



ADOPTED BUDGET

FISCAL YEAR 2024

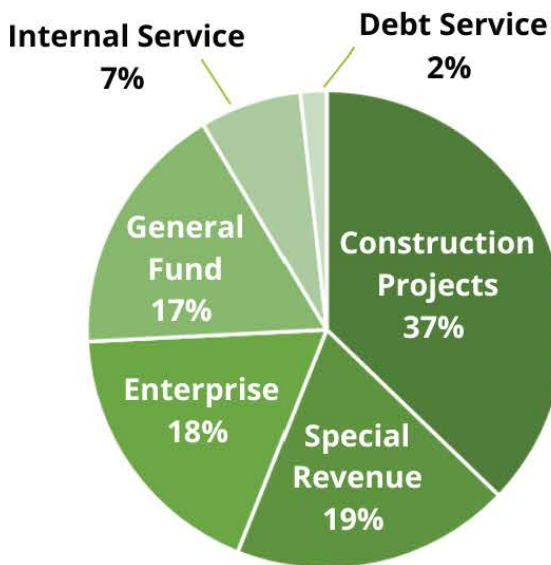
July 1, 2023 to June 30, 2024

FY24 BUDGET IN BRIEF

This page provides a brief overview of the City of Bozeman's annual budget for Fiscal Year 2024. Key points include a summary of estimated resources and appropriations as well as highlights on personnel, operating, and capital supported by the budget.

Total Estimated Resources

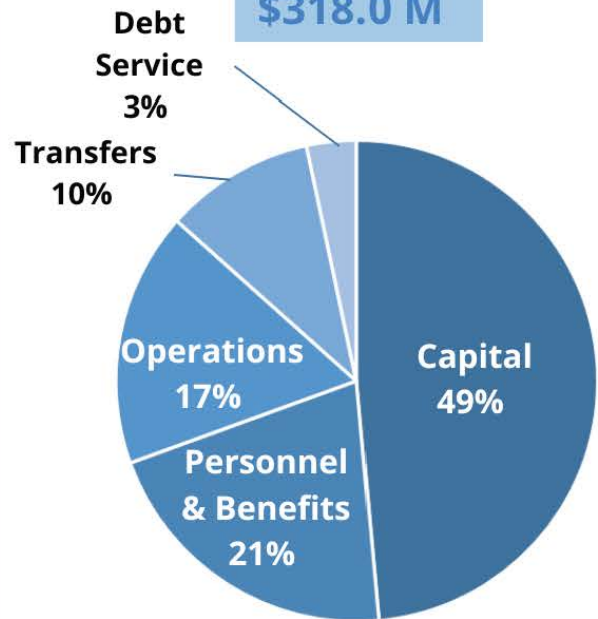
\$311.3 M



Distribution by Budget Unit

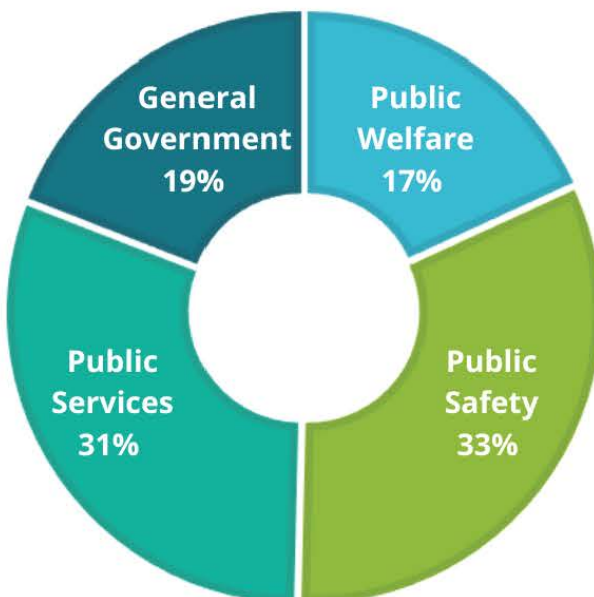
Total Appropriations

\$318.0 M



Distribution by Expenditure Type

Personnel Summary



FY24 budget supports 510.58 FTE, about 8.66 employees per 1,000 residents

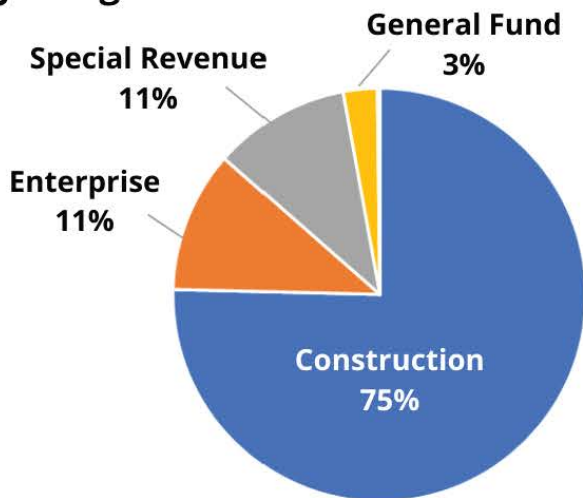


Impact Summary

Estimated Annual Service Cost for a Household Based on Taxable Value of \$467,000 (FY23) plus 30% (FY24) 7,500 SQFT lot with water use of 8.5-HCF				
	FY23	Increase	FY24	% Change
Property Taxes	\$ 1,289.26	\$ (54.00)	\$ 1,235.26	-4.2%
Street Assessment	263.25	21.06	284.31	8.0%
Arterial Street Assessment	55.63	4.45	60.08	8.0%
Tree (Forestry) Assessment	29.36	1.17	30.53	4.0%
Parks & Trails Assessment	195.02	13.65	208.67	7.0%
Water Service	444.30	53.32	497.62	12.0%
Sewer Service	234.96	28.20	263.16	12.0%
Storm Water Services	50.28	4.02	54.30	8.0%
Total Annually	\$ 2,562.06	\$ 71.87	\$ 2,633.93	2.8%
Per Month	\$ 213.51	\$ 5.99	\$ 219.5	

Capital Plan Summary

FY24 Capital Budget By Budget Unit



**\$154.4 Million in Planned
Capital Expenditures**

Projects by Type

78% - Buildings
18% - Infrastructure
2% - Land & Land Acquisition
1% - Machinery & Equipment
1% - Vehicles

Projects of Significant Nature Include:

- **Bozeman Community Center - \$102M***
- **Fire Station #2 - \$6.9M**
- **Recreation Improvements - \$6.8M**
 - Swim Center, Lindley Center & Bogert Pool

* Following budget adoption, Bozeman City Commission voted against including Bozeman Community Center on November 2023 ballot.



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June 28, 2023

Bozeman City Commission:

We are pleased to present to you the City Manager Recommended Budget for Fiscal Year 2023-2024 (FY24). This budget represents the thoughtful work of dozens of people across all departments to ensure an informed projection of FY24 in support of the City Commission Strategic Plan. Bozeman is a vital, growing, and changing city, which presents significant challenges including balancing community needs, like infrastructure and public safety, with affordability and pressure on the allocation of limited City resources. This budget focuses on maintaining or improving our level of service to the community as it relates to public safety, community health & safety, and affordable housing.

The City's total budget this year is approximately \$317.9 million. This will support 510.58 full-time equivalent employees and 154.4 million in capital spending. The FY24 budget estimates an annual increase in assessments and taxes for the typical residential property of \$71.85 per year or \$5.99 per month. This includes mill levies, rates, assessments and other changes based on recent rate studies, growth, inflation, adopted capital plans, and Strategic Plan objectives. In all, this budget represents Bozeman's response to the current economic conditions taking into consideration all methods possible to balance cost to residents and quality services.

Revenues & Citizen Impact

Overall, revenues are estimated at approximately \$311.3 million, a \$132.4 million increase or equivalent to a 74.0% change over the prior year budget. The large increase is due to an estimated \$99 million of bond proceeds for the Bozeman Community Center and long-term debt proceeds for other projects.

This year's budget process focused on the long-range planning process, and we've accomplished upgrades to financial models for over a dozen City funds. Revenue and rate increases recommended in this budget are intended to plan for the future and stabilize rate increases over time to a more consistent year over year change. Revenue and rate increases are between 4% and 12% for City utilities and assessment districts as seen in the chart below. However, new growth anticipated in taxable properties is offsetting increases, with a decrease in property tax bills for the typical homeowner. The total impact on the typical homeowner is anticipated to be 2.8% in FY24 or \$5.99 per month.

Expenditures

Salaries & Benefits- Budgets for personnel expenditures include both increases in salary and benefit costs and the addition of positions to some departments. Like every employer across the United States, competition for qualified employees is high. The FY23 budget implemented a proactive response to these economic conditions. In order to take a strategic approach to staffing, the City of Bozeman develops a three-year staffing plan annually across the organization. For FY24, 539.74 full-time equivalent (FTE) positions are included in the budget, increasing over prior year by 20.25 FTE to address service demands across the City. Significant additions to note include 6.5 positions in Police and 3.0 positions in Fire to promote Public Safety and address a growing population and increasing complexity of crime. Other positions of note include two positions in the City Manager's Office to address Community Health & Safety issues.

Operating- Operating expenditure appropriations total \$54.4 million in the recommended budget, which is a 0.6% increase from FY23. While inflationary factors have increased the price of operating City services, we took careful consideration with this budget presentation to reduce contingency budgets, resulting in an overall decrease of maintenance expenditures. This might result in budget amendments being required for some unexpected circumstances.

Capital- Approximately \$151 million in capital spending and commitments are planned in FY24, primarily for construction projects. The most significant driver is \$102 million planned for the Bozeman Community Center (GF355). Three million of this project is planned to be supported by the Library Foundation and the remaining \$99 million will be placed on the ballot for voter approval of a general obligation bond. Other projects include investments in recreational facilities already approved by voters, including the Swim Center, Bogert Pool, and Lindley Center. In addition, Fire Station 2 is now under contract and expected to be completed in the next year or two.

Reserves

The General Fund reserve policy requires a minimum of 16.67% of annual revenues. The General Fund is not the only fund with a reserve policy. Staff has reviewed all reserve policies and ensured compliance. Reserves are intended for “unexpected” events, and while they are not set-aside in restricted accounts, spending of reserves is only allowed within the City Commission’s adopted policies. This year, these dollars are being accounted for outside of the rest of the budget to ensure alignment with approval requirements should spending be necessary. To date, expenditures have not required use of reserve funds and this budget has been balanced to ensure the same this fiscal year.

Looking Forward

Toward the middle of FY23, the organization stabilized from significant and ongoing turnover in staffing, significantly lowering our vacancy rate from this time last year. Turnover makes it difficult for the City to move forward on key initiatives including biannual budgeting and the use of outcome measures for budgeting.

Conclusion

Thank you, City Commission, community members, and staff who participated in the many processes that resulted in this budget. Working together, we continue to find creative and innovative ways to deliver services and invest responsibly in our community.

We are a resilient, enterprising, and creative community. The FY24 Budget is an attainable 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

Melissa Hodnett
Finance Director

Kaitlin Johnson
Budget Analyst



READER'S GUIDE

BUDGET SUMMARY

The Budget Summary includes a high-level overview about the City, its structure, and budget process. The summary also presents a visual representation of the Budget.

FUND SUMMARY

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.

ACTIVITY/DIVISION DETAIL

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

CAPITAL SUMMARY

This section presents the capital project planning for the City including project detail, funding sources, and any future costs or benefits.

APPENDICES

(A) Economic Conditions Assessment (B) Budget and Financial Policies (C) Long-Range Financial Planning (D) Glossary of Terms (E) City Commission Adoptions

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.

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, Montana, for its annual budget for the fiscal year beginning July 1, 2022. The City has received this award for each budget it has prepared in the past 31 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. This award is valid for a period of one year only. We believe this budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another word.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Bozeman
Montana**

For the Fiscal Year Beginning

July 01, 2022

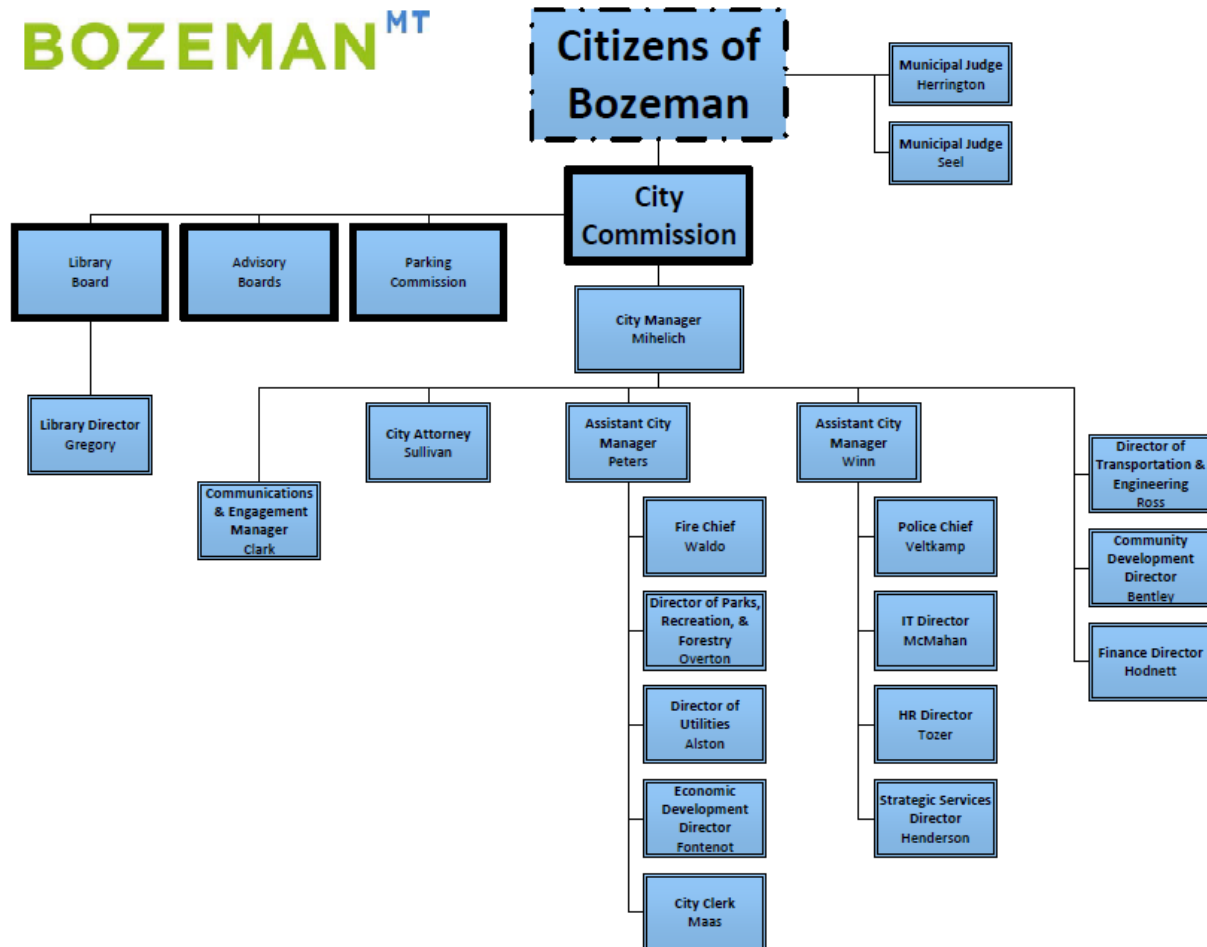
Christopher P. Morrill

Executive Director

Governance Structure

The Bozeman City Commission is composed of four members and a Mayor which 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 is the only employee of the City Commission. The City Manager's Office is responsible for overseeing City staff and completing tasks as directed by the City Commission.

Organizational Chart



Funding Structure

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

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.

Funds:

The activities are funded through various means that are accounted for within specific funds. The City's fund structure is consistent with the provisions of the Government Finance Officers Association (GFOA) as outlined in their publication Governmental Accounting, Auditing, and Financial Reporting (GAAFR), which is the standard accounting guide for local governments.

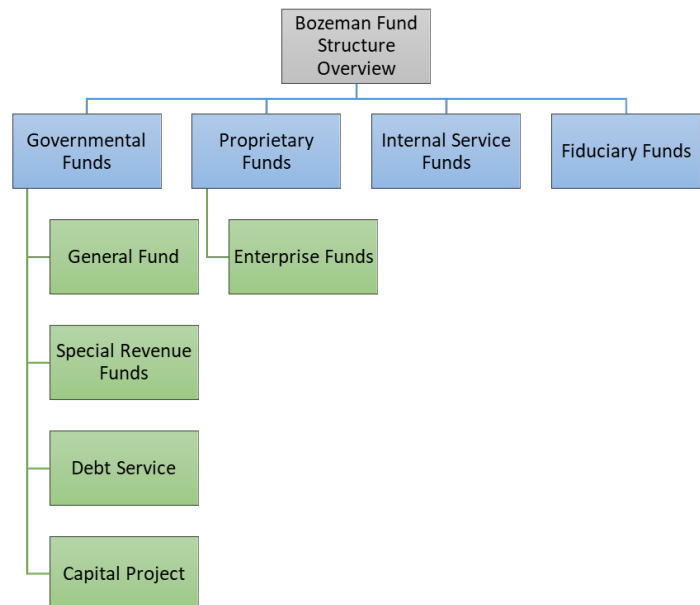
Governmental Funds are a group of funds that account for activities associated with the City's basic operations. This group of funds uses a modified accrual basis of accounting and focuses on operating resources and expenditures.

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.

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.

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.

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.

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. The law requires the City to adopt a balanced budget, limits the City to making expenditures or commitments in excess of approved 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 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. See detailed Budget and Fiscal Policies in Appendix B.

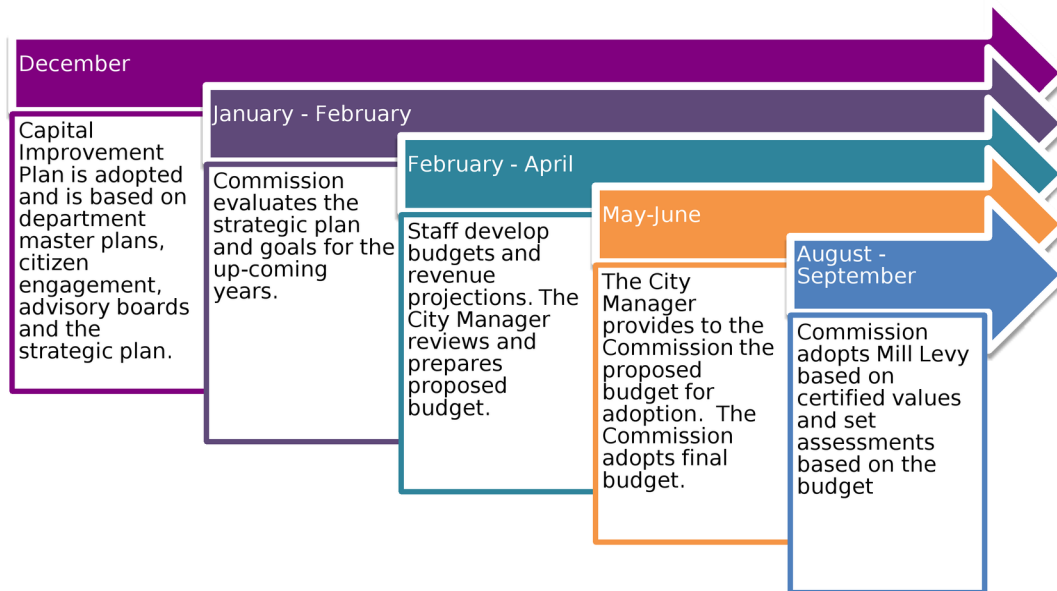
Basis of Budgeting

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).

Budget Process

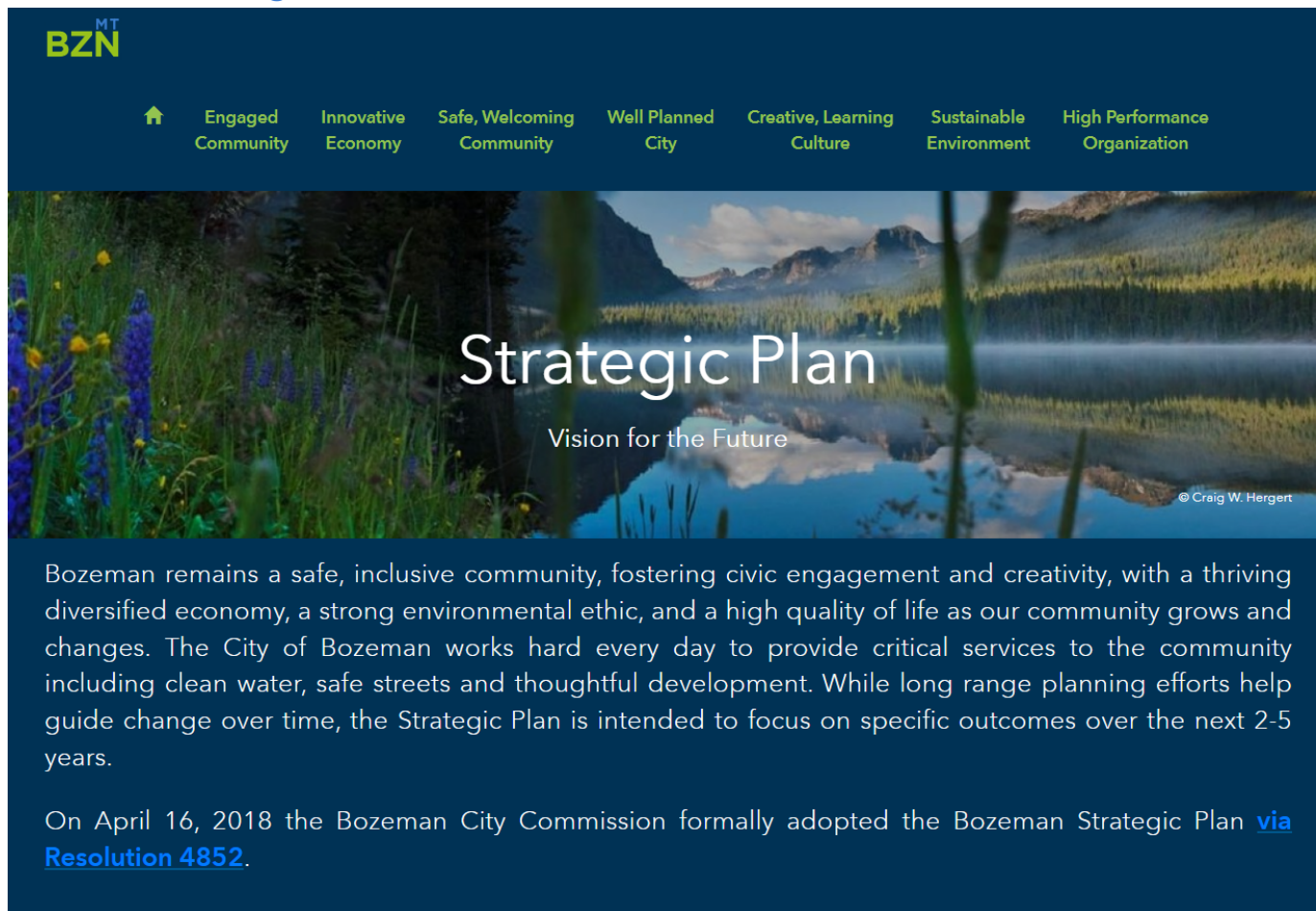
The City plans for the long-term needs of our community through a number of efforts and studies. Consultants and staff hold numerous public hearings and advisory board meetings prior to the formal adoption by the Commission. These public hearings and advisory board meetings are open to the public during which citizens are welcome to participating in the budget process. Once adopted, we work diligently to implement the approved plan. The starting point is the Strategic Plan, followed by 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. Budget amendments are proposed and adopted by the Commission on an as needed basis.



City Commission Goals

In addition to the adopted Strategic Plan included in the City Manager's Budget Message, Climate Action Plan, Community Affordable Housing Plan, and the Growth Policy, the City Commission of Bozeman has identified the following priorities which guide the FY24 Budget:

- Become a City for CEDAW (Convention to Eliminate All Forms of Discrimination Against Women)
- Increase Budget for Community & Support Services
- UDC (Unified Development Code) Overhaul
- Establish Mobile Crisis Response
- Establish Model HOA Covenants
- Develop Gallatin Valley Sensitive Lands Protection Plan
- Update Codes to Encourage Wetland Preservation & Facilitate Creation of Wetland Bank
- Short Term Rental Revisions
- Promote Water Conservation



The entire Strategic Plan can be found on the [City website](#). Below are some of the efforts towards the Strategic Plan with the Top 13 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. The City continues to work toward **a culture of civic engagement** by using our adopted communication plan for the organization to **expand Community Outreach and community engagement**. The City's focus for FY24 includes thoughtful engagement around major city initiatives including: UDC, Sensitive Lands, Equity & Inclusion Plan, Flower Avenue, HOA Covenants, Kagy Project. The adopted budget also includes a new Communications Specialist to support City-wide communications and engagement efforts.

2) An Innovative Economy. This plan supports **retention and growth of both the traded and local business sectors** in coordination with the Economic Vitality Strategy adopted by the City Commission in June 2023. Working with the City's urban renewal districts, the budget includes strategic investments in infrastructure as a mechanism to encourage economic development. The budget includes a new Grants Coordinator position to proactively, **Pursue State and Federal Grants and Philanthropic Funding**, which will aid the Commission in developing steps towards its priority of **Property Tax Relief**. Many water, wastewater, and street infrastructure projects in the Capital Improvement Plan will allow for greater economic opportunities for the community of Bozeman, especially Phases I-III of the Water Reclamation Facility (WRF) Base Hydraulic Capacity project, which will meet the City's wastewater treatment 20-year growth planning horizon as identified in the 2022 WRF Facility Plan Update.

3) A Safe, Welcoming Community. This budget includes steps toward an **Inclusive City** with training and the implementation of our Belonging in Bozeman Team, and Equity & Inclusion Plan. The adopted budget includes

the relocation and construction of a new Fire Station #2, which will serve the growing southwest area of the City, and is consistent with the Fire Master Plan. In addition, the budget also works toward developing a Fire Department Facilities Plan. **Active Recreation** capital improvement projects are included throughout the General Fund Recreation Division and the Parks & Trails District Fund with many projects that encourage and promote active recreation such as the annual investment in Playground Equipment (PTD03) and the scheduled funding for Bridge Replacements in FY25 (PTD08).

4) A Well-planned City. The **Parks, Recreation, and Active Transportation (PRAT) Master Plan** implementation began in FY22 and will continue in FY24. Community Housing will continue the implementation of its action plan, which will provide more **Affordable Housing** including a commitment of 5.89 mills in this budget. We have **Planning & Land Use Initiatives** with the City County Regional Planning, and Unified Development Code Updates. Capital projects are budgeted **to enhance non-motorized transportation**, including appropriations for bike path improvements, which have been increased over prior years. Additionally, all road infrastructure projects scheduled in the Street Impact Fee Fund will include investments in bike lanes. Also in the Capital Improvement Plan budget, funding for the acquisition of LIDAR data for land management, planning, and engineering projects are included, which will aid in our efforts toward **GIS Land Use & Infrastructure Development Tracking**. Similarly, annual appropriations for Land Cover Acquisition have been incorporated into the plan. This data will allow the City to make data-driven decisions for future regulations and policies regarding outdoor water use.

5) A Creative, Learning Culture. The Percent for Art program has been incorporated into our Capital Improvement Plan and projects are underway including Fire Station #2. This program provides a guaranteed funding mechanism for the acquisition of artwork for new public facilities and civic spaces. The budget also includes expenditures for Public Art, which will be expended only one a policy is in place.

6) A Sustainable Environment. This Budget looks at **Climate Action Plan Implementation** and continues to increase the Sustainability Division's budget from \$870K in FY23 to approximately \$1.1 million in FY24. The Sustainability Division budget includes a roadmap to EV charging stations in Bozeman, in addition to budget for EV station installs. The Capital Improvement Plan includes funding to pursue federal grants to further energy and resilience projects such as energy storage, renewable energy, and electrification for City infrastructure. FY24 capital also includes installation of solar panels at City facilities. All City vehicles included in the CIP will explore hybrid or electric options where available.

7) A High Performance Organization. We have completed the **Advisory Board Consolidation**. Throughout the organization, departments are working on collaborating and functioning as a high-performing and innovative team. Staff continues to look at rates and fees to ensure we are using equitable and sustainable sources of funding for appropriate City services with an emphasis on delivering them in a lean and efficient manner. In addition, two Capital Improvement Projects, a Facility Condition Inventory (GF346) and Facility Needs Assessment (GF369), will inform future facility needs and strive to address **Strategic Plan 7.3 c** to improve departmental collaboration.

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.

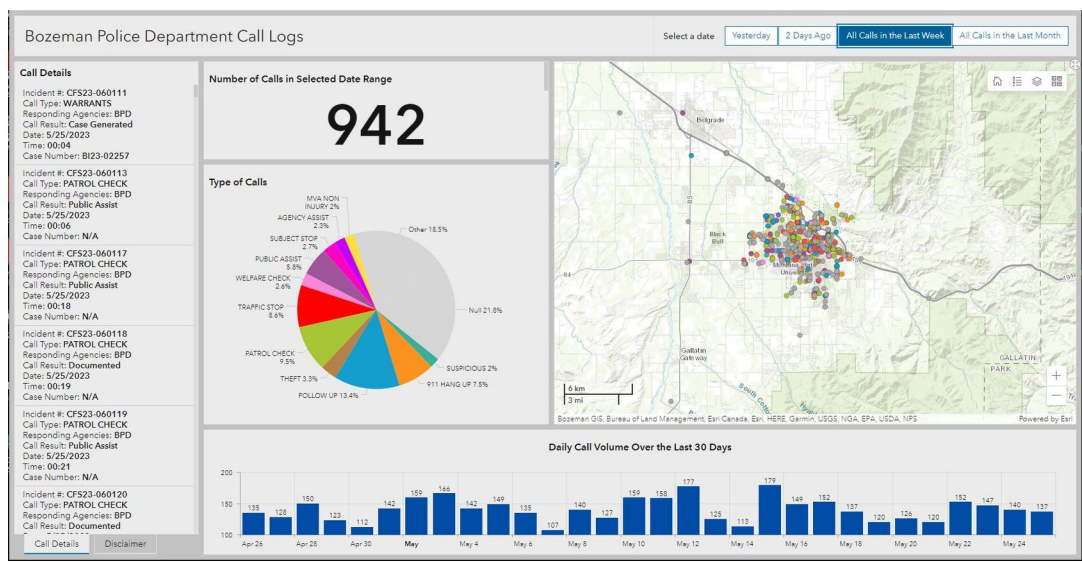
Many systems are currently in place to collect and visualize a wide range of data internal to the organization. Sophisticated tools such as Computerized Maintenance Management Systems (CMMS) provide detailed cost information, including time, materials, and equipment in an effort to improve efficiencies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

Specific Performance Measurements are updated annually to compliment the City Manager’s Recommended Budget.



These Measurements 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. Charts are included in the Activity/Department section of the budget document. At least three years of data is ideal to demonstrate trends and provide valuable context. Current fiscal year “Projection” figures represent current year estimates, while future fiscal year “Estimate” figures represent estimates for the upcoming budget cycle.

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



Overall, Performance Measurements 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.

FY24 Budget Summary

The City of Bozeman's Fiscal year 2024 is estimated to receive approximately \$311.3 million in revenue. FY24 Budget appropriations are just under \$318.0 million. This will support 510.58 full-time equivalent employees and \$154.4 million in capital spending.

FY24 Financial Summary

Financial Summary Budget Fiscal Year 2023 2024								
	General Fund	Special Revenue	Debt Service	Construction Projects	Enterprise	Internal Service	Permanent	All Funds
Projected Beginning Fund Balance	\$ 11,027,500	\$ 40,072,000	\$ 2,000,300	\$ 2,673,100	\$ 29,362,500	\$ 2,573,000	\$ 1,769,400	\$ 89,477,800
Resources	53,523,200	58,617,000	5,532,200	115,711,700	56,591,900	21,188,600	86,700	311,251,300
Appropriations	55,707,000	72,303,400	5,169,900	116,367,700	52,270,300	16,221,900	—	318,040,200
Change in Fund Balance	(2,183,800)	(13,686,400)	362,300	(656,000)	4,321,600	4,966,700	86,700	(6,788,900)
Projected Ending Fund Balance	\$ 8,843,700	\$26,385,600	\$2,362,600	\$ 2,017,100	\$33,684,100	\$ 7,539,700	\$ 1,856,100	\$ 82,688,900

Summary of Changes from City Manager Recommended Budget to Final Budget

- Additional \$50,000 towards Mobile Crisis budgeted in General Fund
- Additional \$10,000 for advisory board training budgeted in General Fund
- Additional \$8,000 to measure the impact of arts and culture budgeted in General Fund
- Additional \$50,000 for Perimeter Loop Trail feasibility study budgeted in Parks and Trails Special Revenue Fund
- Additional \$50,000 for Historic Preservation budgeted in the Community Development Special Revenue Fund
- Additional \$15,000 for Branch Out Bozeman program budgeted in Tree Maintenance Special Revenue Fund

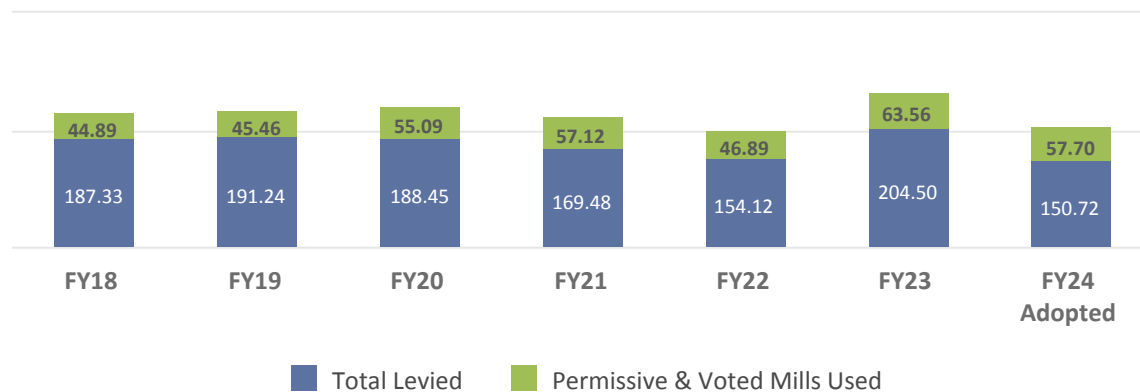
	Resources				Appropriations			
	City Manager Recommended Budget	Commission Adopted Budget	Increase / (Decrease)	Percent Change	City Manager Recommended Budget	Commission Adopted Budget	Increase / (Decrease)	Percent Change
General Fund	53,523,200	53,523,200	—	0.0 %	55,639,000	55,707,000	68,000	0.1 %
Special Revenue	58,617,000	58,617,000	—	0.0 %	72,188,400	72,303,400	115,000	0.2 %
Debt Service	5,532,200	5,532,200	—	0.0 %	5,169,900	5,169,900	—	0.0 %
Construction	115,711,700	115,711,700	—	0.0 %	116,367,700	116,367,700	—	0.0 %
Enterprise	56,591,900	56,591,900	—	0.0 %	52,270,300	52,270,300	—	0.0 %
Internal Service	21,188,600	21,188,600	—	0.0 %	16,221,900	16,221,900	—	0.0 %
Permanent	86,700	86,700	—	0.0 %	—	—	—	0.0 %
All Funds	311,251,300	311,251,300	—	0.0 %	317,857,200	318,040,200	183,000	0.3 %

FY24 Mill Levies and Values

MILL LEVIES & MILL VALUES						
FISCAL YEAR	FY19	FY20	FY21	FY22	FY23	FY24 Adopted
MILL VALUE (net of TIFD's)	\$ 104,321	\$ 125,423	\$ 129,537	\$155,353	\$159,782	\$247,166
MILL VALUE (net of TIFD's) PERCENTAGE CHANGE	3.1%	20.2%	3.3%	19.9%	2.9%	54.7%
GENERAL FUND:						
All-Purpose	139.69	124.79	106.18	98.66	122.79	83.30
DEDICATED MILLS (non-debt service):						
City Planning	2.00	2.00	2.00	2.00	2.00	1.46
Health/Med Insurance	25.44	22.45	21.37	17.66	14.21	10.88
Public Safety Staffing, Fire Dept Equip & Maint.	4.00	4.00	4.00	4.00	30.00	30.00
Transfer to Stormwater - Landfill Project	0.71	0.71	0.77	1.25	1.24	—
Transfer to Landfill Closure - Monitoring	2.38	2.86	2.41	2.32	1.91	1.60
Senior Transportation	1.00	1.00	1.00	1.00	1.00	0.77
Community Housing	3.00	5.00	3.00	5.00	8.00	5.89
TOTAL DEDICATED MILLS	38.53	38.02	34.55	33.23	58.36	50.60
DEBT SERVICE:						
BPSC GO Bonds	—	14.87	18.31	15.27	15.38	10.15
Park & Trail G.O.Bonds	10.38	8.58	8.31	6.96	7.00	4.49
Library G.O. Bonds	2.64	2.20	2.13	—	—	—
Fire Station #2 G.O. Bonds	—	—	—	—	0.97	2.18
Rec G.O. Bonds * to be issued in FY2024	—	—	—	—	—	—
TOTAL DEBT SERVICE	13.02	25.65	28.75	22.23	23.35	16.82
TOTAL MILLS LEVIED	191.24	188.45	169.48	154.12	204.50	150.72
Percentage Change in Mills	1.9%	-1.5%	-9.9%	-8.2%	29.7%	-34.9%
TOTAL PROPERTY TAXES LEVIED	\$19,950,675	\$23,636,229	\$21,953,931	\$23,943,004	\$32,675,419	\$37,252,252
Percentage Change in Dollars	5.2%	18.5%	-7.1%	9.1%	36.5%	14.0%

	FY19	FY20	FY21	FY22	FY23	FY24 Adopted
Total Levied	191.24	188.45	169.48	154.12	204.50	150.72
Permissive & Voted Mills Used	45.46	55.09	57.12	46.89	63.56	57.70
Statutory (Floating) Mills Used	145.78	133.36	112.36	107.23	140.94	93.02

Annual Mill Levy

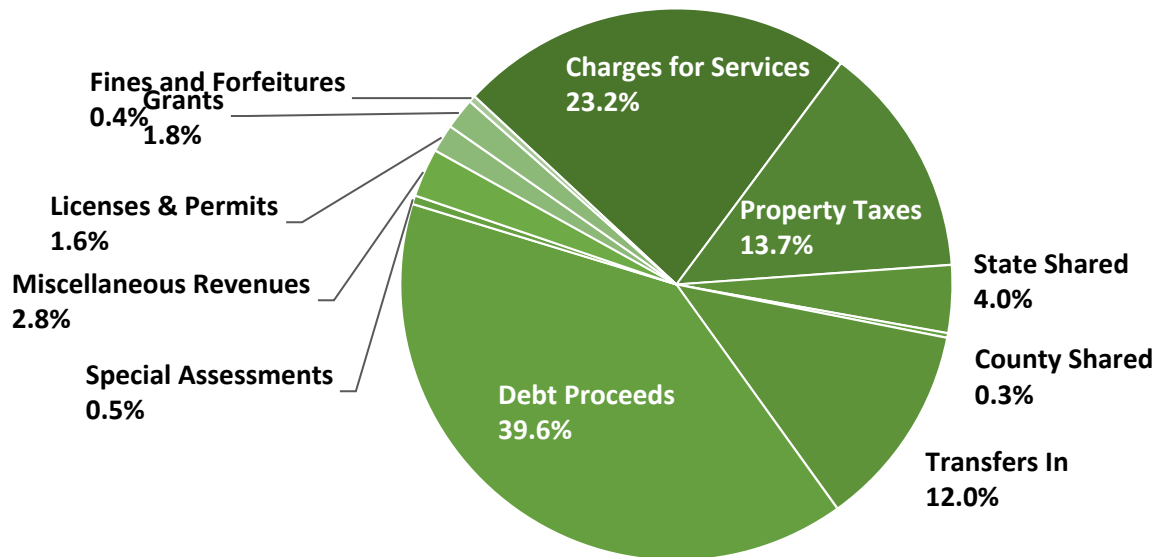


Revenues

The FY24 budget process focused on updating financial models to provide more informed projections over the next five to 20 years. Comprehensive models account for many factors including historic collections and estimated customer growth in order to project resources necessary to provide City services. The following details specific methods used in the budget process for estimating revenue by source.

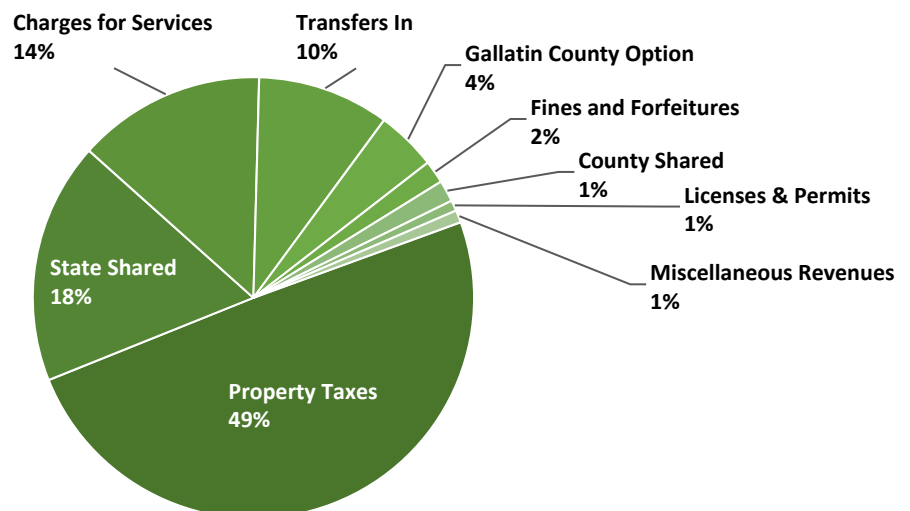
Overall, revenues are estimated at approximately \$311.3 million, a \$132.4 million increase or equivalent to a 74.0% change over the prior year budget. The large increase is due to an estimated \$99 million of bond proceeds for the Bozeman Community Center and long-term debt proceeds for other projects.

Revenue by Source for All Funds

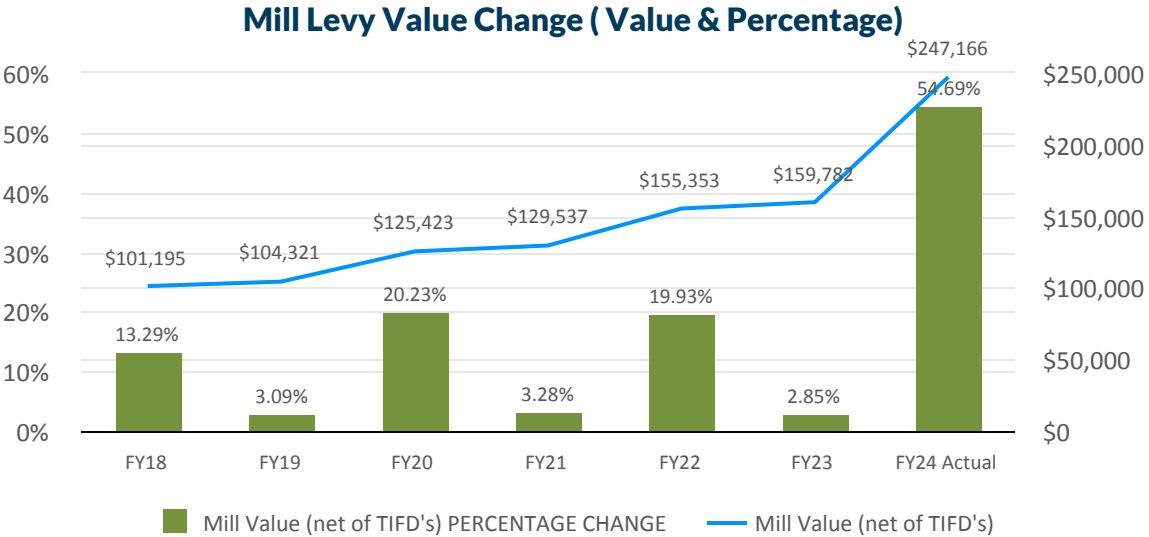


For the **General Fund**: City of Bozeman property taxes make up 49% of the revenue in the General Fund followed by 18% in other taxes shared to the City by the State of Montana, also called state shared revenue. As we begin FY24, the City is anticipated to bring forward a balance of \$11.0 million which will largely remain in reserves.

