view that those residents who benefit from a project should pay for the project. Adherence to this policy will also help prevent the government from over-extending itself with regard to the incurrence of future debt.

3. The City will not use long-term debt for financing current operations.

This policy reflects the view that those residents who benefit from a service should pay for the service. Utilization of long-term debt to support current operations would result in future residents supporting services provided to current residents.

4. The City of Bozeman will adhere to a policy of full public disclosure with regard to the issuance of debt.

Full public disclosure with regard to the issuance of debt provides assurance that the incurrence of debt, for which the public is responsible, is based upon a genuine need and is consistent with underwriters' guidelines.

Reserves and Fund Balances

1. Reserves and Fund Balances will be properly designated into the following categories:

- **Nonspendable fund balance** -- Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).
- **Restricted fund balance** -- Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation.
- **Committed fund balance** -- Amounts constrained to specific purposes by the City Commission; to be reported as committed, amounts cannot be used for any other purpose unless the City Commission takes action to remove or change the constraint.
- **Assigned fund balance** -- Amounts the City intends to use for a specific purpose; intent can be expressed by the Commission or by an official or body to which the Commission delegates the authority.
- **Unassigned fund balance** -- Amounts that are available for any purpose; these amounts are reported only in the General Fund.

2. A minimum level of General Fund reserve equal to 16.67% of annual revenues will be maintained by the City. This reserve is committed to be used for: cash flow purposes, accrued employee payroll benefits which are not shown as a liability, unanticipated equipment acquisition and replacement, and to enable the city to meet unexpected expenditure demands or revenue shortfalls. (See Appendix D for recommendation)

Property taxes represent the City's primary source of general fund revenue. Property taxes are collected in November and May of each fiscal year. Since the City's fiscal year begins on July 1st, the City must maintain an adequate cash balance in order to meet its expenditure obligations between July 1st and the commencement of the collection of property taxes in November.

Accrued employee payroll benefits represent a bona fide obligation of the City. The City will maintain sufficient reserves to meet its annual expenditure obligations.

The City recognizes the need to maintain adequate equipment in order to carry out required public services. Equipment acquisition and replacement represent on-going costs of a relatively minor nature, as compared to major capital purchases. We plan for equipment replacement within our Capital Improvement Program. However,

unforeseen equipment problems will arise. The reserve will provide resources for the immediate, unanticipated replacement of critical equipment.

The City is subject to revenue shortfalls and unexpected expenditure demands during the fiscal year. An undesignated General Fund reserve will be maintained to be able to offset these revenue shortfalls or meet unexpected demands occurring during the year, without suddenly adjusting tax rates or reducing expenditures.

Financial Reporting & Accounting

1. The City will manage and account for its financial activity in accordance with Generally Accepted Accounting Principles (GAAP), as set forth by the Governmental Accounting Standards Board (GASB).

GASB is recognized as the authority with respect to governmental accounting. Managing the City's finances in accordance with GAAP and in accordance with the rules set forth by GASB provides Bozeman citizens assurance that their public funds are being accounted for in a proper manner.

2. The City will maintain its accounting records for general governmental operations on a modified accrual basis, with revenues recorded when available and measurable, and expenditures recorded when services or goods are received and liabilities incurred. Accounting records for proprietary fund types and similar trust funds will be maintained on an accrual basis, with all revenues recorded when earned and expenses recorded at the time liabilities are incurred, without regard to receipt or payment of cash.

Adherence to this policy will enable the City to prepare its financial statements in accordance with GAAP as set forth by the GASB.

3. The City of Bozeman will prepare a Comprehensive Annual Financial Report (CAFR) in conformity with Generally Accepted Accounting Principles (GAAP). The report will be made available to the general public. The CAFR shall be prepared in accordance with the standards established by the GFOA for the Certificate of Achievement for Excellence in Financial Reporting Program

The Certificate of Achievement represents a significant accomplishment for a government and its financial management. The program encourages governments to prepare and publish an easily readable and understandable comprehensive annual financial report covering all funds and financial transactions of the government during the year. The CAFR provides users with a wide variety of information useful in evaluating the financial condition of a government. The program also encourages continued improvement in the City's financial reporting practices.

4. The City will ensure the conduct of timely, effective, and annual audit coverage of all financial records in compliance the local, state, and federal law.

Audits of the City's financial records provide the public assurance that its funds are being expended in accordance with Local, State, and Federal law and in accordance with GAAP. Audits also provide management and the Commission with suggestions for improvement in its financial operations from independent experts in the accounting field.

5. The City of Bozeman will maintain a policy of full and open public disclosure of all financial activity.

Full and open public disclosure of all financial activity provides the public with assurance that its elected officials and administrators communicate fully all financial matters affecting the public.

6. The modified accrual basis of accounting and budgeting is used for the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable

and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related liability is incurred. Employee compensated absences and principal and interest on long-term debt expenditures are recorded when due in the current period. The accrual basis of accounting is used for proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded when the related liability is incurred. For budget preparation and presentation, the proprietary funds' expenses are converted to expenditures and follow the same budget format as the government fund types. Capital outlays in the enterprise funds are presented as expenses for budget basis, but are recorded as assets along with associated depreciation expense on the GAAP basis. Debt service principal payments in the enterprise funds are accounted for as expenses for budget purposes, but are reported as reduction of long-term debt liability on the GAAP basis.

Recording capital outlays as expenditures and principal payments on long-term debt for budget purposes, presents a clearer picture of the City's financial operations, is easier to administer for cash flow purposes, and is easier for the lay person to understand.

Appendix C: Long Range Financial Planning

5-year Financial Plans: Each year, the City also prepares and maintains financial plans for the current year and the ensuing 5 years for the following funds:

Special Revenue Funds

- Street Maintenance Fund
- Arterial & Collector Fund
- Tree Maintenance Fund
- Parks & Trails District Fund

Enterprise Funds

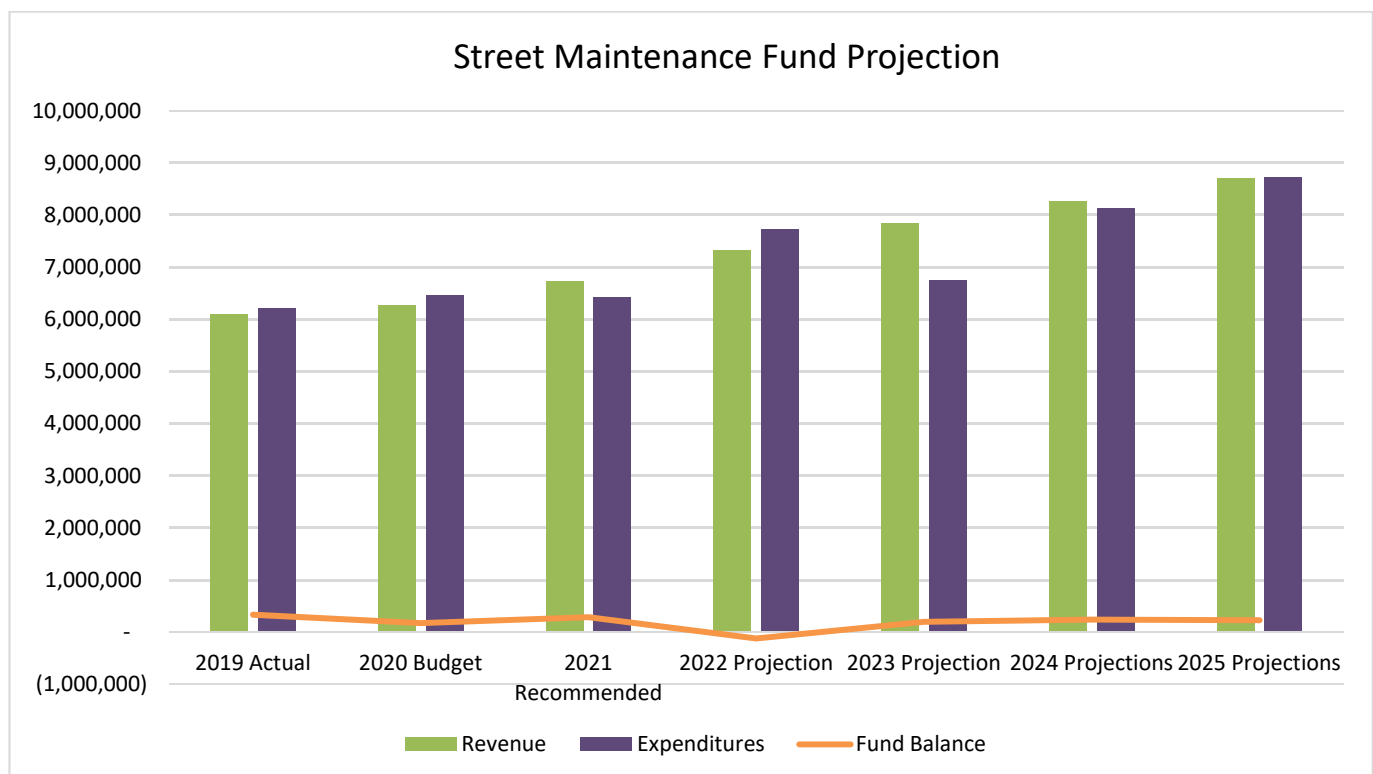
- Water Fund
- Wastewater Fund
- Stormwater Fund
- Solid Waste Fund

These plans are developed as a part of the annual budget process and are based on current and future estimates of staffing levels, estimated increases in operating costs such as supplies, fuel, and chemicals, and recommended the capital plans. The plans project revenue requirements, expenditure levels, and estimated reserve levels for each of the five years.