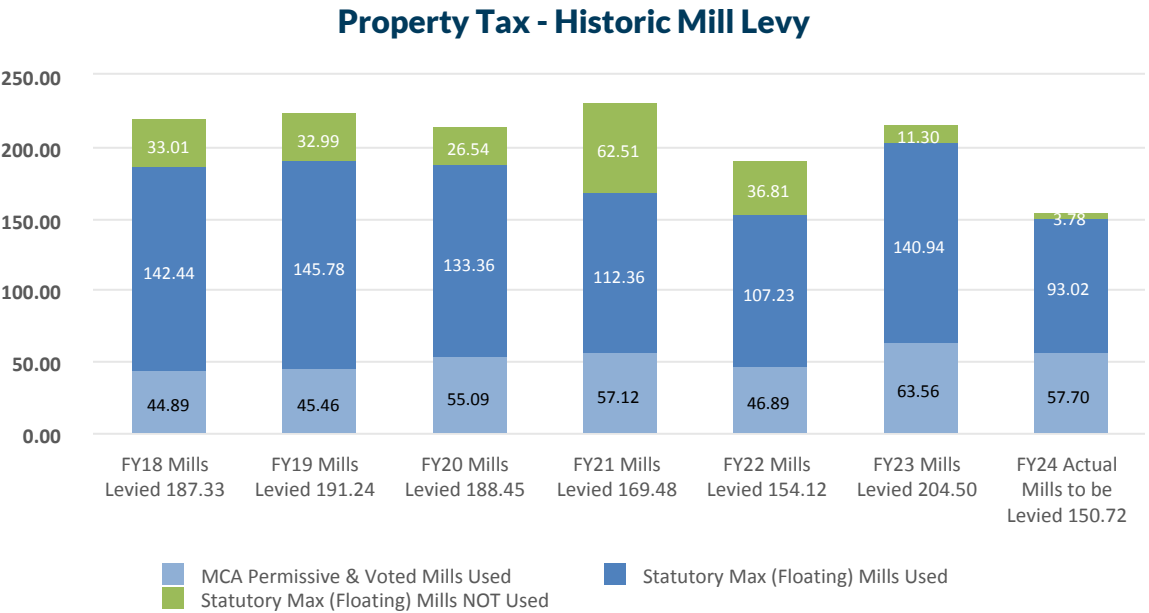
Revenue by Source for General Fund



Property Taxes- To calculate property tax revenues, capital improvement projects, and costs for salaries and benefits were evaluated along with total mill levies available to the City, and affordability. Properties in Montana are valued every other year, reflected in the cart below. Note also, that there are two mitigating factors that slow the value change in mills: inflation and reductions in newly taxable property, both of which will lower the amount of mills and dollars available to the City per year.



The total property tax for the estimated median home of \$467,000 (taxable assessed value) is estimated to decrease by \$(54.00) per year for a total cost of \$1,235.26 annually. The decrease is largely due to the significant increase in value coming from newly taxable property. The City will be utilizing 93.02 mills of the 105.13 statutory maximum available as well as 57.70 in permissive and voted mills for a total of 150.72 mills to be levied.



Special Assessments - City property owners pay annual Street Maintenance, Arterial Street, Tree Maintenance, and Parks & Trails assessments based on the square footage of the lot they own. Inflationary pressures in addition to the adopted Capital Improvement Plan for each district result in increases for FY24. Adopted increases are based on long-range plans. Additional information can be found in Appendix C.

**Assessment
Increases:**

Streets	- 8%
A&C	- 8%
Tree	- 4%
Parks	- 7%

Utility Rates - The largest customers of City of Bozeman Utilities are residential. Single Family water and wastewater rates have been held flat since FY19, with modest increases to Multi-Family over the same period. Rate increases adopted were consistent with the rate study presented to the City Commission in January 2019, and updated in 2021. Meanwhile, the cost of providing services has continued to increase each year compared to the projections included in the study. Updated financial models are showing the need for significant rate increases to address the cost of the adopted CIP and operations over the next five years. Revenue increases of 12% are adopted for both Water and Wastewater for FY24. Adopted stormwater rates increase by 8% to support the adopted Capital Improvement Plan. Adopted increases are based on long-range plans. Additional information can be found in Appendix C.

Revenue Increases:

Water	- 12%
Sewer	- 12%
Stormwater	- 8%

Estimated FY24 Citizen Impact

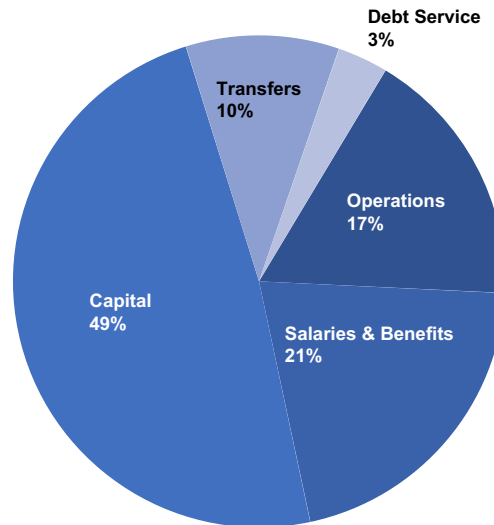
It is estimated that a typical residential property owner will see an increase of \$5.99 per month for taxes and assessments, or 2.8%. The typical resident is calculated using an median sized lot (7,500 sqft), median home of \$467,000 (this is the estimated median home taxable value) and water use of 8.5-HCF (tier 2):

Estimated Annual Service Cost for a Household Based on Taxable Value of \$467,000 7,500 SQFT lot with water use of 8.5 HCF				
	FY23	Increase / (Decrease)	FY24	% Change
Property Taxes	\$1,289.26	\$(54.00)	\$1,235.26	(4.2)%
Street Assessment	\$263.25	\$21.06	\$284.31	8.0 %
Arterial Street Assessment	\$55.63	\$4.45	\$60.08	8.0 %
Assessment	\$29.36	\$1.17	\$30.53	4.0 %
Parks & Trails Assessment	\$195.02	\$13.65	\$208.67	7.0 %
Water Service	\$444.30	\$53.32	\$497.62	12.0 %
Sewer Service	\$234.96	\$28.20	\$263.16	12.0 %
Stormwater Service	\$50.28	\$4.02	\$54.30	8.0 %
Total Annually	\$2,562.06	\$71.87	\$2,633.93	2.8 %
Per Month	\$213.51	\$5.99	\$219.49	

Appropriations

Appropriations in the FY24 Budget are classified under one of six major categories: Salaries & Benefits (also sometimes referred to as Personnel), Operations & Maintenance, Capital Outlay, Debt Service, and Interfund Transfers Out. FY24 Appropriations are \$318.0 million, an increase of \$97.2 million or approximately 44% over FY23. This is due to increases in capital spending for large-scale projects including the Bozeman Community Center budgeted at \$102 million. The graph below shows the relative percentage of the FY24 budgeted expenditures for all funds.

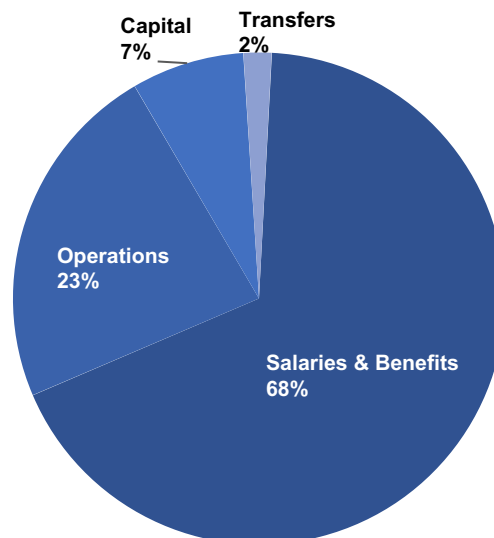
Appropriation by Type for All Funds



General Fund Appropriations

The General Fund includes budgeted personnel expenditures that are 68% of total appropriations. In general, local governmental agencies see their largest percentage of expenditures as personnel. The General Fund is largely made up of Public Safety, including Police and Fire, which make up the bulk of Salaries & Benefit expenditures. The fund includes total adopted appropriations of \$55.7 million in expenditures for FY24, which is a 20% increase from FY23.

General Fund Appropriations by Type



FY24 Changes in Fund Balance

	Estimated Beginning Fund Balance	Estimated Resources	Appropriations	Estimated Ending Fund Balance	% Change in Fund Balance
Governmental					
Major Funds					
General Fund	11,027,500	53,523,200	55,707,000	\$8,843,700	(19.80) %
Capital Projects	2,673,100	115,711,700	116,367,700	\$2,017,100	(24.54) %
Nonmajor in Aggregate	42,072,300	64,149,200	77,473,300	\$28,748,200	(31.67) %
Total Governmental	55,772,900	233,384,100	249,548,000	\$39,609,000	(28.98) %
Proprietary					
Major Funds					
Water Funds	20,111,700	20,355,400	18,113,700	\$22,353,400	11.15 %
Nonmajor in Aggregate	9,250,800	36,236,500	34,156,600	\$11,330,700	22.48 %
Total Proprietary	29,362,500	56,591,900	52,270,300	\$33,684,100	14.72 %
Other					
Nonmajor in Aggregate	4,342,400	21,275,300	16,221,900	\$9,395,800	116.37 %
Total	89,477,800	311,251,300	318,040,200	\$82,688,900	(7.59) %

FY24 Fund Balance Analysis

ANALYSIS OF CHANGES IN FUND BALANCE > 10% FOR MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The adopted FY24 Budget aims to maintain or improve Bozeman's level of service to the community of Bozeman in support of City Commission goals. The implementation of this goal is primarily recognized with new positions to support a safe, welcoming community, including three firefighters, four police officers, and two positions to begin a community health & safety program. In addition, \$1.5M of General Fund beginning fund balance has been allocated to one-time non-profit grant requests. The adopted FY24 budget aims to maintain required reserves while balancing the impact on property owners in Bozeman by reducing fund balance.

CAPITAL PROJECTS FUNDS

The FY24 Budget assumes a spend down of reserves in the Street Reconstruction Fund to support the adopted Capital Improvement Plan, and reduce the impact on property owner assessments for street maintenance and street arterial & collector projects. Significant projects adopted for FY24 are included in the [Capital Improvement Plan](#) section of this document.

ANALYSIS OF CHANGES IN FUND BALANCE > 10% FOR NONMAJOR GOVERNMENTAL FUNDS IN AGGREGATE

The most significant reduction in fund balance for non-major governmental funds in aggregate is due to planned expenditures in the Tax Increment Financing (TIF) Districts, Community Housing Fund, and Fire Impact Fee Fund. TIF District funds, in aggregate, budget to spend \$9.5 million in FY24. The budget includes major capital projects in FY24 that may be carried forward to future years. The Fire Impact Fee fund includes a spend down of reserves of \$4.7 million, which is made up of a \$3.8 million contribution to support the construction of Fire Station #2, and \$1.5M for Fire Station #4. Additionally, the Community Housing Fund budget includes plan to utilize \$3.5 million of fund balance to address affordable housing, a priority for Bozeman City Commission. Spend down of reserves in these funds help lessen the impact on homeowners of additional expenditures supporting Commission priorities.

ANALYSIS OF CHANGES IN FUND BALANCE > 10% FOR MAJOR PROPRIETARY FUNDS

WATER FUNDS

Fund balance for the Water Funds is projected to increase in FY24. Debt funding for capital outlay in the Water Funds is the primary reason for the projected increase in fund balance. In addition, the long-term financial plan for Water includes a build up of reserves to address unexpected repair & maintenance projects in the future.

ANALYSIS OF CHANGES IN FUND BALANCE > 10% FOR NONMAJOR PROPRIETARY FUNDS IN AGGREGATE

Fund balance for non-major proprietary funds in aggregate is projected to increase in FY24. The Wastewater Funds are the major contributor to the projected increase. Debt funding for capital outlay in the Wastewater Funds is the primary reason for the increase in fund balance. In addition, the long-term financial plan for Wastewater includes a build up of reserves to address unexpected repair & maintenance projects in the future.

ANALYSIS OF CHANGES IN FUND BALANCE > 10% FOR OTHER NONMAJOR FUNDS IN AGGREGATE

Fund balance for non-major other funds in aggregate is projected to increase in FY24. The most significant driver to this increase is in the Public Works Administration Internal Service Fund. Transfers in from other departments is the primary funding source for this fund. While an estimate for transfers in has been included in the budget, actual transfers in will be based on actual expenditures in order to support the internal service fund.

FY24 Detailed Changes in Fund Balance

Fund	Estimated Beginning Fund Balance	Estimated Resources	Appropriations	Estimated Ending Fund Balance	% Change in Fund Balance
General Fund					
General Fund	\$ 11,027,500	\$ 53,523,200	\$ 55,707,000	\$ 8,843,700	(19.80) %
Special Revenue Funds					
American Rescue Plan	200,000	4,700,200	4,900,200	—	(100.00) %
Health-Medical Insurance	1,192,700	2,641,500	3,775,000	59,200	(95.04) %
Building Inspection Fund	806,800	4,057,300	4,539,300	324,800	(59.74) %
Community Development/Planning	1,343,600	4,877,000	4,231,100	1,989,500	48.07 %
Community Housing Fund	2,155,400	1,397,300	3,552,700	—	(100.00) %
Fire Department Equipment	(935,000)	4,188,100	2,892,800	360,300	(138.53) %
Fire Impact Fee	4,964,700	621,300	5,327,900	258,100	(94.80) %
Parks & Trails District	1,491,600	8,140,900	7,850,000	1,782,500	19.50 %
Park Land Trust	2,017,900	1,120,900	598,700	2,540,100	25.88 %
Tree Maintenance District	522,400	965,300	1,033,900	453,800	(13.13) %
Street Arterial Construction District	748,000	2,592,400	2,245,500	1,094,900	46.38 %
Street Impact Fee	7,490,500	6,361,400	4,758,800	9,093,100	21.40 %
Street Maintenance District	1,957,900	11,157,900	10,913,100	2,202,700	12.50 %
Department Special Revenue Funds	3,848,800	372,200	731,000	3,490,000	(9.32) %
Lighting Districts	550,900	561,400	542,500	569,800	3.43 %
Downtown Improvement District	—	280,300	280,300	—	— %
Downtown TIFD	7,256,100	1,617,400	8,645,900	227,600	(96.86) %
North Park TIFD	160,200	26,800	160,200	26,800	(83.27) %
Midtown TIFD	2,979,300	2,066,800	3,546,100	1,500,000	(49.65) %
Northeast TIFD	1,006,000	511,000	1,140,400	376,600	(62.56) %
Pole Yard TIFD	276,500	323,500	600,000	—	(100.00) %
South Bozeman Technology TIFD	37,700	36,100	38,000	35,800	(5.04) %
Total Special Revenue Funds	40,072,000	58,617,000	72,303,400	26,385,600	(34.15) %
Debt Service Funds					
GO Bonds	95,300	3,995,600	4,090,900	—	(100.00) %
TIF Bonds	—	744,100	744,100	—	— %
Special Improvement District Funds	1,627,300	784,100	307,800	2,103,600	29.27 %
Special Improvement District Revolv. Fund	277,700	8,400	27,100	259,000	(6.73) %
Total Debt Service Funds	2,000,300	5,532,200	5,169,900	2,362,600	18.11 %
Construction Funds					
Capital Projects	2,673,100	115,711,700	116,367,700	2,017,100	(24.54) %
Enterprise Funds					
Water Fund	20,111,700	20,355,400	18,113,700	22,353,400	11.15 %
Wastewater Fund	6,592,100	24,836,800	22,020,900	9,408,000	42.72 %
Stormwater Fund	513,400	2,616,600	2,497,600	632,400	23.18 %
Solid Waste Fund	404,200	7,592,000	7,721,200	275,000	(31.96) %
Parking Fund	1,741,100	1,191,100	1,916,900	1,015,300	(41.69) %
Total Enterprise Funds	29,362,500	56,591,900	52,270,300	33,684,100	14.72 %
Internal Service Funds					
Health-Medical Insurance ISF	—	6,501,100	6,501,100	—	— %
Public Works Administration	3,091,400	11,081,200	6,791,200	7,381,400	138.77 %
Vehicle Maintenance	(518,400)	3,606,300	2,929,600	158,300	(130.54) %
Total Internal Service Funds	2,573,000	21,188,600	16,221,900	7,539,700	193.03 %
Permanent Funds					
Cemetery Perpetual Care	1,769,400	86,700	—	1,856,100	4.90 %
Total Permanent Funds	1,769,400	86,700	—	1,856,100	4.90 %
Total All Funds	\$ 89,477,800	\$ 311,251,300	\$ 318,040,200	\$ 82,688,900	(7.59) %

FY24 Full-time Equivalent (FTE) Schedule

The City strives to maintain service levels with a quickly growing community. A strategic approach, including three-year staffing plans, addresses needs on a citywide level. For FY24, 19.5 new FTE are included in the adopted budget. Short-term workers are not included in this schedule. Details are included on the table below:

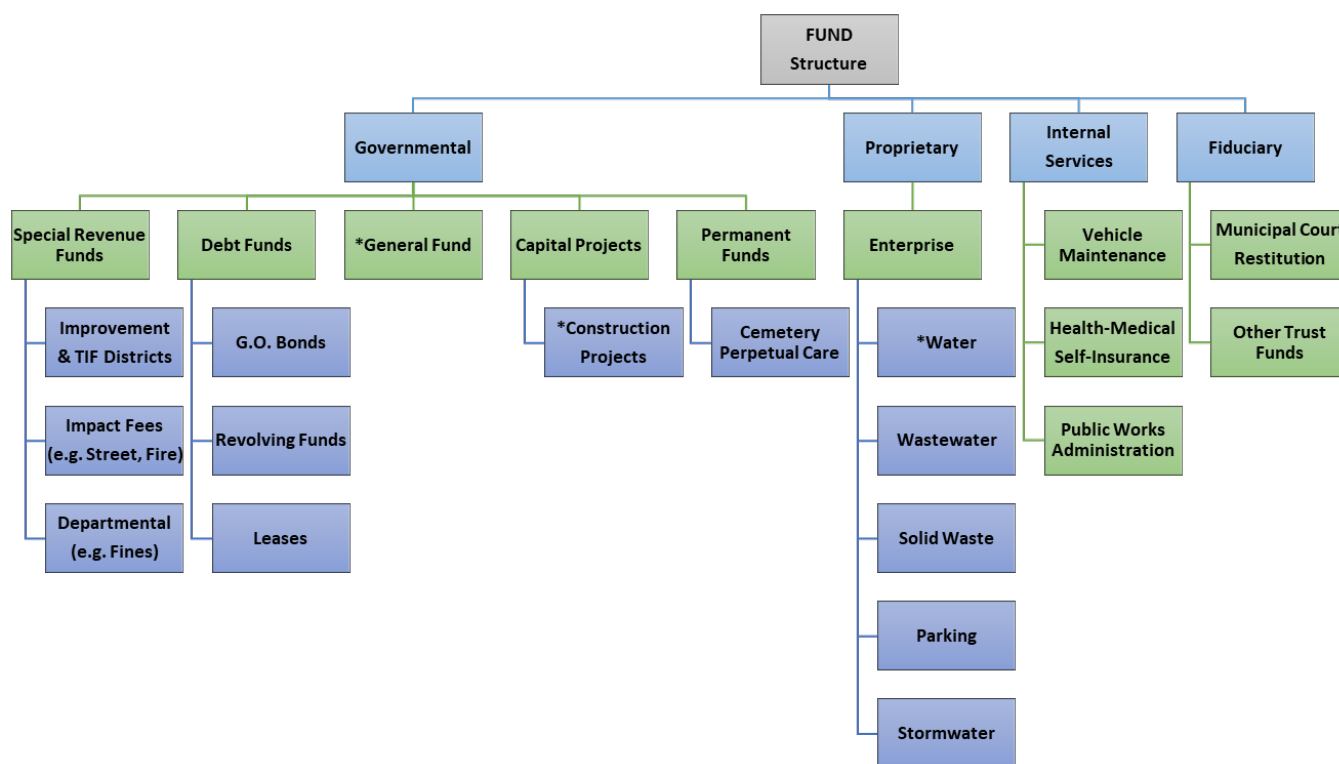
Full time Equivalent (FTE)	FY23 Ending	FY24 Adds	FY24 Budget	FY24 Comments
General Government				
City Commission	—	—	—	
City Manager	8.00	4.00	12.00	1.0 Communications Spec, 1.0 Grants Coord., 2.0 Comm Health & Safety FTE
Municipal Court	12.25	—	12.25	—
City Attorney	13.00	1.00	14.00	1.0 Victims Service Advocate
Finance	8.25	1.00	9.25	1.0 Senior Financial Analyst
Community Development	21.00	1.00	22.00	1.0 Planner III
Facilities Management	8.00	1.50	9.50	1.0 Facilities Superintendent, 0.5 Facilities Worker
Information Technology	9.00	1.00	10.00	1.0 Applications Support and Integration Specialist
Human Resources	6.00	—	6.00	—
Subtotal - General Govt	85.50	9.50	95.00	
Public Safety				
Police	83.30	5.50	88.80	4.0 Patrol Officers, 1.0 Lieutenant, 0.5 Digital Forensics Analyst
Fire	48.00	3.00	51.00	3.0 Firefighters
Building Inspection	23.25	—	23.25	—
Parking	6.17	0.50	6.67	0.5 Facilities Worker (Parking Garage)
Subtotal - Public Safety	160.72	9.00	169.72	
Public Services				
Public Works Administration	31.25	—	31.25	—
Streets	26.10	—	26.10	—
Stormwater	8.75	—	8.75	—
Water	31.55	0.50	32.05	0.5 Water/Wastewater Operator for Meters
Wastewater	27.45	0.50	27.95	0.5 Water/Wastewater Operator for Meters
Solid Waste	21.40	—	21.40	—
Vehicle Maintenance	9.50	—	9.50	—
Subtotal - Public Services	156.00	1.00	157.00	
Public Welfare				
Parks & Recreation	55.16	—	55.16	—
Library	26.87	—	26.87	—
Economic Development	3.83	—	3.83	—
Sustainability	3.00	—	3.00	—
Subtotal - Public Welfare	88.86	—	88.86	
Total Employees	491.08	19.50	510.58	

FUND SUMMARIES

Fund Summaries

The purpose of fund summaries is to capture and detail the financial condition of each appropriated City fund. A fund summary provides information on revenues, expenditures, and estimated 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, Internal Service, 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.

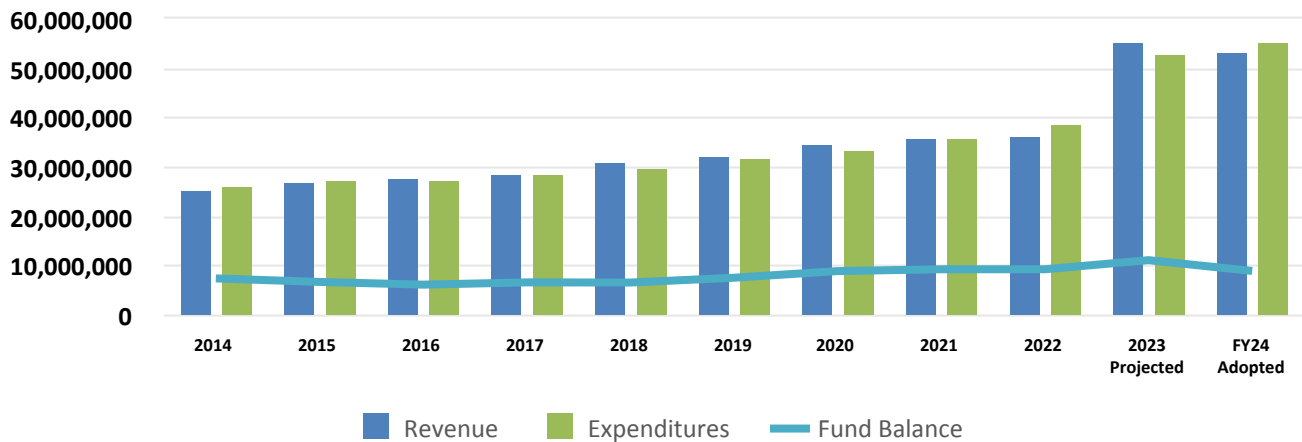


*Indicating Major Funds in each category.

General Fund

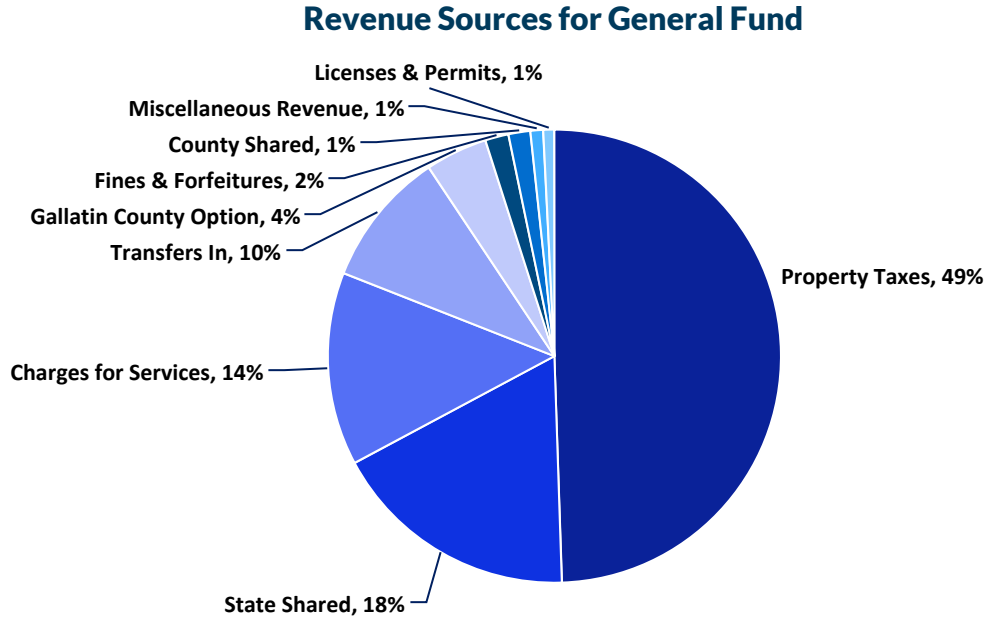
The General Fund is used to account for all financial resources of the City, except for those required to be accounted for in another fund. The General Fund supports such basic services as the General Administration, Police, Fire, Finance, Recreation, and Library services. FY23 and FY24 on the chart below look significantly higher than prior years due to a plan to use the remaining American Rescue Plan Act (ARPA) funds in these years.

General Fund Past 10 Years and Approved FY24



Revenues

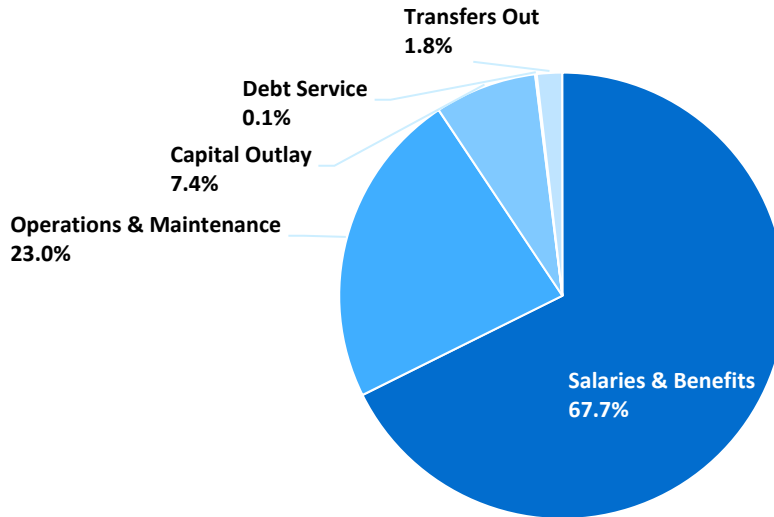
The adopted budget includes an estimate of \$53.5 million in total General Fund revenue, with the largest sources of external revenue coming from property taxes, state shared revenue, and the Gallatin County option tax. Ten percent of General Fund revenue comes from transfers in from other funds, which includes the mill levy that supports payments for health and dental insurance, and billings to departments for services like finance, information technology, and human resource support. The following chart shows the breakdown of estimated revenues:



Appropriations

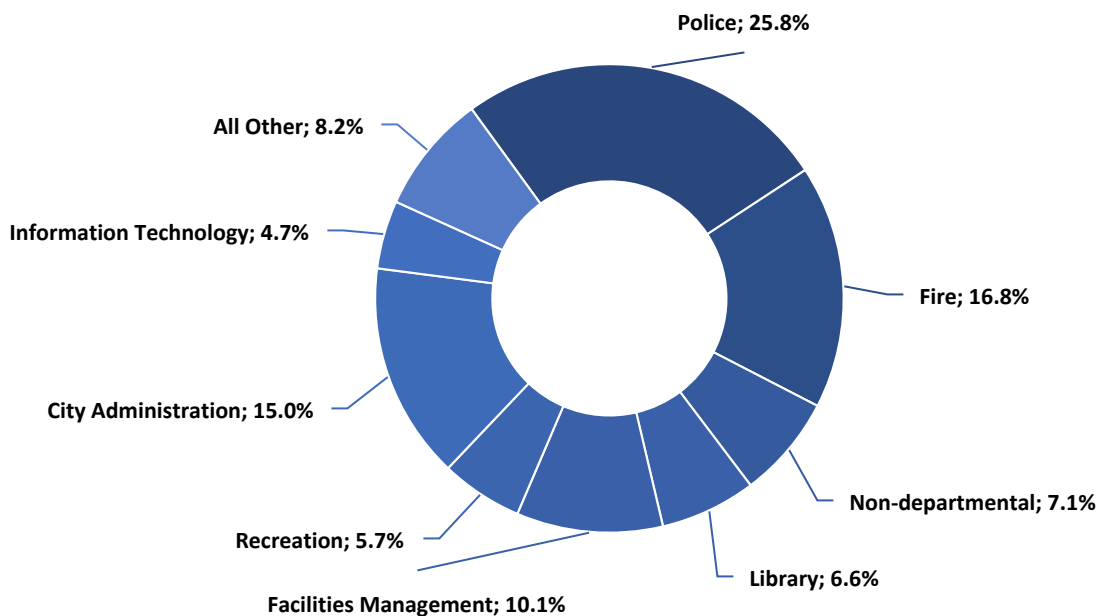
This year's General Fund budget has \$55.7 million in appropriated expenditures. Salaries & Benefits expenses are the highest portion at \$37.7 million, followed by operations at \$12.8 million. Capital outlays are \$4.1 million, which includes vehicle replacements, facility improvements, and investments in energy projects. The break down by percentage is below:

Appropriations by Type for General Fund



Appropriations by division shows the greatest portion of anticipated General Fund expenses is for Public Safety, with Police at 25.8% followed by Fire at 16.8%. Non-Departmental is where funding has been allocated for the City Commission to approve up to \$1.5 million in grants to non-profit agencies that serve Bozeman citizens. Non-departmental also includes transfers out to other funds, including mill levies dedicated to Stormwater and Landfill, and city-wide insurance payments.

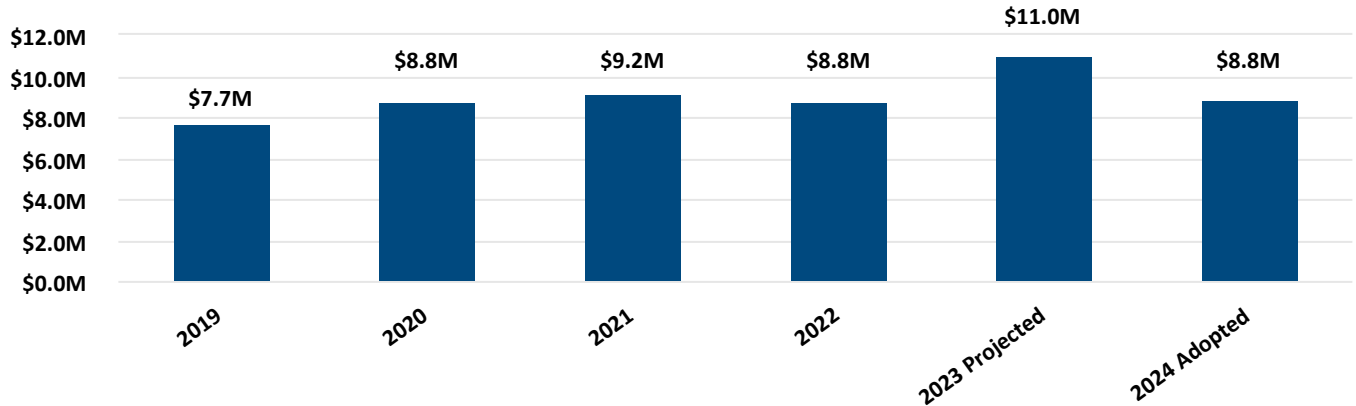
General Fund Appropriations by Division



Fund Balance

The Government Finance Officers Association (GFOA) recommends keeping 16.67% of either revenues or expenditures in reserves annually for the General Fund. The City's adopted policy is to maintain at least 16.67% of revenue. The adopted budget is in compliance with this policy.

General Fund - Fund Balance



General Fund				
FUND		FY22 Actual	FY23 Projected	FY24 Adopted
10	General Fund		Beginning Balance	11,027,500
Revenues				
	Taxes	15,836,888	22,206,200	26,485,700
	Gallatin County Option	2,186,290	2,273,700	2,364,600
	Licenses & Permits	420,415	408,300	420,400
	Grants	19,882	27,000	—
	County Shared	809,171	925,400	841,900
	State Shared	7,987,755	8,709,800	9,474,200
	Charges for Services	4,523,191	6,159,000	7,384,000
	Fines & Forfeitures	993,493	1,026,200	893,300
	Miscellaneous Revenue	198,496	3,814,000	482,500
	Transfers In	4,966,165	9,798,300	5,176,600
	Debt Proceeds	19,833	—	—
	Special Assessments	931	—	—
Total Revenues		37,962,509	55,347,900	53,523,200
Expenditures				
	Salaries & Benefits	26,479,696	32,620,500	37,693,700
	Operations & Maintenance	7,963,758	10,777,800	12,802,300
	Capital Outlay	607,482	2,344,400	4,125,700
	Debt Service/Loans	47,807	78,900	61,400
	Transfers Out	3,622,740	7,100,400	1,023,900
Total Expenditures		38,721,483	52,922,000	55,707,000
Projected Ending Balance				8,843,700
Ending Balance % of Revenue				16.5 %

Special Revenue Funds

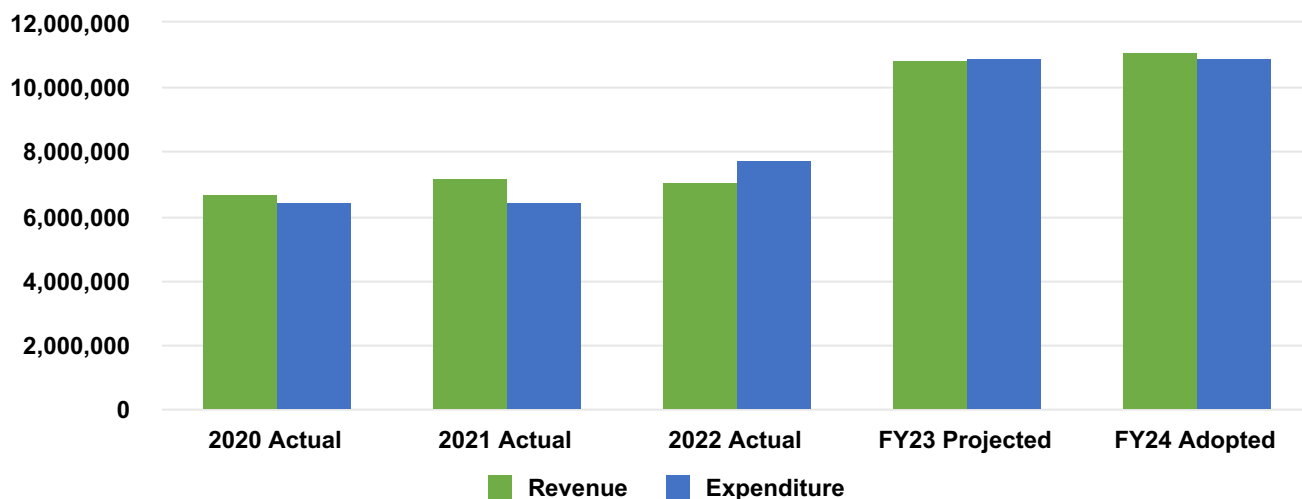
Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specific purposes. The revenue is generated in different ways; some have assessments on properties, property taxes, charges for services, and some are funded through grants or donations. The City currently has over 100 special revenue funds with a total of \$72.30 million in expenditures planned for FY24. 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 section are the 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. Beginning in FY24 this fund also accounts for revenues from state gasoline taxes that can be used on street maintenance or street arterial & collector capital projects. The Street Maintenance Fund budget includes increased amounts of pavement maintenance and capital projects. The FY24 Adopted Budget includes an 8% increase in the assessment rates to keep up with construction cost inflation. Assessment increases were adopted by City Commission on August 22, 2023.

Street Maintenance Assessments Lot Size	FY21 Approved 8% Increase	FY22 Approved 6% Increase	FY23 Approved 6% Increase	FY24 Approved 8% Increase
Small - 5,000 sqft	156.19	165.57	175.50	189.54
Average= 7,500 sqft	234.29	248.35	263.25	284.31
Large= 10,000 sqft	312.38	331.13	351.00	379.08

Street Maintenance Fund Financial Trends

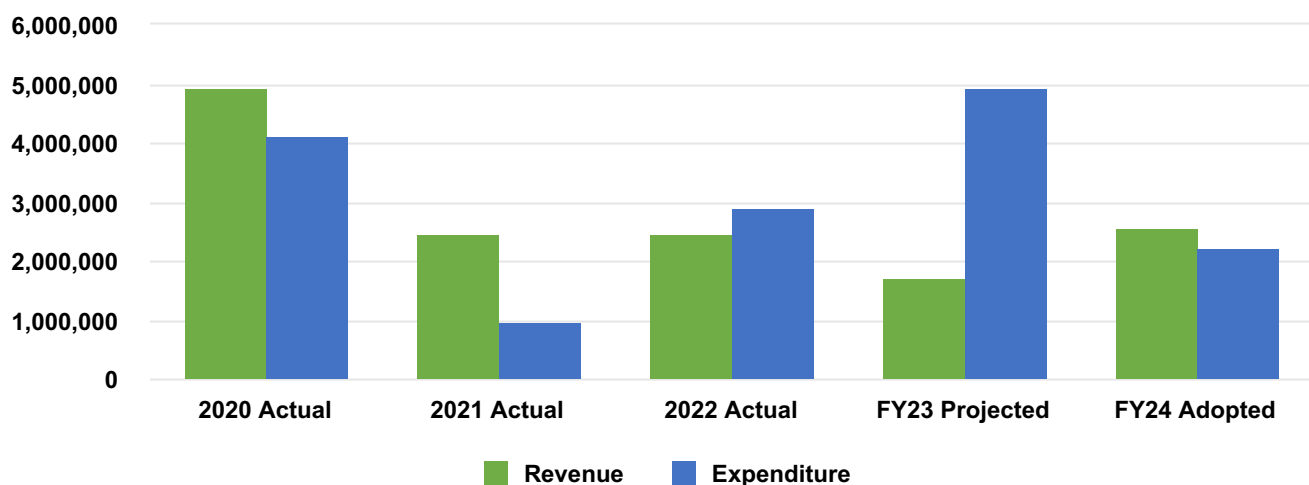


Arterial & Collector Street District (A&CD) Fund is a district that provides the “local share” of some projects in advance of development. Many of the projects funded help in the Street Impact Fee program’s efforts. Due to the role Street Impact Fees play in the expansion of our Arterial & Collector streets, the A&CD capital plan is tied to projects on the Street Impact Fee Capital Improvement Program. The City creates payback districts to recover the “local share” once an adjacent project is developed. An 8% rate increase is included in the FY24 Adopted Budget to keep up with construction inflation. Assessment increases were adopted by City Commission on August 22, 2023.

Arterial & Collector Assessments Lot Size	FY21 Approved 3% Increase	FY22 Approved 6% Increase	FY23 Approved 6% Increase	FY24 Approved 8% Increase
Small - 5,000 sqft	33.01	34.99	37.09	40.05
Average= 7,500 sqft	49.51	52.48	55.63	60.08
Large= 10,000 sqft	66.01	69.97	74.17	80.10

Appropriations are mainly planned from the Capital Improvement Plan. The full project listing can be found in the [Capital Expenditures Section](#). Revenues in the FY24 Adopted Budget include \$750K of cash in lieu as a contribution to the Cottonwood Rd/Fallon (A&C012) project resulting in the jump in revenues seen in the chart below. Significant projected expenditures in FY23 include \$2.4 million for the Cottonwood, Oak to Baxter project (SIF138).

Arterial & Collector Fund Financial Trends



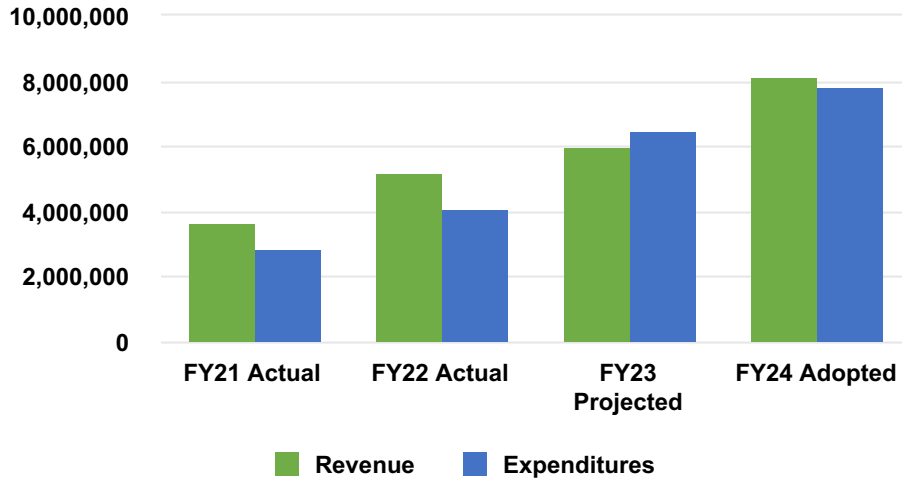
Street Impact Fee Fund - Street Impact Fees go towards capacity expanding road improvements. The appropriations are based on the Capital Improvement Plan and total approximately \$4.8 million. Both the Capital Improvement Plan and the project listing can be found in the [Capital Improvement Program / Capital Expenditures section](#).