Special Revenue Funds

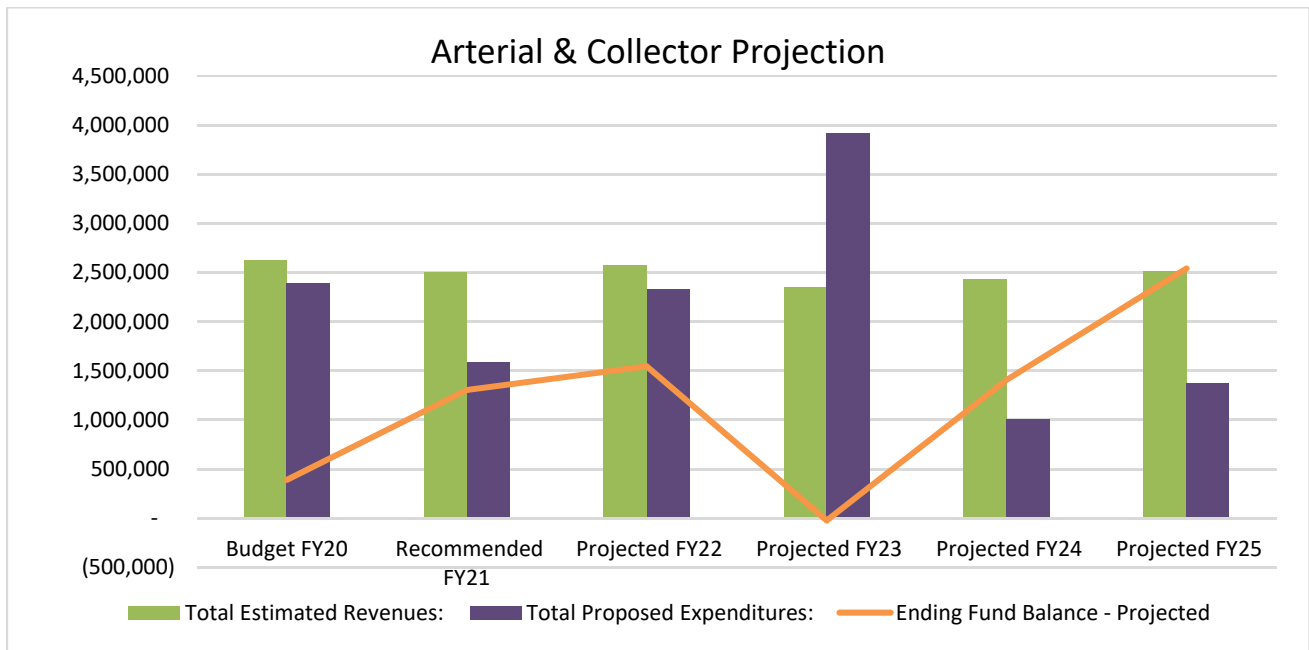
STREET MAINTENANCE:

The Street Maintenance long-term plan continues to show increases in assessment to meet the needs of the capital plan and growth. We are showing stabilization in rates and achievement of our desired reserve level established in FY19.



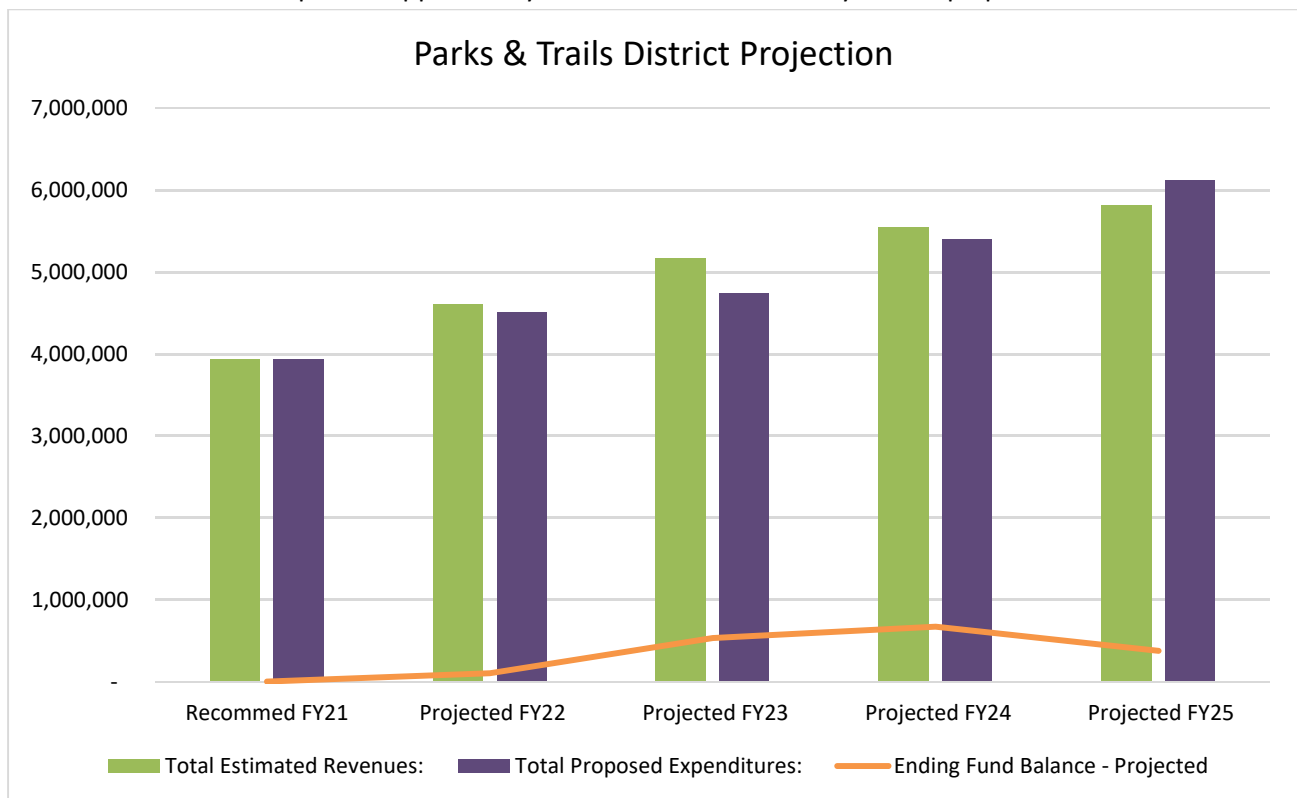
ARTERIAL AND COLLECTOR

The assessment is predicted to stay at the FY21 rate and need slight increases of 2% to fund the capital program. This fund also relies on the gas tax remaining at current levels as well.



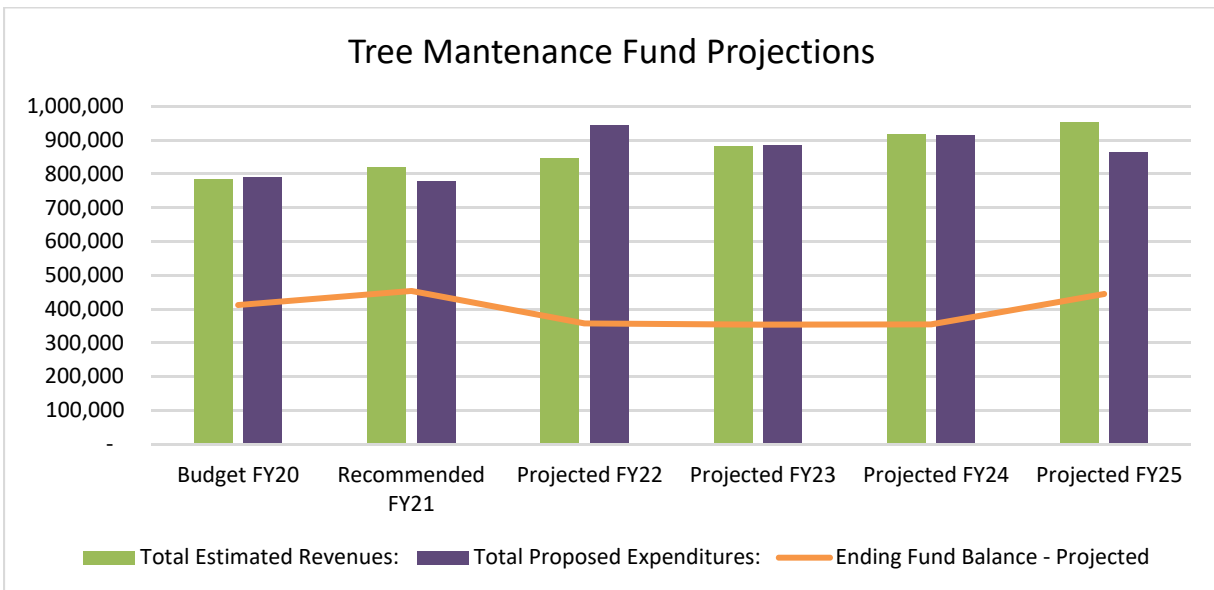
PARKS & TRAILS DISTRICT FUND

Parks & Trails District Fund plan as approved by the Commission is a five-year ramp up to Silver level of service.



TREE MAINTENANCE FUND

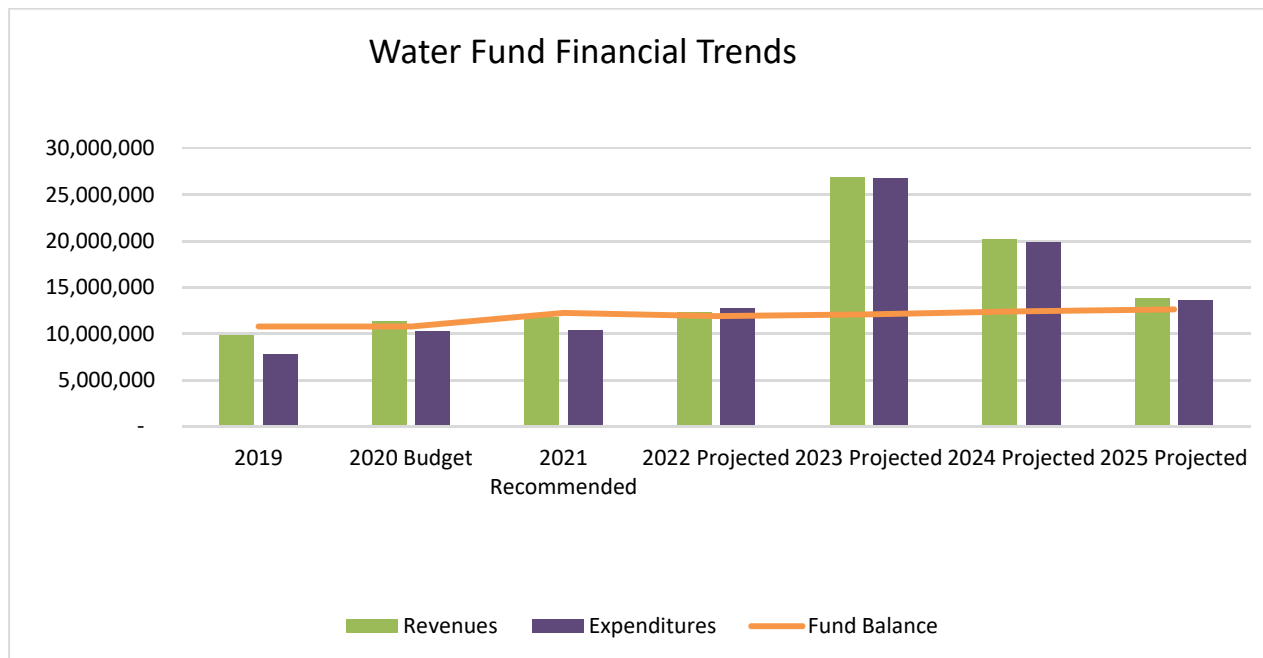
The Tree maintenance fund needs to continue to build a fund balance to be able to address capital needs and emergency funds.



Enterprise Funds

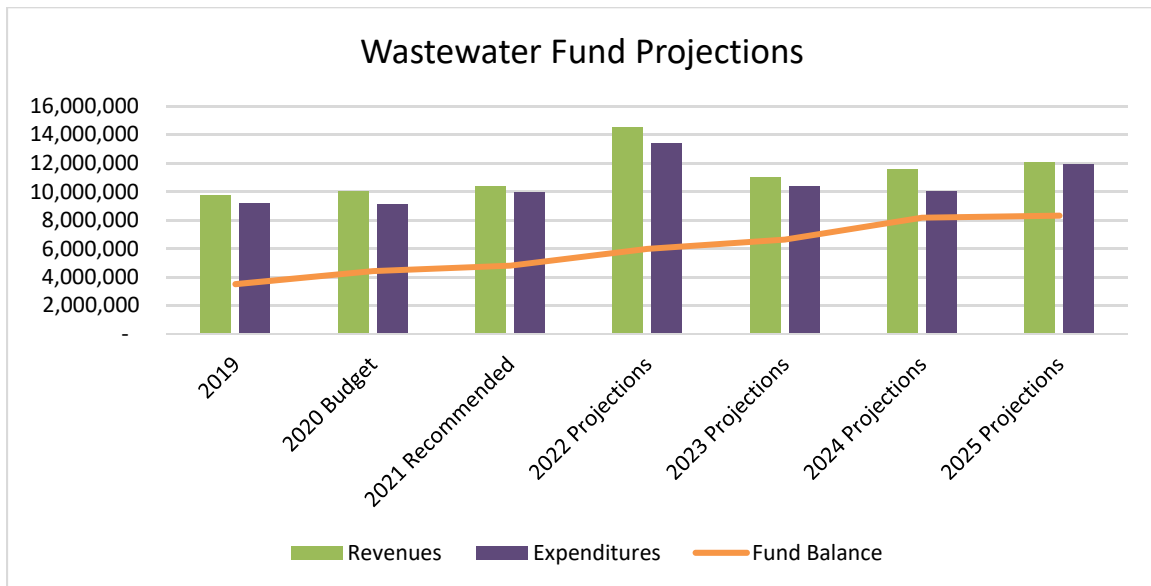
WATER FUND

Recently, the City had a rate study completed for the Water fund. Rates and reserve levels were designed to ensure proper revenue coverage and reserve amounts, including a drought reserve. In FY23 the Lyman tank project is planned and will be financed.