Program Special Revenue Funds

Parks & Trails District Fund - Special assessment revenues levied, received, and expended for the Parks & Trails District are accounted for in this fund. This District was created in FY21. The plan, as approved by the Commission, is a five-year ramp up to Silver level of service. Capital expenditures for the District are included in the budget and deferred maintenance will be added in future years. Assessment increases were adopted by City Commission on August 22, 2023.

Parks & Trails Assessments Lot Size	FY21 Approved	FY22 Approved 33% Increase	FY23 Approved 15% Increase	FY24 Approved 7% Increase
Small - 5,000 sqft	85.00	113.05	130.01	139.11
Average= 7,500 sqft	127.50	169.58	195.02	208.67
Large= 10,000 sqft	170.00	226.10	260.02	278.22

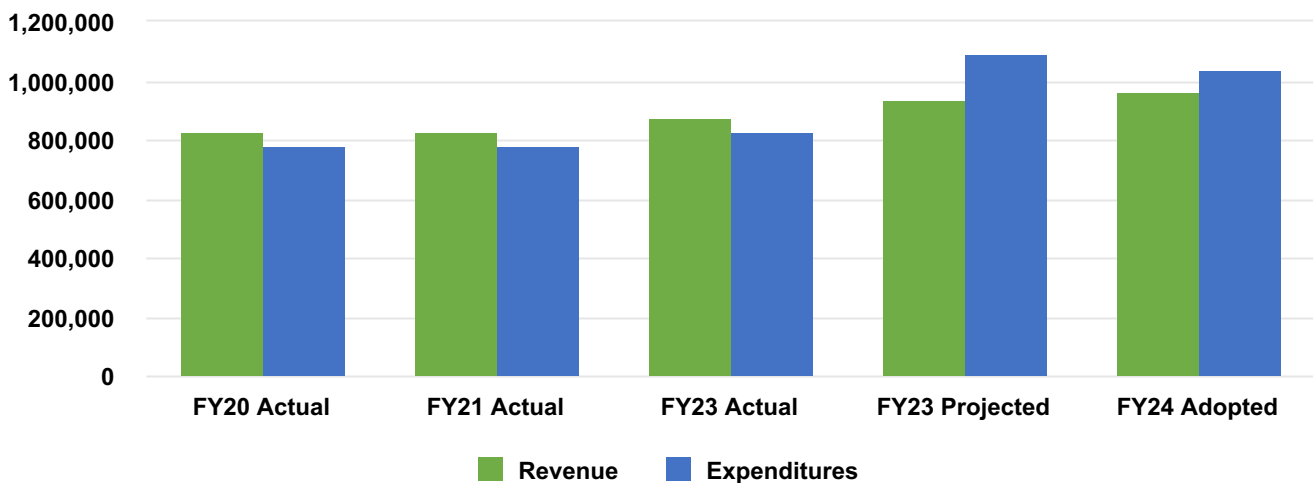
Parks & Trails Revenue & Expenditure



The Tree Maintenance Fund accounts for special assessment revenues levied, received, and expended for tree maintenance provided in the public right of way. The adopted budget and Capital Improvement Plan are consistent with the Urban Forestry Management Plan. The FY24 Budget includes a 4% increase adopted to continue to provide the desired level of service. Expenditures are down slightly in FY24 on the graph below due to the purchase of a bucket/lift truck in FY23. Assessment increases were adopted by City Commission on August 22, 2023.

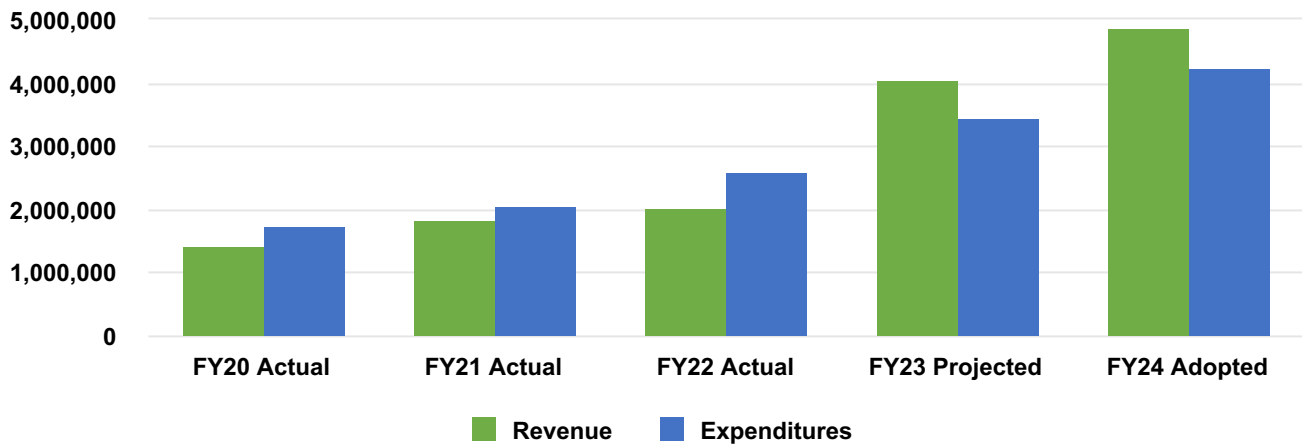
Tree Maintenance Assessments Lot Size	FY21 Approved 2% Increase	FY22 Approved 2% Increase	FY23 Approved 6% Increase	FY24 Approved 4% Increase
Small - 5,000 sqft	18.10	18.46	19.57	20.36
Average= 7,500 sqft	27.14	27.69	29.36	30.53
Large= 10,000 sqft	36.19	36.92	39.14	40.71

Tree Maintenance Fund Financial Trends



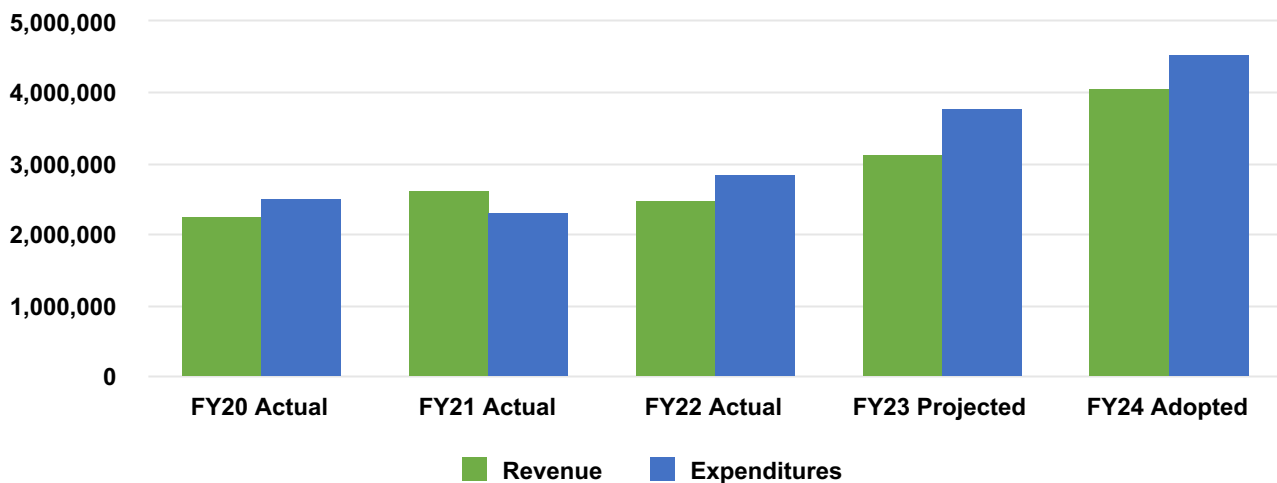
The Community Development / Planning Fund is a special revenue fund that accounts for revenues and expenditures related to community planning and zoning operations, in addition to the Code Compliance department. There are two major revenue sources for the fund: mills from the general mill levy and planning fees. Planning fees were part of a Community Development fee study adopted by Commission for better cost recovery. It is anticipated that Planning fees will need to be increased in FY24 to recover the cost of providing planning services. Planned expenditures total \$4.2 million.

Planning Fund Financial Trends



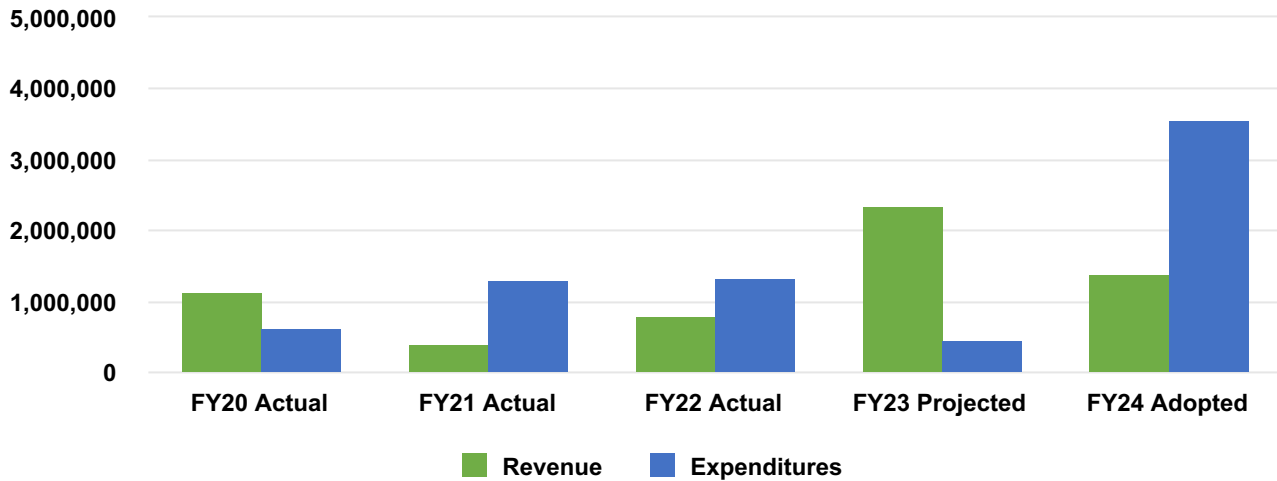
The Building Inspection Fund is supported entirely by the revenue from building fees and permits. Revenues and expenditures are statutorily restricted to amounts that support the building safety program. Building Inspection fees were part of the Community Development Fee Study, and new fees were adopted to be more in line with best practices by following the International Code Council Valuation & Fee Calculation. 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 \$4.5 million. Building fee increases were adopted by City Commission on September 12, 2023.

Building Inspection Financial Trends



[The Community Housing Fund](#) is where the Affordable Housing Program is accounted for. Affordable housing is part of our Strategic Plan and is a City Commission priority. For Fiscal Year FY24, the fund will receive 5.89 mills of the general mill levy. Expenditure appropriations in this fund vary significantly from year to year, and a fund balance often builds up due to the timing of agreements. Expenditure appropriations in FY24 exceed the mills allocated as seen on the chart below, but some appropriations are being paid with fund balance, which is made up of revenues from FY23.

Community Housing Financial Trends



[The American Rescue Plan Act \(ARPA\) Fund](#) is where the City is tracking Federal ARPA funding. On March 10, 2021, the House of Representatives approved a Senate-amended version of President Biden's \$1.9 trillion COVID-19 relief package - the American Rescue Plan. The package includes \$350 billion in aid for state and local governments, along with additional funding for other areas like education, rental assistance and transit. The President signed the bill into law on March 11, 2021. ARPA funding has been used by the City Commission in prior years, and continues to focus on utilizing funds, for the items below:

- Address revenue losses in operations
- Reimburse City impact fees for Childcare Centers
- Household assistance
- Vaccination incentives
- Infrastructure projects that could increase areas available for affordable housing

	Grants	1,013,635	5,051,300	4,543,500
	Miscellaneous Revenue	8,368	—	156,700
Total Revenues		1,022,003	5,051,300	4,700,200
	Operations & Maintenance	39,255	—	—
	Transfers Out	974,380	5,051,300	4,900,200
Total Expenditures		1,013,635	5,051,300	4,900,200

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
103	Health-Medical Insurance		Beginning Balance	1,192,700
Revenues				
	Taxes	2,736,975	3,314,600	2,637,700
	Miscellaneous Revenue	2,847	3,800	3,800
Total Revenues		2,739,822	3,318,400	2,641,500
Expenditures				
	Transfers Out	2,731,045	3,099,500	3,775,000
Total Expenditures		2,731,045	3,099,500	3,775,000
Projected Ending Balance				59,200

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
115	Building Inspection Fund		Beginning Balance	806,800
Revenues				
	Licenses & Permits	2,370,631	2,930,100	3,797,000
	Charges for Services	34	28,000	28,000
	Miscellaneous Revenue	15,277	18,300	18,300
	State Shared	112,223	167,000	214,000
Total Revenues		2,498,166	3,143,400	4,057,300
Expenditures				
	Salaries & Benefits	1,798,975	2,508,300	3,191,000
	Operations & Maintenance	548,032	856,600	807,600
	Capital Outlay	157,287	40,000	75,000
	Transfers Out	341,646	387,300	465,700
Total Expenditures		2,845,939	3,792,200	4,539,300
Projected Ending Balance				324,800

Detail All Special Revenue Funds

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
100	Community Development/Planning		Beginning Balance	1,343,600
Revenues				
	Taxes	309,450	308,400	411,400
	Licenses & Permits	—	56,300	65,700
	Grants	6,000	12,400	—
	Charges for Services	1,326,387	1,319,800	1,406,500
	Miscellaneous Revenue	48,933	58,700	51,000
	Transfers In	188,183	2,106,100	2,754,300
	State Shared	158,197	175,400	188,100
Total Revenues		2,037,151	4,037,100	4,877,000
Expenditures				
	Salaries & Benefits	1,786,655	2,362,100	2,783,900
	Operations & Maintenance	292,405	605,600	923,000
	Capital Outlay	78,459	40,000	25,000
	Transfers Out	453,055	428,800	499,200
Total Expenditures		2,610,574	3,436,500	4,231,100
Projected Ending Balance				1,989,500

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
120	Community Housing Fund		Beginning Balance	2,155,400
Revenues				
	Taxes	773,812	1,221,400	1,389,700
	Miscellaneous Revenue	3,081	129,900	5,600
	Transfers In	—	1,000,000	—
	State Shared	673	2,000	2,000
Total Revenues		777,566	2,353,300	1,397,300
Expenditures				
	Salaries & Benefits	43,505	104,000	107,500
	Operations & Maintenance	1,276,095	352,200	3,445,200
Total Expenditures		1,319,601	456,200	3,552,700
Projected Ending Balance				—

Detail All Special Revenue Funds

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
187	Fire Department Equipment		Beginning Balance	(935,000)
Revenues				
	Taxes	614,723	614,500	731,000
	Debt Proceeds	—	—	2,437,200
	Miscellaneous Revenue	3,818	19,900	1,019,900
Total Revenues		618,540	634,400	4,188,100
Expenditures				
	Capital Outlay	—	1,641,700	43,000
	Transfers Out	102,478	1,000,000	2,849,800
Total Expenditures		102,478	2,641,700	2,892,800
Projected Ending Balance				360,300

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
113	Fire Impact Fee		Beginning Balance	4,964,700
Revenues				
	Charges for Services	615,771	514,400	558,200
	Miscellaneous Revenue	19,733	63,100	63,100
Total Revenues		635,504	577,500	621,300
Expenditures				
	Operations & Maintenance	2,178	3,000	—
	Capital Outlay	—	—	1,500,000
	Transfers Out	30,789	25,700	3,827,900
Total Expenditures		32,967	28,700	5,327,900
Projected Ending Balance				258,100

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
195	Parks & Trails District		Beginning Balance	1,491,600
Revenues				
	Special Assessments	12,000	13,300	—
	Grants	—	—	410,000
	Charges for Services	5,059,628	5,903,300	6,257,200
	Debt Proceeds	—	—	1,385,000
	Miscellaneous Revenue	108,768	98,700	41,700
	State Shared	20,087	27,000	47,000
Total Revenues		5,200,483	6,042,300	8,140,900
Expenditures				
	Salaries & Benefits	1,312,758	1,643,100	2,950,900
	Operations & Maintenance	1,971,095	2,433,500	2,553,200
	Capital Outlay	450,167	1,884,000	1,660,000
	Transfers Out	346,532	547,000	685,900
Total Expenditures		4,080,552	6,507,600	7,850,000
Projected Ending Balance				1,782,500

Detail All Special Revenue Funds

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
850	Park Land Trust		Beginning Balance	2,017,900
Revenues				
	Debt Proceeds	315,000	—	—
	Miscellaneous Revenue	742,502	1,021,200	1,120,900
Total Revenues		1,057,502	1,021,200	1,120,900
Expenditures				
	Operations & Maintenance	3,450	—	260,000
	Capital Outlay	1,055,753	192,700	—
	Debt Service/Loans	—	100,000	338,700
Total Expenditures		1,059,203	292,700	598,700
Projected Ending Balance				2,540,100

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
112	Tree Maintenance District		Beginning Balance	522,400
Revenues				
	Special Assessments	2,228	2,000	2,000
	Grants	3,515	—	—
	Charges for Services	827,942	890,000	934,900
	Miscellaneous Revenue	31,132	31,600	18,400
	State Shared	7,408	9,000	10,000
Total Revenues		872,226	932,600	965,300
Expenditures				
	Salaries & Benefits	497,266	560,800	618,900
	Operations & Maintenance	134,115	192,800	232,700
	Capital Outlay	96,016	235,000	55,000
	Transfers Out	96,756	102,300	127,300
Total Expenditures		824,152	1,090,900	1,033,900
Projected Ending Balance				453,800

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
110	Gas Tax Fund		Beginning Balance	—
Revenues				
	Miscellaneous Revenue	5,895	4,300	—
	State Shared	1,734,520	800,000	—
Total Revenues		1,740,415	804,300	—
Expenditures				
	Operations & Maintenance	368,708	260,500	—
	Capital Outlay	833,018	1,108,600	—
	Transfers Out	975,291	532,200	—
Total Expenditures		2,177,017	1,901,300	—
Projected Ending Balance				—

Detail All Special Revenue Funds

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
141	Street Arterial Construction District		Beginning Balance	748,000
Revenues				
	Special Assessments	4,146	3,500	3,500
	Charges for Services	1,545,607	1,662,700	1,779,100
	Miscellaneous Revenue	966,805	59,800	809,800
	Transfers In	975,291	—	—
Total Revenues		3,491,850	1,726,000	2,592,400
Expenditures				
	Operations & Maintenance	65,456	82,000	160,500
	Capital Outlay	1,942,455	4,807,400	2,085,000
	Transfers Out	—	55,500	—
Total Expenditures		2,007,910	4,944,900	2,245,500
Projected Ending Balance				1,094,900

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
114	Street Impact Fee		Beginning Balance	7,490,500
Revenues				
	Charges for Services	8,426,720	5,301,300	6,176,700
	Miscellaneous Revenue	448,435	184,500	184,500
	Transfers In	196	100	200
Total Revenues		8,875,351	5,485,900	6,361,400
Expenditures				
	Operations & Maintenance	124,343	41,400	50,000
	Capital Outlay	2,679,742	11,344,200	4,400,000
	Transfers Out	421,336	265,100	308,800
Total Expenditures		3,225,421	11,650,700	4,758,800
Projected Ending Balance				9,093,100

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
111	Street Maintenance District		Beginning Balance	1,957,900
Revenues				
	Special Assessments	18,159	19,700	19,700
	Licenses & Permits	57,264	22,500	24,300
	Charges for Services	7,646,055	8,225,000	9,060,700
	Debt Proceeds	—	862,600	—
	Miscellaneous Revenue	92,013	57,700	64,100
	Transfers In	—	532,200	—
	State Shared	29,264	1,159,500	1,989,100
Total Revenues		7,842,756	10,879,200	11,157,900
Expenditures				
	Salaries & Benefits	1,854,856	2,560,800	2,814,900
	Operations & Maintenance	2,065,120	2,373,500	2,923,800
	Capital Outlay	934,572	3,770,000	2,371,900
	Debt Service/Loans	240,537	321,500	213,800
	Transfers Out	2,385,291	1,926,200	2,588,700
Total Expenditures		7,480,376	10,952,000	10,913,100
Projected Ending Balance				2,202,700

Detail All Special Revenue Funds

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
Multiple	Department Special Revenue Funds		Beginning Balance	3,848,800
Revenues				
	Taxes	155,441	154,200	183,300
	Grants	681,301	243,800	33,000
	Charges for Services	24,745	40,000	—
	Fines & Forfeitures	59,702	52,600	—
	Miscellaneous Revenue	264,481	179,400	33,700
	Transfers In	849,948	383,800	122,200
	State Shared	53,518	—	—
Total Revenues		2,089,135	1,053,800	372,200
Expenditures				
	Salaries & Benefits	383,007	259,200	254,100
	Operations & Maintenance	1,053,698	415,000	351,100
	Debt Service/Loans	125,795	125,800	125,800
	Transfers Out	215,974	299,100	—
Total Expenditures		1,778,474	1,099,100	731,000
Projected Ending Balance				3,490,000

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
Multiple	Lighting Districts		Beginning Balance	550,900
Revenues				
	Special Assessments	492,037	471,100	553,400
	Miscellaneous Revenue	1,732	8,000	8,000
Total Revenues		493,768	479,100	561,400
Expenditures				
	Operations & Maintenance	422,391	426,400	542,500
Total Expenditures		422,391	426,400	542,500
Projected Ending Balance				569,800

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
176	Downtown Improvement District		Beginning Balance	—
Revenues				
	Special Assessments	185,334	220,600	280,300
	Licenses & Permits	1,750	—	—
Total Revenues		187,084	220,600	280,300
Expenditures				
	Operations & Maintenance	186,593	222,200	280,300
Total Expenditures		186,593	222,200	280,300
Projected Ending Balance				—

Detail All Special Revenue Funds

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
116	Downtown TIFD		Beginning Balance	7,256,100
Revenues				
	Taxes	1,483,518	1,494,400	1,558,200
	Miscellaneous Revenue	25,380	57,100	2,100
	State Shared	1,303	51,300	57,100
Total Revenues		1,510,201	1,602,800	1,617,400
Expenditures				
	Salaries & Benefits	79,846	52,700	58,100
	Operations & Maintenance	329,617	642,400	5,730,000
	Capital Outlay	191,815	25,000	2,525,000
	Transfers Out	332,372	330,200	332,800
Total Expenditures		933,651	1,050,300	8,645,900
Projected Ending Balance				227,600

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
145	North Park TIFD			160,200
Revenues				
	Taxes	29,469	19,500	24,700
	Miscellaneous Revenue	616	2,100	2,100
Total Revenues		30,086	21,600	26,800
Expenditures				
	Operations & Maintenance	3,520	—	160,200
Total Expenditures		3,520	—	160,200
Projected Ending Balance				26,800

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
143	Midtown TIFD		Beginning Balance	2,979,300
Revenues				
	Taxes	1,485,671	1,447,200	1,999,200
	Miscellaneous Revenue	22,677	28,100	28,100
	Transfers In	257,102	—	—
	State Shared	699	37,900	39,500
Total Revenues		1,766,150	1,513,200	2,066,800
Expenditures				
	Salaries & Benefits	42,671	105,300	92,800
	Operations & Maintenance	2,269,360	103,400	2,317,000
	Capital Outlay	92,559	130,700	725,000
	Transfers Out	410,049	410,000	411,300
Total Expenditures		2,814,640	749,400	3,546,100
Projected Ending Balance				1,500,000

Detail All Special Revenue Funds

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
144	Northeast TIFD		Beginning Balance	1,006,000
Revenues				
	Taxes	378,117	347,300	498,700
	Miscellaneous Revenue	40,307	11,000	11,000
	State Shared	186	1,200	1,300
Total Revenues		418,611	359,500	511,000
Expenditures				
	Salaries & Benefits	11,408	17,400	30,500
	Operations & Maintenance	50,963	25,200	30,000
	Capital Outlay	23,778	50,000	986,900
	Debt Service/Loans	92,000	93,000	93,000
Total Expenditures		178,150	185,600	1,140,400
Projected Ending Balance				376,600

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
117	Pole Yard TIFD		Beginning Balance	276,500
Revenues				
	Taxes	140,996	165,900	319,500
	State Shared	—	3,800	4,000
Total Revenues		140,996	169,700	323,500
Expenditures				
	Operations & Maintenance	—	23,800	600,000
Total Expenditures		—	23,800	600,000
Projected Ending Balance				—

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
192	South Bozeman Technology TIFD		Beginning Balance	37,700
Revenues				
	Taxes	31,320	29,700	35,700
	Miscellaneous Revenue	28	400	400
Total Revenues		31,349	30,100	36,100
Expenditures				
	Operations & Maintenance	—	300	38,000
Total Expenditures		—	300	38,000
Projected Ending Balance				35,800

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest. General Obligation (GO) 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.

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
303, 304, 307, 311 GO Bonds			Beginning Balance	95,300
Revenues				
	Taxes	3,444,526	3,644,300	3,993,700
	Miscellaneous Revenue	1,813	1,900	1,900
Total Revenues		3,446,339	3,646,200	3,995,600
Expenditures				
	Debt Service/Loans	3,454,088	3,601,100	3,960,900
Total Expenditures		3,454,088	3,601,100	4,090,900
Projected Ending Balance				—

Tax Increment Financing District (TIFD) Bonds are not general obligations, but are special limited obligations of the City. The bonds are payable solely, and equally and ratably from the tax increment revenues received by the City from each improvement district.

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
TIFD Bonds			Beginning Balance	—
Revenues				
	Transfers In	742,422	740,200	744,100
Total Revenues		742,422	740,200	744,100
Expenditures				
	Debt Service/Loans	740,922	740,200	744,100
Total Expenditures		740,922	740,200	744,100
Projected Ending Balance				—

Special Improvement Districts (SID)s account for special assessment bonds which are payable from the collection of special assessments levied against benefited property owners within each district.

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
312-453 Special Improvement Districts (SIDs)			Beginning Balance	1,627,300
Revenues				
	Special Assessments	901,483	849,500	742,200
	Charges for Services	1,704	—	—
	Miscellaneous Revenue	15,836	41,900	41,900
	Transfers In	2,077,709	—	—
Total Revenues		2,996,732	891,400	784,100
Expenditures				
	Debt Service/Loans	319,135	317,800	307,800
	Transfers Out	—	2,078,300	—
Total Expenditures		319,135	2,396,100	307,800
Projected Ending Balance				2,103,600

The SID Revolving Fund secures debt for the SIDs and the cash balance must equal 10% of the principal amount of bonds outstanding.

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
300 SID Revolving Fund			Beginning Balance	277,700
Revenues				
	Miscellaneous Revenue	23,215	8,400	8,400
	Transfers In	—	1,350,000	—
Total Revenues		23,215	1,358,400	8,400
Expenditures				
	Transfers Out	2,077,709	781,200	27,100
Total Expenditures		2,077,709	781,200	27,100
Projected Ending Balance				259,000

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 Capital Improvement Plan, 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.

Construction Funds				
FUND		FY22 Actual	FY23 Projected	FY24 Adopted
500-573 Capital Projects			Beginning Balance	2,673,100
Revenues				
	Debt Proceeds	7,245,591	—	105,787,100
	Miscellaneous Revenue	153,158	136,400	3,107,700
	Transfers In	745,362	6,472,400	6,816,900
Total Revenues		8,144,111	6,608,800	115,711,700
Expenditures				
	Operations & Maintenance	697,913	715,200	—
	Capital Outlay	21,700,471	11,719,100	116,367,700
	Transfers Out	257,102	962,800	—
Total Expenditures		22,655,486	13,397,100	116,367,700
Projected Ending Balance				2,017,100

Enterprise Funds

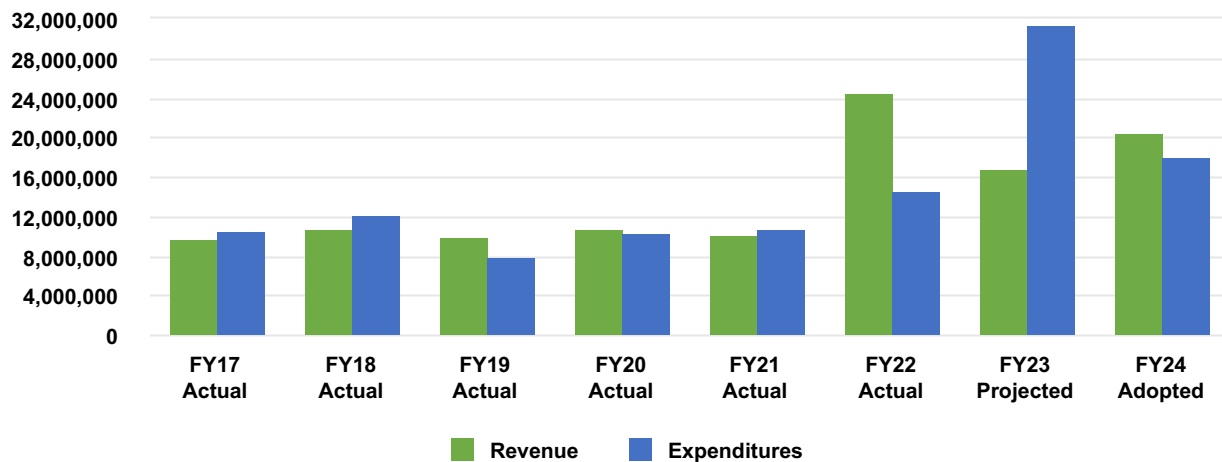
Enterprise Funds are used to account for efforts that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is for the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The following highlights some of the major enterprise funds and ones with larger changes for FY24, followed by all Enterprise Fund financials.

Water Fund- City property owners are, by and large, required to use the City's Water treatment systems. Residential single family water rates, which make up approximately 50% of Water Fund rate revenues, have been held flat since FY19. The next largest portion of water rates is multi-family, which make up approximately 25% of rate revenues and have been held to modest 1% rate increases over the same period of time. Rate increases adopted were consistent with the rate study presented to the City Commission in January 2019, and updated in FY21. Meanwhile, the cost of providing water services has continued to increase each year compared to the FY21 projections included in the study. Updated financial models are showing the need for significant rate increases to address the cost of the adopted CIP and operations over the next five years. Revenue increases of 12% are needed for FY24 and FY25, and rate increases in future years are anticipated to be approximately 8%. A rate study is planned to be performed prior to the FY26 budget process to inform future rates by customer classes, and ensure proper revenue coverage and reserve amounts, including a drought reserve. The impact to the typical homeowner is approximately \$53.32 annually in FY24. See the [Estimated Citizen Impact section](#) for more information. Water rate increases were adopted by City Commission on August 22, 2023.

Flow Charge - % Increase					
	2022	2023	2024	2025	2026
Single Family/Low Income Residential					
Total	0.0%	0.0%	12.0%	12.0%	8.0%
Multi Family Residential					
Total	1.0%	1.0%	12.0%	12.0%	8.0%
Commercial					
Total	8.0%	8.0%	12.0%	12.0%	8.0%
Government					
Total	20.0%	20.0%	20.0%	20.0%	20.0%
MSU					
Total	4.0%	4.0%	12.0%	12.0%	8.0%
Industrial					
Total	2.0%	2.0%	12.0%	12.0%	8.0%

Significant Contributed Capital is resulting in the large spike in revenue seen in FY22 on the chart below. In the FY23 projection, there are planned capital expenditures of \$5.6M for Sourdough Intake Improvements project and \$5.1M for Sourdough Transmission Phase 2 which result in the spike in expenditures.

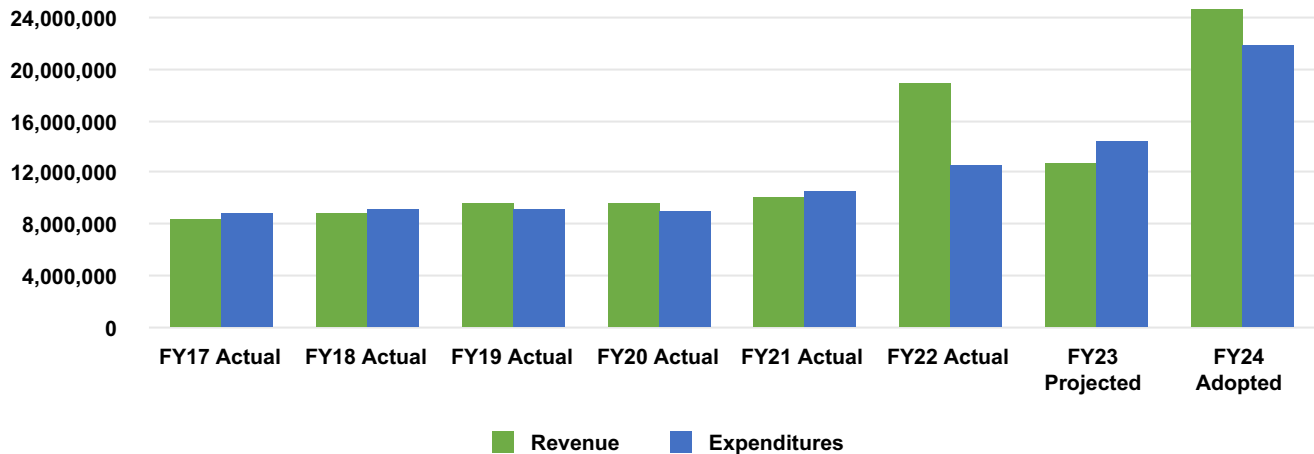
Water Fund Financial Trends



Wastewater Fund- City Property owners are, by and large, required to use the City's wastewater treatment systems. Residential single family wastewater rates, which make up approximately 25% of Wastewater Fund rate revenues, have been held flat since FY19. The next largest portion of wastewater rates is multi-family, which make up approximately 25% of rate revenues and have been held to modest 2% rate increases over the same period of time. Rate increases adopted were consistent with the rate study presented to the City Commission in January 2019, and updated in FY21. Meanwhile, the cost of providing wastewater services has continued to increase each year compared to the FY21 projections included in the study. Updated financial models are showing the need for significant rate increases to address the cost of the adopted CIP and operations over the next five years. A revenue increase of 12% is adopted for FY24, and rate increases in future years are anticipated to be approximately 3%. A rate study is planned to be performed to inform future rates by customer classes and ensure proper revenue coverage and reserve amounts. The impact to the typical homeowner is approximately \$28.20 annually. See the [Estimated Citizen Impact section](#) for more information. Wastewater rate increases were adopted by City Commission on August 22, 2023.

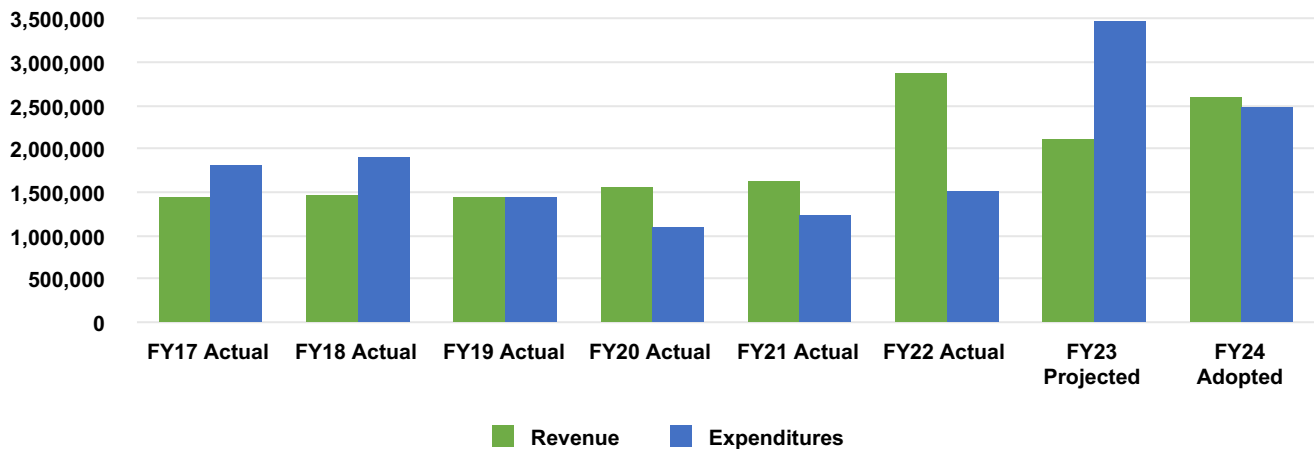
Flow Charge	% Increase				
	2022	2023	2024	2025	2026
Single Family/Low Income Residential					
Total	0.0%	0.0%	12.0%	3.0%	3.0%
Multi Family Residential					
Total	2.0%	2.0%	12.0%	3.0%	3.0%
Commercial					
Total	4.0%	4.0%	12.0%	3.0%	3.0%
Government					
Total	6.0%	6.0%	4.0%	1.0%	1.0%
MSU					
Total	8.0%	8.0%	4.0%	1.0%	1.0%
Industrial					
Total	3.0%	3.0%	12.0%	3.0%	3.0%

Wastewater Fund Financial Trends



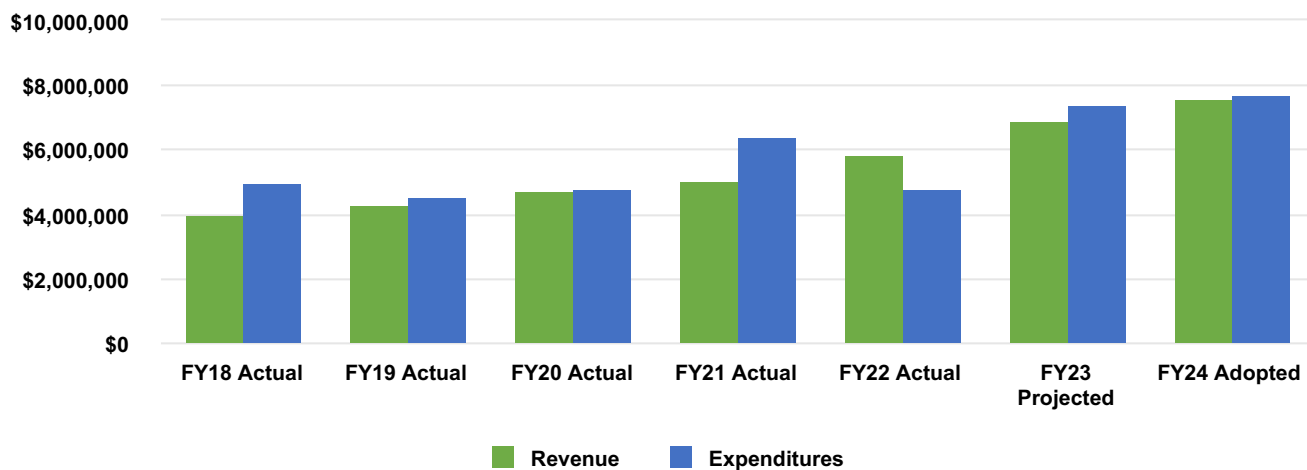
Stormwater Fund- The City's Stormwater Fund rates are charged based on impervious area and existing infrastructure. Considering the costs of inflation, and the current adopted Capital plan which accounts for growth in the City, this budget includes an adopted 8% rate increase. The impact on the typical homeowner is approximately \$4.02 annually. See the [Estimated Citizen Impact section](#) for more information. Stormwater rate increases were adopted by City Commission on August 22, 2023.

Stormwater Fund Financial Trends



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. An updated rate study is currently being conducted and is planned to be presented to the City Commission in July. Solid Waste rate increases were adopted by City Commission on August 22, 2023.

Solid Waste Financial Trends



Enterprise Funds				
FUND		FY22 Actual	FY23 Projected	FY24 Adopted
600-610	Water Fund		Beginning Balance	20,111,700
Revenues				
	Special Assessments	6	—	—
	Grants	1,128,825	1,296,200	—
	Charges for Services	15,431,187	14,669,200	16,430,800
	Debt Proceeds	—	—	2,700,000
	Miscellaneous Revenue	6,528,959	675,800	1,159,600
	Transfers In	1,443,240	55,500	—
	State Shared	39,034	53,000	65,000
Total Revenues		24,571,252	16,749,700	20,355,400
Expenditures				
	Salaries & Benefits	2,420,665	3,098,700	3,882,700
	Operations & Maintenance	3,187,673	3,697,000	4,082,800
	Capital Outlay	4,251,425	18,653,800	4,583,700
	Debt Service/Loans	1,806,426	1,796,600	1,796,500
	Transfers Out	2,860,363	4,118,000	3,768,000
Total Expenditures		14,526,553	31,364,100	18,113,700
Drought Reserve				1,074,900
Projected Ending Balance				21,278,500

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
620-630	Wastewater Fund		Beginning Balance	6,592,100
Revenues				
	Special Assessments	7	14,900	14,900
	Grants	267,066	7,000	712,500
	Charges for Services	12,684,974	12,251,600	13,836,300
	Debt Proceeds	—	—	10,024,000
	Miscellaneous Revenue	6,017,660	198,100	198,100
	Transfers In	—	306,000	—
	State Shared	34,192	43,000	51,000
Total Revenues		19,003,899	12,820,600	24,836,800
Expenditures				
	Salaries & Benefits	2,064,679	2,677,400	2,976,200
	Operations & Maintenance	2,599,738	3,023,100	2,908,300
	Capital Outlay	3,342,948	3,624,900	10,704,000
	Debt Service/Loans	2,680,704	2,726,400	2,727,700
	Transfers Out	1,942,774	2,530,100	2,704,700
Total Expenditures		12,630,843	14,581,900	22,020,900
Projected Ending Balance				9,408,000

Enterprise Funds

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
670	Stormwater Fund		Beginning Balance	513,400
Revenues				
	Charges for Services	1,673,866	1,892,500	2,093,800
	Debt Proceeds	—	—	300,000
	Miscellaneous Revenue	1,006,597	24,900	24,900
	Transfers In	194,735	188,200	180,900
	State Shared	9,149	14,000	17,000
Total Revenues		2,884,347	2,119,600	2,616,600
Expenditures				
	Salaries & Benefits	595,618	812,800	931,300
	Operations & Maintenance	134,326	162,200	280,300
	Capital Outlay	391,376	1,612,700	649,600
	Debt Service/Loans	115,538	115,500	116,400
	Transfers Out	291,080	788,600	520,000
Total Expenditures		1,527,937	3,491,800	2,497,600
Projected Ending Balance				632,400

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
640, 641	Solid Waste Fund		Beginning Balance	404,200
Revenues				
	Special Assessments	109	—	—
	Charges for Services	5,431,005	5,888,000	6,469,600
	Debt Proceeds	—	304,000	675,000
	Miscellaneous Revenue	32,937	50,100	54,600
	Transfers In	359,000	639,900	352,800
	State Shared	27,387	34,000	40,000
Total Revenues		5,850,438	6,916,000	7,592,000
Expenditures				
	Salaries & Benefits	1,722,989	2,055,200	2,255,000
	Operations & Maintenance	2,027,770	2,892,800	3,309,100
	Capital Outlay	101,824	1,426,000	660,000
	Transfers Out	934,264	1,033,900	1,497,100
Total Expenditures		4,786,847	7,407,900	7,721,200
Projected Ending Balance				275,000

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
650	Parking Fund		Beginning Balance	1,741,100
Revenues				
	Licenses & Permits	710,547	768,400	799,200
	Charges for Services	36,441	300	—
	Fines & Forfeitures	315,023	336,500	353,300
	Miscellaneous Revenue	20,631	28,600	28,600
	State Shared	5,783	9,000	10,000
Total Revenues		1,088,425	1,142,800	1,191,100
Expenditures				
	Salaries & Benefits	386,769	515,200	591,200
	Operations & Maintenance	477,292	577,600	693,900
	Capital Outlay	66,666	212,100	500,000
	Transfers Out	87,366	127,500	131,800
Total Expenditures		1,018,093	1,432,400	1,916,900
Projected Ending Balance				1,015,300

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. Medical Health Insurance Fund 720 accounts for insurance premiums received from various City employees and retirees and the related costs of health and dental premiums paid to the City's insurance provider.