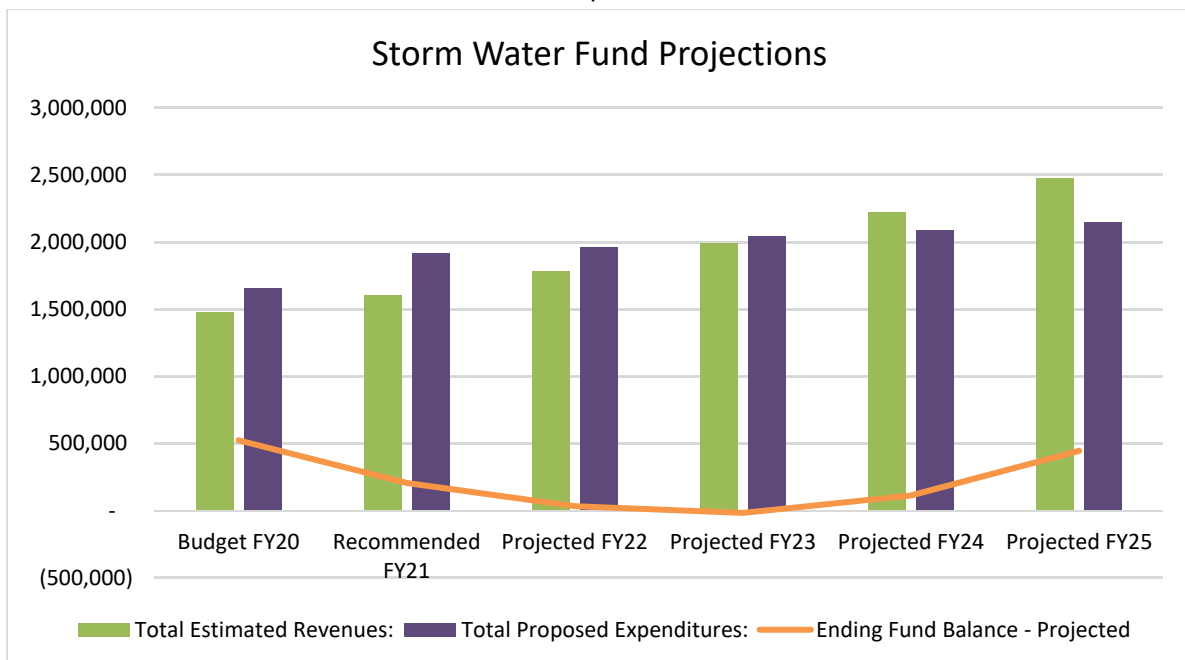
WASTEWATER FUND

Recently, the City had a rate study completed for the Wastewater fund. Rates and reserve levels were designed to ensure proper revenue coverage and reserve amounts.



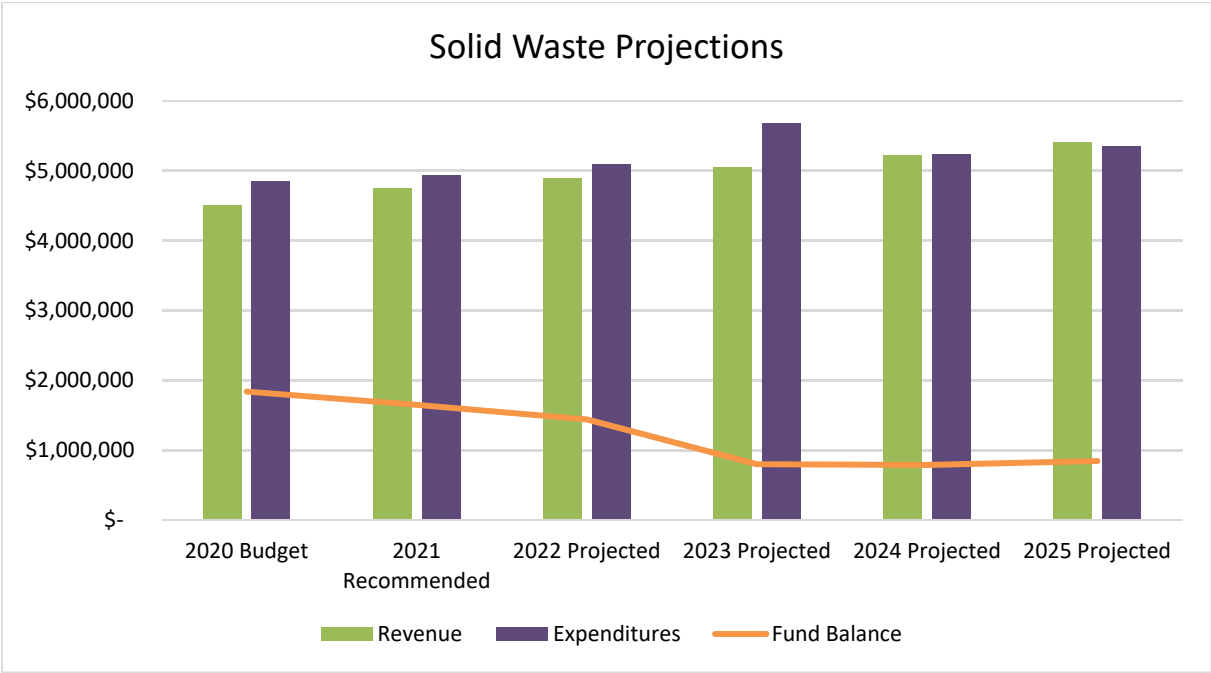
STORM WATER FUND

Projected with 2% growth assumption and increases in rates are needed to further compensate in growth and higher construction costs to continue to maintain and replace infrastructure.



SOLID WASTE FUND

The fund recently underwent a rate study and the Commission adopted FY20 and FY21 rates in October 2019.



Appendix D- General Fund Balance Minimum Analysis

Background

Fund balance is a critical for financial stability and flexibility. Reserves aid in governments being able to respond to events, buffer against economic down turns and are a factor for bond ratings. The City of Bozeman adopted its current General fund reserve policy April 26, 2010 via ordinance.¹ The minimum fund reserve is “16 2/3 percent of estimated general fund revenues” and was adopted based on the GFOA’s best practice recommendation at the time. GFOA has since revised its best practices and recommend a policy be developed articulating “a framework and process for how the government would increase or decrease the level of unrestricted fund balance over a specific time period. In particular, governments should provide broad guidance in the policy for how resources will be directed to replenish fund balance should the balance fall below the level prescribed.”²

Appropriate Level - The amount of reserve needed is unique to every local government since all deal with different revenue streams, live in areas with higher risk of natural disaster, and have different aged infrastructure. At a minimum, the GFOA recommends, “at a minimum, that general-purpose governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.” Then based on a review of the governments risk factors determine what is beyond the minimum.

Use and Replenishment- The reserve policy should include the conditions and/or circumstances where the funds can be used and if the balance goes below the desired level, there should be a plan to replenish the reserve

For the FY20 budget we reviewed GFOA’s best practice, and its referenced material, as well as GFOA case studies and examples of policies from other cities. We have performed analysis to determine factors for the appropriate level. When looking at our reserve we followed GFOA’s methodology used in their study done on the City of Colorado Springs.³ Based on the research and analysis we recommended in Appendix D of the FY20 budget the expansion of the General fund reserve policy.

The City Manager Recommended FY21 Budget, for the General Fund to meet our risk based analysis of 17% of expenditures and to slightly surpass it.

The Commission decided due to the current economic impacts of COVID-19 to remain using the current fund balance policy.

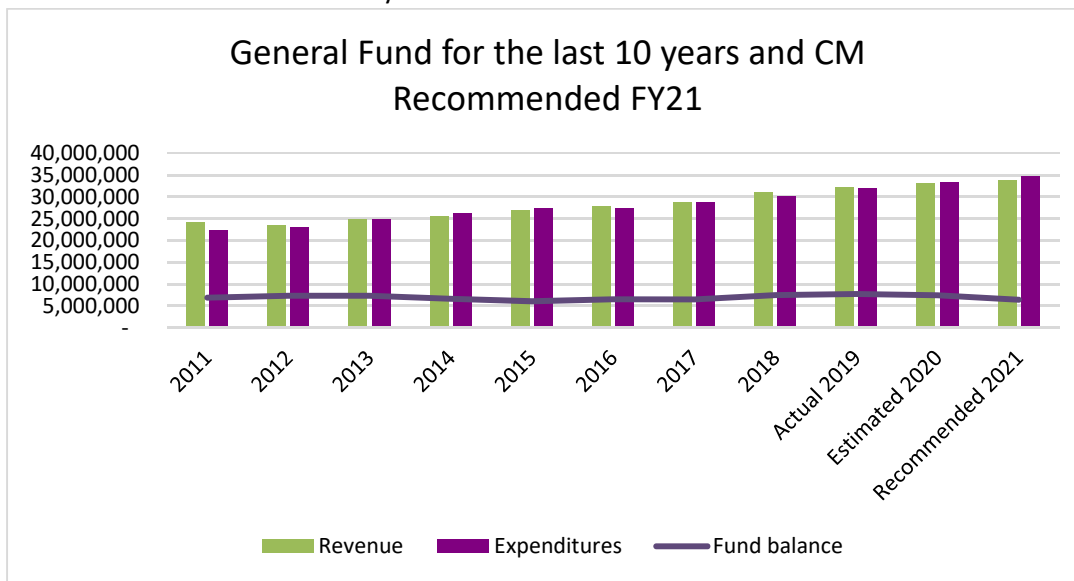
¹ https://library.municode.com/mt/bozeman/codes/code_of_ordinances?nodeId=PTIICOOR_CH2AD_ART6FI_DIV2BU_S2.06.180MILEBUGEF_UUNFUBA

² <http://www.gfoa.org/fund-balance-guidelines-general-fund>

³ http://www.gfoa.org/sites/default/files/Colorado%20Springs_FINAL_0.pdf

Analysis

Using GFOA's best practice and their own analysis, we examined the City's risk factors in regards to the General fund. We reviewed revenue volatility, infrastructure upkeep, Vulnerability to Extreme Events and Public Safety Concerns, Expenditure Volatility, and Growth of the Community. With COVID-19 and its impacts have emphasized the importance of fund balances for our City.