Internal Service Funds				
FUND		FY22 Actual	FY23 Projected	FY24 Adopted
720 Health-Medical Insurance ISF			Beginning Balance	—
Revenues				
	Charges for Services	5,363,959	5,242,000	6,477,100
	Miscellaneous Revenue	(200)	19,600	24,000
Total Revenues		5,363,759	5,261,600	6,501,100
Expenditures				
	Operations & Maintenance	5,306,064	5,261,600	6,501,100
Total Expenditures		5,306,064	5,261,600	6,501,100
Projected Ending Balance				—

Fund 750- Public Works Administration was new in FY19 to allocate the Public Works Administration, GIS, and Engineering to the enterprise funds.

FUND		FY22 Actual	FY23 Projected	FY24 Adopted
750 Public Works Administration			Beginning Balance	3,091,400
Revenues				
	Licenses & Permits	10,908	7,600	7,600
	Charges for Services	4,877,680	11,455,600	10,549,500
	Miscellaneous Revenue	26,651	101,100	48,100
	Transfers In	—	299,400	402,000
	State Shared	39,425	66,000	74,000
Total Revenues		4,954,662	11,929,700	11,081,200
Expenditures				
	Salaries & Benefits	2,451,767	3,936,400	4,203,800
	Operations & Maintenance	925,644	1,545,900	1,596,400
	Capital Outlay	84,247	50,000	195,000
	Debt Service/Loans	37,472	89,700	93,300
	Transfers Out	321,646	627,100	702,700
Total Expenditures		3,820,776	6,249,100	6,791,200
Projected Ending Balance				7,381,400

Fund 710 - Vehicle Maintenance accounts for the maintenance and repair of vehicles used in operation of City services.

Internal Service Funds				
FUND		FY22 Actual	FY23 Projected	FY24 Adopted
710	Vehicle Maintenance		Beginning Balance	(518,400)
Revenues				
	Charges for Services	1,639,483	2,294,700	3,595,900
	Miscellaneous Revenue	(1,852)	(8,600)	(8,600)
	State Shared	11,120	14,000	19,000
Total Revenues		1,648,751	2,300,100	3,606,300
Expenditures				
	Salaries & Benefits	678,158	840,500	1,029,200
	Operations & Maintenance	928,218	988,000	987,900
	Capital Outlay	—	45,000	120,000
	Transfers Out	207,438	211,800	792,500
Total Expenditures		1,813,813	2,085,300	2,929,600
Projected Ending Balance				158,300

Permanent Funds

Perpetual Cemetery Care Fund 800 accounts for the maintenance fees received from the sale of City cemetery lots, which are to be used for perpetual care. On June 15, 2021 City Commission adopted Resolution 5289 maintaining that 35% of all revenue from fees collected at Sunset Hills Cemetery go to the permanent maintenance fund. The fund balance has seen healthy growth over the last five years.

Permanent Funds				
FUND		FY22 Actual	FY23 Projected	FY24 Adopted
800	Cemetery Perpetual Care		Beginning Balance	1,769,400
Revenues				
	Charges for Services	97,453	60,900	62,300
	Miscellaneous Revenue	8,095	24,400	24,400
Total Revenues		105,548	85,300	86,700
Expenditures				
Total Expenditures		—	—	—
Projected Ending Balance				1,856,100

Three-Year Summary for All Appropriated Funds

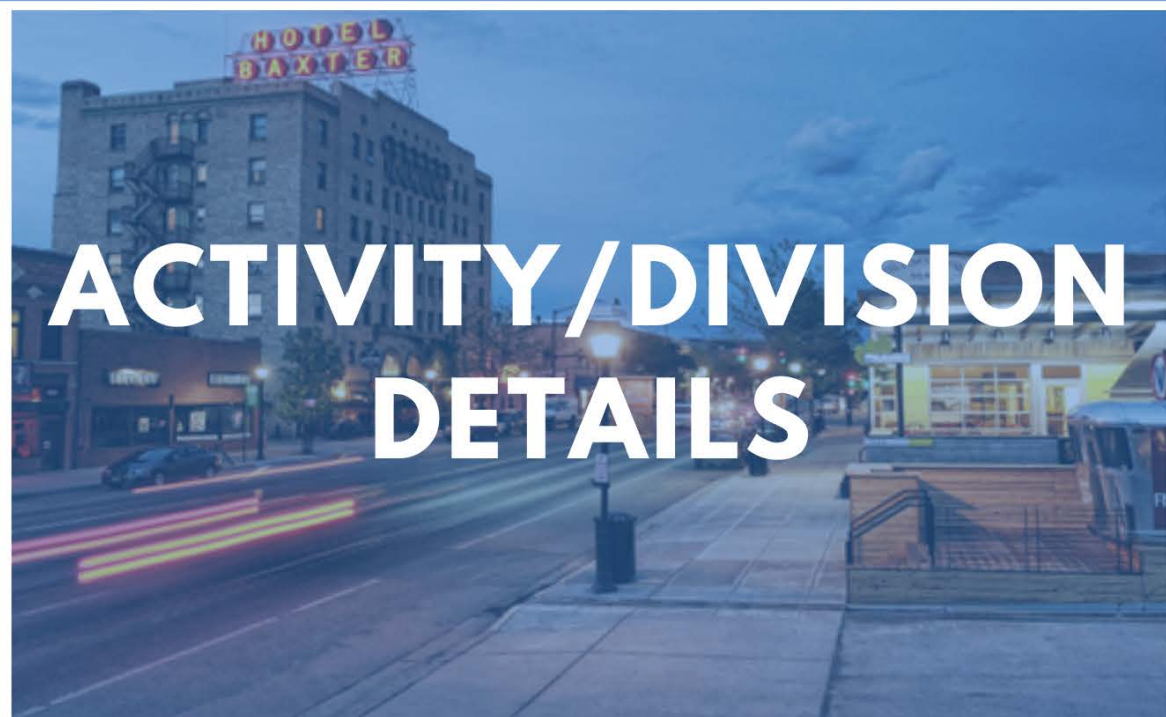
ALL FUNDS		FY22 Actual	FY23 Projected	FY24 Adopted
			Beginning Balance	89,477,800
Revenues				
	Taxes	27,420,905	34,967,600	40,268,500
	Gallatin County Option	2,186,290	2,273,700	2,364,600
	Licenses & Permits	3,571,515	4,193,200	5,114,200
	Grants	3,120,224	6,637,700	5,699,000
	County Shared	809,171	925,400	841,900
	State Shared	10,271,923	11,376,900	12,302,300
	Charges for Services	77,233,832	83,798,300	93,100,600
	Fines & Forfeitures	1,368,217	1,415,300	1,246,600
	Miscellaneous Revenue	16,884,826	7,154,200	8,839,300
	Transfers In	44,180,782	23,872,100	16,550,000
	Debt Proceeds	7,580,424	1,166,600	123,308,300
	Special Assessments	1,616,441	1,594,600	1,616,000
Total Revenues		196,244,550	179,375,600	311,251,300
Expenditures				
	Salaries & Benefits	44,611,289	56,730,400	66,465,700
	Operations & Maintenance	35,454,788	38,701,000	54,567,200
	Capital Outlay	39,082,060	64,957,300	154,357,500
	Debt Service/Loans	9,660,424	10,106,500	10,579,400
	Transfers Out	53,800,904	34,819,900	32,070,400
Total Expenditures		182,609,466	205,315,100	318,040,200
			Projected Ending Balance	82,688,900

Summary of Resources for All Funds

City of Bozeman Resources: All Funds	Taxes	Special Assessments	Licenses & Permits	Grants	Charges for Services	Fines & Forfeitures	Miscellaneous Revenue	State Shared	County Shared	Debt Proceeds	Transfers In	TOTAL
General Fund	\$28,850,300	\$ —	\$ 420,400	\$ —	\$ 999,300	\$ 893,300	\$ 482,500	\$9,474,200	\$ 841,900	\$ —	\$11,561,300	\$ 53,523,200
American Rescue Plan	—	—	—	4,543,500	—	—	156,700	—	—	—	—	4,700,200
Health-Medical Insurance	2,637,700	—	—	—	—	—	3,800	—	—	—	—	2,641,500
Building Inspection Fund	—	—	3,797,000	—	28,000	—	18,300	214,000	—	—	—	4,057,300
Community Development/Planning	411,400	—	65,700	—	1,153,500	—	51,000	188,100	—	—	3,007,300	4,877,000
Community Housing Fund	1,389,700	—	—	—	—	—	5,600	2,000	—	—	—	1,397,300
Fire Department Equipment	731,000	—	—	—	—	—	1,019,900	—	—	2,437,200	—	4,188,100
Fire Impact Fee	—	—	—	—	558,200	—	63,100	—	—	—	—	621,300
Parks & Trails District	—	—	—	410,000	6,257,200	—	41,700	47,000	—	1,385,000	—	8,140,900
Park Land Trust	—	—	—	—	—	—	1,120,900	—	—	—	—	1,120,900
Tree Maintenance District	—	2,000	—	—	934,900	—	18,400	10,000	—	—	—	965,300
Street Arterial Construction District	—	3,500	—	—	1,779,100	—	809,800	—	—	—	—	2,592,400
Street Impact Fee	—	—	—	—	6,176,700	—	184,500	—	—	—	200	6,361,400
Street Maintenance District	—	19,700	24,300	—	9,060,700	—	64,100	1,989,100	—	—	—	11,157,900
Department Special Revenue Funds	183,300	—	—	33,000	—	—	33,700	—	—	—	122,200	372,200
Lighting Districts	—	553,400	—	—	—	—	8,000	—	—	—	—	561,400
Downtown Improvement District	—	280,300	—	—	—	—	—	—	—	—	—	280,300
Downtown TIFD	1,558,200	—	—	—	—	—	2,100	57,100	—	—	—	1,617,400
Midtown TIFD	1,999,200	—	—	—	—	—	28,100	39,500	—	—	—	2,066,800
Northeast TIFD	498,700	—	—	—	—	—	11,000	1,300	—	—	—	511,000
Pole Yard TIFD	319,500	—	—	—	—	—	—	4,000	—	—	—	323,500
South Bozeman Technology TIFD	35,700	—	—	—	—	—	400	—	—	—	—	36,100
North Park TIFD	24,700	—	—	—	—	—	2,100	—	—	—	—	26,800
GO Bonds	3,993,700	—	—	—	—	—	1,900	—	—	—	—	3,995,600
TIFD Bonds	—	—	—	—	—	—	—	—	—	—	744,100	744,100
Special Improvement Districts (SIDs)	—	742,200	—	—	—	—	41,900	—	—	—	—	784,100
SID Revolving Fund	—	—	—	—	—	—	8,400	—	—	—	—	8,400
Capital Projects	—	—	—	—	—	—	3,107,700	—	—	105,787,100	6,816,900	115,711,700
Water Fund	—	—	—	—	16,430,800	—	1,159,600	65,000	—	2,700,000	—	20,355,400
Wastewater Fund	—	14,900	—	712,500	13,836,300	—	198,100	51,000	—	10,024,000	—	24,836,800
Stormwater Fund	—	—	—	—	2,093,800	—	24,900	17,000	—	300,000	180,900	2,616,600
Solid Waste Fund	—	—	—	—	6,469,600	—	54,600	40,000	—	675,000	352,800	7,592,000
Parking Fund	—	—	799,200	—	—	353,300	28,600	10,000	—	—	—	1,191,100
Health-Medical Insurance ISF	—	—	—	—	6,477,100	—	24,000	—	—	—	—	6,501,100
Public Works Administration	—	—	7,600	—	—	—	48,100	74,000	—	—	10,951,500	11,081,200
Vehicle Maintenance	—	—	—	—	—	—	(8,600)	19,000	—	—	3,595,900	3,606,300
Cemetery Perpetual Care	—	—	—	—	62,300	—	24,400	—	—	—	—	86,700
	\$42,633,100	\$1,616,000	\$5,114,200	\$5,699,000	\$72,317,500	\$1,246,600	\$8,839,300	\$12,302,300	\$ 841,900	\$123,308,30	\$37,333,100	\$311,251,300
Percent of Total Budget	13.70%	0.52%	1.64%	1.83%	23.23%	0.40%	2.84%	3.95%	0.27%	39.62%	11.99%	100%

Summary of Appropriations for All Funds

City of Bozeman Appropriations: All Funds	Salaries & Benefits	Operations & Maintenance	Capital Outlay	Debt Service/Loans	Transfers Out	TOTAL
General Fund	\$ 37,693,700	\$ 12,802,300	\$ 4,125,700	\$ 61,400	\$ 1,023,900	55,707,000
American Rescue Plan	—	—	—	—	4,900,200	4,900,200
Health-Medical Insurance	—	—	—	—	3,775,000	3,775,000
Building Inspection Fund	3,191,000	807,600	75,000	—	465,700	4,539,300
Community Development/Planning	2,783,900	923,000	25,000	—	499,200	4,231,100
Community Housing Fund	107,500	3,445,200	—	—	—	3,552,700
Fire Department Equipment	—	—	43,000	—	2,849,800	2,892,800
Fire Impact Fee	—	—	1,500,000	—	3,827,900	5,327,900
Parks & Trails District	2,950,900	2,553,200	1,660,000	—	685,900	7,850,000
Park Land Trust	—	260,000	—	338,700	—	598,700
Tree Maintenance District	618,900	232,700	55,000	—	127,300	1,033,900
Street Arterial Construction District	—	160,500	2,085,000	—	—	2,245,500
Street Impact Fee	—	50,000	4,400,000	—	308,800	4,758,800
Street Maintenance District	2,814,900	2,923,800	2,371,900	213,800	2,588,700	10,913,100
Department Special Revenue Funds	254,100	351,100	—	125,800	—	731,000
Lighting Districts	—	542,500	—	—	—	542,500
Downtown Improvement District	—	280,300	—	—	—	280,300
Downtown TIFD	58,100	5,730,000	2,525,000	—	332,800	8,645,900
North Park TIFD	—	160,200	—	—	—	160,200
Midtown TIFD	92,800	2,317,000	725,000	—	411,300	3,546,100
Northeast TIFD	30,500	30,000	986,900	93,000	—	1,140,400
Pole Yard TIFD	—	600,000	—	—	—	600,000
South Bozeman Technology TIFD	—	38,000	—	—	—	38,000
GO Bonds	—	—	—	3,960,900	130,000	4,090,900
TIFD Bonds	—	—	—	744,100	—	744,100
Special Improvement Districts (SIDs)	—	—	—	307,800	—	307,800
SID Revolving Fund	—	—	—	—	27,100	27,100
Capital Projects	—	—	116,367,700	—	—	116,367,700
Water Fund	3,882,700	4,082,800	4,583,700	1,796,500	3,768,000	18,113,700
Wastewater Fund	2,976,200	2,908,300	10,704,000	2,727,700	2,704,700	22,020,900
Stormwater Fund	931,300	280,300	649,600	116,400	520,000	2,497,600
Solid Waste Fund	2,255,000	3,309,100	660,000	—	1,497,100	7,721,200
Parking Fund	591,200	693,900	500,000	—	131,800	1,916,900
Public Works Administration	4,203,800	1,596,400	195,000	93,300	702,700	6,791,200
Vehicle Maintenance	1,029,200	987,900	120,000	—	792,500	2,929,600
Cemetery Perpetual Care	—	—	—	—	—	—
	\$ 66,465,700	\$ 54,567,200	\$ 154,357,500	\$ 10,579,400	\$ 32,070,400	\$ 318,040,200
Percent of Total Budget	20.90%	17.16%	48.53%	3.33%	10.08%	100%



Activity/Division Detail

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



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 to administer City operations and 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 citizens' ability to participate in local government.

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, building systems ventilation, mechanical controls, and building generators.

Information Technology - The Information Technology Department's purpose is to manage and operate the City's enterprise applications, hardware, and networking services. The division provides technology 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 protects the employment rights of the City and its employees.

Planning (Community Development) - The Planning Department plans for the growth and development of the City of Bozeman. The department is responsible for long-range planning, development review, historic preservation, impact fees, and serving related Advisory Boards and Commissions. This department also includes the Code Enforcement Division.

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, and Orders of Protection.

City Commission

Major Objectives

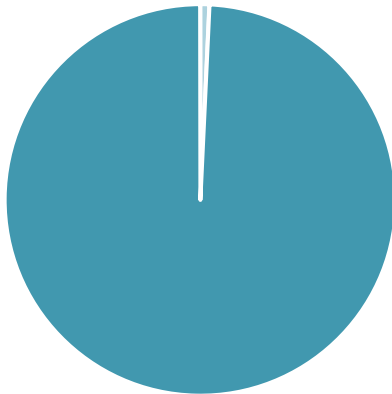
- Work closely with City administration and other government officials to lobby for state legislation beneficial to cities.
- Improve public facilities and the quality of services delivered to the public in order to meet the needs of the citizenry.
- Ensure that all decisions are protective of the health,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

Budget Allocation

Funded by the General Fund, making up 1% of the total appropriations.

General Fund

City Commission
1%



FY23 Strategic Plan

Set FY23 Strategic Priorities:

- Become a City for CEDAW (Convention to Eliminate All Forms of Discrimination Against Women)
- Increase Budget for Community & Support Services
- UDC (Unified Development Code) Overhaul
- Establish Mobile Crisis Response
- Establish Model HOA Covenants
- Develop Gallatin Valley Sensitive Lands Protection Plan
- Update Codes to Encourage Wetland Preservation & Facilitate Creation of Wetland Bank
- Short Term Rental (STR) Revisions
- Promote Water Conservation

FY23 Accomplishments

- Enacted Outdoor Water Use Restrictions (Ordinance 2110)
- Established Bozeman as a City for CEDAW (Resolution 5384)
- Provided \$998,000 in funding to Community & Support Services
- Mobile crisis response in operation seven days a week
- UDC Process in full swing with Engagement project, work sessions, and public meetings
- Sensitive Lands Protection Plan has launched its Engagement portal and held its kick-off sessions with follow-up staff work underway

FY24 Strategic Plan

- Continue work on the UDC overhaul
- Continue development of the Sensitive Lands Protection Plan
- Promote Water Conservation through landscape design standards
- Conduct follow-up work sessions and policy development around STR and HOA covenants
- Incorporate Wetland Preservation in large-scale plans (PRAT Plan, Sensitive Lands, and UDC)

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CITY COMMISSION	010- General	272,291	328,000	414,000	26.2%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CITY COMMISSION	Salaries & Benefits	177,810	209,500	214,000	2.1%
	Operations & Maintenance	94,481	69,600	200,000	187.4%
	Capital Outlay	—	48,900	—	-100.0%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	—	—	—	—%
TOTALS		272,291	328,000	414,000	26.2%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CITY COMMISSION	1110- City Commission	272,291	328,000	414,000	26.2%

Salaries & Benefits

No FTE Changes

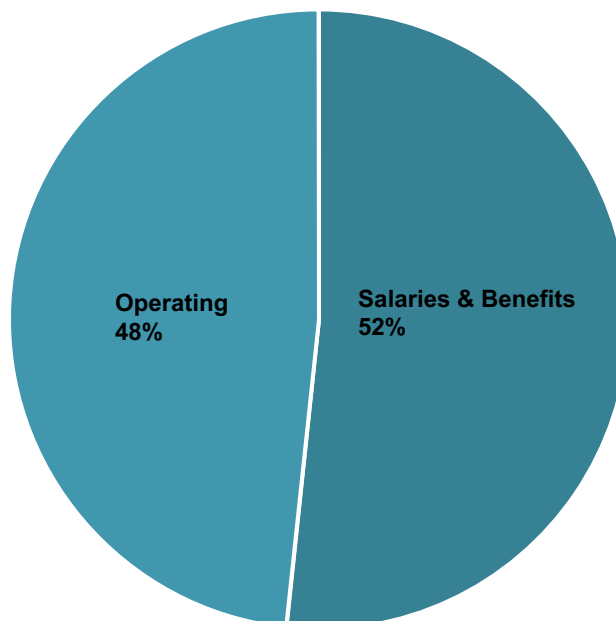
Operating

Operating budget increase as FY24 will be an election year. The budget anticipates two elections at approximately \$75K each.

Capital

None

City Commission



City Manager

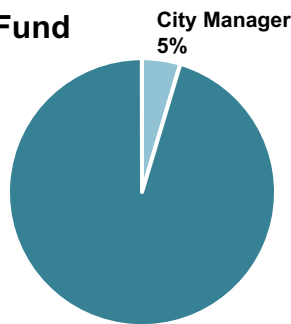
Major Objectives

The City Manager's Office focuses on supporting the Mission, Values, and Goals of the City and implementing the City's Strategic Plan. This year's budget includes \$30,000 for ballot education in connection with the November 2023 ballot regarding the Bozeman Community Center to explain the impact of the ballot issue on government operations.

Budget Allocation

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

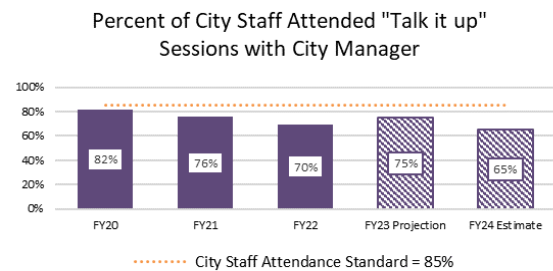
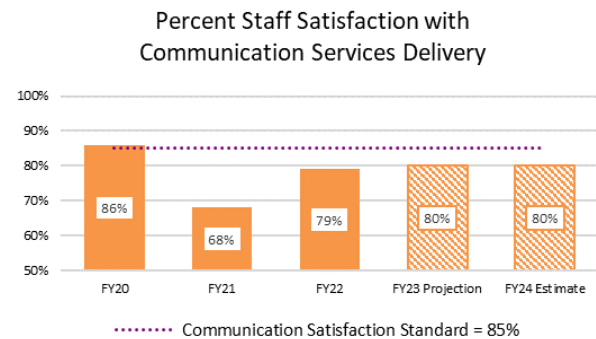
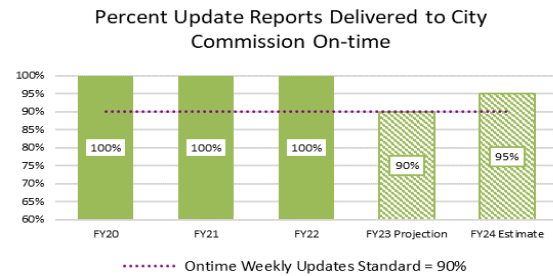
General Fund



FY23 Accomplishments

- The City Manager's Office provided full support and collaboration on the completion of the **Bozeman Public Safety Center and Ribbon Cutting** through Project Management, Communications, and Administrative support (**A Safe, Welcoming, City; A Well-Planned City**).
- Numerous Community Engagement Plans were implemented (**An Engaged Community, A Well-Planned City**), including:
 - Fowler Avenue Connection
 - Body Worn Cameras
 - PRAT Plan
 - Economic Vitality Strategy
 - Paid Parking
 - Unified Development Code
 - Historic Preservation Month

Performance Measurements



FY24 Strategic Plan

The City Manager is charged with implementing the plan across functional teams. 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:

- Completion and implementation of the Equity & Inclusion Plan
- Thoughtful engagement around: UDC, Sensitive Lands, Equity & Inclusion Plan, Flower Avenue, HOA Covenants, Kagy Project

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CITY MANAGER	010- General	1,308,294	1,400,800	2,576,900	84.0%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CITY MANAGER	Salaries & Benefits	1,011,605	1,177,600	1,960,300	66.5%
	Operations & Maintenance	279,862	223,200	616,600	176.3%
	Capital Outlay	16,592	—	—	—%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	234	—	—	—%
TOTALS		1,308,294	1,400,800	2,576,900	84.0%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CITY MANAGER	1210- City Administration	1,216,115	1,400,800	2,576,900	84.0%
	1220 - City Clerk	—	—	—	—%
	1260 - Neighborhood Program	92,179	—	—	—%
TOTALS		1,308,294	1,400,800	2,576,900	84.0%

Salaries & Benefits

Addition of four positions:

- Grants Coordinator
- Communications Specialist
- Community Health & Safety Program Manager
- Community Health & Safety Officer

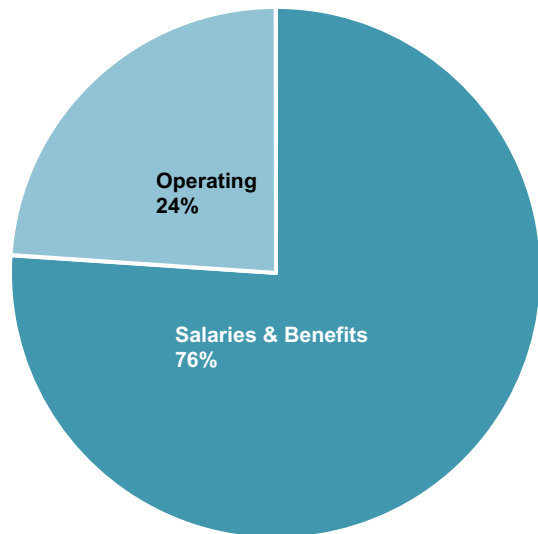
Operating

Increase due to anticipated needs for new Assistant City Manager including equipment, training, travel, professional dues, and other professional development. Additional increases due to advertising, support, and consultants for Communications and Engagement.

Capital

None

City Manager



City Clerk

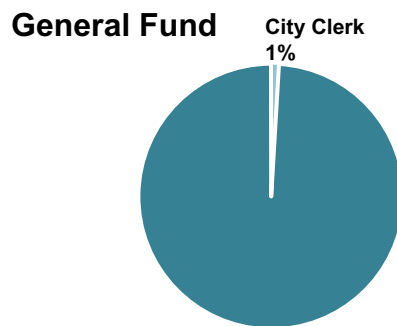
(City Manager's Office)

Major Objectives

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.

Budget Allocation

Funded by the General Fund, making up 1% of the fund's appropriations.



FY23 Accomplishments

- First full year of AskBZN communication portal (formerly referred to as Comcate)
- Scanned over 300 boxes of records for import to Laserfiche
- Acquired the technological components and software necessary for remote participation
- Further implementation of High Performing Boards
- Successful implementation of remote Commission participation in meetings

FY23 Strategic Plan

1.1 Outreach (b): Dramatically increase transparency and create access to all city documents

7.3 Best Practices, Creativity & Foresight: 69% completed within 1 day with DocuSign and eliminates need for separate distribution to parties.

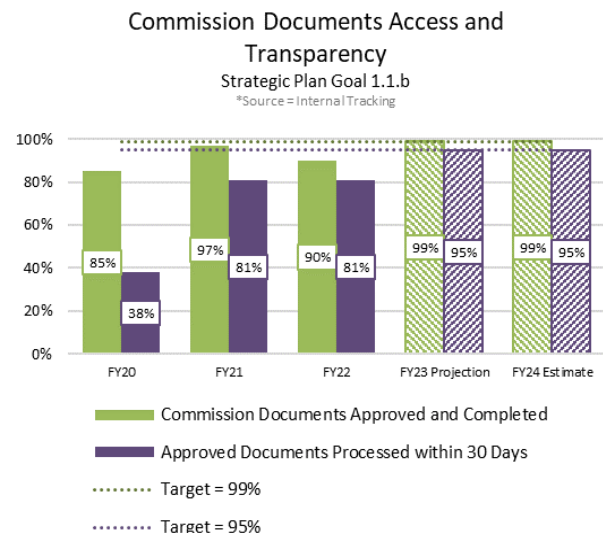
6.3 Climate Action: Average monthly reduction of 10,000+ pieces of paper from digital packets. This accounts for 260 reams of papers (approx. \$10 each).

1.2 Community Engagement: Aiding with Advisory Board Consolidating and High Performing Board.

Performance Measurements

***Performance Measures will be refined in FY24 to match systems necessary to collect data

- **Percent AskBZN Submissions Completed On Time:** Track the percent of total AskBZN submissions that are resolved within a given due date.
- **Average AskBZN Submission Resolution Time:** Track the average number of elapsed days between Comcate submission and resolution.



FY24 Strategic Plan

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

1.2 Community Engagement: Aiding with Advisory Board Consolidating and High Performing Board.

3.3 (a) Anticipate, celebrate, and incorporate an increasingly diverse population into the community, City advisory boards, and City staff.

FY24 Budget

Division Budget by Fund					
Division	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CITY CLERK	010- General	303,270	447,600	518,000	15.7%

Division Budget by Category					
Division	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CITY CLERK	Salaries & Benefits	161,936	219,500	246,500	12.3%
	Operations & Maintenance	141,334	228,100	271,500	19.0%
	Capital Outlay	—	—	—	—%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	—	—	—	—%
TOTALS		303,270	447,600	518,000	

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CITY MANAGER	1220-City Clerk	303,270	447,600	518,000	15.7%

Salaries & Benefits

No FTE changes

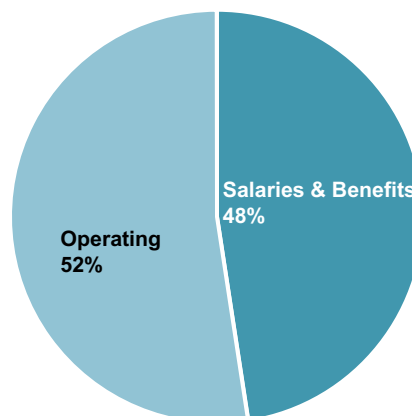
Operating

Increases in contracted services driven by agenda, streaming, and captioning services, Laserfiche support, large-scale scanning vendor, and DocuSign.

Capital

None

City Clerk



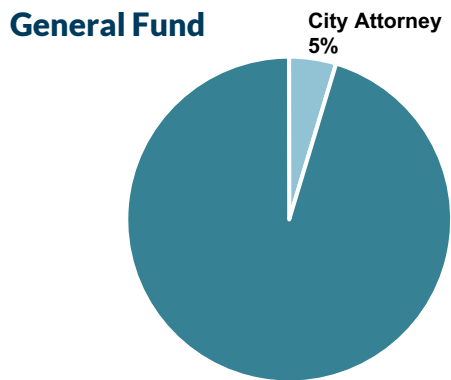
City Attorney

Major Objectives

- Serve as Legal Officer pursuant to Sect. 4.03 of the Charter
- 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 5% of the fund's appropriations.



FY23 Accomplishments

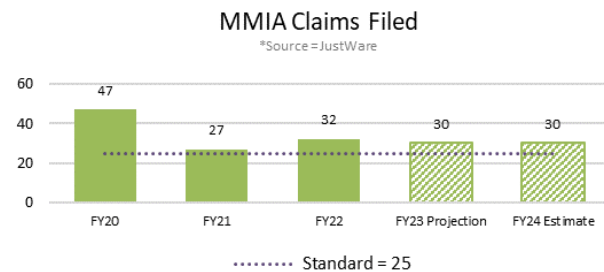
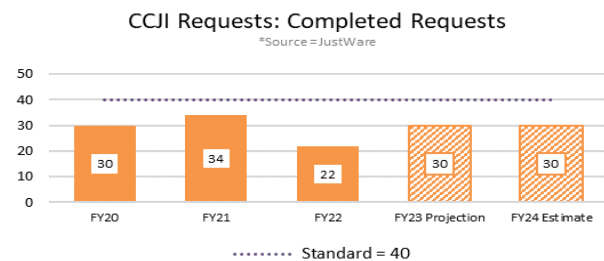
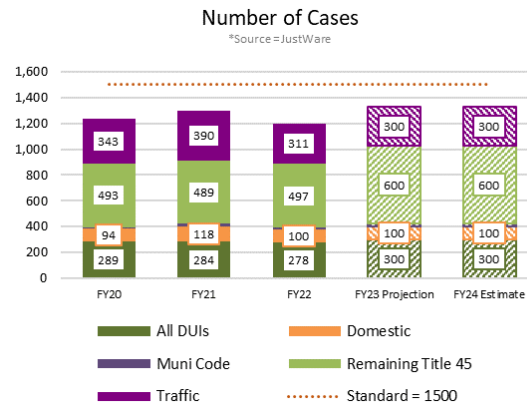
- Continued to prioritize increasing the efficiency and effectiveness of the prosecution team
- Prioritized cooperation with the Bozeman Police Department through coaching, preparing for trial, and shift briefings
- Moved the Criminal Division to Bozeman Public Safety Center and worked to adjust to new team dynamics related to splitting the office
- Added civil Legal Assistant
- Lead efforts to address issues related to the unhoused
- Prioritized efforts related to affordable housing

FY23 Strategic Plans

The City Attorney's Office plays a role in the majority of Strategic Plan items, especially the following:

- **4.5 (b) Affordable Housing**
- **4 A Well-Planned City**
- **4.3 (e) Annexation Analysis**
- **7 High Performing Organization**

Performance Measurements



FY24 Strategic Plan

Continue to play a significant role in the following:

- **3.1 Public Safety** Support high-quality public safety programs
- **4.5 Housing and Transportation Choices** Encourage the development of sustainable and lasting housing options for the underserved

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CITY ATTORNEY	010- General Fund	1,576,707	2,316,100	2,592,300	11.9%
	174- Victim Witness Advocate	74,566	140,000	105,000	-25.0%
TOTALS		1,651,273	2,456,100	2,697,300	9.8%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CITY ATTORNEY	Salaries & Benefits	1,491,388	2,087,400	2,365,400	13.3%
	Operations & Maintenance	159,885	343,700	331,900	-3.4%
	Capital Outlay	—	25,000	—	-100.0%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	—	—	—	—%
TOTALS		1,651,273	2,456,100	2,697,300	9.8%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CITY ATTORNEY	1410 - City Attorney	1,576,657	2,306,100	2,582,300	12.0%
	1432 - Civil Litigation	50	10,000	10,000	—%
	1460 - Criminal Prosecution - General	—	—	—	—%
	1462 - Criminal Prosecution - Victim/Witness	74,566	140,000	105,000	-25.0%
TOTALS		1,651,273	2,456,100	2,697,300	9.8%

Salaries & Benefits

Addition of Victim's Service Advocate (1 FTE) and reclassification of prosecutors to Assistant City Attorneys

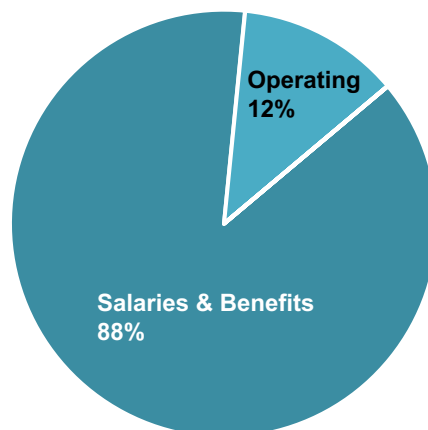
Operating

Overall decrease due to reduction in budget for contracted services.

Capital

None

City Attorney



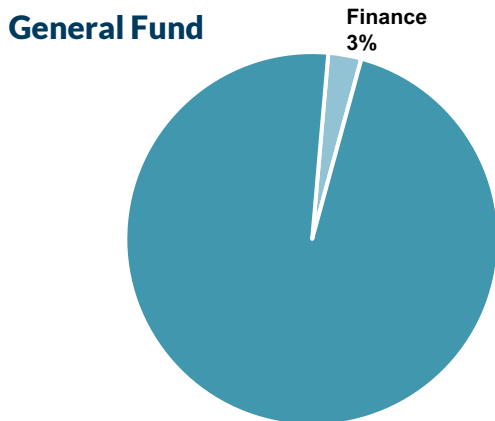
Finance

Major Objectives

- Oversee efficient, effective, and transparent management of the public's resources by providing quality financial services, accurate financial reporting, and balanced budgets
- Ensure compliance with financial policies, state and federal statutes, and Generally Accepted Accounting Principles (GAAP)
- Develop long-term financial plans and funding strategies for various City operations

Budget Allocation

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



FY23 Accomplishments

- Implemented long-term financial plans for the General Fund, all Enterprise Funds, and Special Districts
- Received a clean audit report for fiscal year 2022 and received GFOA awards for budget and financial reports
- Increased communication and collaboration between departments and finance through budget process, including a kick-off meeting to provide context and set expectations and individual review meetings
- Implemented changes to the budget process based on GFOA's best practices and other accepted financial principles
- Implemented new Utility payment software to increase efficiency and improve customer experience

FY23 Strategic Plans

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

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 Measurements

- Receive Awards for financial reporting:
 - FY21 Annual Comprehensive Financial Report (ACFR) received GFOA Certificate of Excellence in Financial Reporting
 - FY22 Budget received GFOA Distinguished Budget Award
 - The FY22 ACFR and FY23 Budget have been submitted and are expected to receive awards this year
- **Outside Indicators:** No audit findings and maintained Aa1 bond rating

FY24 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

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
FINANCE DEPARTMENT	010- General Fund	942,309	1,311,200	1,589,600	21.2%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
FINANCE DEPARTMENT	Salaries & Benefits	647,268	977,500	1,196,300	22.4%
	Operations & Maintenance	295,040	333,700	393,300	17.9%
	Capital Outlay	—	—	—	—%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	—	—	—	—%
TOTALS		942,309	1,311,200	1,589,600	21.2%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
FINANCE DEPARTMENT	1510- Finance Administration	227,605	363,100	514,700	41.8%
	1520- Accounting	461,230	622,300	717,300	15.3%
	1530- Treasury	253,474	325,800	357,600	9.8%
TOTALS		942,309	1,311,200	1,589,600	21.2%

Personnel

Addition of a Senior Financial Analyst (1 FTE)

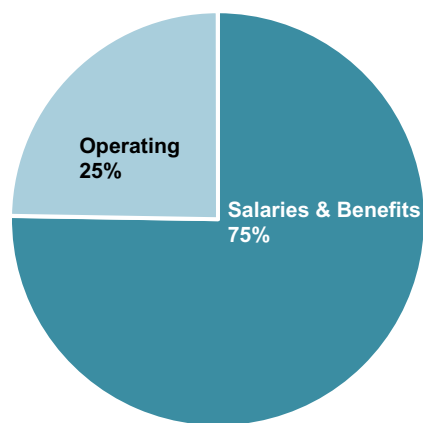
Operating

Increase due to new contract with a Municipal Advisor in addition to budget for travel and training.

Capital

None

Finance



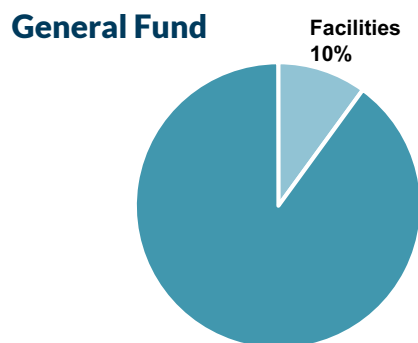
Facilities (Strategic Services)

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.
- Assure City buildings meet or exceed all applicable building codes, OSHA, and ADA requirements
- Implement building design, maintenance, and operational practices resulting in energy saving Measurements.

Budget Allocation

Funded by the General Fund, making up 10% of the fund's appropriations.



FY23 Accomplishments

- Managed structural assessments and emergency repairs to the Swim Center in order to provide the public with a safe facility. Working on Phase I and II project upgrades that will go through FY24.
- Coordinated the move services required to transition staff into the Bozeman Public Safety Center.
- Managed pre-construction activities in preparation of construction on Lindley center, Bogert Swim Pool, and Swim Center.
- Performed the first 12 major facilities inspections
- Implemented a Facilities Condition Assessment process to include a software driven process

FY23 Strategic Plans

3.1(a) Bozeman Public Safety Center: Participated in all phases of the project design and initial construction

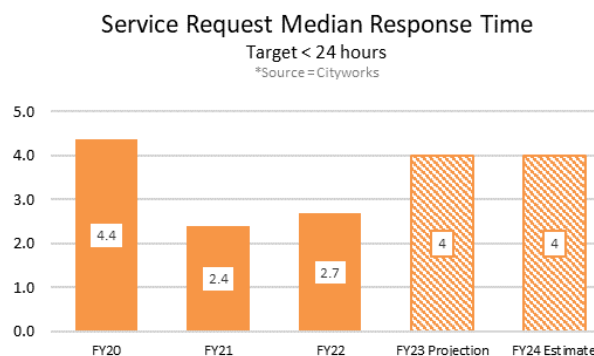
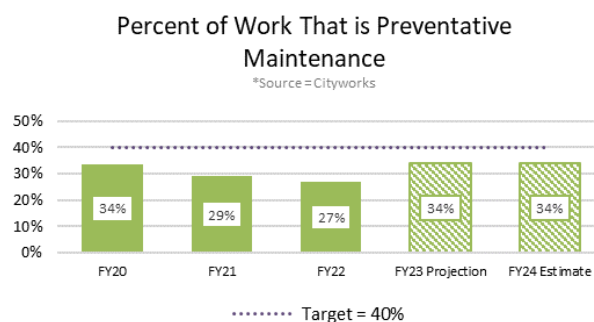
7.3(c) Improve Departmental Collaboration: Bozeman Public Safety Center, Fire Station 1, and COVID-19 support

7.4(c) Performance Measurements: Data is being collected within the structure of Cityworks process

Performance Measurements

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

****Efforts in FY24 will establish necessary benchmarks, including future project needs*



FY24 Strategic Plan

3.1 Public Safety: Manage Fire Station #2 Construction (relocation)

3.4 Active Recreation: Begin Recreation Facility Bond Projects (Swim Center, Lindley Center, Bogert Pool)

7.4 Performance Metrics: Expand Facility Condition Assessment Program

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
FACILITIES MANAGEMENT	010- General Fund	1,752,652	3,083,400	5,580,300	81.0%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
FACILITIES MANAGEMENT	Salaries & Benefits	429,991	683,500	983,400	43.9%
	Operations & Maintenance	1,205,588	2,148,500	2,103,000	-2.1%
	Capital Outlay	114,935	249,600	2,486,500	896.2%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	2,138	1,800	7,400	311.1%
TOTALS		1,752,652	3,083,400	5,580,300	81.0%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
FACILITIES MANAGEMENT	1810- City Hall	561,958	854,700	1,657,700	94.0%
	1815 - Facilities Admin	—	—	1,083,100	—%
	1820- Fire Station #1	56,299	10,900	—	-100.0%
	1830- Shop Complex	101,584	128,500	132,300	3.0%
	1840- Professional Building	356,836	601,100	1,117,000	85.8%
	1850- Senior Center	105,022	112,000	151,000	34.8%
	1860- Library	380,941	473,700	435,500	-8.1%
	1870- Fire Station #2	23,604	36,900	87,100	136.0%
	1880- Fire Station #3	50,865	74,000	56,900	-23.1%
	1890- BPSC	115,542	791,600	859,700	8.6%
TOTALS		1,752,652	3,083,400	5,580,300	81.0%

Salaries & Benefits

Addition of an Assistant Superintendent of Facilities (1 FTE) and Facilities Worker (1 FTE). Cost of the Facilities Worker is split 50% to the Parking Fund to support the Parking Garage.

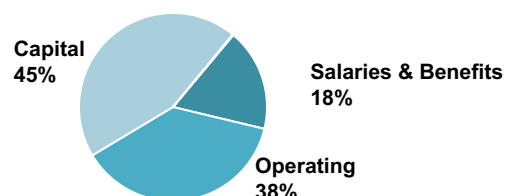
Operating

Overall reduction in operating budget to align with prior years spending.

Capital

FY24 Capital Project Listing Facilities				
Fund	Division	Project #	Project Name	FY24
10	Facilities	GF001	Elevator Replacement	275,000
10	Facilities	GF328	Vehicle Replacement	49,000
10	Facilities	GF329	Vehicle Replacement	49,000
10	Facilities	GF346	Facility Condition Invent	50,000
10	Facilities	GF360	LED Lighting Upgrade - Prof Building	40,000
10	Facilities	GF365	Senior Center Parking Lot	45,100
10	Facilities	GF366	Professional Building Parking Lot	42,900
10	Facilities	GF367	Service Worker Vehicle	49,000
10	Facilities	GF368	Site FCA Repairs	236,500
10	Facilities	GF369	Facility Needs Assessment	150,000
10	Facilities	GF370	City Hall Renovations	1,500,000
Facilities Total				2,486,500

Facilities



Information Technology

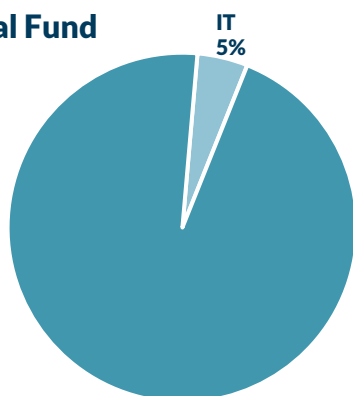
Major Objectives

- 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 5% of the fund's appropriations.

General Fund



FY23 Accomplishments

- Finished the rollout of One Drive
- BPSC IT systems deployed and configured
- Updated Commission Room technology for remote board participation

FY23 Strategic Plans

1.2 (b) Increased Community Engagement in City Decision Making: Continued improvements to ADA Compliance

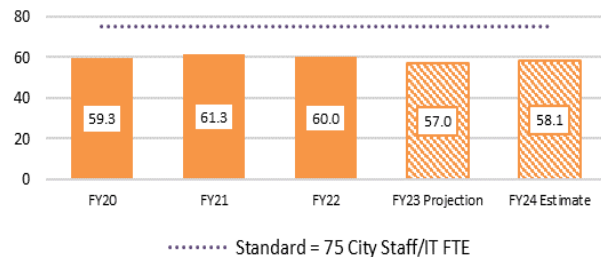
3.1 (d) Police and Fire Technology: Finished assisting with deployment of body cams, interview rooms, and in-car systems. New cradle points in fire.

7.3 (b) Systems Integrations: Invoice Cloud and Civic Rec ties to Naviline, and Avolve/LaserFiche ties

Performance Measurements

Number of City Staff per Full Time Employee

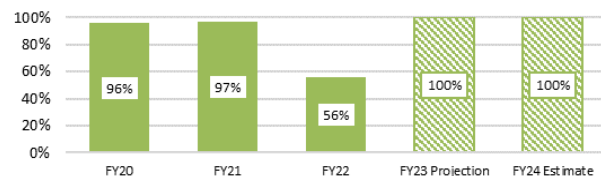
*Source = NeoGov



Deployments Completed

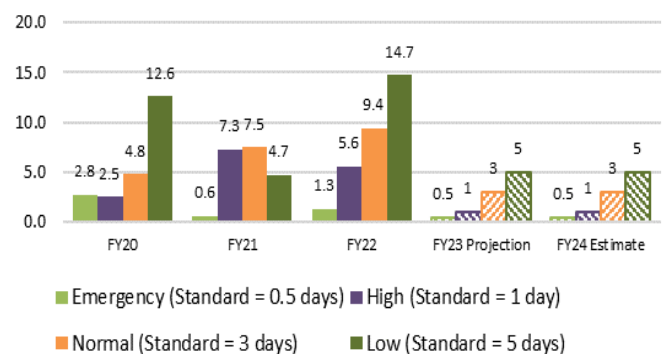
Standard = 100%

*Source = IT Documentation



Ticket Resolution (Days)

*Source = Lansweeper



FY24 Strategic Plan

3.1 (b) Improve Emergency Preparedness: Phase II of DR Plan-Business Continuity

3.1 (d) Police and Fire Technology: Fire Station 2 relocation and new equipment for apparatus and new truck setups

7.3 (c) Improve Department Collaborations: All users on same version of Office 365 for true collaboration and archiving and e-discovery

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
INFORMATION TECHNOLOGY	010- General Fund	1,531,054	2,316,400	2,603,800	12.4 %
	555-Technology Fund	—	2,200	—	-100.0 %
TOTALS		1,531,054	2,318,600	2,603,800	12.3 %

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
INFORMATION TECHNOLOGY	Salaries & Benefits	936,069	1,319,400	1,499,700	13.7 %
	Operations & Maintenance	541,118	727,600	1,020,800	40.3 %
	Capital Outlay	53,132	268,300	80,000	-70.2 %
	Debt Service/Loans	—	—	—	— %
	Transfers Out	735	3,300	3,300	— %
TOTALS		1,531,054	2,318,600	2,603,800	12.3 %

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
INFORMATION TECHNOLOGY	1910- Information Technology	1,531,054	2,318,600	2,603,800	12.3 %

Salaries & Benefits

Addition of an Applications Support and Integration Specialist (1 FTE)

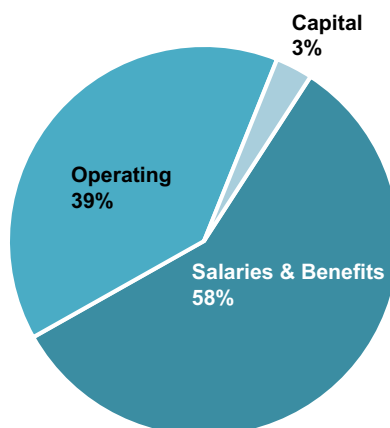
Operating

Increase due to software maintenance contract increases and renewals as well an increase in consulting engagements.

Capital

FY24 Capital Project Listing Information Technology				
Fund	Division	Project #	Project Name	FY24
10	Information Technology	GF080	City-Wide Switches and Routers	55,000
10	Information Technology	GF265	Server Replacement Genera Fund	25,000
Information Technology Total				80,000

Information Technology



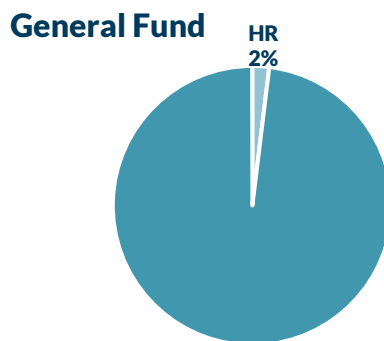
Human Resources

Major Objectives

- Accurately and efficiently process the City's payroll and related payments and tax filings
- Administer 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 appropriations.



FY23 Accomplishments

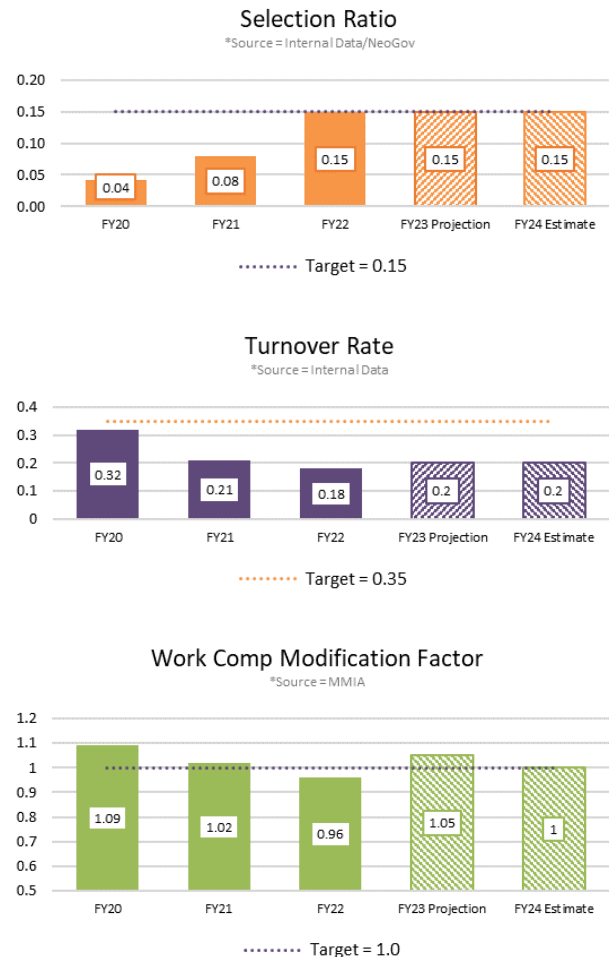
- Filled five key executive-level positions: 1 Assistant City Manager, 3 Directors, and 1 Deputy Director
- Reduced vacancy rate by 10% and filled 49 out of 55 Short-Term Worker positions in summer of 2022
- Completed internal compensation analysis and implemented pay increases City-wide
- Negotiated and implemented IAFF and MFPE contract changes
- Implemented new "Semi-Annual Development Discussion" program

FY23 Strategic Plans

7.2(a) Employee Excellence: New approach to employee evaluation designed to focus on coaching and professional development and to hold employees and supervisors accountable

7.3(d) Diversity Goals: Continued work on implementation of Inclusive City Charter initiatives

Performance Measurements



FY24 Strategic Plan

7.2 Employee Excellence: Maintain recruitment budget to continue efforts to reach diverse, well-trained, and qualified candidates

7.2(a) Be a "Best in Class" Employer: Increase in training budget to support professional development opportunities for HR staff and to provide additional organization-wide training initiatives. Supervisor/leadership training for HPO and systems training for new Payroll Associate continue to be critical.

7.2(d) Set Diversity Goals: Maintain recruitment/advertisement budget for focused effort on achieving diversity goals.

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
HUMAN RESOURCES	010- General Fund	603,464	982,200	1,078,700	9.8%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
HUMAN RESOURCES	Salaries & Benefits	508,092	777,600	824,600	6.0%
	Operations & Maintenance	95,371	204,600	254,100	24.2%
	Capital Outlay	—	—	—	—%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	—	—	—	—%
TOTALS		603,464	982,200	1,078,700	9.8%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
HUMAN RESOURCES	2010- Human Resources	603,464	982,200	1,078,700	9.8%

Salaries & Benefits

Reclassification of HR Associate to Senior HR Associate

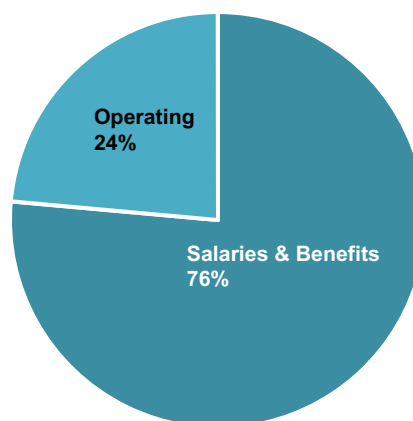
Operating

Increase due to City-wide training initiatives and maintenance contracts.

Capital

None

Human Resources



Planning & Code

(Community Development)

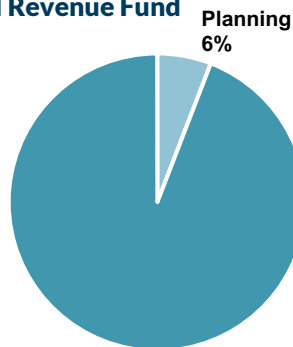
Major Objectives

- Plan for the growth and development of the City of Bozeman
- Oversee long-range planning, current development, historic preservation, and related advisory boards and commissions
- Address City and State ordinances and codes as they related to the health, safety, and general quality of life concerns of our residents, neighborhoods, and community.

Budget Allocation

Funded by Special Revenue, making up 6% of all Special Revenue Funds' appropriations.

Special Revenue Fund



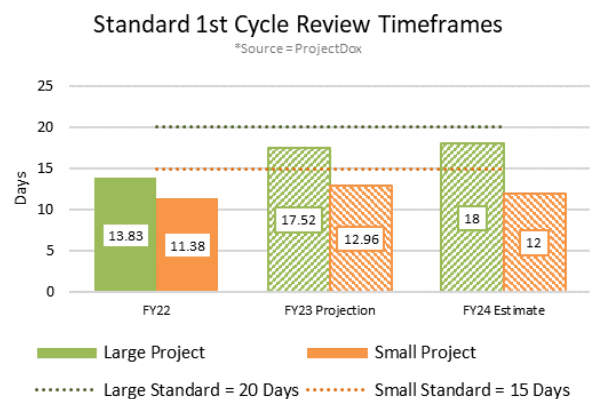
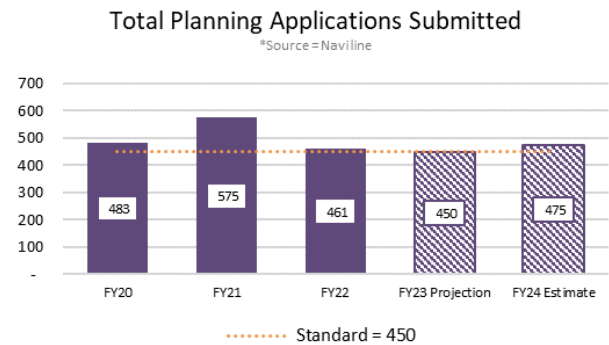
FY23 Accomplishments

- Initiated the UDC Revision project, "Building our Future Together"
- Adopted housing affirmative ordinance revisions
- Invested in Community Development Board operations
- Hired a Code Compliance Program Manager, retained Code Compliance staff during transition
- Continued administration of snow removal compliance and abatement
- Implemented new Code Compliance case management software, renegotiated short-term rental (STR) software contract
- Began implementation of new noise ordinance processes

Performance Measurements

*****Efforts are currently underway to implement technology systems needed to provide data (Avolve).**

- **Application Fees:** Analyze the percentage of fees intended to cover costs relative to both review timeframes and staffing levels



FY24 Strategic Plan

Engaged Community

- **1 Outreach**
- **1.2 (a) Enhance City Committees and Advisory Boards**

Safe, Welcoming Community

- **3.1 Public Safety**

A Well-Planned City

- **4.2 High Quality Urban Approach**
- **4.3 Strategic Infrastructure Choices**
- **4.4 Vibrant Downtown, Districts & Centers**
- **4.5 Housing and Transportation Choices**

High Performance Organization

- **7.2 Employee Excellence**
- **7.3 (b) System Integration**

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
COMMUNITY DEVELOPMENT	100-Community Development Fund	2,610,574	3,436,500	4,231,100	23.1%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
COMMUNITY DEVELOPMENT	Salaries & Benefits	1,786,655	2,362,100	2,783,900	17.9%
	Operations & Maintenance	292,405	605,600	923,000	52.4%
	Capital Outlay	78,459	40,000	25,000	-37.5%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	453,055	428,800	499,200	16.4%
TOTALS		2,610,574	3,436,500	4,231,100	23.1%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
COMMUNITY DEVELOPMENT	1610- Planning Operations	1,305,265	1,684,800	2,216,200	31.5%
	1620- Development Review	817,425	1,168,200	1,134,700	-2.9%
	1630- Long-Range Planning	240,775	310,100	444,900	43.5%
	1650- Code Enforcement	200,867	272,800	384,700	41.0%
	1660- Historic Preservation	45,601	—	50,000	—%
	1670- Zoning Operations	641	600	600	—%
TOTALS		2,610,574	3,436,500	4,231,100	23.1%

Salaries & Benefits

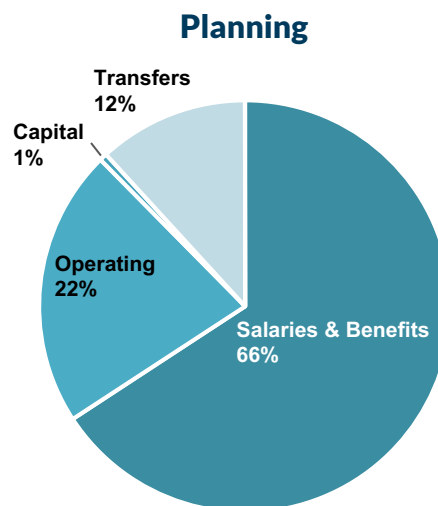
Addition of a Planner III - Development Review (1 FTE).

Operating

Increase due primarily to Contracted Services for work on projects including the Unified Development Code (UDC) update, impact fee study, legislative response, and local historic preservation program and design guidelines.

Capital

FY24 Capital Project Listing Planning				
Fund	Division	Project #	Project Name	FY24
100	Planning	CD08	Office Reconfigurations	25,000



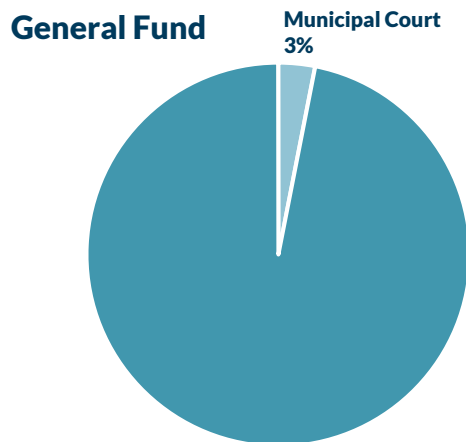
Municipal Court

Major Objectives

- Continue providing an up-to-date court docket.
- Maintain efficient collection of fines and restitution.
- Apply for funding for the implementation of the BRIDGERS DUI Treatment Court.
- Moving towards e-filing to facilitate filing efficiency

Budget Allocation

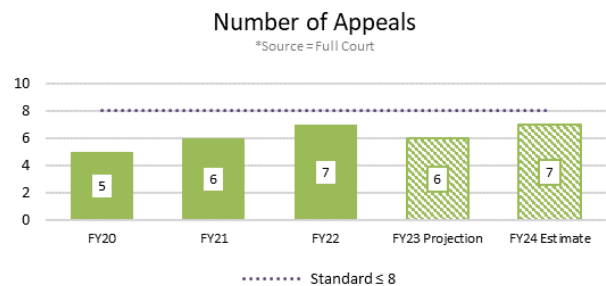
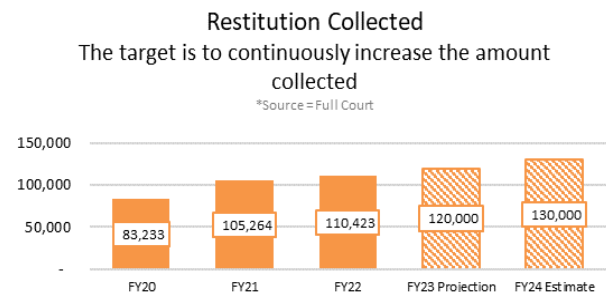
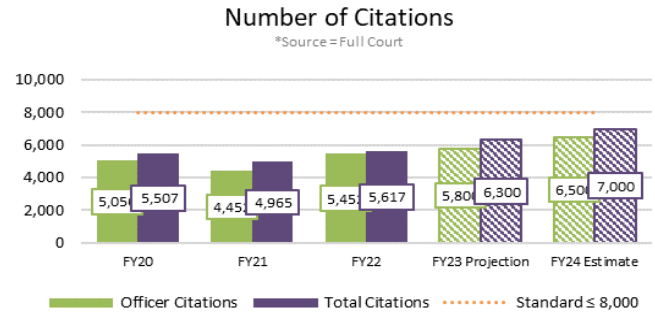
Funded mainly by the General Fund, Municipal Court makes up 3% of the fund's appropriations.



FY23 Accomplishments

- Moved into Bozeman Public Safety Center
- Transitioned to updated software/database with training from Office of Supreme Court Administrator
- Initiated a diversion program for driving while suspended citations and the insurance program to assist drivers obtaining valid licenses and insurance. Approximately 32 people have obtained a valid driver's license and 75 individuals have provided proof of insurance for the term of their sentences.

Performance Measurements



FY24 Strategic Plan

3.1 Public Safety: Support high quality public safety programs, emergency preparedness, facilities, and leadership.

- Apply for grant funding to start BRIDGERS DUI Treatment Court
- Continue diversion program

7.2(a) Be a "Best in Class" Employer: Enhance the attractiveness of the City as a place to work through salary and benefit packages, workplace amenities and facilities, as well as professional development.

- Budgeted for increased employee training
- Continue cross training employees

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
MUNICIPAL COURT	010- General Fund	1,002,019	1,532,200	1,720,300	12.3%
	178- Veteran Court	98,036	52,000	—	-100.0%
	196- COOCLI Grant	45,640	16,400	—	-100.0%
TOTALS		1,145,695	1,600,600	1,720,300	7.5%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
MUNICIPAL COURT	Salaries & Benefits	934,859	1,397,400	1,590,600	13.8%
	Operations & Maintenance	202,261	133,900	129,700	-3.1%
	Capital Outlay	6,692	—	—	—%
	Debt Service/Loans	1,883	900	—	-100.0%
	Transfers Out	—	68,400	—	-100.0%
TOTALS		1,145,695	1,600,600	1,720,300	7.5%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
MUNICIPAL COURT	1310-Municipal Court	1,145,705	1,435,800	1,540,600	7.3%
	1320- VETS Court	(10)	164,800	179,700	9.0%
TOTALS		1,145,695	1,600,600	1,720,300	7.5%

Salaries & Benefits

The Municipal Court expects the addition of Case Manager MHCF Grant and Case Manager BJA Grant. Both positions are currently excluded from the budget, and will be added when the City is formally awarded and the City Commission accepts the grant.

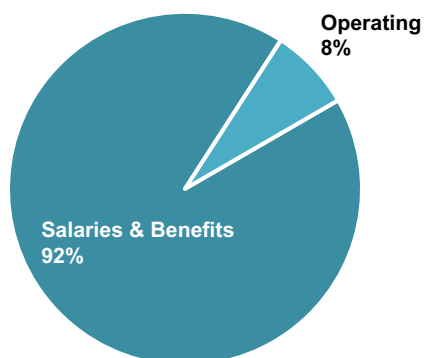
Operating

Overall reduction in operating budget primarily due to a decrease in contracted services as substitute judges are now City employees.

Capital

None

Municipal Court





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 - 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), 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.

Police

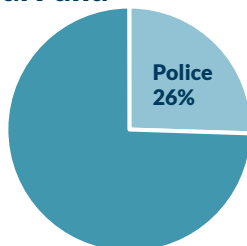
Major Objectives

- Detect, investigate, and proactively deter criminal activity.
- Provide assistance to those who cannot care for themselves or those in danger of physical harm.
- Provide crime prevention and safety education to schools, civic groups, businesses, and the public.
- Develop positive programs, in partnership with the members of our community, to address public safety issues through community engagement and outreach.

Budget Allocation

Funded primarily by the General Fund with additional programs funded by special revenue funds.

General Fund



FY23 Accomplishments

- Moved primary police operations into Bozeman Public Safety Center
- Completed the full implementation of body-worn cameras for all officers
- Worked with various stakeholders to start mobile crisis response

FY23 Strategic Plans

3.1(d) Update Public Safety Technology Systems: Integrated BPSC technology with Zuercher records management system

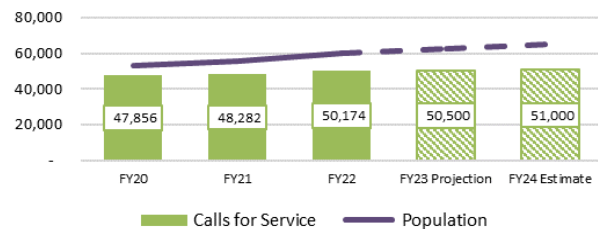
3.2(c) Develop City/County Social Service Network: Worked with Gallatin County and other community partners to implement a Mobile Crisis Response program

7.3 (c) Improve Departmental Collaboration: worked with other City departments to develop common solutions to houseless response

Performance Measurements

Total Calls for Service

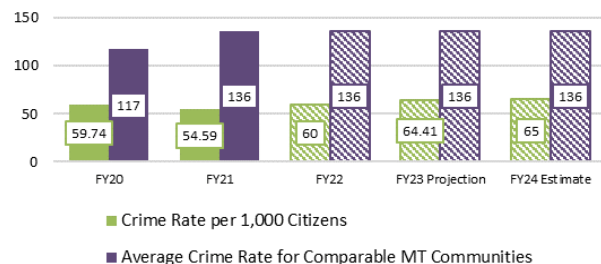
*Source = Zuercher



Crime Rate per 1,000 Citizens

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

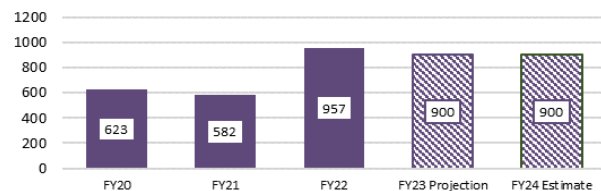
*Source = Zuercher



Mental Health-Related Calls for Service

The target is to improve service delivery and reduce repeat calls

*Source = Zuercher



FY24 Strategic Plan

1.1(b) Continue to strengthen and innovate in how we deliver information to the community and our partners.

3.1(d) Update Public Technology System: Purchase and implement Secure Warrant and Cellebrite cell phone technology systems to increase officer efficiencies and crime solutions.

4.3(d) Explore sustainable technology: Continue to replace the BPD patrol car fleet with hybrid vehicles and explore all electric vehicle options.

7.2 Employee Excellence: Recruit, retain, and value a diverse, well-trained, qualified and motivated team capable of delivering superior performance. Increase training for officers and detectives.

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
POLICE	010- General Fund	10,866,743	12,692,000	14,212,900	12.0%
	125- Drug Forfeiture	293,612	267,700	262,800	-1.8%
	138- Law & Justice Ctr. Prepaid Rent	19,125	235,900	—	-100.0%
	139- Police Special Revenue	20,742	11,000	—	-100.0%
	140- Police Domestic Violence	23,165	300	—	-100.0%
	501 - BOZ Public Safety Center	21,082,937	2,460,000	—	-100.0%
TOTALS		32,306,323	15,666,900	14,475,700	-7.6%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
POLICE	Salaries & Benefits	9,849,971	11,303,600	12,838,200	13.6%
	Operations & Maintenance	1,707,109	1,926,600	1,237,500	-35.8%
	Capital Outlay	20,747,756	2,191,000	382,200	-82.6%
	Debt Service/Loans	—	35,000	17,800	-49.1%
	Transfers Out	1,486	210,700	—	-100.0%
TOTALS		32,306,323	15,666,900	14,475,700	-7.6%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
POLICE	3010- Police Operations	29,545,487	12,639,400	10,982,200	-13.1%
	3020- Crime Control & Investigations	2,244,973	2,423,300	2,890,000	19.3%
	3040- Drug Forfeiture	293,612	267,700	262,800	-1.8%
	3070- Animal Control	222,252	336,500	340,700	1.2%
TOTALS		32,306,323	15,666,900	14,475,700	-7.6%

Salaries & Benefits

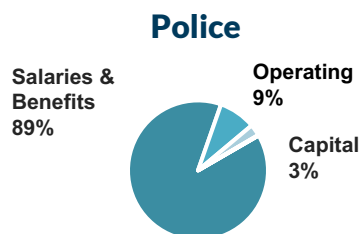
Addition of a Lieutenant (1 FTE), four Police Officers (1 FTE each), two Police Interns, and reclassification of Sergeant to Lieutenant. There is also 0.5 FTE added to increase the Digital Forensics Analyst position from 0.5 to 1.0 FTE.

Operating

With Police settled into the Bozeman Public Safety Center, operational expenses related to supplies and materials are anticipated to decrease in FY24 resulting in an overall reduction in operational budget.

Capital¹

FY24 Capital Project Listing Police				
Fund	Division	Project #	Project Name	FY24
10	Police	GF053	Patrol Car & Equipment Replacement	308,200
10	Police	GF294	Patrol Car - Additional	74,000
10	Police	GF316	Police Body Camera System*	67,000
Police Total				449,200



¹ GF316 will not be capitalized and is included in the Operating budget.

Fire

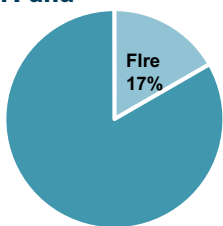
Major Objectives

- Begin construction on Fire Station 2
- Place two, new fire engines in service
- Implement new radio system
- Conduct Self-Assessment process required for accreditation

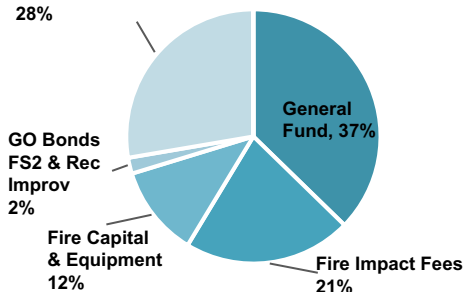
Budget Allocation

Fire is supported operationally through the General Fund and also by various special revenue funds.

General Fund



Fire Station 2 Construction 28%



FY23 Accomplishments

- Relocated Fire Station 1 to BPSC
- Updated Fire Department Strategic Plan
- Conducted two, joint recruit firefighter academies

FY23 Strategic Plans

1.1 Conduct a Community Risk Assessment and Standards of Cover

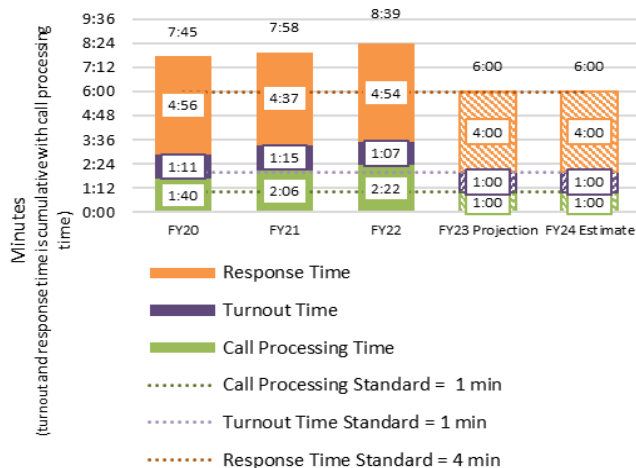
2.1 Prepare the next generation of leaders

3.1(d) Implement the Fire Station Location Plan: Established BPSC as new FS1 headquarters

Performance Measurements

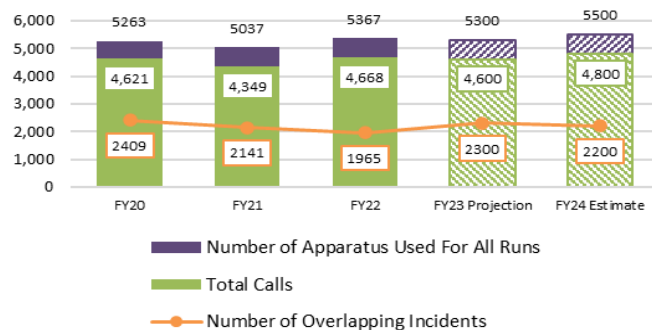
Average Emergency Call Response Time

*Source = Emergency Reporting



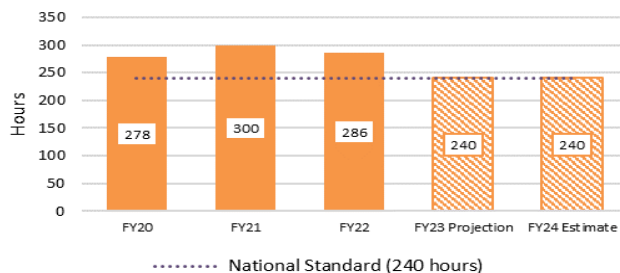
Incident Numbers

*Source = Emergency Reporting



Training Hours Per Fire Fighter

*Source = Emergency Reporting



FY24 Strategic Plan

1.2 Develop public outreach, engagement, and education

3.1 Develop fire department facilities plan

3.3 Review and update resource deployment

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
FIRE	010- General Fund	7,735,154	8,470,400	9,288,500	9.7%
	113- Fire Impact Fees	32,967	28,700	5,327,900	18464.1%
	183- Fire Department Special Revenue	52,895	1,900	—	-100.0%
	187- Fire Capital & Equipment	102,478	2,641,700	2,892,800	9.5%
	311- GO Bonds FS2 & Rec Improv	—	150,300	509,600	239.1%
	572 - Fire Station 2 Relocation Const	351,500	6,730,000	6,895,700	2.5%
TOTALS		8,274,993	18,023,000	24,914,500	38.2%

Department Budget by Category					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
FIRE	Salaries & Benefits	7,083,500	7,527,500	8,252,200	9.6%
	Operations & Maintenance	723,927	857,900	858,500	0.1%
	Capital Outlay	294,318	8,389,300	8,438,700	0.6%
	Debt Service/Loans	—	150,300	509,600	239.1%
	Transfers Out	173,248	1,098,000	6,855,500	524.4%
TOTALS		8,274,993	18,023,000	24,914,500	38.2%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
FIRE	3110- Fire Administration	1,031,236	7,556,700	9,636,600	27.5%
	3120- Fire Operations	7,150,812	10,374,000	15,128,300	45.8%
	3130- Operational Readiness	50,005	51,000	57,000	11.8%
	3140- Fire Prevention	26,021	26,000	26,100	0.4%
	3160- Hazardous Materials	16,920	15,300	14,400	-5.9%
	3180- EMS Ambulance Services	—	—	52,100	—%
TOTALS		8,274,993	18,023,000	24,914,500	38.2%

Salaries & Benefits

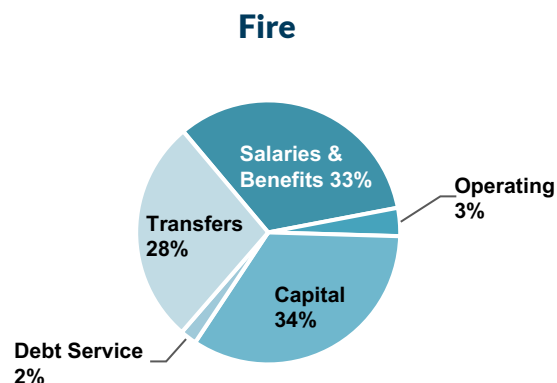
Addition of three Firefighters (1 FTE each)

Operating

Operating budget is in line with prior year spending.

Capital

FY24 Capital Project Listing Fire				
Fund	Division	Project #	Project Name	FY24
113	Fire Impact Fee	FIF06	Fire Station 4 Land Acquisition & Design	1,500,000
187	Fire Capital & Equip	FE12	Personal Protective Equipment	43,000



Building Inspection

(Community Development)

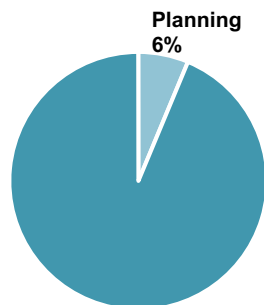
Major Objectives

- Develop and retain an adequate level of qualified staff to handle current and projected workload.
- Build a diverse workforce in both experience and education without sacrificing our work quality, service and minimum performance standards.
- Provide staff with the tools and training to be able to offer consistent inspections even as new construction methods are introduced to the community.

Budget Allocation

Department is funded through a Special Revenue Fund - Building Inspection Fund.

Special Revenue Funds



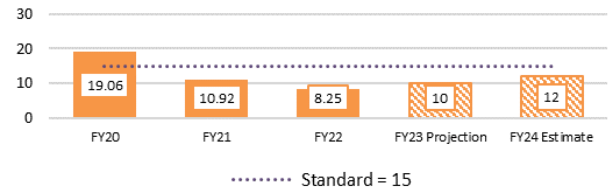
FY23 Accomplishments

- Staff retention, training, and advancement
- Continued strides in standardization and documentation
- New pro-efficiency processes, including mater building plan review, foundation only permits

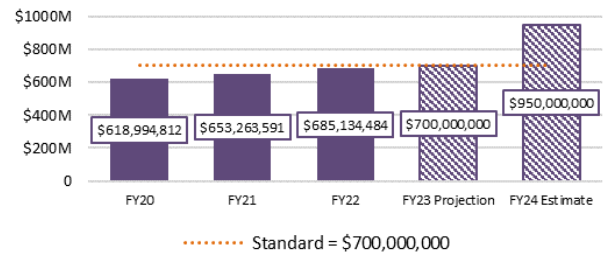
Performance Measurements

Average Daily Inspections Per Inspector

*Source = ePlan

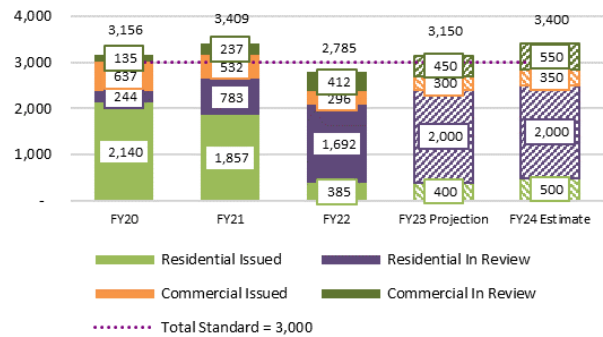


Building Permit Valuation



Building Permits Issued & In Review

*Source = Naviline



FY24 Strategic Plan

An Engaged Community

- **1.4** Business and Institutional Partnerships

A Safe, Welcoming Community

- **3.1** Public Safety

A Well-Planned City

- **4.2** High Quality Urban Approach

High Performance Organization

- **7.2** Employee Excellence
- **7.3 (b)** System Integration

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
BUILDING INSPECTION	115- Building Inspection Fund	2,845,939	3,792,200	4,539,300	19.7%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
BUILDING INSPECTION	Salaries & Benefits	1,798,975	2,508,300	3,191,000	27.2%
	Operations & Maintenance	548,032	856,600	807,600	-5.7%
	Capital Outlay	157,287	40,000	75,000	87.5%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	341,646	387,300	465,700	20.2%
TOTALS		2,845,939	3,792,200	4,539,300	19.7%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
BUILDING INSPECTION	3210-Building Inspection	2,845,939	3,792,200	4,539,300	19.7%

Personnel

No additional personnel in FY24.

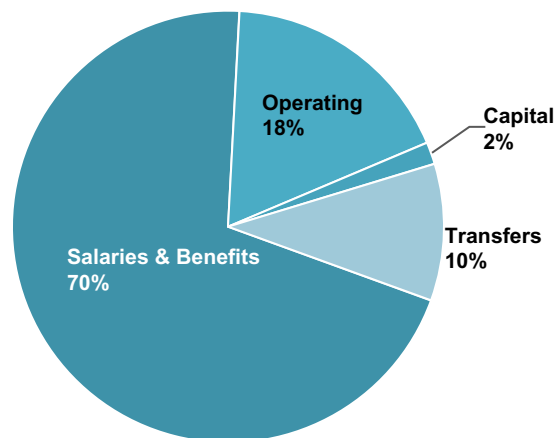
Operating

Overall reduction in operating expenses budgeted in FY24 due primarily to one-time software and computer supplies purchases in FY23.

Capital

FY24 Capital Project Listing Building Inspection Fund					
Fund	Division	Project #	Project Name	FY24	
115	Building Inspection	CD08	Office Reconfigurations	25,000	
115	Building Inspection	BI05	Building Vehicle	50,000	
Building Inspection Total				75,000	

Building Inspection



Parking

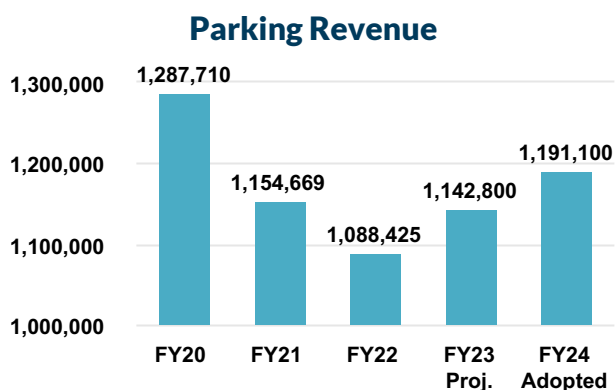
(Economic Development)

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 is an enterprise fund.



FY23 Accomplishments

- Completed extensive community engagement regrading on-street paid parking in downtown core. Researched options for employee parking, secured site for a second parking garage, and developed several other recommendations for the City Commission related to paid parking.
- Developed and began the implementation of maintenance manual for the Bridger Parking Garage. The maintenance manual is a requirement of the federal grant that funded the garage and will allow the parking garage to remain in good working order for the entirety of its useful life.
- Created a Lead Parking Compliance Officer position. This position adds another rung to the job ladder for parking compliance officers.

FY23 Strategic Plans

4.2 High Quality Urban Approach: Continue to evolve our parking management program with bold solutions to our management challenges, including the on-street paid parking proposal.

7.2 Employee Excellence: Parking has taken a dedicated approach to providing excellent customer service to the public and to encourage professional development.

7.3 Improve Departmental Collaboration: Parking services routinely assists Police, Streets, and Public Works in providing excellent service to the public.

Performance Measurements

****Systems are currently being implemented to collect and analyze data.*

- **Median Parking Occupancy:** Track occupancy of block faces within the Downtown Parking Benefit Zone, public lots, and parking structures to monitor exceedance of target range of 75-85% average occupancy within all parking enforcement areas.
- **Parking Permit Utilization:** Track total number of parking permits available within restricted areas and total number of permits issued to monitor parking permit utilization and occupancy across permit area.
- **Parking Complaint Response:** Track the proportion of parking complaints in which parking enforcement officers are able to respond.

FY24 Strategic Plan

4.2 (c) Parking Management by District: Parking Services will utilize the new parking management plan to better align management strategies and enforcement resources.

7.3 (d) Update Departmental Plans: Parking Services plans to update the outdated 2016 Downtown Strategic Parking Management Plan, 20/26 tasks have been completed.

7.5 Funding and Delivery of City Services: Parking Services aims to adjust permit rates and citation fines to better reflect costs associated with operating parking facilities, enforcement operations and technology, and personnel time dedicated to each task.

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PARKING	650- Parking Enterprise Fund	1,018,093	1,432,400	1,916,900	33.8%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PARKING	Salaries & Benefits	386,769	515,200	591,200	14.8%
	Operations & Maintenance	477,292	577,600	693,900	20.1%
	Capital Outlay	66,666	212,100	500,000	135.7%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	87,366	127,500	131,800	3.4%
TOTALS		1,018,093	1,432,400	1,916,900	33.8%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PARKING	3310- Parking Administration	452,398	482,400	525,800	9.0%
	3320- Parking Operations/Enforcement	325,508	423,400	578,000	36.5%
	3330- Parking Garage Operations	240,186	526,600	813,100	54.4%
TOTALS		1,018,093	1,432,400	1,916,900	33.8%

Salaries & Benefits

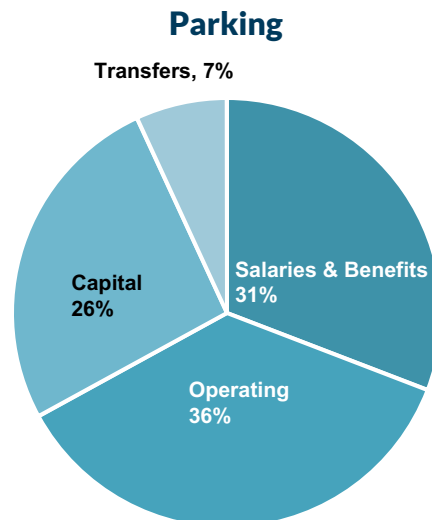
The Parking Fund include budget in FY24 to pay for 0.5 FTE of the Facilities Worker added in FY24. This position will spend half it's time supporting the Parking Garage.

Operating

Increase due primarily to contracted services for consultant to draft a new Strategic Parking Management Plan.

Capital

FY24 Capital Project Listing Parking Fund				
Fund	Division	Project #	Project Name	FY24
650	Parking Fund	P030	Mobile LPR Technology	100,000
650	Parking Fund	P031	Crack Repair Bridger Garage	250,000
650	Parking Fund	P034	Fixed LPR Technology	150,000
Parking Total				500,000





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.

Solid Waste - 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 Million Gallon Per Day (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.