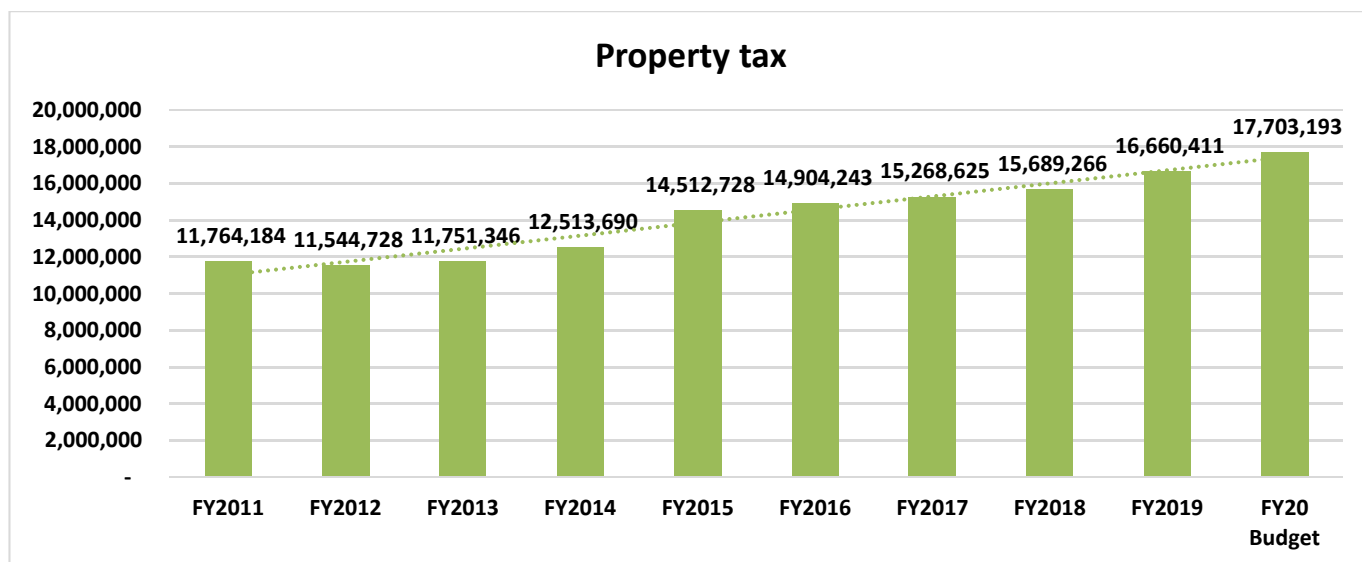


Risk Factors

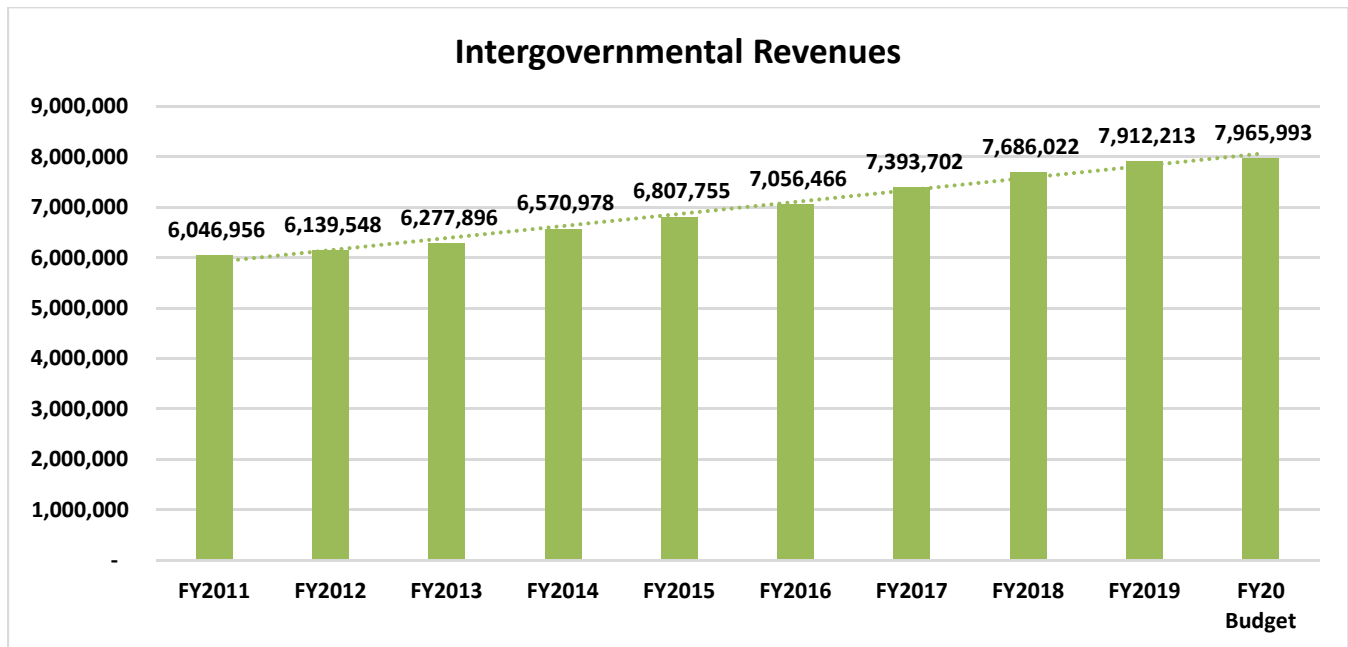
Revenue Volatility

The more volatile a government's revenue sources the higher a risk for fast changes and the need to respond to down turns. This type of risk requires higher reserve to be in place to be able to respond to revenue drops instead of suddenly reducing service levels. The City's General fund revenues are mainly from four sources: property taxes, charges for services, intergovernmental revenues and other financing sources. Other financing sources are typically for debt issuance so it does not need to be included in the analysis.

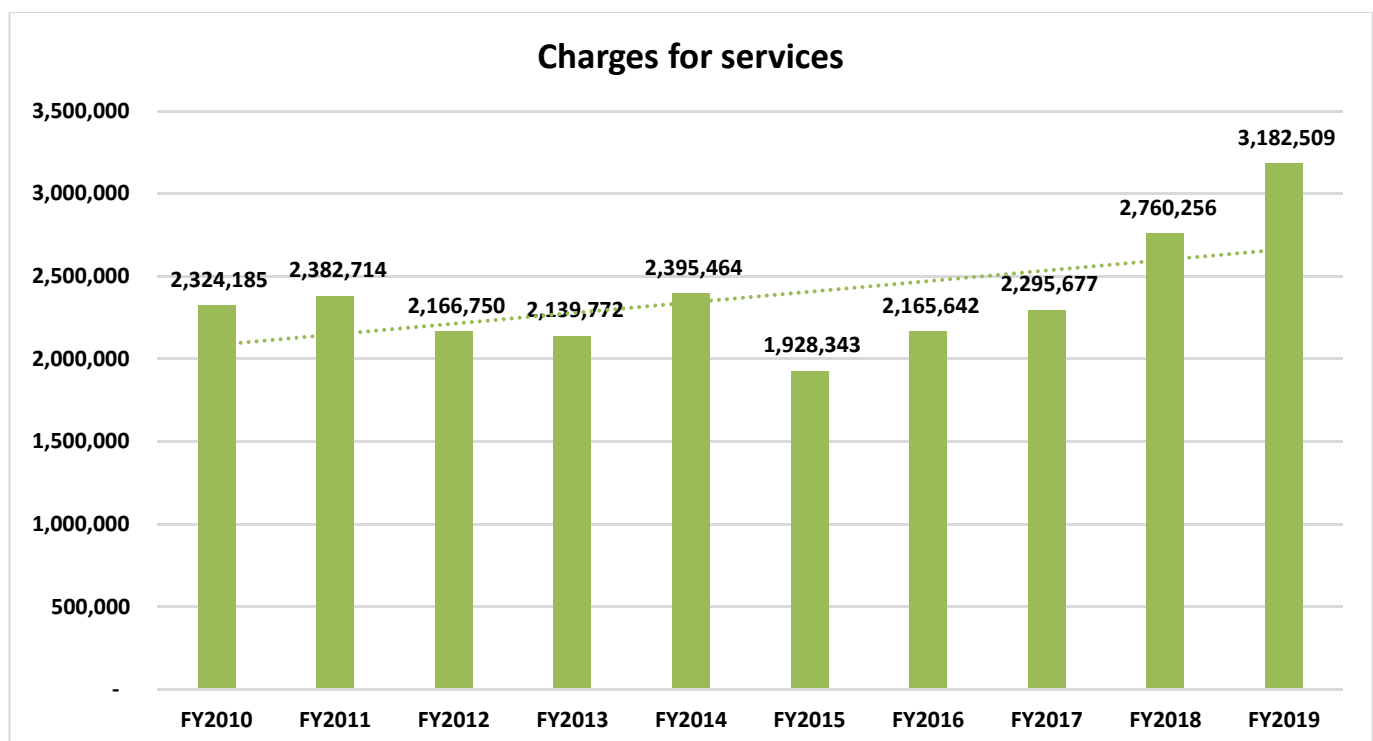
Property taxes- Property taxes make up about 50-52% of the General fund's revenues. Traditionally property taxes are not as volatile as others taxes are, such as sales tax. Based on the linear increase in actuals this revenue is currently not showing signs of volatility.



Intergovernmental Revenues - The largest part of this revenue stream is the State entitlement share, which increases based on the average change of the last 3 years of CPI. There have been talks at the legislature to reduce these funds and the economy could have an impact. Grants would be included in this revenue item and that could increase this revenue, as the City grows larger and qualifies for more funding. Based on the linear increase in actuals this revenue is currently not showing signs of volatility.



Charges for Services - Charges for services has shown volatility. We have seen volatility with COVID-19 and will see some impacts at the start of FY21. In order to be able to weather declines in this revenue reserves are critical. The City has increased fees recently to align better with cost of services, specifically in Parks and Recreation. With it being only 9% of revenues and the recent efforts these just require monitoring and cost recovery analysis but no reserve fund changes are needed to cover possible down turns beyond the current minimum.



Infrastructure Upkeep

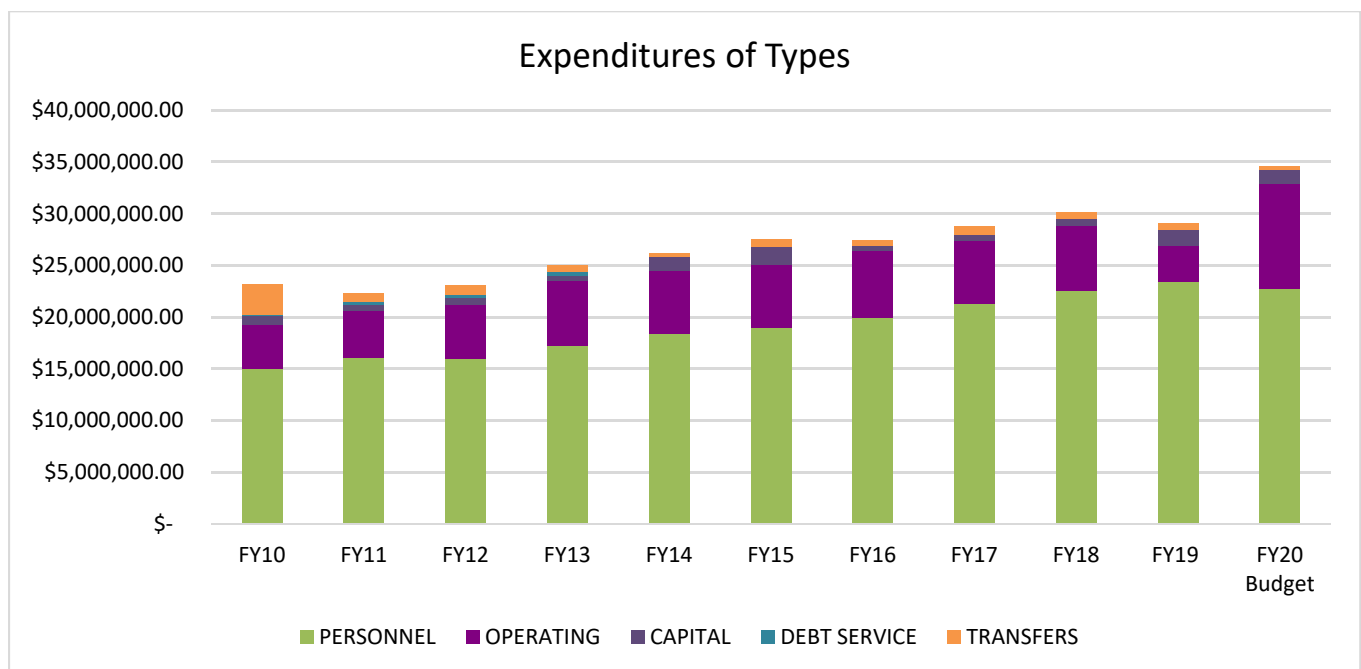
Worn infrastructure holds a potential risk of failure and General fund reserves maybe needed to repair and replace unexpected failures of assets. The City's infrastructure is vast and is planned for in many different fund reserves, for example, water and wastewater reserves are part of the rate study and the model to plan for replacement and maintenance. The General fund infrastructure is the facilities accounted for in the General fund including administrative buildings and parks and recreation facilities. This winter Bozeman saw record heavy snowfall and had a partial collapse at Bogart Park. The Pavilion is about \$3.4 million to replace. MSU saw a bigger catastrophe due to the snowfall and older buildings. The City is having our other structure examined but there should be some funding set aside in the reserve for the infrastructure and next year with the further study and expansion of our asset management program we can better quantify this risk going forward. This area is a risk and is also a reason to have more than minimum to easily utilized funds in emergency infrastructure events.

Vulnerability to Extreme Events and Public Safety Concerns

Extreme events require public safety programs that must continue to be funded while waiting for any state and federal aid. "For example, reimbursement from the Federal Emergency Management Agency (FEMA) does not always occur right away, so it is important to have reserves to absorb the cost in the meantime, and FEMA does not necessarily reimburse 100 percent of the cost of responding to an event."⁴ The City has taken measures to prepare for events with the Climate Action Plan and the joint project with MSU for Continuity of operations planning. COVID-19 has shown a cost to the City and so could future resurgence or other pandemics. Montana is prone wildfires, heavy snowfall and flooding. As we developed these plans, we can further examine the need for a reserve beyond our minimum.