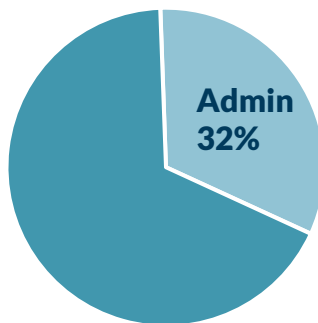
Public Works Admin

Major Objectives

- Coordinate the activities of the Public Works Department.
- 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



FY23 Accomplishments

- The Administrative Division successfully hired a Director of Transportation and Engineering and a City Engineer.
- Placed in service, redundant 30" treated water line from plant to Sourdough tank.
- Signed lease for office space at 7 E. Beall for Stormwater and Water Conservation.

FY23 Strategic Plans

4.3 Strategic Infrastructure Choices: Valley Center (Silos) and Riverside Lift Station Agreements, N 3rd Water, Sewer, Street Renovation Agreement

4.5 Housing and Transportation Choices: USD Updates to parking and transportation, BZN SAFE Plan

7.3 Best Practices, Creativity, and Foresight: Infrastructure Design Review process modernization

Performance Measurements

This function oversees the performance of all of Public Works.

FY24 Strategic Plan

Oversee all of Public Works Strategic Plan efforts in FY24.



FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PUBLIC SERVICE	750- Public Services Admin.	1,230,277	2,195,100	2,201,400	0.3%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PUBLIC SERVICE	Salaries & Benefits	550,582	1,031,600	1,068,200	3.5%
	Operations & Maintenance	308,312	446,700	337,200	-24.5%
	Capital Outlay	27,539	—	—	—%
	Debt Service/Loans	22,198	89,700	93,300	4.0%
	Transfers Out	321,646	627,100	702,700	12.1%
TOTALS		1,230,277	2,195,100	2,201,400	0.3%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PUBLIC SERVICE	4010- Public Works Admin	1,230,277	2,003,600	2,081,500	3.9%
	4090- Director of Utilities	—	191,500	119,900	-37.4%
TOTALS		1,230,277	2,195,100	2,201,400	0.3%

Salaries & Benefits

No additions in FY24.

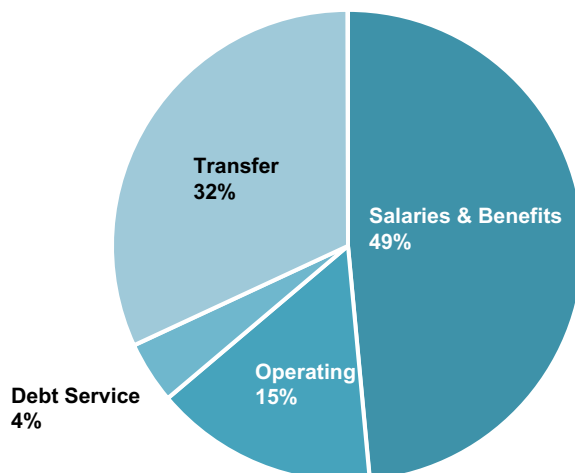
Operating

Overall decrease in operating budget for FY24 primarily due to a high FY23 projection for snow removal due to significant weather events.

Capital

None

Public Works Administration



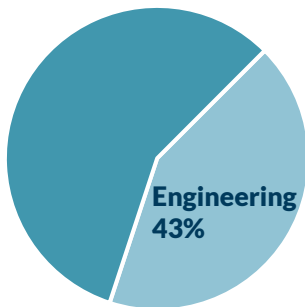
Engineering

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:



FY23 Accomplishments

- Griffin Drive Reconstruction (Western Half)
- WRF Solids Handling Expansion (50% Complete)
- Sourdough Fuels Reduction – Phase 1 and 2
- Wastewater Facility Model Update – continuing Phase 2
- Various chip seal and mill overlay work
- Development Review (>500 completed)

FY23 Strategic Plans

4.3 Davis Lift Station/E. Norton Interceptor and Trunk Sewer

4.5 Completed Street Improvements on Griffin Drive, including bike and pedestrian facilities

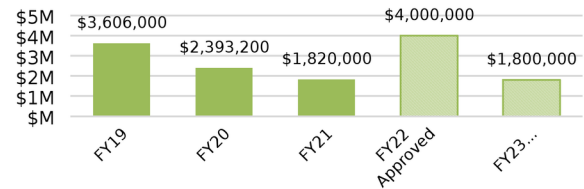
4.3(f) Hired new TDM coordinator to work on the enhancement of non-motorized transportation

7.3 Participated in Avolve system implementation for development review and expanded use of Smartsheets for better collaboration

Performance Measurements

Value of Internal Design Work

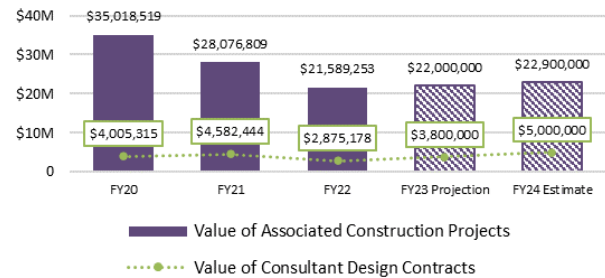
*Source = Internal Tracking



Value of Consultant Work

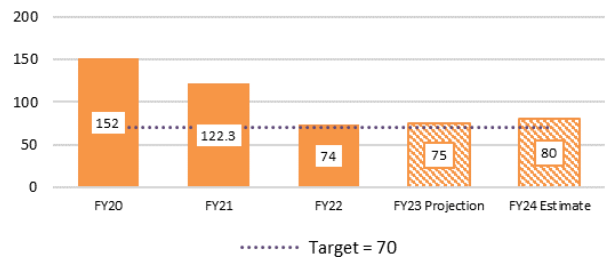
*Actual FY19 & FY20 numbers will vary due to the start/completion date of the approved projects.

*Source = Internal Tracking



Development Application Plan Reviews Per FTE

*Source = Internal Tracking



FY24 Strategic Plan

Work with new Director of Transportation and Engineering on priorities including:

- Design standards
- Comprehensive City Stormwater Master Plan
- Modernize old processes (Avolve, Smartsheets, Field bases system for quicker occupancy inspections, training, SOP, etc.)

FY24 Budget

Department Budget by Fund					
Division	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
ENGINEERING	750- Public Services Admin.	1,582,507	2,422,900	2,891,000	19.3%

Department Budget by Category					
Division	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
ENGINEERING	Salaries & Benefits	1,308,383	1,994,300	2,205,300	10.6%
	Operations & Maintenance	246,443	428,600	685,700	60.0%
	Capital Outlay	12,408	—	—	—%
	Debt Service/Loans	15,274	—	—	—%
	Transfers Out	—	—	—	—%
TOTALS		1,582,507	2,422,900	2,891,000	19.3%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PUBLIC WORKS ADMIN	4020- Engineering	1,582,507	2,422,900	2,891,000	19.3%

Salaries & Benefits

Addition of two short-term worker Engineering Inspectors.

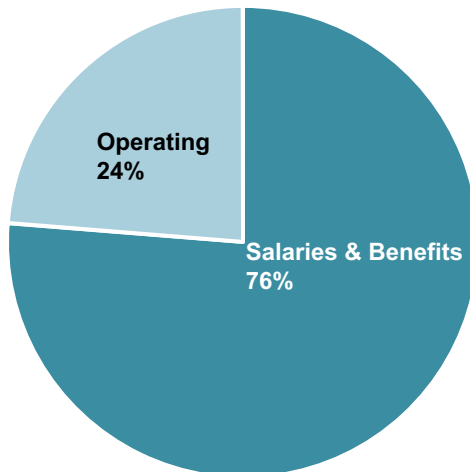
Operating

Increase due to contracted services for Engineering Design Standards Phase 2, Transportation Master Plan Update, and federal grant writing assistance to pursue and apply for federal transportation grants.

Capital

There are many capital projects planned for FY24. See the Capital Project Listing on pages [157-160](#) for the detailed capital listing.

Engineering



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



FY23 Accomplishments

- ArcGIS portal for Engineering, Parks, Streets and Police
- Cityworks Mobile for Parks and inspections for Water Conservation
- Onboarding of all new staff

FY23 Strategic Plans

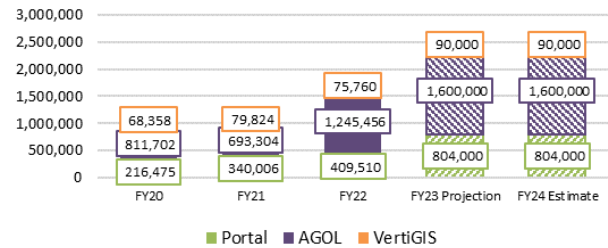
7.3 (b) System Integration: Avolve Infrastructure Acceptance for Engineering

7.4 (a) Develop Analysis Tools: Community Plan Dashboard

7.4 (d) Strategic Municipal Service Delivery Expectations: National Community Survey

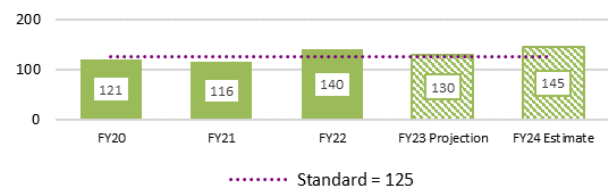
Performance Measurements

GIS Web Product Usage
Target is to continuously increase web product usage
*Source = Geocortex Analytics



Cityworks Users

*Source = Cityworks



Asset Management Report Card
Grades reflect GIS/AM work in support of the Divisions
*Source = GIS/AM Staff

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

Denotes improvement from last year

Denotes decline from last year

FY24 Strategic Plan

3.1 Public Safety: Expand GIS Services to the Police Department

6.6 Habitat: Finalize Gallatin Valley Sensitive Lands Protection Plan

7.3 Best Practices, Creativity & Foresight: Implement Systems for Utility Modeling (Innovyze), Long Range Planning (CIP), and the Development Process (Avolve)

FY24 Budget

Department Budget by Fund					
Division	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
GIS/ASSET MANGT	750- Public Services Admin.	1,012,334	1,631,100	1,704,700	4.5%

Department Budget by Category					
Division	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
GIS/ASSET MANAGEMENT	Salaries & Benefits	594,236	910,500	936,200	2.8%
	Operations & Maintenance	373,797	670,600	573,500	-14.5%
	Capital Outlay	44,300	50,000	195,000	290.0%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	—	—	—	—%
TOTALS		1,012,334	1,631,100	1,704,700	4.5%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
STRATEGIC SERVICES	4025- GIS/Asset Mgmt	1,012,334	1,631,100	1,704,700	4.5%

Personnel

No additions in FY24.

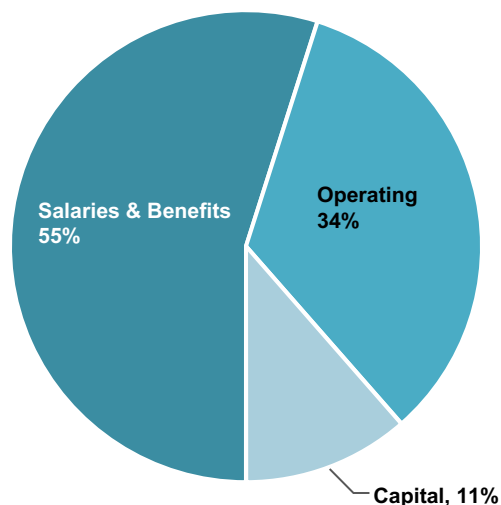
Operating

Overall decrease in operating budget for FY24 primarily due to \$200k budgeted in contracted services for Sensitive Lands Study in FY23.

Capital

FY24 Capital Project Listing Public Works Administration Fund				
Fund	Division	Project #	Project Name	FY24
750	Public Works Administration	GIS04	Aerial Photography	65,000
750	Public Works Administration	GIS09	LiDAR	65,000
750	Public Works Administration	GIS10	Land Cover Acquisition	65,000
GIS Total				195,000

GIS Asset Management



Solid Waste

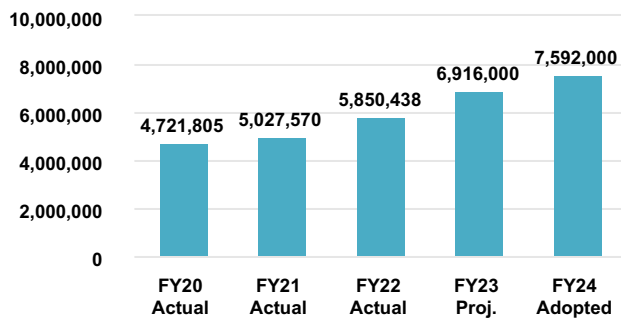
Major Objectives

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

Budget Allocation

Solid Waste Fund – Enterprise Fund

Solid Waste Fund Revenue



The Division also oversees the Landfill Post Closure fund.

FY23 Accomplishments

- Pilot program for bear-resistant containers outreach program
 - Change collection times in bear conflict zones
 - Educational materials: How to reduce bear attractants around your home
 - Support and Collaboration with following groups:
 - Sierra Club
 - Greater Yellowstone Coalition
 - People & Carnivores
 - Animal Welfare Institute

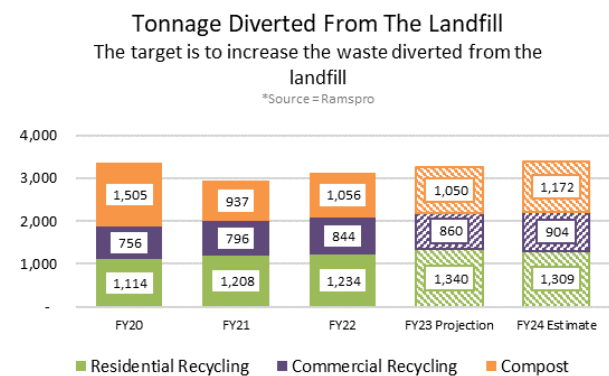
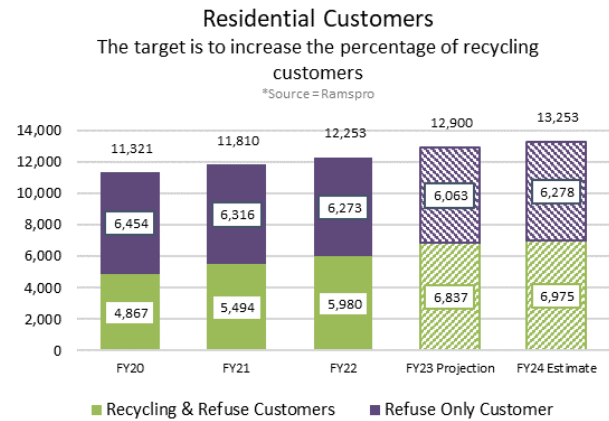
FY23 Strategic Plans

6.3 (b) Increase Solid Waste Recycling Services.
Adopt incentive programs to increase the public's utilization of city recycling and solid waste services.

Performance Measurements

- **Tonnage per Residential Customer:** Measure the pounds of refuse and recycling per customer per collection event to measure the impact of the waste diversion programs.

*****Methodology is currently being developed based on recently implemented systems to track the necessary data.**



FY24 Strategic Plan

1.3 (c) Enhance our relationship with Montana State University: Continue working with MSU to enhance the collection and processing of recycling and organic waste streams on MSU campus

6.3 (b) Increase Solid Waste Recycling Services.
Adopt incentive programs to increase the public's utilization of city recycling and solid waste service:

- Efforts underway in a feasibility study on City-wide recycling and organics collection program delivery due fall of 2023.
- Adding ReCollect Software to our webpage to educate and communicate with customers on reduced contamination, lower call volumes, increased diversion, proper recycling habits, and methods to build actionable insight.

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
SOLID WASTE	640- Solid Waste Fund	4,819,934	6,773,900	6,981,200	3.1%
	641 - Landfill Post Closure	(33,087)	634,000	740,000	16.7%
TOTALS		4,786,847	7,407,900	7,721,200	4.2%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
SOLID WASTE	Salaries & Benefits	1,722,989	2,055,200	2,255,000	9.7%
	Operations & Maintenance	2,027,770	2,892,800	3,309,100	14.4%
	Capital Outlay	101,824	1,426,000	660,000	-53.7%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	934,264	1,033,900	1,497,100	44.8%
TOTALS		4,786,847	7,407,900	7,721,200	4.2%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
SOLID WASTE	5810-Collection Operation	4,480,033	6,135,100	6,154,200	0.3%
	5820- Recycling	339,901	638,800	827,000	29.5%
	5910- Landfill Post Closure	(33,087)	634,000	740,000	16.7%
TOTALS		4,786,847	7,407,900	7,721,200	4.2%

Salaries & Benefits

No additions in FY24.

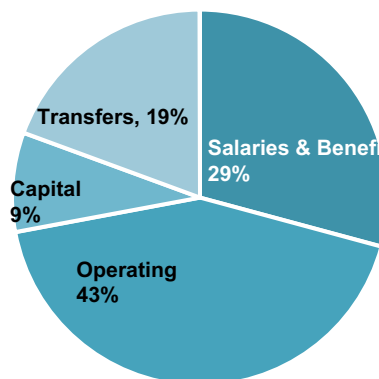
Operating

Changes are due to increases in fuel costs and repair & maintenance expenses as the fleet ages.

Capital²

FY24 Capital Project Listing Solid Waste Funds					
Fund	Division	Project #	Project Name	FY24	
640	Solid Waste	SW58	Roll Off Truck	250,000	
640	Solid Waste	SW59	Solid Waste Rate Study*	70,000	
641	Landfill Closure Costs	SW71	Landfill South SVE Wells	70,000	
641	Landfill Closure Costs	SW72	Landfill East SVE Wells	340,000	
Solid Waste Total				730,000	

Solid Waste



² SW59 will not be capitalized and is included in the Operating budget.

Stormwater

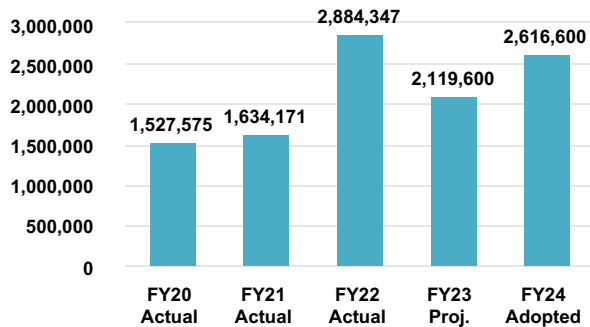
Major Objectives

- Protect the public from flooding and pipe failures
- Reduce discharge volume and improve the quality of stormwater discharges to surface waters
- Comply with environmental regulations

Budget Allocation

Stormwater Fund – Enterprise Fund

Storm Water Fund Revenue



FY23 Accomplishments

- Installed a UV-cured CIPP liner in one of Bozeman's oldest and largest stormwater mains
- Worked with consultant to begin updating the 2008 Stormwater Facilities Plan
- Adapted processes to a new MS4 Permit alongside MSU
- Removed over 100 tons of sediment and pollutants from stormwater infrastructure

FY23 Strategic Plans

1.2 An Engaged Community: Community Engagement

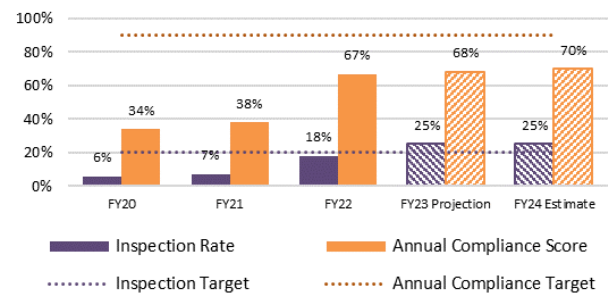
4.3 Strategic Infrastructure Choices

6.1 Clean Water Supplies

Performance Measurements

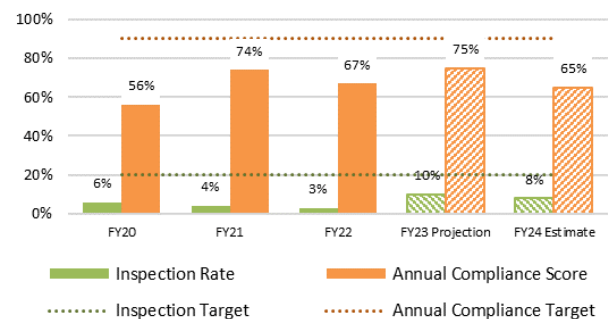
Construction Site Management Program

*Sources = Cityworks



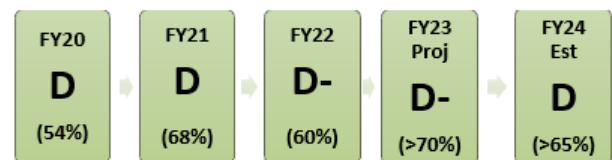
Stormwater Facility Management Program

*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>.

FY24 Strategic Plan

- **4.3 Strategic Infrastructure Choices**
- **6 A Sustainable Environment**
- Climate Vulnerability Assessment & Resiliency Strategy

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
STORMWATER	670- Stormwater Fund	1,527,937	3,491,800	2,497,600	-28.5%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
STORMWATER	Salaries & Benefits	595,618	812,800	931,300	14.6%
	Operations & Maintenance	134,326	162,200	280,300	72.8%
	Capital Outlay	391,376	1,612,700	649,600	-59.7%
	Debt Service/Loans	115,538	115,500	116,400	0.8%
	Transfers Out	291,080	788,600	520,000	-34.1%
TOTALS		1,527,937	3,491,800	2,497,600	-28.5%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
STORMWATER	4510- Admin., Enforc. & Mapping	896,529	2,935,400	2,182,500	-25.6%
	4520- Operations & Mtc.	241,235	300,000	315,100	5.0%
	4530- Construction	390,173	256,400	—	-100.0%
TOTALS		1,527,937	3,491,800	2,497,600	-28.5%

Salaries & Benefits

No additions in FY24.

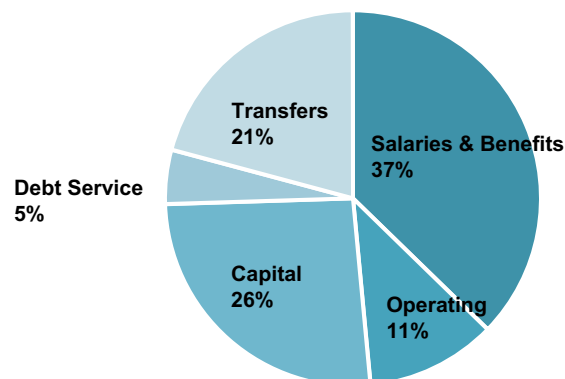
Operating

Increases to the operating budget are due to significant increases in the cost for utility locates and greater demands for repair and maintenance on vehicles that were scheduled to be replaced but have not yet, due to the limited availability of new vehicles.

Capital³

FY24 Capital Project Listing Stormwater Fund				
Fund	Division	Project #	Project Name	FY24
670	Stormwater	STDM04	Historic Pipe Replacement Program	300,000
670	Stormwater	STDM05	Annual Unplanned Pipe Rehab	49,600
670	Stormwater	STDM18	Stormwater Rate Model Study*	50,000
670	Stormwater	STRH01	Downtown Mech Storm	300,000
Stormwater Total				699,600

Stormwater



³ STDM18 will not be capitalized and is included in the Operating budget.

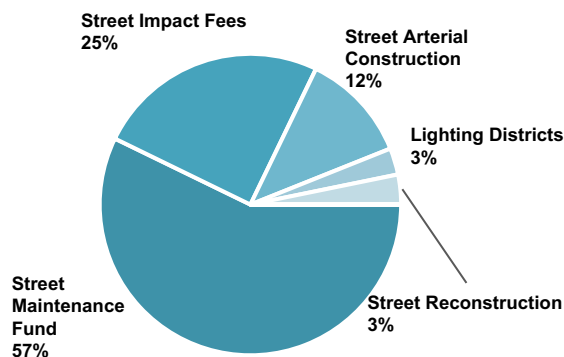
Street Maintenance

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 City-owned paths, sidewalks, bike lanes, and streets to allow all forms of transportation to move in a safe and prudent manner.

Budget Allocation

Street Maintenance is primarily funded by special revenue with some street projects also funded by the Arterial & Collector District and Street Impact Fee funds.



FY23 Accomplishments

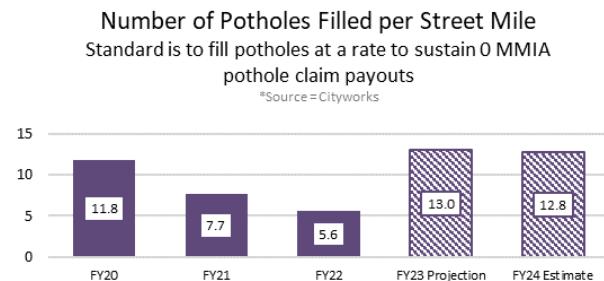
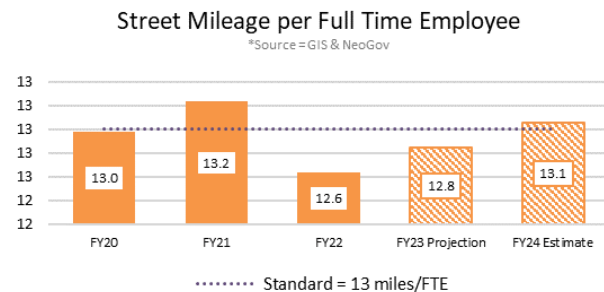
- Regaveled and paved sections of McIlhattan Road
- Maintained zero pothole damage claims
- Worked with the Community Engagement Coordinator to complete the art project at Babcock and S. Black.

FY23 Strategic Plans

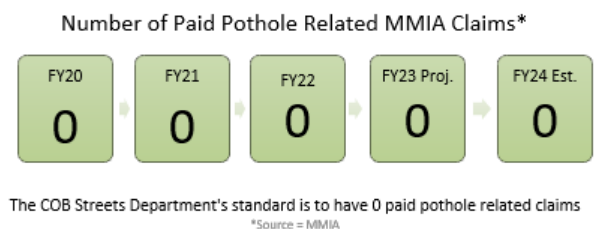
1.1 Outreach: Assisted other agencies with urban camping cleanup

1.2 Community Engagement: Continued work with Communications staff on temporary traffic calming and walk audits.

Performance Measurements



Number of Paid Pothole Related MMIA



FY24 Strategic Plan

1.4 Business and Institutional Partnerships: Continue to work with HRDC for Streamline signage, Huffing for Stuffing race for the Food Bank, and provide space for the refrigerated trailer for Thanksgiving turkey distribution.

6.6 Habitat: Identify wildlife corridors, Highland Boulevard and S. 3rd signage for Wildlife Crossing to make drivers aware of animal crossings

7.1 (b) Values-Driven Culture; Create a Culture of Innovation: Work on new ideas to increase productivity and decrease emissions.

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
STREETS	010- General Fund	—	—	—	—%
	108- Community Transportation Fund	22	—	—	—%
	110- Gas Tax Fund	2,177,017	1,901,300	—	-100.0%
	111- Street Maintenance Fund	7,480,376	10,952,000	10,913,100	-0.4%
	114- Street Impact Fees	3,225,421	11,650,700	4,758,800	-59.2%
	141- Street Arterial Construction	2,007,910	4,944,900	2,245,500	-54.6%
	Various- Lighting Districts	422,391	426,400	542,500	27.2%
	500- Construction Project	—	199,600	—	-100.0%
	504- Street Reconstruction	236,206	1,138,700	612,000	-46.3%
	506- SID 747 Manley Road	13,372	402,200	—	-100.0%
TOTALS		15,562,716	31,615,800	19,071,900	-39.7%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
STREETS	Salaries & Benefits	1,854,856	2,560,800	2,814,900	9.9%
	Operations & Maintenance	3,052,263	3,183,800	3,676,800	15.5%
	Capital Outlay	6,633,142	22,168,900	9,468,900	-57.3%
	Debt Service/Loans	240,537	321,500	213,800	-33.5%
	Transfers Out	3,781,918	3,380,800	2,897,500	-14.3%
TOTALS		15,562,716	31,615,800	19,071,900	-39.7%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PUBLIC WORKS	4110- Street Operations	7,248,362	16,784,400	11,549,600	-31.2%
	4120- Street Maintenance	2,231,132	1,902,300	1,169,500	-38.5%
	4130- Street Construction	5,087,989	11,445,700	4,825,900	-57.8%
	4150- Street Lighting	534,415	526,200	643,700	22.3%
	4171- Traffic Signs & Markers	460,819	957,200	883,200	-7.7%
TOTALS		15,562,716	31,615,800	19,071,900	-39.7%

Salaries & Benefits

No additions in FY24.

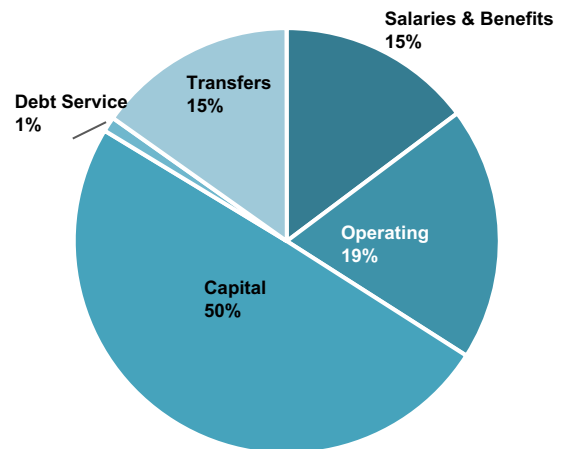
Operating

Increase in operational costs due primarily to moving general street maintenance including mill/overlay from capital into the operating budget to comply with accounting policies.

Capital

There are many capital projects planned for FY24. See the Capital Project Listing on pages [157-160](#) for the detailed capital listing for the Street Maintenance Fund, Street Impact Fee Fund, Arterial & Collector Fund and Construction Funds which includes the Street Reconstruction Fund.

Street Maintenance



FY24 Street Maintenance Capital Totals by Fund		
Fund	Division	FY24
111	Street Maintenance	2,371,900
114	Street Impact Fee	4,400,000
141	Arterial & Collector District	2,085,000
504	Street Reconstruction	612,000
Total		9,468,900

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 in place for all equipment and vehicles.

Budget Allocation

Internal Service Fund- Vehicle Maintenance Internal Service Fund and its services are billed out to other funds

FY23 Accomplishments

- Maintained emergency services fleet (Fire and Police) at the highest level
- Maintained and repaired essential services (Streets, Solid Waste, and Water/Wastewater) at the highest level
- Responded to breakdowns, as needed

FY23 Strategic Plans

4.3(d) Strategic Infrastructure Choices: Explore sustainable technology by pursuing and preparing for an electric and alternative fueled fleet.

6.2 Protect Local Air Quality: Maintain a robust preventative maintenance program so engines do not exceed their design emission levels.

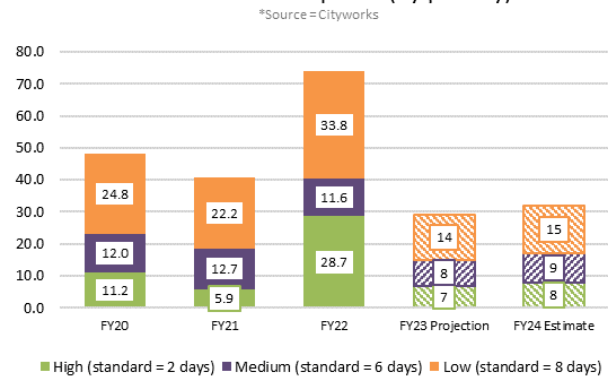
7.2 Employee Excellence: Offer the best in class work place amenities and facilities.

Performance Measurements

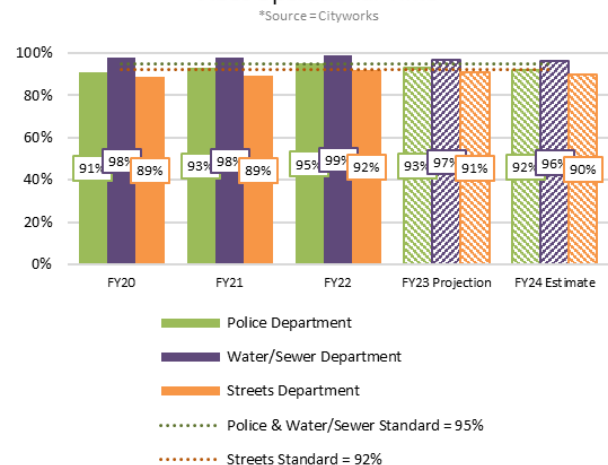
- Preventative and Reactive Maintenance:** Calculate and monitor preventative vs reactive maintenance.

*****Working with Asset Management to implement the necessary system changes to be able to accurately track this information for future years**

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



Fleet Operational Time



FY24 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.

7.3(c) Best Practices, Creativity & Foresight: Improve Departmental Collaboration. Work with departments on their vehicle purchases considering serviceability, environmental and climate influence and alternative propulsion systems.

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
VEHICLE MAINTENANCE	710- Vehicle Maintenance Fund	1,813,813	2,085,300	2,929,600	40.5%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
VEHICLE MAINTENANCE	Salaries & Benefits	678,158	840,500	1,029,200	22.5%
	Operations & Maintenance	928,218	988,000	987,900	—%
	Capital Outlay	—	45,000	120,000	166.7%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	207,438	211,800	792,500	274.2%
TOTALS		1,813,813	2,085,300	2,929,600	40.5%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
VEHICLE MAINTENANCE	6010- Vehicle Maintenance Shop	1,813,813	2,085,300	2,929,600	40.5%

Salaries & Benefits

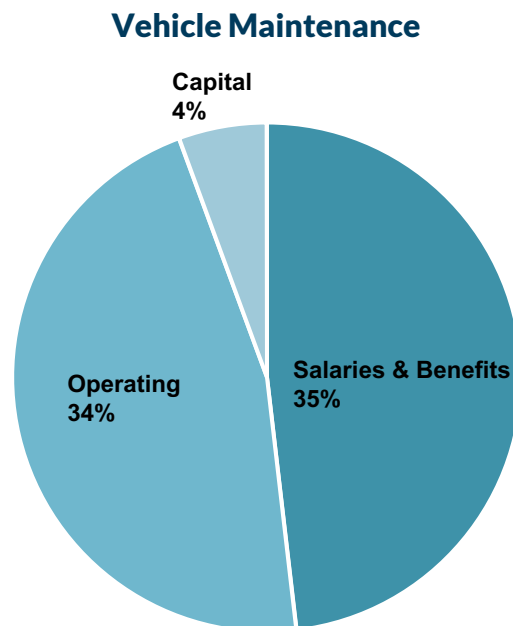
No additions in FY24.

Operating

No change in budget for FY24.

Capital

FY24 Capital Project Listing Vehicle Maintenance Fund					
Fund	Division	Project #	Project Name	FY24	
710	Vehicle Maintenance	VM05	Vehicle Maintenance Service Truck	120,000	



Wastewater

Operations

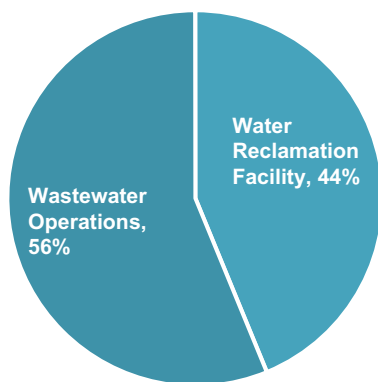
Major Objectives

- Maintain over 250 miles of wastewater collection system including manholes, wastewater collection, and lift stations
- Clean collections system to minimize stoppages
- Video inspect sewer infrastructure to determine problems to help troubleshoot and prioritize repair and deferred maintenance

Budget Allocation

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

Distribution of Wastewater Budget



FY23 Accomplishments

- Continued to keep a low number of sanitary sewer overflow events by way of preventative maintenance
- Worked with Engineering and a consulting engineer to develop an effective mechanism to help prioritize sewer main replacement

FY23 Strategic Plans

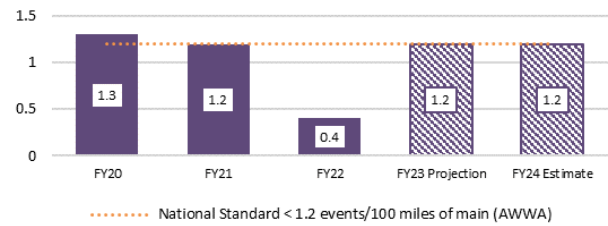
4.3(b) Strategic Infrastructure Choices: In a year of challenges to get projects started, the following projects should break ground toward the end of FY23:

- Sewer Lining on N. 19th, south of College
- Sewer Main Replacement in Main St. area

Performance Measurements

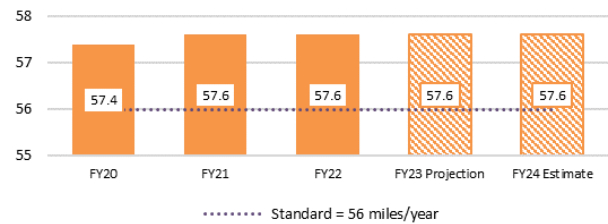
Number of Overflow Events per 100 Miles of Main

*Source = Cityworks



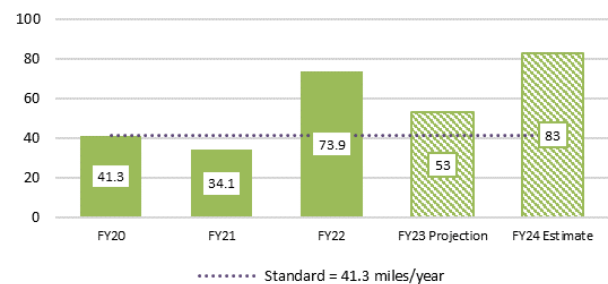
Miles of Root Cut Mains

*Source = Cityworks



Miles of Flushed Mains

*Source = Cityworks



FY24 Strategic Plan

4.1 Strategic Infrastructure Choices: Replace sewer main from Church to Bozeman on Main Street, reline existing 21" pipe between Oak and Rouse

7.4 (a) Performance Metrics: Continue implementing Infoasset Planner to help us make risk-based deferred maintenance decisions

Community Affordable Housing: Allotted \$3 million to build a new sewer lift station on Valley Center to unlock 600 acres of developable area for a future housing development, allotted \$204,000 to install new sewer main along N. 3rd for future housing development.

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
WASTEWATER OPERATIONS	620- Wastewater Fund	2,514,068	5,616,400	10,973,550	95.4%
	621- EPA Grant	—	—	—	—%
	623- Davis/Norton Lift Station	1,227,446	1,104,700	1,100,600	-0.4%
	630- Wastewater Impact Fee	192,207	331,600	302,100	-8.9%
TOTALS		3,933,721	7,052,700	12,376,250	75.5%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
WASTEWATER OPERATIONS	Salaries & Benefits	859,710	1,222,700	1,279,100	4.6%
	Operations & Maintenance	671,110	869,400	809,300	-6.9%
	Capital Outlay	303,845	2,505,900	7,794,000	211.0%
	Debt Service/Loans	1,060,566	1,104,700	1,100,600	-0.4%
	Transfers Out	1,038,490	1,350,000	1,393,250	3.2%
TOTALS		3,933,721	7,052,700	12,376,250	75.5%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
WASTEWATER OPERATIONS	5210- Wastewater Operations	2,551,938	4,565,700	3,859,550	-15.5%
	5220- Utilities Locates	99,739	125,700	141,000	12.2%
	5230- Wastewater Services	1,216	4,000	4,000	—%
	5240- Wastewater Construction	1,244,727	2,332,700	8,329,600	257.1%
	5250- Manholes	23,802	10,000	25,000	150.0%
	5260- Televising	8,492	9,600	12,100	26.0%
	5280- Main Repairs	3,807	5,000	5,000	—%
TOTALS		3,933,721	7,052,700	12,376,250	75.5%

Salaries & Benefits

Addition of a Water/Sewer Operator for Meters (1 FTE), funded 50% by Water and 50% by Wastewater and reclassification of Operator to Leadworker, funded 50% by Water and 50% by Wastewater.

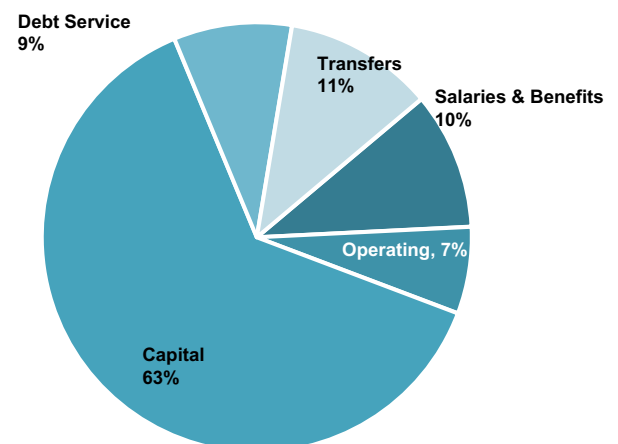
Operating

Slight reduction in budgeted operating expenses in FY24 due to one-time, contracted services expense in FY23 related to improving the safety at four of the lift stations.

Capital

See the Capital Project Listing on pages [157-160](#) for the detailed capital listing for the Wastewater Fund and Wastewater Impact Fee Fund.

Wastewater Operations



FY24 Wastewater Capital Totals by Fund		
Fund	Division	FY24
620	Wastewater	7,574,000
630	Wastewater Impact Fee	220,000
Total		7,794,000

Wastewater

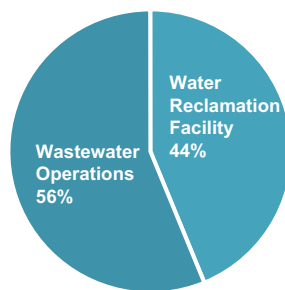
Water Reclamation Facility

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 operate below allotted limits.
- Comply with all EPA 503 Bio-solids requirements and regulations, minimizing unpleasant odors.
- Maintain the mechanical reliability of the WRF to ensure uninterrupted operations.

Budget Allocation

Distribution of Wastewater Budget



FY23 Accomplishments

- Met Montana Department of Environmental Quality discharge permit requirements. No permit violations.
- Maintained an aggressive, proactive preventative vs. corrective maintenance program with no major breakdowns.
- Continued with optimization of WRF biogas system, saving on natural gas expense

FY23 Strategic Plan

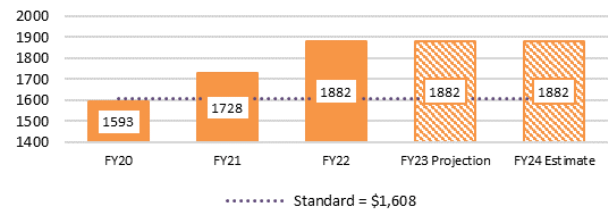
1.3(c) Enhance our relationship with State and Federal Agencies: The WRF has an ongoing Wetland pilot project in partnership with MSU and MT DEQ.

6.1(a) The WRF main objective is to protect the East Gallatin River. The Bozeman WRF discharges a best in class product to the outflow. Because the WRF is a biological nutrient removal facility (BNR) no chemicals are used in the processing of the wastewater.

Performance Measurements

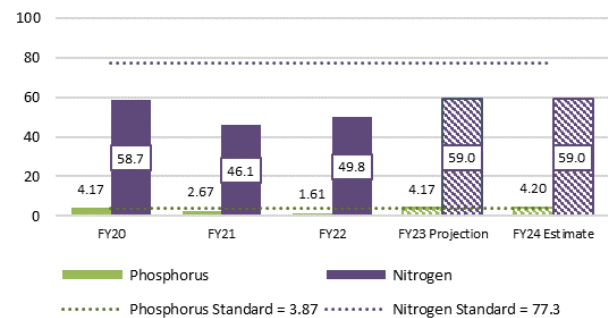
Total O&M Dollars per Million Gallons of Wastewater Flow Treated Annually

*Source = Hach WIMS



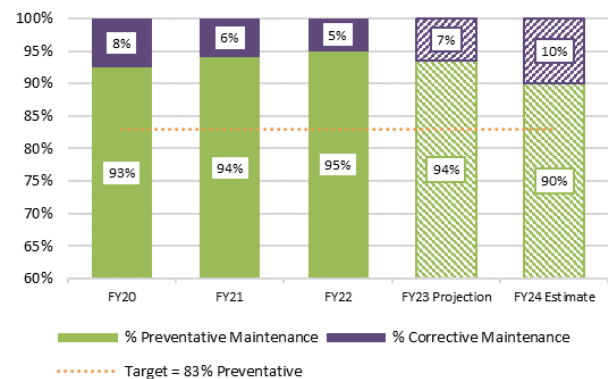
Loading Per Million Gallons of Wastewater Flow Treated Daily

*Source = Hach WIMS



Preventative vs. Corrective Maintenance

*Source = JobCal



FY24 Strategic Plan

1.3 Public Agencies Collaboration: WRF collaborates with MSU and DEQ and also provides educational tours for students of all ages.

6.1 Clean Water Supplies: The WRF will continue to recycle the city of Bozeman wastewater to a best in class product.

6.3 Climate Action: Continue work on the in-house biogas optimization plan.

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
WATER RECLAMATION FACILITY	620- Wastewater Fund	7,076,984	5,907,500	6,817,550	15.4%
	621- EPA Grant	—	—	—	—%
	622- WW Reclamation Facility	1,620,139	1,621,700	1,627,100	0.3%
	630- Wastewater Impact Fee	—	—	1,200,000	—%
TOTALS		8,697,123	7,529,200	9,644,650	28.1%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
WATER RECLAMATION FACILITY	Salaries & Benefits	1,204,969	1,454,700	1,697,100	16.7%
	Operations & Maintenance	1,928,628	2,153,700	2,099,000	-2.5%
	Capital Outlay	3,039,103	1,119,000	2,910,000	160.1%
	Debt Service/Loans	1,620,139	1,621,700	1,627,100	0.3%
	Transfers Out	904,284	1,180,100	1,311,450	11.1%
TOTALS		8,697,123	7,529,200	9,644,650	28.1%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
WATER RECLAMATION FACILITY	5610- WRF Operations	6,117,888	4,814,600	5,515,550	14.6%
	5620- Laboratory	518,702	466,000	634,900	36.2%
	5630- Sludge Injection	436,138	573,200	608,000	6.1%
	5640- Pretreatment	4,256	53,700	59,100	10.1%
	5650- WRF Construction	1,620,139	1,621,700	2,827,100	74.3%
TOTALS		8,697,123	7,529,200	9,644,650	28.1%

Salaries & Benefits

No additions in FY24.

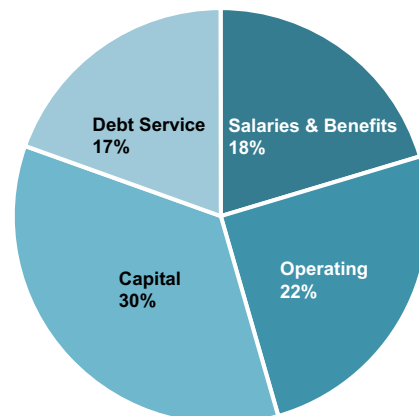
Operating

Slight decrease in operating budget for FY24.

Capital

See the Capital Project Listing on pages [157-160](#) for the detailed capital listing for the projects specific to the Water Reclamation Facility in the Wastewater Fund and Wastewater Impact Fee Fund.

Water Reclamation Facility



FY24 Wastewater Capital Totals by Fund		
Fund	Division	FY24
620	Wastewater	1,710,000
630	Wastewater Impact Fee	1,200,000
Total		2,910,000

Water

Operations

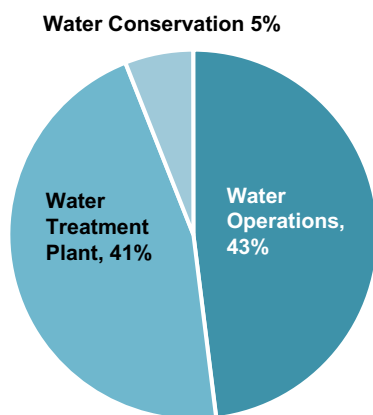
Major Objectives

- Maintain over 300 miles of the water transmission and distribution system.
- Locate, maintain, and repair existing water lines and appurtenances.
- Oversee the installation of new water lines.
- Install and rotate meters and read all meters monthly.
- Respond to water distribution problems 24 hours 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 Fund.

Distribution of Water Budget



FY23 Accomplishments

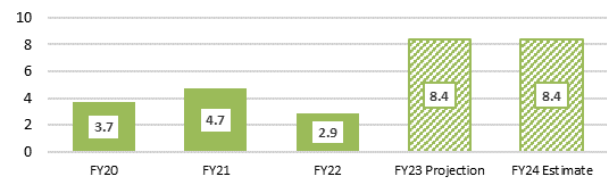
- Fixed 18 broken valves in less than one month during past summer
- Leak detected 2715 hydrants and fixed 10 leaks

FY23 Strategic Plans

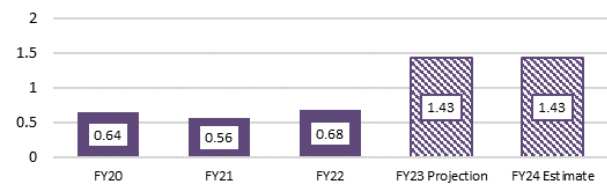
4.3 Strategic Infrastructure Choices - Prioritize long-term investment and maintenance for existing and new infrastructure. (d) Explore sustainable technology: Switched to cloud-based meter reading software with more options to assist with troubleshooting water issues and a broader platform for more staff to monitor. Replaced two meter gateways that allowed the reading of a significant number of water meters without driving on site.

Performance Measurements

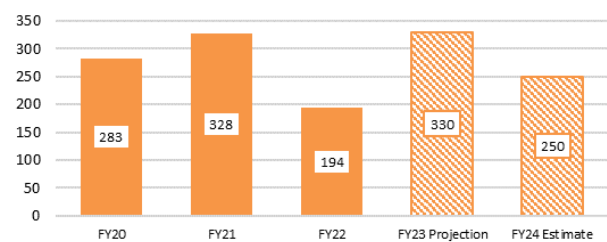
Water Main Breaks/Leaks 100 Miles of Pipe
National Standard (AWWA) ≤ 8.4
*Source = Cityworks



4-12 Hour Disruption of Water Service/1,000 Accounts
National Standard (AWWA) ≤ 1.43
*Source = Cityworks



New Water Service Line Inspections
*Source = Cityworks



FY24 Strategic Plan

- Commission Focus on Water Conservation
 - Explore and implement another leak detection method using permanent leak loggers located on fire hydrants. First step will be to explore a small pilot of 25 units.
 - Test satellite leak detection
- Water Service Inventory
 - Identify any potential galvanized or lead services and investigate and replace any of these leftover service. Inventory is required by EPA and MT DEQ and needs to be completed October 2024.
- Commission Focus on Housing
 - Install a new water main adjacent to a housing project on N. 3rd between Peach and Tamarack.

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
WATER OPERATIONS	600- Water Fund	5,128,626	10,171,900	7,875,600	-22.6%
	610- Water Impact Fees	1,117,914	610,000	821,200	34.6%
TOTALS		6,246,540	10,781,900	8,696,800	-19.3%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
WATER OPERATIONS	Salaries & Benefits	1,248,841	1,655,200	2,067,000	24.9%
	Operations & Maintenance	1,246,209	1,589,900	1,697,900	6.8%
	Capital Outlay	1,899,347	5,132,700	2,946,200	-42.6%
	Debt Service/Loans	3,511	—	—	—%
	Transfers Out	1,848,632	2,404,100	1,985,700	-17.4%
TOTALS		6,246,540	10,781,900	8,696,800	-19.3%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
WATER OPERATIONS	5010- Water Operations	3,364,501	6,783,600	4,656,300	-31.4%
	5020- Utility Locates	102,100	127,600	141,900	11.2%
	5030- Water Services	29,052	35,000	35,000	—%
	5040- Water Construction	1,972,948	2,913,900	2,672,000	-8.3%
	5050- Reservoirs	—	—	—	—%
	5060- Meter Reading	655,343	810,300	1,024,100	26.4%
	5070- Hydrants	76,016	74,000	80,000	8.1%
	5080- Water Valves	26,600	17,500	17,500	—%
	5090- Main Repairs	19,980	20,000	70,000	250.0%
TOTALS		6,246,540	10,781,900	8,696,800	-19.3%

Salaries & Benefits

Addition of a Water/Sewer Operator for Meters (1 FTE), funded 50% by Water and 50% by Wastewater and reclassification of Operator to Leadworker, funded 50% by Water and 50% by Wastewater.

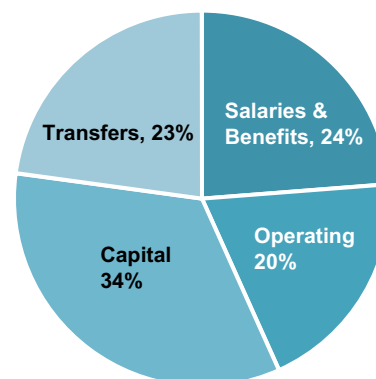
Operating

Increase due primarily to the need for more funds to buy water meters.

Capital

See the Capital Project Listing on pages [157-160](#) for all the detailed capital listing specific to Water Operations in the Water Fund and Water Impact Fee Fund.

Water Operations



FY24 Water Capital Totals by Fund		
Fund	Division	FY24
600	Water	2,261,200
610	Water Impact Fee	685,000
Total		2,946,200

Water

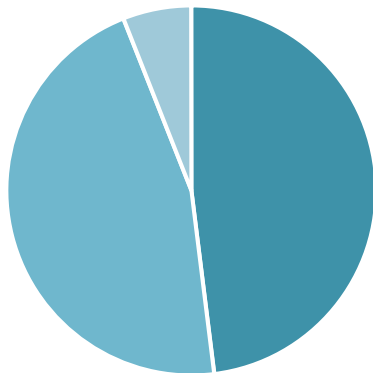
Water Treatment Plant

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.
- Monitor and maintain 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 Fund.



FY23 Accomplishments

- Reduced overflow when using Hyalite Lake water to 1.07 MGD
- Investigated DAF sludge recycling feasibility
- Maintained or improved recycling of backwash water
- Reduced sludge production and 45+ MGD recycle backwash water

Distribution of Water Budget

- Sourdough pipe phase II completed

FY23 Strategic Plans

6.1 Clean Water Supplies

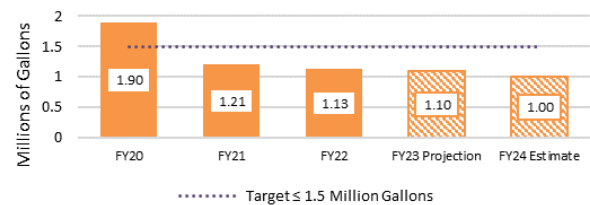
7.3 Best Practices, Creativity & Foresight

7.4 Performance Metrics

Performance Measures

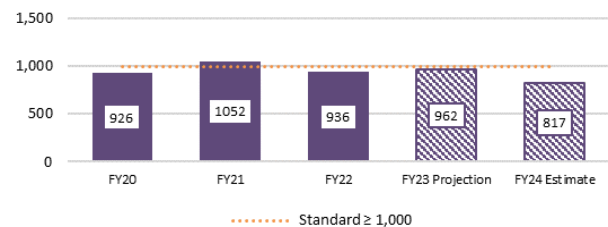
Purchased Median Daily Surplus Hyalite Water (Indicating water the City purchased but did not use)

*Source = Hach WIMS



Number of samples per 10,000 people

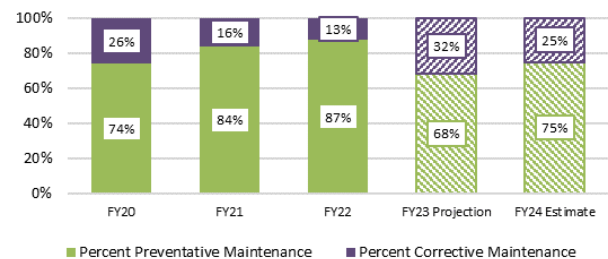
*Source = Hach WIMS



Corrective vs Preventative Maintenance

Target = 60% Preventative / 40% Corrective

*Source = JobCal



FY24 Strategic Plan

1.3 Public Agencies Collaboration: Partner with MSU classes for research and innovative ideas, work with MT DEQ to enhance data and document management

6.1 Clean Water Supplies: Continue monitoring watersheds for weed reduction and sediment impacts, Sourdough Intake and Sourdough Tank rehab projects, promote water conservation through continued efforts to recycle as much backwash and rinse water as possible without adversely affecting any process or water quality.

7.3 Best Practices, Creativity & Foresight: Continue to research more ways to meet goals while reducing waste and chemicals, work toward minimal discharge to Sourdough Creek

FY24 Budget

WATER PLANT	600- Water Fund	4,183,334	12,315,600	6,530,800	-47.0%
	601- Water Plant Construction	1,312,965	1,312,200	1,312,500	— %
	602- Storag Tank Const-Sourdou	482,600	484,400	484,000	-0.1%
	610- Water Impact Fees	1,674,453	5,733,100	—	-100.0%

WATER PLANT	Salaries & Benefits	951,539	1,136,000	1,260,300	10.9%
	Operations & Maintenance	1,565,063	1,727,700	1,940,700	12.3%
	Capital Outlay	2,329,453	13,471,100	1,597,500	-88.1%
	Debt Service/Loans	1,795,565	1,796,600	1,796,500	— %
	Transfers Out	1,011,731	1,713,900	1,732,300	1.1%

WATER PLANT	4610- Water Plant Operations	4,183,334	11,815,600	6,505,800	-44.9%
	4620 - Water Plant Contruccion	3,470,018	8,029,700	1,821,500	-77.3%
	4640- Water Conservation	—	—	—	— %

Salaries & Benefits

Addition of one short-term worker at the Water Treatment Plant.

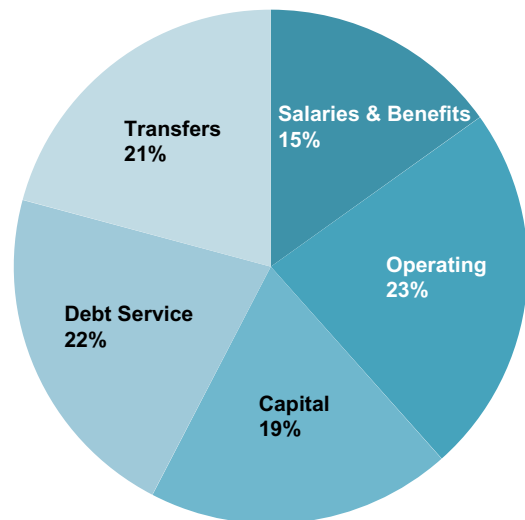
Operating

Increase due to additional maintenance and inflationary costs of materials.

Capital

See the Capital Project Listing on pages [157-160](#) for the detailed capital listing specific to the Water Treatment Plant in the Water Fund and Water Impact Fee Fund.

Water Treatment Plant



FY24 Water Capital Totals by Fund		
Fund	Division	FY24
600	Water	1,597,500
610	Water Impact Fee	—
Total		1,597,500

Water

Water Conservation

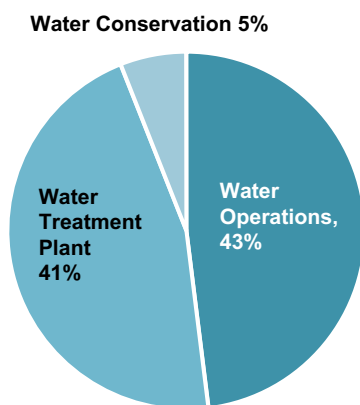
Major Objectives

- 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

Distribution of Water Budget



FY23 Accomplishments

- Implemented permanent mandatory outdoor watering restrictions
- Codified the City's drought contingency response and successfully adopted 2022 Drought Management Plan
- Launched EPA Qualified Water Efficient Landscaper Course (QWEL)

FY23 Strategic Plans

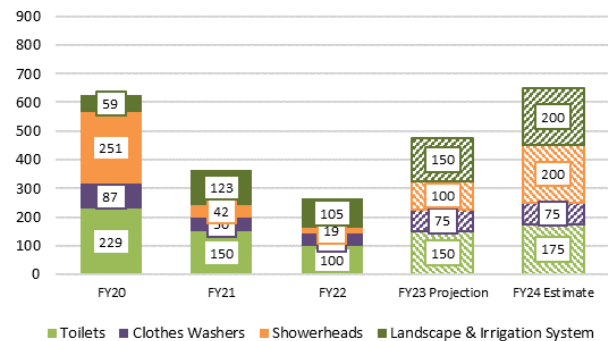
- 1.1-2 An Engaged Community:** Public school education partnership with MOSS, sprinkler system assessments, G3 watershed wise landscaping classes
- 4.1 A Well-Planned City:** Development of high efficiency landscape and irrigation standards for UDC, public engagement, community presentations
- 6.1 (a) A Sustainable Environment:** Ongoing drought monitoring and public education campaign, outdoor water use efficiency campaign

Performance Measures

Water Conservation Rebates

The target is to continuously increase the rebate program

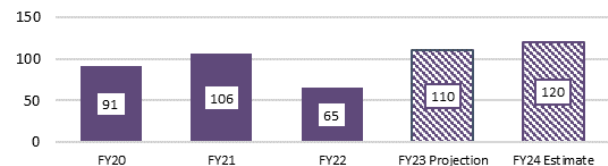
*Source = GIS Rebate Tracking Database



Number of Outdoor Sprinkler System Assessments

Target = 200 assessments

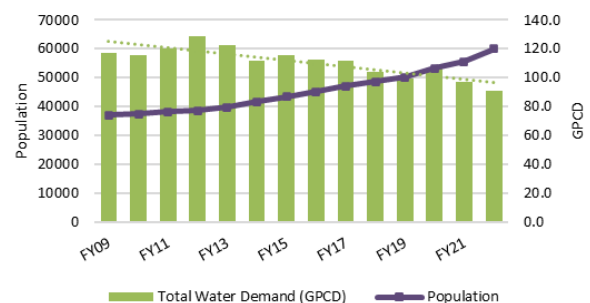
*Source = Internal Tracking System



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



FY24 Strategic Plan

- An Engaged Community:** 1.1 Outreach and 1.2 Community Engagement
- A Well-Planned City:** 4.3d Explore Sustainable Technology to Advance Environmental Sustainability
- A Sustainable Environment:** 6.1a Watershed Management

FY24 Budget

Department Budget by Fund					
Division	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
WATER CONSERVATION	600- Water Fund	623,754	736,900	1,083,700	47.1%

Department Budget by Category					
Division	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
WATER CONSERVATION	Salaries & Benefits	220,285	307,500	549,500	78.7%
	Operations & Maintenance	373,493	379,400	444,200	17.1%
	Capital Outlay	22,625	50,000	40,000	-20.0%
	Debt Service/Loans	7,350	—	—	—%
	Transfers Out	—	—	50,000	—%
TOTALS		623,754	736,900	1,083,700	47.1%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
WATER PLANT	4640- Water Conservation	623,754	736,900	1,083,700	47.1%

Salaries & Benefits

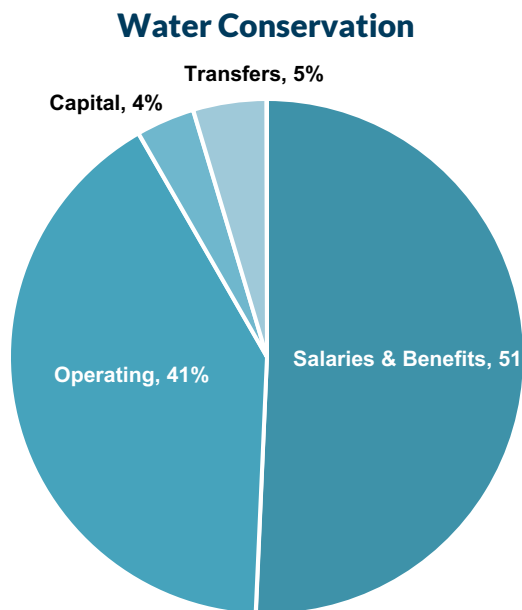
No additions in FY24

Operating

Increases in operations driven primarily by additional educational programming for public landscaping classes, public education school program, educational signage, and irrigation contractor classes as well as additional funding for residential and commercial indoor and outdoor rebate programs.

Capital

FY24 Capital Project Listing Water Conservation					
Fund	Division	Project #	Project Name	FY24	
600	Water	WC08	Water Conservation Vehicle	40,000	



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 columbaria, nine dedicated affiliation areas and ample room for expansion.

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.



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.

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)

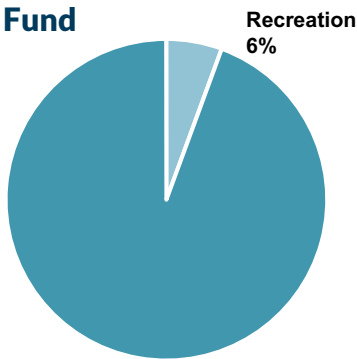
Major Objectives

- Provide diverse and inclusive recreational opportunities and facilities that promote health and wellness and improve the quality of life for the Bozeman community.
- 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, making up 6% of the fund's appropriations.

General Fund



FY23 Accomplishments

- Story Mansion Paint Project
- Expanded Programming for all ages
- Developed new partnership for inclusive programming with Eagle Mount
- Expanded Swim Center operation to Saturdays
- Resumed Saturday swim lessons and open boating programming
- Extended Bogert operations and hours from early June through October to accommodate the swim community in the absence of the Swim Center

FY23/FY24 Strategic Plans

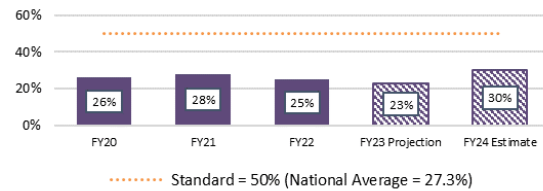
- An Engaged Community 1.4 Business and Institutional Partnerships
- A Safe Welcoming Community 3.4 Active Recreation
- A Creative Learning Culture 5.3 Partnerships for Education and Learning

Performance Measures

Recreation

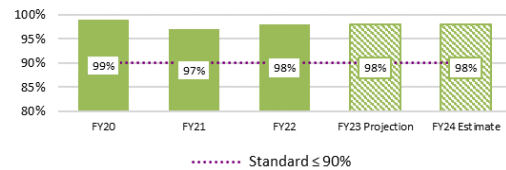
Recreation Program Cost Recovery

*Source = Naviline & COB Finance Department

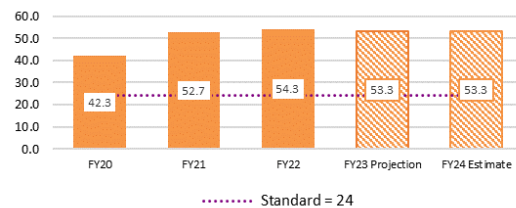


Percentage of Participants Satisfied with Recreation Programs

*Source = Digital Surveys



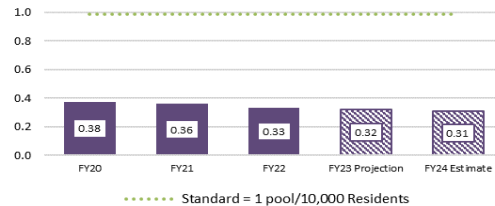
Facility Rentals Per FTE



Aquatics

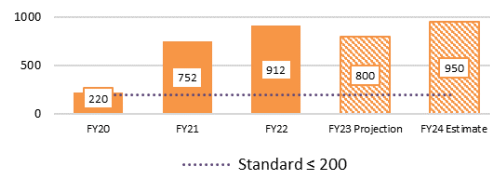
Pools/10,000 Residents

*Source = City Staff & Census



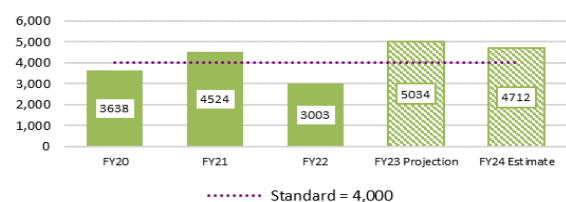
Number of Individuals on the Aquatics Program Wait Lists

*Source = Sportsman



Visitation per FTE

*Source = Sportsmans



FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
RECREATION	010- General Fund	1,666,842	3,206,400	3,120,600	-2.7%
	189- Story Mansion Operating	25,633	57,800	56,500	-2.2%
	500- Budget Construction Proj	—	—	102,000,000	—%
	573- Rec Bonds Construction	12,864	1,750,000	6,800,000	288.6%
TOTALS		1,705,339	5,014,200	111,977,100	2133.2%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
RECREATION	Salaries & Benefits	1,027,573	1,425,900	1,973,400	38.4%
	Operations & Maintenance	623,121	853,100	881,400	3.3%
	Capital Outlay	49,192	2,732,000	109,122,000	3894.2%
	Debt Service/Loans	4,785	2,800	—	-100.0%
	Transfers Out	668	400	300	-25.0%
TOTALS		1,705,339	5,014,200	111,977,100	2133.2%

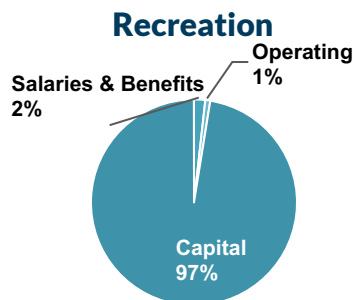
Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PARKS AND RECREATION	8010- Recreation Operations	572,221	1,413,100	102,826,800	7176.7%
	8020- Swim Center	835,874	2,778,000	5,789,800	108.4%
	8030- Bogert Pool	52,848	120,100	1,121,500	833.8%
	8040- Facilities: Lindley, Beall & Story	199,308	649,400	2,185,700	236.6%
	8050- Recreation Programs	45,089	53,600	53,300	-0.6%
TOTALS		1,705,339	5,014,200	111,977,100	2133.2%

Salaries & Benefits

No additions in FY24.

Operating

Minor increase due to architectural services to explore options for family changing rooms at the Swim Center.



Capital

FY24 Capital Project Listing Recreation				
Fund	Division	Project #	Project Name	FY24
10	Recreation	GF300	SMCC Gym Floor Replace	222,000
10	Recreation	GF373	Bulkhead Retro-fit	100,000
Recreation Total (General Fund)				322,000
Construction Funds				
500	Recreation	GF355	Bozeman Community Center	102,000,000
573	Recreation	GF137	Swim Center - Facility	4,050,000
573	Recreation	GF209	Lindley Center - Remodel	1,750,000
573	Recreation	GF238	Bogert Pool Renovation	1,000,000
Recreation Total (Construction Funds)				108,800,000

Following adopting of the FY24 Budget, Bozeman City Commission voted against including the Bozeman Community Center on the November 2023 ballot.

Forestry

(Parks & Recreation)

Major Objectives

- Continue both reactive and proactive maintenance for Bozeman's 26,000+ 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 while increasing Public Outreach to improve tree diversity and resident interaction.

Budget Allocation

Funded by the Tree Maintenance Special Revenue Fund

FY23 Accomplishments

- Emergency Storm Response: City-wide response to heavy snow October 23, 2022
- Installed 287 new trees, serviced 1,830 existing, and reviewed all development plans for compliance and appropriate tree plantings
- Maintained partnership with Gallatin Watershed Council to evaluate planting opportunities for equity, water quality, and urban heat island

FY23 Strategic Plans

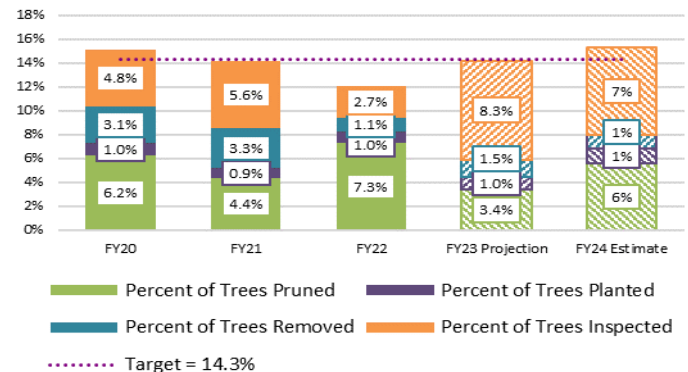
- **6.2 Sustainable Environment:** Healthy established trees and increased plantings improve air quality
- **6.3 (d) Sustainable Environment 6.3 Climate Action:** Trees reduce cooling needs, provide habitat, reduce watering needs for turf, sequester carbon, reduce severity of flooding/drought
- **6.5 Sustainable Environment:** Tree maintenance extends beyond boulevards into PTOS. Higher capacity for larger, mature trees and community engagement.

Performance Measures

Percent of Trees Planted, Pruned, Removed, or Inspected

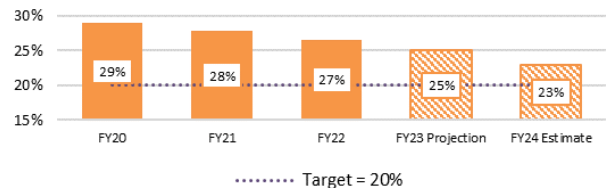
Standard: 7-year cycle (14.3% of population)

Source = GIS Work Tracking System



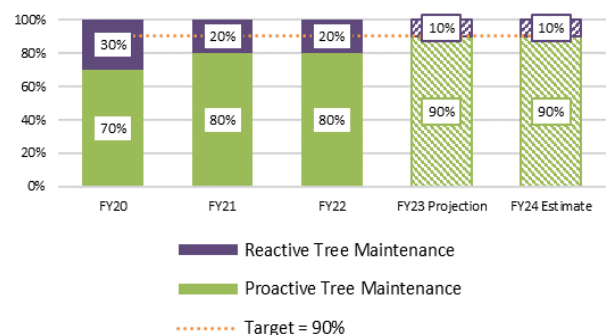
Percent of Population That is Ash
Standard: Reduce Ash to 20% of Population

Source = GIS Work Tracking System



Proactive vs. Reactive Maintenance

Source = GIS Work Tracking System



FY24 Strategic Plan

6.2 Protect Local Air Quality: Healthy established trees and increased plantings improve air quality

6.3 (d) Climate Action: Trees reduce cooling needs, provide habitat, reduce watering needs for turf, sequester carbon, and reduce severity of flooding and drought

6.5 Sustainable Environment: Tree maintenance extends beyond boulevards into PTOS.

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
FORESTRY	112- Tree Maintenance Fund	824,152	1,090,900	1,033,900	-5.2%

Department Budget by Category					
Department	Category	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
FORESTRY	Salaries & Benefits	497,266	560,800	618,900	10.4%
	Operations & Maintenance	134,115	192,800	232,700	20.7%
	Capital Outlay	96,016	235,000	55,000	-76.6%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	96,756	102,300	127,300	24.4%
TOTALS		824,152	1,090,900	1,033,900	-5.2%

Department Budget by Division					
Department	Division	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PARKS AND RECREATION	7710- Tree Maintenance	824,152	1,090,900	1,033,900	-5.2%

Salaries & Benefits

No additions in FY24.

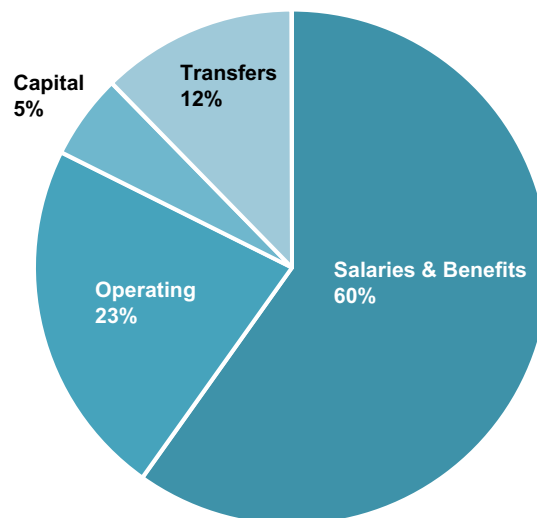
Operating

Increase in operating budget driven by 25% increase to Cost Share tree planting program.

Capital

FY24 Capital Project Listing Tree Maintenance Fund					
Fund	Division	Project #	Project Name	FY24	
112	Tree Maintenance	FOR19	Forestry 1-Ton Pickup	55,000	

Forestry



Parks

(Parks & Recreation)

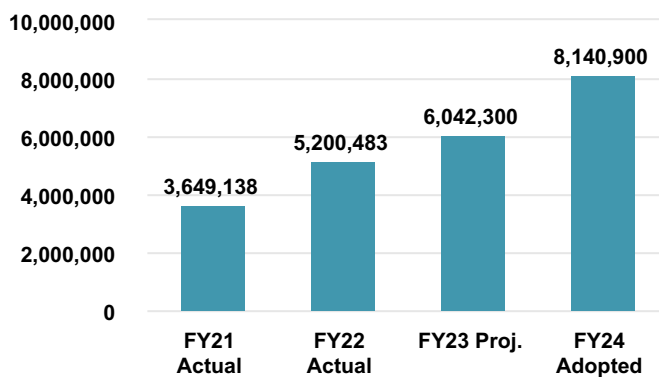
Major Objectives

- 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.

Budget Allocation

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

Parks & Trails Revenue



FY23 Accomplishments

- Continued implementation and oversight of the new Parks & Trails District with the division assuming maintenance responsibilities for 37 additional neighborhood parks with over 250 acres.
- Installation of a new inclusive playground at Christie Fields
- Installation of 7 new pickleball courts at Bogert Park

FY23 Strategic Priorities

3.4 Active Recreation: New park added to the system

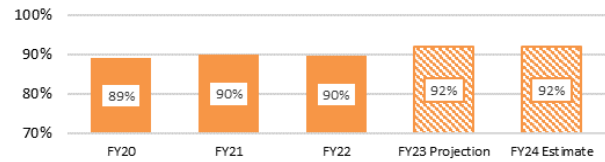
4.3 Strategic Infrastructure: Parks & Trails District

6.5 Parks, Trails & Open Space: PROST update

Performance Measures

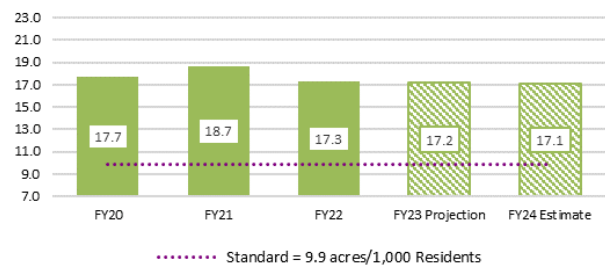
Percent of City Limits within 1/2 mile of a Park

*Source = National Recreation & Park Association & City GIS data



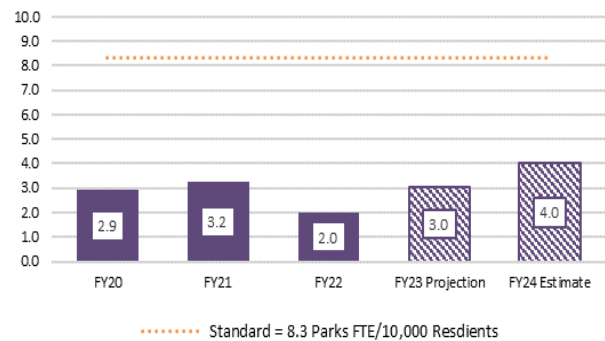
Acres of Parkland/1,000 Residents

*Source = National Recreation & Park Association & City GIS Data



Parks FTE/10,000 Residents

*Source = National Recreation & Park Association



FY24 Strategic Plan

3 A Safe, Welcoming Community: 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 Prioritize long-term investment and maintenance for existing and new infrastructure

6 Sustainable Environment: Support the maintenance and expansion of the interconnected system of parks, trails, and open space

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PARKS	010 - General Fund	164	—	—	—%
	128 - FWP Management Areas	77	100	—	-100.0%
	136 - Bogert Park	365	—	—	—%
	195 - Parks & Trails Mtc District	4,080,552	6,507,600	7,850,000	20.6%
	198- Story Mill Community Park	3,892	—	—	—%
	199 - Sports Park	125,795	125,800	125,800	—%
	563- TOP: Parks & Open Space Bond	15,010,020	358,800	—	-100.0%
	566- TOP: Sports Complex	811	—	—	—%
	568- TOP: Front St. Connectr TRL	244,398	18,000	—	-100.0%
	569- TOP: Westside Connections	745	5,400	—	-100.0%
	570- TOP: Frontage Pathway	—	30,000	—	-100.0%
	850 - Parkland Trust	1,059,203	292,700	598,700	104.5%
TOTALS		20,526,021	7,338,400	8,574,500	16.8%

Department Budget by Category					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PARKS	Salaries & Benefits	1,312,758	1,643,100	2,950,900	79.6%
	Operations & Maintenance	1,980,598	2,433,600	2,813,200	15.6%
	Capital Outlay	1,750,318	2,130,100	1,660,000	-22.1%
	Debt Service/Loans	125,795	225,800	464,500	105.7%
	Transfers Out	15,356,552	905,800	685,900	-24.3%
TOTALS		20,526,021	7,338,400	8,574,500	16.8%

Department Budget by Division					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PARKS AND RECREATION	7610- Parks Operations	20,526,021	7,338,400	8,574,500	16.8%

Salaries & Benefits

The staffing plan for FY24 includes the following mid-year reclasses:

- Contracts Coordinator to Contracts Manager
- Cemetery Foreperson to Manager
- Parks and Cemetery Superintendent to include Forestry
- Recreation Manager to Superintendent

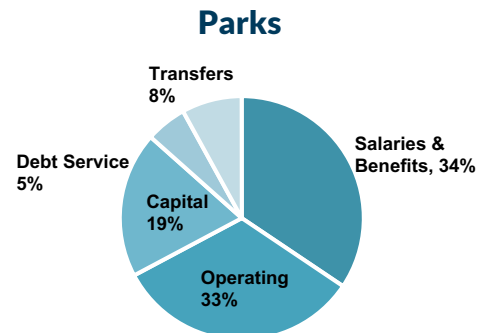
As these are currently not budgeted, a budget amendment will be made, if needed, to support.

Operating

Increases in operational costs due primarily to the implementation of the Parks & Recreation, and Active Transportation (PRAT) Plan including the Cash in Lieu of Parkland Grant Program and Anchor Route/Park Corridor Designs.

Capital

FY24 Capital Project Listing Parks & Trails District				
Fund	Division	Project #	Project Name	FY24
195	Parks & Trails District	GF031	Park Improvement Grant	275,000
195	Parks & Trails District	PTD03	Playground/Skate Park Improvements	630,000
195	Parks & Trails District	PTD04	Park Vehicles	135,000
195	Parks & Trails District	PTD05	Toolcat Multi Purpose	90,000
195	Parks & Trails District	PTD06	Park Shelter Replacement	60,000
195	Parks & Trails District	PTD09	Deferred Maintenance	100,000
195	Parks & Trails District	PTD13	Sports Complex	370,000
Parks & Trails Total				1,660,000



Cemetery

(Parks & Recreation)

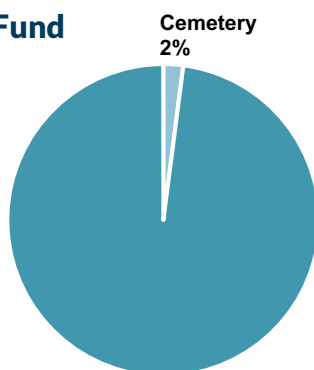
Major Objectives

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, making up 2% of the fund's appropriations.

General Fund



FY23 Accomplishments

- Construction continuing on the Southwest Montana Veteran's Cemetery, with the terraced retaining wall complete (420+ individual blocks), rough grade established and irrigation and sod.
- Gold Star Families Memorial Monument
- GF 231-Continued fine tuning of the pump station and irrigation system in Sunset Hills Cemetery.
- Install and bring new columbarium online

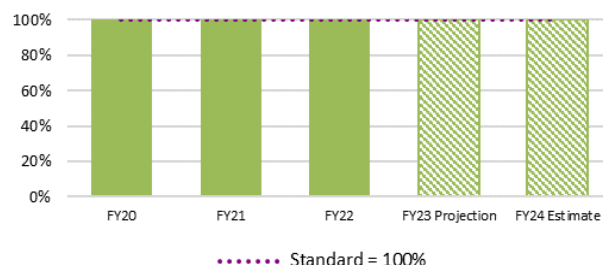
FY23 Strategic Plans

- Sustainable Environment
- Climate Action-Ensure adequate supplies of clean water for today and tomorrow
 - Project GF231 - converted the cemetery from treated water to surface water. Saving 258 acre feet of treated water per year on an average.

Performance Measures

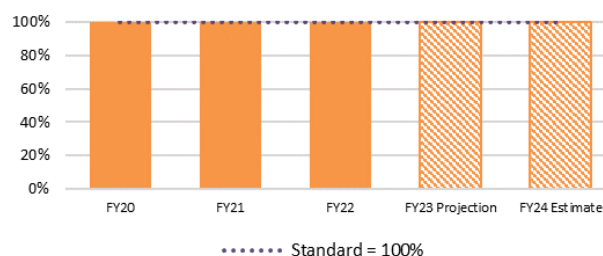
Percent Burial and Interments Performed within 24 Hours of Funeral Home Notice

*Source = Cemetery staff



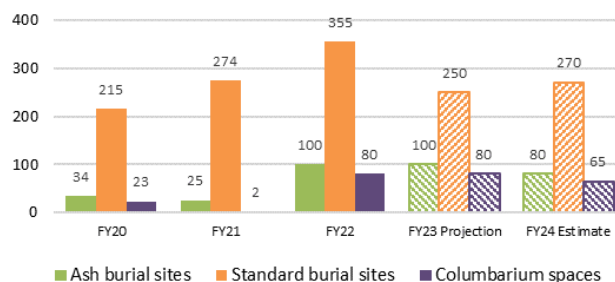
Percent Customer Inquiries Responded to within 24 Hours

*Source = Cemetery staff



Block/Lot and Niche Availability

*Source = Cemetery staff



FY24 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

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CEMETERY	010- General Fund	504,675	852,400	1,144,800	34.3%

Department Budget by Category					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
CEMETERY	Salaries & Benefits	341,713	464,900	450,800	-3.0%
	Operations & Maintenance	124,224	207,100	223,000	7.7%
	Capital Outlay	29,436	167,000	450,000	169.5%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	9,302	13,400	21,000	56.7%
TOTALS		504,675	852,400	1,144,800	34.3%

Department Budget by Division					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
PARKS AND RECREATION	7210- Cemetery Operations	504,675	852,400	1,144,800	34.3%

Salaries & Benefits

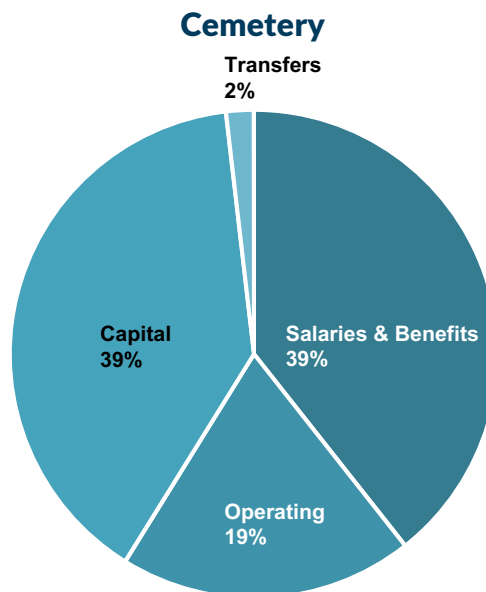
No additions in FY24

Operating

Inflationary increases for supplies and materials driving slight increase in operating budget.