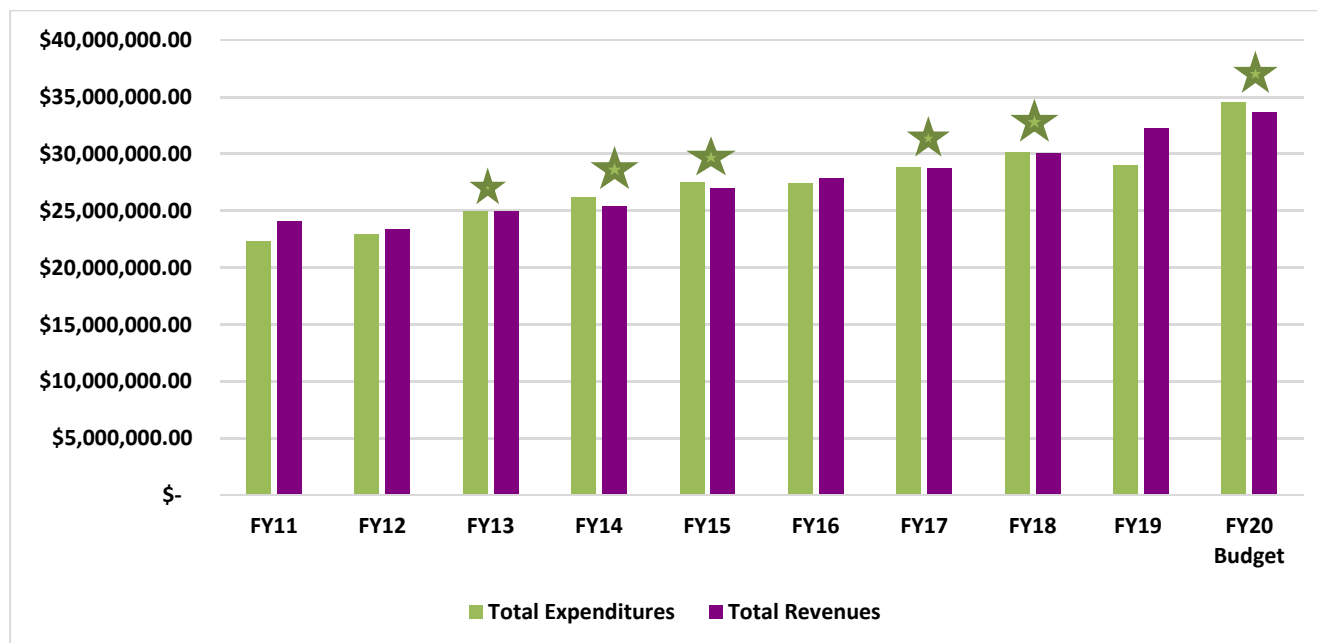
Expenditure Volatility

Unexpected expenditures or non-reoccurring expenditures are often funded by reserves, unlike re-occurring that should be funded by reoccurring revenues and not reserves. Reoccurring should be part of the operating budget and the risk of non-reoccurring can be planned for in the reserve. We have limited our funding for capital expenditures and in the future either reserve should be built up for capital items or debt financing might have to increase.



⁴ http://www.gfoa.org/sites/default/files/Colorado%20Springs_FINAL_0.pdf

The City has relied upon the prior year spending not to happen and use carryforward of 4% to balance operating expenditures. The trend has been decreasing but one-time monies have off set it, which will not always be the case. The budget can only rely on 2.5% carryforward but at this time the need for more reserve is not needed, however ***the reserve calculation should be based on expenditures rather than revenues*** due to this trend (highlighted with stars below).



The exception should be made for non-cash items that are required to be shown in the budget because they are shown as revenue coming and expenditures going out. The city has one of these for the State retirement contribution for Police and fire that is around \$2.4 million. This item should be excluded from the minimum since in essence, it is a wash and there is no actual cash coming or going from the City.

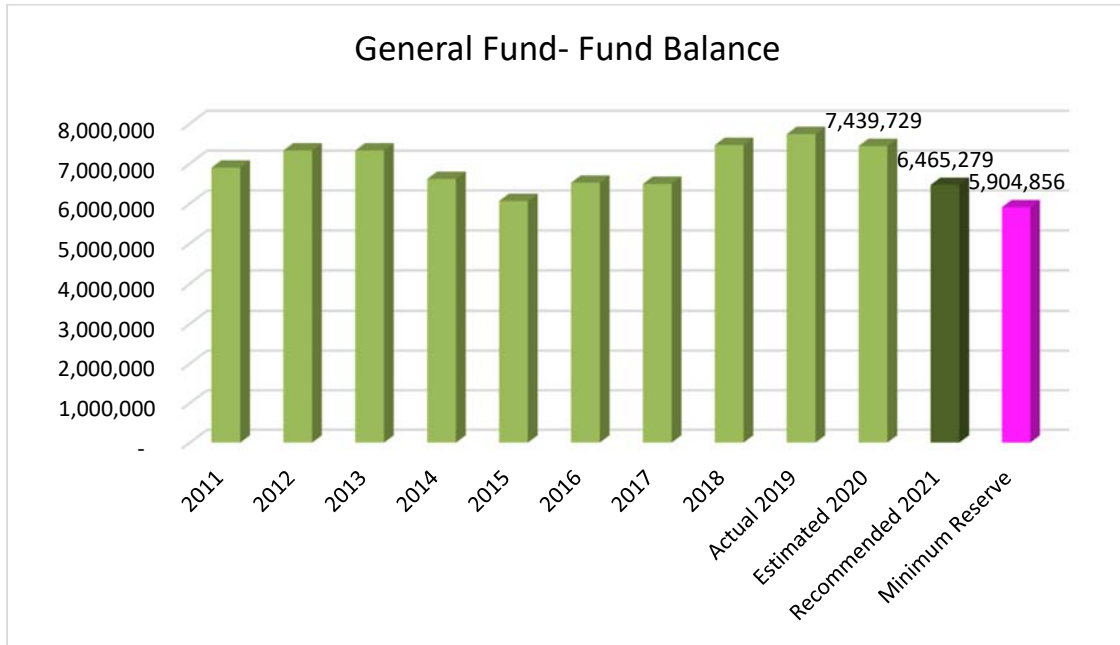
Growth of the Community

“Rapid growth of the community could call for larger levels of reserves, lest service requirements expand beyond the City’s ability to continue services in the face of revenue interruption. For instance, property tax revenues may not be received until a couple of years after development occurs, yet the government will still need to provide for the public safety, health, and welfare of these members of the community in the meantime.”⁵ The City has seen an average of 4% growth over the last 4 years. The General fund faces level of service constraints as the City grows. Infrastructure is paid for through other means such as impact fees. Level service are operating expenses and reoccurring so this will not impact the need for addition minimum reserve amounts but rather impact operating budget decisions in regards to the General Fund.

⁵ http://www.gfoa.org/sites/default/files/Colorado%20Springs_FINAL_0.pdf

Recommendations

Implement FY21 risk based recommendation of 17% of the fund's expenditures and revise the City Ordinance. The ordinance should allow for annual analysis of the needed reserve, its use and replenishment if used.



Appropriate Level

At a minimum, that general-purpose fund will maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues. In addition, any amount greater based on the analysis of the following risk factors:

- Revenue Volatility
- Infrastructure Upkeep
- Vulnerability to Extreme Events and Public Safety Concerns
- Expenditure Volatility
- Growth of the Community

Fund balance will meet this minimum determined unless it has been used as described below.

Use and Replenishment

Available fund balances shall not be used for ongoing operating expenditures, unless a determination has been made that available balances are in excess of required guidelines and that plans have been established to address any future operating budget shortfalls. Emphasis shall be placed on one-time uses that achieve future operating cost reductions.

Uses that would cause going below the minimum should be limited to:

- Unanticipated expenditures of a non-reoccurring nature
- Meet unexpected increases in service delivery costs

Replenishment plan should be established when dropping below the minimum and should be replenished at a maximum of three years.

Appendix E: Glossary of Key Terms

ACCRUAL BASIS- A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

APPROPRIATION- Legal authorization granted by City Commission to make expenditures and incur obligations.

ASSESSED VALUATION - A value that is established for real and personal property for use as a basis for levying property taxes. (For the City of Bozeman, the Montana Department of Revenue establishes Property values.)

ASSET - Resources owned or held by a government having monetary value.

BALANCED BUDGET - Refers to a government budget with revenues equal to expenditures.

BOND - A written promise to pay a sum of money on a specific date at a specified interest rate. The most common types of bonds are general obligation, revenue, and special assessment district bonds. These are most frequently used for construction of large capital projects such as buildings, streets, and water and waste water lines.

BOND RATING - An evaluation of a bond issuer's credit quality and perceived ability to pay the principal and interest on time and in full.

BOND REFINANCING - The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

BUDGET - Plan of financial operation, embodying an estimate of proposed expenditures for a given period (City of Bozeman's budget is for a fiscal year July 1—June 30) and the proposed means of financing them. Upon approval by Commission, the appropriation ordinance is the legal basis for incurring expenditures.

BUDGET AMENDMENT- A procedure to revise the appropriation ordinance through action by the City Commission.

BUDGET CALENDAR - The schedule of key dates or milestones which the City follows in the preparation, adoption, and administration of the budget.

BUDGET MESSAGE - The opening section of the budget which provides the City Commission and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and recommendations regarding the financial policy for the upcoming period.

BUDGETARY BASIS - This refers to the form of accounting utilized throughout the budget process. These generally take one of three forms: GAAP, Cash, and Modified Accrual.

BUDGETARY CONTROL - The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

CAPITAL BUDGET - The Capital Budget comprises the capital improvements that are funded in the current budget year.

CAPITAL EXPENDITURE - The item has a unit cost over \$5,000, benefits future periods, has a normal useful life of 1 year or more, has an identity that does not change with use (i.e. retains its identity throughout its useful life), and is identifiable and can be separately accounted for. Improvements to existing assets must add life and value to be included as a capital item.

CAPITAL IMPROVEMENTS - Expenditures related to the acquisition, expansion, or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

CAPITAL IMPROVEMENTS PROGRAM (CIP) - A plan for capital expenditures needed to maintain, replace, and expand the City's heavy equipment and public infrastructure (for example streets, parks, buildings, etc.) The CIP projects these capital equipment and infrastructure needs for a set number of years (5 years for City of Bozeman's Program) and is updated annually to reflect the latest priorities, cost estimates and changing financial estimates or strategies. The first year of the adopted CIP becomes the basis of the City's capital budget.

CAPITAL OUTLAY - Items that cost more than \$5,000 and have a useful life of one year or more.

CAPITAL PROJECT - New facility, technology system, land or equipment acquisition, or improvements to existing facilities beyond routine maintenance. Capital projects are included in the CIP and become fixed assets.

CASH BASIS - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

CDBG - Community Development Block Grant.

CONTINGENCY - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

CONTRACTED SERVICES - Expenditures for services performed by firms, individuals, not other city departments.

DEBT LIMIT - The maximum amount of gross or net debt which is legally permitted.

DEBT RATIO - Ratios which provide a method of assessing debt load and the ability to repay debt which plays a part in the determination of credit ratings. They are also used to evaluate the City's debt position over time and against its own standards and policies.

DEBT SERVICE - Payment of principal and interest related to long term loans or bonds.

DEBT SERVICE FUND - A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

DEBT SERVICE FUND REQUIREMENT - The amounts of revenue which must be provided for a Debt Service Fund so that all principal and interest payments can be made in full on schedule.

DEFICIT - The excess of an entity's liabilities over its assets or the excess of expenditures over revenues during a single accounting period.

DEPARTMENT - A major administrative division of the City which indicates overall management responsibility for an operation or a group of related operations within a functional area.

DEPRECIATION - Expiration in the service life of fixed assets, attributable to wear and tear, deterioration, action of physical elements, inadequacy, and obsolescence.

DESTINGUISHED BUDGET PRESENTATION AWARD - A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

DIVISION - A group of homogenous cost centers within a department.

ENTERPRISE FUND - A fund established to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

ESTIMATE - The most recent prediction of current year revenue and expenditures. Estimates are based upon many months of actual expenditure and revenue information and are prepared to consider the impact of unanticipated costs or other economic changes.

ESTIMATED REVENUE - The amount of projected revenue to be collected during the fiscal year.

EXPENDITURES - Decreases in net financial resources.

FISCAL YEAR - The time period signifying the beginning and ending period for recording financial transactions. The City's fiscal year begins on July 1 and ends on June 30 of each year.

FIXED ASSETS - Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

FTE - See Full Time Equivalent.

FULL FAITH AND CREDIT- A pledge of a government's taxing power to repay debt obligations.

FULL TIME EQUIVALENT Also referred to as FTE. The yearly personnel hours worked by a position divided by the total available work hours for a full year (2080).

FUND - An accounting entity with a self-balancing set of accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

FUND BALANCE - The excess of assets over liabilities. The beginning fund balance is the residual funds brought forward from the previous fiscal year.

Nonspendable fund balance -- Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).

Restricted fund balance -- Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation.

Committed fund balance -- Amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned fund balance -- Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the

authority.

Unassigned fund balance -- Amounts that are available for any purpose; these amounts are reported only in the General Fund.

GAAP - See Generally Accepted Accounting Principles.

GENERAL FUND - The fund used to account for all of the City's financial resources except those required to be accounted for in another fund.

GENERAL OBLIGATION BONDS (G.O. Bonds) - Bonds for the payment of which the full faith and credit of the issuing government are pledged. These bonds usually require voter approval and finance a variety of public projects such as roads, buildings, parks and improvements.

GOAL - A statement of broad direction, purpose or intent based on the needs of the community.

G.O. BONDS - See General Obligation Bonds.

GOVERNMENTAL FUNDS - Funds generally used to account for tax-supported activities. Governmental funds include: general, special revenue, debt service, capital projects, and permanent funds.

GRANT - A contribution by one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function (e.g. public safety or drug enforcement,) but is sometimes for general purposes.

IMPROVEMENT DISTRICT - Special assessment districts formed by property owners who desire and are willing to pay for mutually enjoyed improvements such as lighting or street maintenance.

INFRASTRUCTURE - Facilities that support the daily life and growth of the city, for example, streets, public buildings, wastewater treatment, parks.

INTERGOVERNMENT REVENUE - Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

INTERNAL SERVICE FUND - A fund used to account for the financing of goods or services provided by one department or agency to other departments on a cost-reimbursement basis.

LEASE-PURCHASE AGREEMENT - Contractual agreements, which are termed "leases", but which in substance, amount to purchase contracts for equipment and machinery.

LEVY - (Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or service charges imposed by a government.

LINE-ITEM BUDGET - A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specific category.

LONG-TERM DEBT - Debt with a maturity of more than one year after the date of issuance.

MANDATE - Legislation passed by the state or federal government requiring action or provision of services and/or programs by the City. Examples include the Americans with Disabilities Act, which requires such actions as physical facility improvements and provision of specialized equipment for public recreation and transportation.

MILL LEVY - Rate applied to Assessed Valuation to determine property taxes. A mill is 1/10th of a penny or \$1.00 of tax for each \$1,000 of assessed valuation.

OBJECT - As used in expenditure classification, this term applies to the article purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples are personnel services, contracted services, and supplies and materials.

OBJECTIVE - Desired outcome-oriented accomplishments that can be measured and achieved within a given time frame, and advances the activity or organization toward a corresponding goal.

OPERATING BUDGET - The portion of the budget pertaining to daily operations that provides basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, and services.

ORDINANCE - A formal legislative enactment by the City Commission. If it is not in conflict with any higher form of law, such as state statute or constitutional provision, it has the full force and effect of law within the boundaries of the City.

OUTSTANDING BONDS - Bonds not yet retired through principal payment.

OVERLAPPING DEBT - The City's proportionate share of the debt of other local governmental units, which either overlap it or underlie it. The debt is generally apportioned based on relative assessed value

PAYMENT IN LIEU OF TAXES - Also referred to as PILT. Payments made in lieu of taxes from another government or entity.

PERFORMANCE BUDGET - A budget that focuses on departmental goals and objectives rather than line items, programs, or funds. Workload and unit cost data are collected in order to assess effectiveness and efficiency of services.

PERSONNEL SERVICES - Items of expenditures in the operating budget for salaries and wages paid for services performed by City employees, as well as the fringe benefit costs.

PROPERTY TAX - A levy upon each \$100 of assessed valuation of real and personal property within the City of Bozeman.

PROPRIETARY FUND- Funds that focus on the determination of operating income, changes in net position (or cost recovery) financial position, and cash flows. Proprietary funds include enterprise and internal service funds.

RESOLUTION- A special or temporary order of a legislative body (City Commission) requiring less legal formality than an ordinance or statute.

RESOURCES - Total amounts available for appropriation including estimated revenues, fund transfers, and beginning fund balances.

REVENUE - Funds that the government receives as income. It includes items such as tax payments, fees for specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

REVENUE BONDS - Bonds sold for constructing a project that will produce revenue for the government. That revenue is pledged to pay the principal and interest of the bond.

RISK MANAGEMENT - An organized attempt to protect a government's assets against accidental loss in the most economical method.

SPECIAL IMPROVEMENT DISTRICT (SID) - An area defined and designated for improvements, often financed with bond proceeds that specifically benefit the property owners within the area of the district. Debt is repaid through annual assessments to property owners.

SPECIAL REVENUE FUND - A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or of major capital projects) that are legally restricted to expenditure for specified purposes.

STATE SHARED REVENUE - Revenues levied and collected by the state but shared with local governments as determined by state government. Entitlement funds received by the City from the state of Montana is the largest State Shared Revenue.

TAXES - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not refer to specific charges made against particular property for current or permanent benefits, such as special assessments.

TIF- Tax Increment Financing. A method of using incremental increases in property tax values to fund the improvements or efforts of a designated area.

TRANSFERS IN/OUT- Amounts transferred from one fund to another to assist in financing the services from the recipient fund.

UNRESERVED FUND BALANCE - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

USER CHARGES OR FEES - The payment of a fee for direct receipt of a public service by the party benefiting from the service.

WORKING CAPITAL - The difference between current assets and current liabilities.

WORKLOAD INDICATOR - A unit of work to be done (e.g. number of permit applications received for the number of burglaries to be investigated.)

WRF - Water Reclamation Facility; commonly referred to in the past as a Wastewater Treatment Plant.