Capital

FY24 Capital Project Listing Cemetery					
Fund	Division	Project #	Project Name	FY24	
10	Cemetery	GF268	SW MT Veteran's Cemetery	450,000	



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, making up 7% of the funds's appropriations.

A construction fund is setup for Library Maintenance which is funded by up to 2% of unspent appropriation from the prior year. There is a donation for the Library expansion project in the Construction Fund as well in FY23.

General Fund



FY23 Accomplishments

- Main Library renovations
- Increased mobile services; visits to neighborhoods, schools, and senior homes
- Began planning the Bozeman Community Center on the West Side that will include a branch library. City residents will vote on the project in November of 2023.

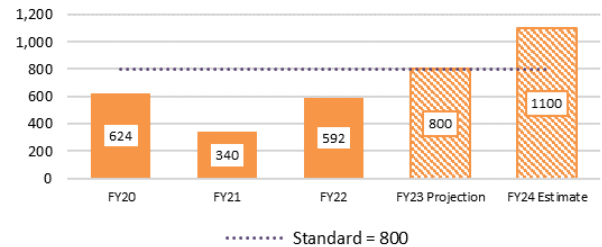
FY23 Strategic Plans

5.1 (a) Library Expansion Planning

Performance Measures

Program Attendance per FTE

*Source = Library Tracking System

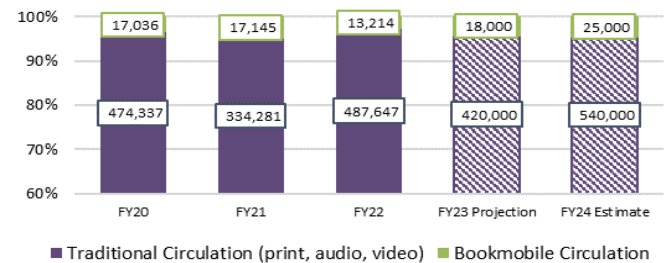


Library* vs Bookmobile Circulation Trends

Standard is to see increased bookmobile use

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

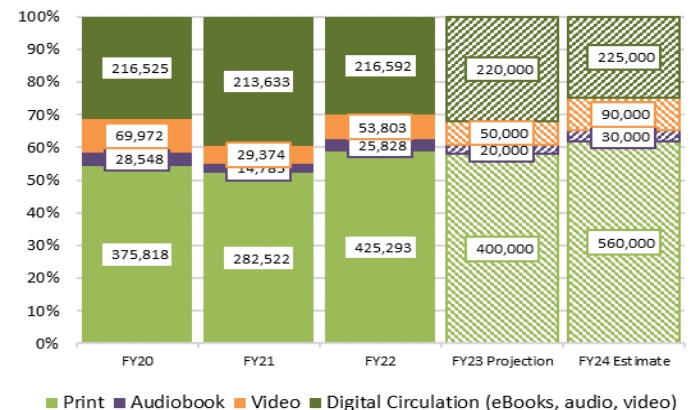
Source = Workflows



Circulation Trends

Standard is to increase digital circulation

*Source = Workflows



FY24 Strategic Plan

5.1 (a) Library Expansion Plan: Complete Library renovation project and expand west side library service

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
LIBRARY	010- General Fund	2,542,457	3,484,300	3,651,900	4.8%
	137- Library Special Revenue	39,847	35,300	—	-100.0%
	561- Library Depreciation Fund	10,921	302,200	60,000	-80.1%
TOTALS		2,593,225	3,821,800	3,711,900	-2.9%

Department Budget by Category					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
LIBRARY	Salaries & Benefits	1,891,185	2,706,200	2,879,300	6.4%
	Operations & Maintenance	652,447	784,600	752,200	-4.1%
	Capital Outlay	30,754	297,000	60,000	-79.8%
	Debt Service/Loans	7,136	7,100	7,100	— %
	Transfers Out	11,703	26,900	13,300	-50.6%
TOTALS		2,593,225	3,821,800	3,711,900	-2.9%

Department Budget by Division					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
LIBRARY	7810- Library Operations	961,018	1,446,600	1,165,800	-19.4%
	7820- Technical Services	313,828	462,200	491,300	6.3%
	7830- Information Services	614,677	996,100	1,201,600	20.6%
	7840- Children's Services	279,288	354,600	339,900	-4.1%
	7850- Circulation Services	424,413	562,300	513,300	-8.7%
TOTALS		2,593,225	3,821,800	3,711,900	-2.9%

Salaries & Benefits

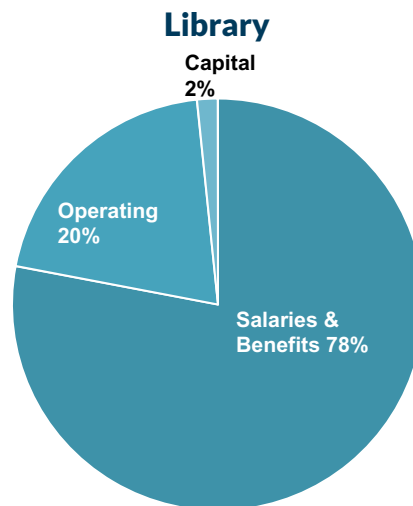
No additions in FY24.

Operating

Slight decrease in cost of operation.

Capital

FY24 Capital Project Listing Library					
Fund	Division	Project #	Project Name	FY24	
561 Library		LIB32	Automatic Blinds	60,000	



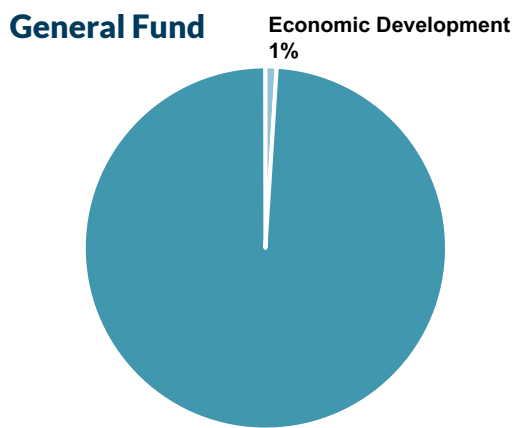
Economic Development

Major Objectives

- Provide opportunity for Gallatin Valley residents
- Support a diverse economy
- Build a more resilient region

Budget Allocation

Funded operationally from the General Fund. Oversees the programming of Special Revenue funds, including Urban Renewal Districts.



FY23 Accomplishments/ FY23 Strategic Plan

2.1 Business Growth: We grow a diversified and innovative economy leveraging our natural amenities, skilled and creative people, and educational resources to generate economic opportunities through business growth, infrastructure investments, and workforce development.

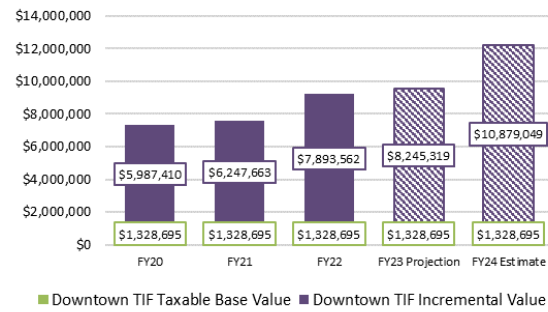
2.2 Infrastructure Investments - Strategically invest in infrastructure as a mechanism to encourage economic development. a) Identify Commercial/

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

Performance Measures

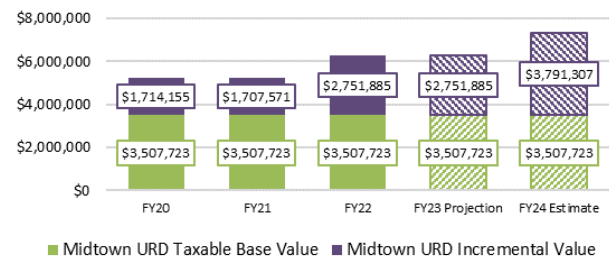
Downtown TIF Incremental Taxable Value

*Source = MT Department of Revenue



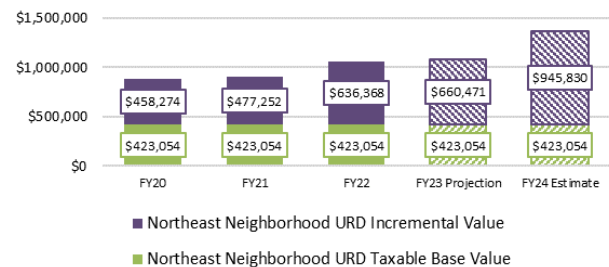
Midtown TIF Incremental Taxable Value

*Source = MT Department of Revenue



Northeast TIF Incremental Taxable Value

*Source = MT Department of Revenue



FY24 Strategic Plan

2.1 Business Growth: Determine gaps in resources and services for small businesses, convene service providers to start micro-loans for underrepresented businesses, create resource guide for small businesses, and facilitate an underrepresented business roundtable.

2.2 Infrastructure Investments: Explore the development of wet lab space for bio-tech companies, actively promote C-PACE program, support drought tolerant landscaping in URDs, and complete Aspen Street pedestrian bridge construction.

2.3 Workforce Development: Promote Gallatin College opportunities to local high schoolers, engage middle school students and teachers with STEAM opportunities, and support Quantum Computing Sector Development Initiative.

FY24 Budget

Department Budget by Fund					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
ECONOMIC DEVELOPMENT	010- General Fund	427,413	538,300	558,200	3.7%
	116- Downtown TIF District	933,651	1,050,300	8,645,900	723.2%
	117- Pole Yard TIF	—	23,800	600,000	2421.0%
	119- Economic Development Loan	273,089	—	—	—%
	123- Big Sky Economic Development Grant	535,000	—	—	—%
	143- Midtown URD/TIF District	2,814,640	749,400	3,546,100	373.2%
	144-North East Urban Renewal TIF District	178,150	185,600	1,140,400	514.4%
	145-Mandeville TIF District	3,520	—	160,200	—%
	176- Downtown BID	186,593	222,200	280,300	26.1%
	192- TIF South Bozeman Technology	—	300	38,000	12566.7%
	571- Midtown Construction Proj	701,734	—	—	—%
TOTALS		6,053,789	2,769,900	14,969,100	440.4%

Department Budget by Category					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
ECONOMIC DEVELOPMENT	Salaries & Benefits	319,677	459,200	484,700	5.6%
	Operations & Maintenance	3,678,753	1,271,800	9,410,400	639.9%
	Capital Outlay	751,835	205,700	4,236,900	1959.7%
	Debt Service/Loans	92,000	93,000	93,000	—%
	Transfers Out	1,211,524	740,200	744,100	0.5%
TOTALS		6,053,789	2,769,900	14,969,100	440.4%

Department Budget by Division					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
ECONOMIC DEVELOPMENT	8210- Downtown Improvement Districts	4,684,362	2,032,400	13,629,500	570.6%
	8230- Community Housing	—	23,800	600,000	2421.0%
	8240- Economic Development	1,369,427	713,700	739,600	3.6%
TOTALS		6,053,789	2,769,900	14,969,100	440.4%

Salaries & Benefits

No additions in FY24

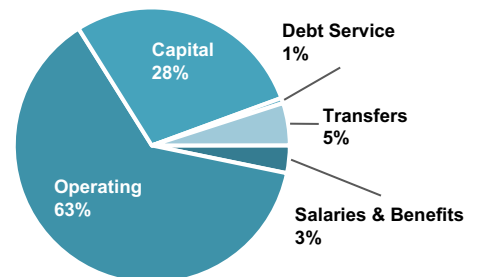
Operating

Increase in operating budget due primarily to Downtown URD and Midtown TIF. Items of significant nature in the Downtown URD budget include planning for Structured Parking Site Plan and Bids (\$1.75 million) and \$3 million allocated for parking supply projects. Other planning projects include \$300,000 in grants and \$100,000 for Side-Streetscape Preliminary Engineering. In the Midtown TIF fund, a \$2 million workforce housing project has been budgeted in FY24.

Capital

There are many capital projects planned for FY24. See the Capital Project Listing on [157-160](#) for the detailed capital listing.

Economic Development



FY24 Economic Development Capital Totals by Fund		
Fund	Division	FY24
116	Downtown TIFD	2,525,000
143	Midtown TIFD	725,000
144	Northeast TIFD	986,900
Total		4,236,900

Sustainability

(Strategic Services)

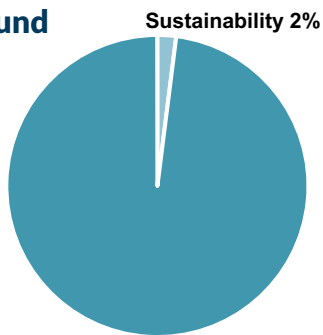
Major Objectives

- Building partnerships to enhance community sustainability and resiliency
- Reduce municipal and community greenhouse gas emissions
- Advance innovative solutions for buildings, energy, transportation, waste, and greenspace

Budget Allocation

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

General Fund



FY23 Accomplishments

- Operationalized the Climate Plan
 - PDZ, UDC, ED Plan, PRAT Plan, POA Model Covenants
- Utility Partnership
 - Green Power Program
 - Stakeholder engagement (energy/environment non-profits, commercial customers, and other agencies)
 - Energy Technical Advisory Committee
- Electrification Campaign
 - DEQ rebates, website, training, case studies, marketing with Water Conservation

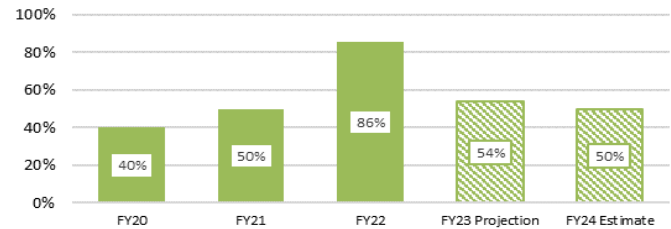
FY23 Strategic Plan

- **1.2 Community Engagement:** Support for Sustainability Advisory Board
- **1.3 Public Agencies Collaboration:** Support energy/climate work for legislative agenda
- **2.3 Workforce Development:** Partnerships with HRDC/Weatherization Center

Performance Measures

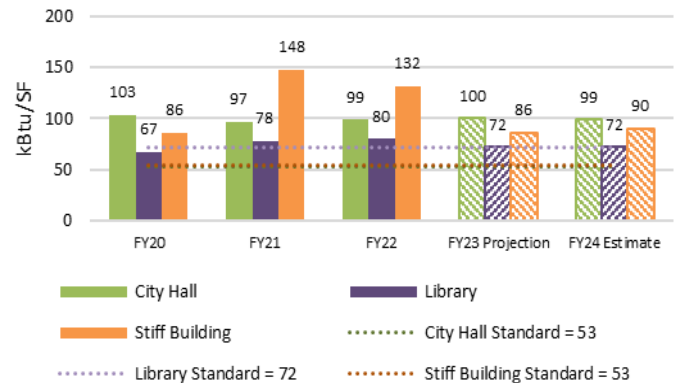
Percent of EV/Hybrid Passenger Vehicles Purchased by COB

*Source = Cityworks



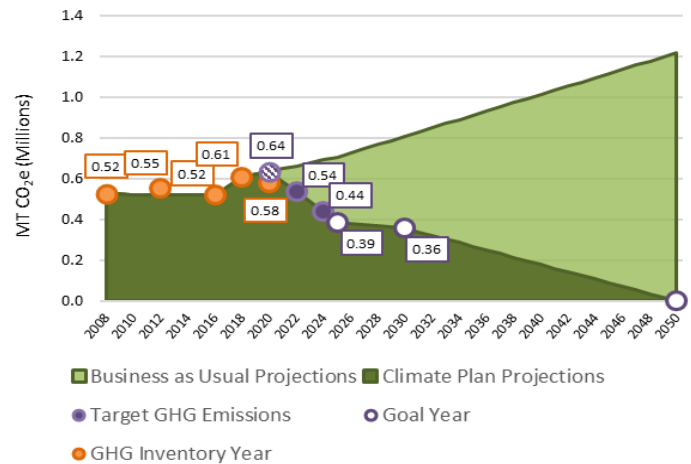
Municipal Building Energy Use Intensity (EUI)

*Source = NorthWesternEnergy



Green House Gas Emissions

*Source: Global Protocol for Community-Scale Greenhouse Gas Emissions Inventory (GPC)



FY24 Strategic Plan

- **3.2 Health & Safety Action:** Explore Partnerships for Local Food System Stakeholder and Priority Mapping
- **4.3 Strategic Infrastructure Choices:** Develop Long-Range Plan for Effective Citywide Transition to Electric Vehicles
- **6.3 Climate Action:** Support Development of a Renewable Rate Option with NorthWestern Energy

FY24 Budget

Department Budget by Fund					
Division	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
SUSTAINABILITY	10- General Fund	239,494	769,900	1,116,100	45.0%

Department Budget by Category					
Division	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
SUSTAINABILITY	Salaries & Benefits	182,554	318,400	369,800	16.1%
	Operations & Maintenance	55,664	306,500	341,300	11.4%
	Capital Outlay	—	145,000	405,000	179.3%
	Debt Service/Loans	1,276	—	—	—%
	Transfers Out	—	—	—	—%
TOTALS		239,494	769,900	1,116,100	45.0%

Department Budget by Division					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
STRATEGIC SERVICES	8250- Sustainability (Strategic Services)	239,494	769,900	1,116,100	45.0%

Salaries & Benefits

No additions in FY24

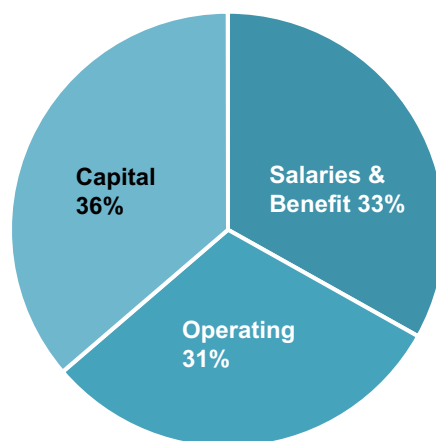
Operating

Operating costs increase due to contracted services for programs including Photovoltaics (PV)/Electric Vehicle (EV) installs, EV Charging Station Roadmap, and Green Power Program legal services/economic analysis.

Capital

FY24 Capital Project Listing Sustainability					
Fund	Division	Project #	Project Name	FY24	
10	Sustainability	GF245	Energy Projects	75,000	
10	Sustainability	GF362	Solar Panel Arrays	330,000	
Sustainability Total				405,000	

Sustainability



Community Housing

(Economic Development)

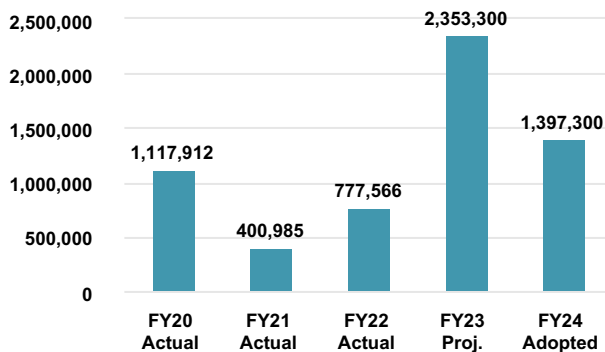
Major Objectives

- Creative solutions to incentivize production of affordable housing
- Low income housing tax credits programs and subsidized rentals
- Refocus efforts to maximize unit created at 60% to 120% AMI targets

Budget Allocation

Funded by the Community Housing Special Revenue Fund which is funded from General Fund mill levies.

Community Housing Revenues



FY23 Accomplishments

- Provided code-based density incentives for affordable housing
- Participated in a cross-functional team on the UDC refresh to streamline housing production
- Refocused housing efforts on facilitating production of low-income housing tax credit (LIHTC) units, affordable at 60% AMI

FY23 Strategic Plans

4.1(b) Develop and Align Infill Policies

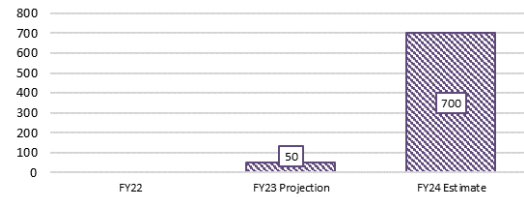
4.2(b) Complete Unified Development Code

4.5 Housing Choices

Performance Measures

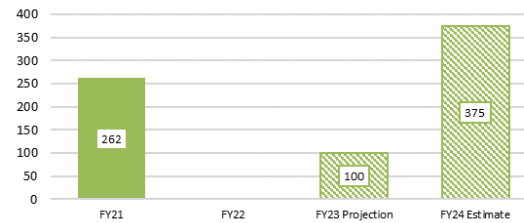
Affordable Housing Ordinance (AHO) & Planned Unit Development (PUD) Facilitated Units

*Source = Internal Tracking



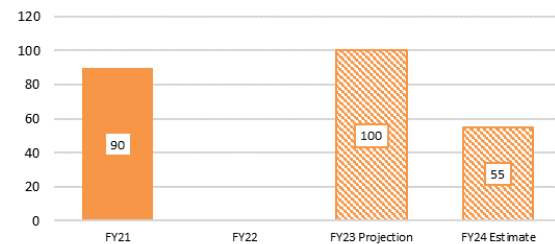
Low-Income Housing Tax Credit (LIHTC) Facilitated Units

*Source = Internal Tracking



Tax Increment Financing (TIF) Facilitated Units

*Source = Internal Tracking



FY24 Strategic Plan

- **4.5 Housing and Transportation Choices** - Vigorously encourage, through a wide variety of actions, the development of sustainable and lasting housing options for underserved individuals and families and improve mobility options that accommodate all travel modes.
 - Vigorously encourage utilization of AHO/ PDZ
 - Vigorously encourage new LIHTC development
 - Leverage TIF and URDs to develop workforce housing

FY24 Budget

Department Budget by Fund					
Division	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
COMMUNITY HOUSING	120-Community Housing Fund	1,323,574	456,200	3,552,700	678.8%

Department Budget by Category					
Division	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
COMMUNITY HOUSING	Salaries & Benefits	43,505	104,000	107,500	3.4%
	Operations & Maintenance	1,276,095	352,200	3,445,200	878.2%
	Capital Outlay	—	—	—	—%
	Debt Service/Loans	—	—	—	—%
	Transfers Out	3,974	—	—	—%
TOTALS		1,323,574	456,200	3,552,700	678.8%

Department Budget by Division					
Department	Fund	FY22 Actual	FY23 Projected	FY24 Adopted	% Change
COMMUNITY DEVELOPMENT	8230- Community Housing	1,323,574	456,200	3,552,700	678.8%

Salaries & Benefits

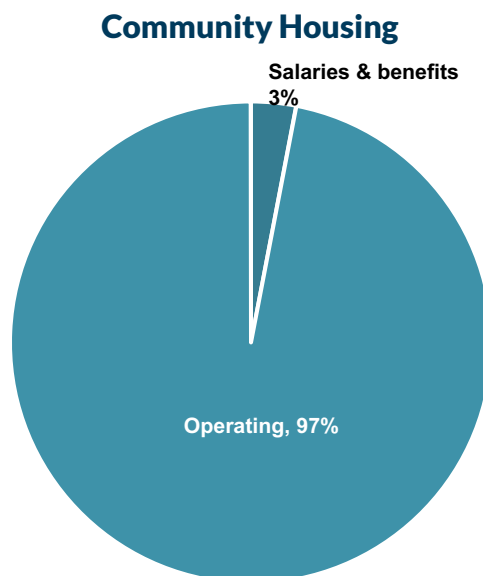
No FTE changes

Operating

Increase due to grants and loans originally anticipated to be finalized in FY23, which will now be spent in FY24.

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, Debt Service Funds, City sponsored non-profit grants, and contingency funds.

Major Objectives:

To accurately budget and account for non-departmental costs.

General Fund

- General fund allocation of liability & property insurance.
- Contributions:
 - City band
 - Non-Profit Funding Requests (See next page for full list of requests)
- Professional services for the Landfill.
- Transfer to Landfill Monitoring Fund; Transfer to Stormwater Fund for Landfill Loan payments; and Special revenue funds support.
- Contingency appropriation for unexpected budget requests that support City Commission priorities.

FY24 Budget

Fund	Category	Description	FY22 Actual	FY23 Projected	FY24 Adopted
10	Operating	GENERAL FUND	5,445,045	9,190,400	3,940,100
101	Grant	AMERICAN RESCUE PLAN	1,013,635	5,051,300	4,900,200
103	Transfers	HEALTH-MEDICAL INSURANCE	2,731,045	3,099,500	3,775,000
175	Operating	SENIOR TRANSPORTATION	143,000	154,900	180,900
300	Transfers	SID REVOLVING FUND	2,077,709	781,200	27,100
303	Debt Service	GO REFUNDING SERIES 2012	—	—	130,000
304	Debt Service	GO PARKS OPEN SPACE BOND	1,081,888	1,079,600	1,080,000
305	Debt Service	TAX INCREMENT FINANCE DIS	332,372	330,200	332,800
306	Debt Service	MIDTOWN TIF	408,550	410,000	411,300
307	Debt Service	GO BONDS BPSC SAFETY CNTR	2,372,200	2,371,200	2,371,300
310	Debt Service	SID SUSPENSE FUND	—	2,077,700	—
312-453	Debt Service	SID DEBT SERVICES	319,135	318,400	307,800
720	Operating	HEALTH-MEDICAL INSURANCE	5,306,064	5,261,600	6,501,100
			21,230,643	30,126,000	23,957,600

FY24 Non-Profit Funding

Non Profit Organization	Adopted Funding
Big Sky Youth Empowerment	\$ 15,000
Bridgercare	\$ 40,000
Child Care Connections	\$ 100,000
Community Health Partners	\$ 75,000
Compassion Project	\$ 10,000
Family Promise of Gallatin Valley	\$ 200,000
Haven	\$ 40,000
Help Center, Inc.	\$ 100,000
HRDC IX, Bozeman	\$ 360,000
HRDC/Streamline	\$ 400,000
Montana Conservation Corps	\$ 10,000
Montana Immigrant Justice Alliance	\$ 20,000
One Valley Community Foundation	\$ 20,000
Roots Family Collaborative	\$ 15,000
Suffer Out Loud	\$ 15,000
United Way - kidsLINK Afterschool Program	\$ 50,000
World Language Initiative - Montana (WLI)	\$ 30,000
Total	\$ 1,500,000

DEBT

Debt – Legal Debt Limit

In Montana, state law establishes the limit of debt a municipality can hold against its General Government operations. With some exceptions, a municipality may incur debt **up to 2.5% of the total assessed value of taxable property within the city or town** (7-7-4201, MCA).

As part of the City’s annual budget, a review of the legal debt limit was completed. Bozeman is well under its legal debt limit for general obligations against public funds.

On June 2, 2022, Moody’s Investors Service issued an update to the City of Bozeman’s credit analysis indicating the City’s bond rating to be Aa1.

City of Bozeman, Montana

General Fund

Statutory Test

	Actual 2022	Budget 2023
Total General Fund Revenue	32,374,792	39,377,029
2% of Revenues	647,496	787,541
Max Annual Debt Service (MADS)	647,496	647,496
Existing Debt Service	125,823	125,823
Remaining Debt Service Capacity	521,673	521,673
	Budget 2022	Budget 2023
Budgeted Expenditure	37,899,586	43,932,934
10% of Expenditures	3,789,959	4,393,293
Maximum Par	3,789,959	3,789,959

Reference to Relevant Statute

(a) the principal amount of the obligation does not exceed 10% of the general fund budget of the municipality in each of the 2 immediately preceding fiscal years;

(b) at the time the obligation is to be incurred, the debt services in the current or in any future fiscal year on the obligation and any other outstanding obligation issued pursuant to this section do not exceed 2% of the revenue deposited in the general fund in each of the 2 immediately preceding fiscal years;

(c) the term of the obligation does not exceed 20 years.

Debt Service – FY24 Payments

General Government FY24 Debt Service			
GO Bonds			
Account	Project	Project Name	FY24
304-9310-481.90-10	TOP	G.O. TOP BONDS, SERIES 2013	\$ 712,600
304-9310-481.90-10	TOP	G.O. TOP BONDS, SERIES 2014	\$ 366,600
307-9310-481.90-10	BPSC00	G.O. BOND BOZEMAN PUBLIC SAFETY CENTER, SERIES 2019	\$ 2,370,900
311-3110-481.90-10	GF305	G.O. BOND FIRE STATION NO 2 RELOCATION	\$ 508,600
Subtotal			\$ 3,958,700
TIF Revenue Bonds			
Account	Project	Project Name	FY24
305-9620-480.90-10	110401	SPECIAL LIMITED OBLIGATION DOWNTOWN TIF BOND, SERIES 2020 (REFUNDED 2007)	\$ 332,800
144-8210-459.95-10	820901	SPECIAL LIMITED OBLIGATION NORTHEAST TIF BOND, SERIES 2018	\$ 92,000
306-9620-481.90-10	822001	SPECIAL LIMITED OBLIGATION MIDTOWN TIF BOND, SERIES 2020	\$ 411,300
Subtotal			\$ 836,100
SID Debt			
Account	Project	Project Name	FY24
453-9710-481.90-10	SID747	SPECIAL LIMITED OBLIGATION SID 747 (MANLEY ROAD) BOND, SERIES 2020	\$ 270,800
438-9710-481.90-10	SID674	NOTE PAYABLE_DNRC, #WRF-05067	\$ 7,700
438-9710-481.90-10	SID674	NOTE PAYABLE_DNRC, #WRF-05132	\$ 31,900
Subtotal			\$ 310,400
Notes Payable			
Account	Project	Project Name	FY24
199-7610-453.95-10	TOP03	SPECIAL LIMITED OBLIGATION SPORTS PARK LOAN	\$ 125,800
850-7610-453.95-10	762201	PETE'S HILL LOAN FROM GVL	\$ 235,000
Subtotal			\$ 360,800
Intercap Loans			
Account	Project	Project Name	FY24
111-4150-433.95-10	821505	REPLACE/UPGRADE STREET LIGHTS LOAN#2593-01 & 2593-02	\$ 20,200
010-8940-471.95-10	GF266	SPORTS PARK/BRONKEN INTERCAP LOAN#2810-01	\$ 42,300
Subtotal			\$ 62,500
Government Fund Leases			
Account	Project	Project Name	FY24
111-4110-433.95-10	STR34	2019 ELGIN BROOM BEAR SWEEPER	\$ 41,400
010-7810-455.95-10	LIB521	2022 TOYOTA HIGHLANDER ASSET #4404 LIBRARY	\$ 7,100
750-4090-431.95-10	EBEALL	EAST BEALL OFFICE LEASE #4447	\$ 93,300
111-4110-433.95-10	STR22	(2) 2022 CAT 150-15AWD MOTOR GRADERS	\$ 91,900
111-4110-433.95-10	STR34	2023 ELGIN BROOM BEAR SWEEPER	\$ 63,400
010-3010-421.95-10	GF293	2023 FOR TRANSIT CARGO VAN	\$ 17,700
Subtotal			\$ 314,800
General Government FY24 Debt Service Total			\$ 5,843,300

Debt Service - Amortization Schedules

CITY OF BOZEMAN SERIES 2013 G.O. BONDS TOPS SPECIAL LIMITED OBLIGATIONS OF THE CITY					
DEBT SERVICE SCHEDULE: \$9,900,000					
Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2024	\$0		\$118,800	\$118,800	
7/1/2024	\$475,000	2.800%	\$118,800	\$593,800	\$5,795,000
1/1/2025	\$0		\$112,150	\$112,150	
7/1/2025	\$490,000	3.250%	\$112,150	\$602,150	\$5,305,000
1/1/2026	\$0		\$104,188	\$104,188	
7/1/2026	\$505,000	3.500%	\$104,188	\$609,188	\$4,800,000
1/1/2027	\$0		\$95,350	\$95,350	
7/1/2027	\$520,000	3.750%	\$95,350	\$615,350	\$4,280,000
1/1/2028	\$0		\$85,600	\$85,600	
7/1/2028	\$540,000	4.000%	\$85,600	\$625,600	\$3,740,000
1/1/2029	\$0		\$74,800	\$74,800	
7/1/2029	\$565,000	4.000%	\$74,800	\$639,800	\$3,175,000
1/1/2030	\$0		\$63,500	\$63,500	
7/1/2030	\$585,000	4.000%	\$63,500	\$648,500	\$2,590,000
1/1/2031	\$0		\$51,800	\$51,800	
7/1/2031	\$610,000	4.000%	\$51,800	\$661,800	\$1,980,000
1/1/2032	\$0		\$39,600	\$39,600	
7/1/2032	\$635,000	4.000%	\$39,600	\$674,600	\$1,345,000
1/1/2033	\$0		\$26,900	\$26,900	
7/1/2033	\$660,000	4.000%	\$26,900	\$686,900	\$685,000
1/1/2034	\$0		\$13,700	\$13,700	
7/1/2034	\$685,000	4.000%	\$13,700	\$698,700	\$0
TOTALS	\$6,270,000		\$1,572,775	\$7,842,775	\$33,695,000

CITY OF BOZEMAN SERIES 2014					
G.O. BONDS TOPS					
SPECIAL LIMITED OBLIGATIONS OF THE CITY					
DEBT SERVICE SCHEDULE: \$5,100,000					
Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2024	\$0		\$65,800	\$65,800	
7/1/2024	\$235,000	2.500%	\$65,800	\$300,800	\$3,235,000
1/1/2025	\$0		\$62,863	\$62,863	
7/1/2025	\$245,000	2.500%	\$62,863	\$307,863	\$2,990,000
1/1/2026	\$0		\$59,800	\$59,800	
7/1/2026	\$250,000	4.000%	\$59,800	\$309,800	\$2,740,000
1/1/2027	\$0		\$54,800	\$54,800	
7/1/2027	\$260,000	4.000%	\$54,800	\$314,800	\$2,480,000
1/1/2028	\$0		\$49,600	\$49,600	
7/1/2028	\$270,000	4.000%	\$49,600	\$319,600	\$2,210,000
1/1/2029	\$0		\$44,200	\$44,200	
7/1/2029	\$280,000	4.000%	\$44,200	\$324,200	\$1,930,000
1/1/2030	\$0		\$38,600	\$38,600	
7/1/2030	\$290,000	4.000%	\$38,600	\$328,600	\$1,640,000
1/1/2031	\$0		\$32,800	\$32,800	
7/1/2031	\$305,000	4.000%	\$32,800	\$337,800	\$1,335,000
1/1/2032	\$0		\$26,700	\$26,700	
7/1/2032	\$315,000	4.000%	\$26,700	\$341,700	\$1,020,000
1/1/2033	\$0		\$20,400	\$20,400	
7/1/2033	\$325,000	4.000%	\$20,400	\$345,400	\$695,000
1/1/2034	\$0		\$13,900	\$13,900	
7/1/2034	\$340,000	4.000%	\$13,900	\$353,900	355000
1/1/2035	\$0		\$7,100	\$7,100	
7/1/2035	\$355,000	4.000%	\$7,100	\$362,100	\$0
TOTALS	\$3,470,000		\$953,125	\$4,423,125	\$20,630,000

**CITY OF BOZEMAN SERIES 2019
G.O. BONDS PUBLIC SAFETY CENTER
SPECIAL LIMITED OBLIGATIONS OF THE CITY**

DEBT SERVICE SCHEDULE: \$34,405,000

Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2024			\$500,425	\$500,425	
7/1/2024	\$1,370,000	4.000%	\$500,425	\$1,870,425	\$28,130,000
1/1/2025	\$0		\$473,025	\$473,025	
7/1/2025	\$1,425,000	4.000%	\$473,025	\$1,898,025	\$26,705,000
1/1/2026	\$0		\$444,525	\$444,525	
7/1/2026	\$1,480,000	4.000%	\$444,525	\$1,924,525	\$25,225,000
1/1/2027	\$0		\$414,925	\$414,925	
7/1/2027	\$1,540,000	4.000%	\$414,925	\$1,954,925	\$23,685,000
1/1/2028	\$0		\$384,125	\$384,125	
7/1/2028	\$1,600,000	4.000%	\$384,125	\$1,984,125	\$22,085,000
1/1/2029	\$0		\$352,125	\$352,125	
7/1/2029	\$1,665,000	4.000%	\$352,125	\$2,017,125	\$20,420,000
1/1/2030	\$0		\$318,825	\$318,825	
7/1/2030	\$1,730,000	4.000%	\$318,825	\$2,048,825	\$18,690,000
1/1/2031	\$0		\$284,225	\$284,225	
7/1/2031	\$1,800,000	4.000%	\$284,225	\$2,084,225	\$16,890,000
1/1/2032	\$0		\$248,225	\$248,225	
7/1/2032	\$1,875,000	4.000%	\$248,225	\$2,123,225	\$15,015,000
1/1/2033	\$0		\$210,725	\$210,725	
7/1/2033	\$1,950,000	4.000%	\$210,725	\$2,160,725	13065000
1/1/2034	\$0		\$171,725	\$171,725	
7/1/2034	\$2,025,000	4.000%	\$171,725	\$2,196,725	11040000
1/1/2035	\$0		\$131,225	\$131,225	
7/1/2035	\$2,110,000	2.250%	\$131,225	\$2,241,225	\$8,930,000
1/1/2036			\$107,488	\$107,488	
7/1/2036	\$2,155,000	2.375%	\$107,488	\$2,262,488	\$6,775,000
1/1/2037			\$81,897	\$81,897	
7/1/2037	\$2,205,000	2.375%	\$81,897	\$2,286,897	\$4,570,000
1/1/2038			\$55,713	\$55,713	
7/1/2038	\$2,260,000	2.375%	\$55,713	\$2,315,713	\$2,310,000
1/1/2039			\$28,875	\$28,875	
7/1/2039	\$2,310,000	2.500%	\$28,875	\$2,338,875	\$0
TOTALS	\$29,500,000		\$8,416,144	\$37,916,144	\$243,535,000

CITY OF BOZEMAN SERIES 2022					
G.O. BONDS FIRE STATION NO. 2 RELOCATION					
SPECIAL LIMITED OBLIGATIONS OF THE CITY					
DEBT SERVICE SCHEDULE: \$6,730,000					
Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2024			\$144,300	\$144,300	
7/1/2024	\$220,000	5.000%	\$144,300	\$364,300	\$508,600
1/1/2025			\$138,800	\$138,800	
7/1/2025	\$230,000	5.000%	\$138,800	\$368,800	\$507,600
1/1/2026			\$133,050	\$133,050	
7/1/2026	\$240,000	5.000%	\$133,050	\$373,050	\$506,100
1/1/2027			\$127,050	\$127,050	
7/1/2027	\$255,000	5.000%	\$127,050	\$382,050	\$509,100
1/1/2028			\$120,675	\$120,675	
7/1/2028	\$265,000	5.000%	\$120,675	\$385,675	\$506,350
1/1/2029			\$114,050	\$114,050	
7/1/2029	\$280,000	5.000%	\$114,050	\$394,050	\$508,100
1/1/2030			\$107,050	\$107,050	
7/1/2030	\$295,000	5.000%	\$107,050	\$402,050	\$509,100
1/1/2031			\$99,675	\$99,675	
7/1/2031	\$310,000	5.000%	\$99,675	\$409,675	\$509,350
1/1/2032			\$91,925	\$91,925	
7/1/2032	\$325,000	5.000%	\$91,925	\$416,925	\$508,850
1/1/2033			\$83,800	\$83,800	
7/1/2033	\$340,000	5.000%	\$83,800	\$423,800	\$507,600
1/1/2034			\$75,300	\$75,300	
7/1/2034	\$355,000	4.000%	\$75,300	\$430,300	\$505,600
1/1/2035			\$68,200	\$68,200	
7/1/2035	\$370,000	4.000%	\$68,200	\$438,200	\$506,400
1/1/2036			\$60,800	\$60,800	
7/1/2036	\$385,000	4.000%	\$60,800	\$445,800	\$506,600
1/1/2037			\$53,100	\$53,100	
7/1/2037	\$400,000	4.000%	\$53,100	\$453,100	\$506,200
1/1/2038			\$45,100	\$45,100	
7/1/2038	\$415,000	4.000%	\$45,100	\$460,100	\$505,200
1/1/2039			\$36,800	\$36,800	
7/1/2039	\$435,000	4.000%	\$36,800	\$471,800	\$508,600
1/1/2040			\$28,100	\$28,100	
7/1/2040	\$450,000	4.000%	\$28,100	\$478,100	\$506,200
1/1/2041			\$19,100	\$19,100	
7/1/2041	\$470,000	4.000%	\$19,100	\$489,100	\$508,200
1/1/2042			\$9,700	\$9,700	
7/1/2042	\$485,000	4.000%	\$9,700	\$494,700	\$504,400
TOTALS	\$6,525,000		\$3,113,150	\$9,638,150	\$9,638,150

CITY OF BOZEMAN SERIES 2007 + Refi 2020 TAX INCREMENT, URBAN RENEWAL REVENUE BONDS SPECIAL LIMITED OBLIGATIONS OF THE CITY DOWNTOWN BOZEMAN IMPROVEMENT DISTRICT					
DEBT SERVICE SCHEDULE: \$4,301,000 (\$3,995,000 + \$306,000)					
Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2024	\$0		\$32,415	\$32,415	
7/1/2024	\$268,000	2.440%	\$32,415	\$300,415	\$2,389,000
1/1/2025	\$0		\$29,146	\$29,146	
7/1/2025	\$277,000	2.440%	\$29,146	\$306,146	\$2,112,000
1/1/2026	\$0		\$25,766	\$25,766	
7/1/2026	\$279,000	2.440%	\$25,766	\$304,766	\$1,833,000
1/1/2027	\$0		\$22,363	\$22,363	
7/1/2027	\$286,000	2.440%	\$22,363	\$308,363	\$1,547,000
1/1/2028	\$0		\$18,873	\$18,873	
7/1/2028	\$293,000	2.440%	\$18,873	\$311,873	\$1,254,000
1/1/2029	\$0		\$15,299	\$15,299	
7/1/2029	\$303,000	2.440%	\$15,299	\$318,299	\$951,000
1/1/2030	\$0		\$11,602	\$11,602	
7/1/2030	\$308,000	2.440%	\$11,602	\$319,602	\$643,000
1/1/2031	\$0		\$7,845	\$7,845	
7/1/2031	\$317,000	2.440%	\$3,977	\$320,977	\$326,000
1/1/2032	\$0		\$3,977	\$3,977	
7/1/2032	\$326,000	2.440%	\$10,125	\$336,125	\$0
TOTALS	\$2,657,000		\$336,853	\$2,993,853	\$11,055,000

CITY OF BOZEMAN SERIES 2018
TAX INCREMENT, URBAN RENEWAL REVENUE BONDS
SPECIAL LIMITED OBLIGATIONS OF THE CITY
NORTHEAST URBAN RENEWAL DISTRICT

DEBT SERVICE SCHEDULE: \$1,453,000

Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2024	\$21,349	4.100%	\$24,651	\$46,000	\$1,164,363
7/1/2024	\$22,119	4.100%	\$23,881	\$46,000	\$1,142,244
1/1/2025	\$22,312	4.100%	\$23,688	\$46,000	\$1,119,931
7/1/2025	\$23,088	4.100%	\$22,912	\$46,000	\$1,096,843
1/1/2026	\$23,186	4.100%	\$22,814	\$46,000	\$1,073,657
7/1/2026	\$24,029	4.100%	\$21,971	\$46,000	\$1,049,628
1/1/2027	\$24,162	4.100%	\$21,838	\$46,000	\$1,025,466
7/1/2027	\$25,009	4.100%	\$20,991	\$46,000	\$1,000,457
1/1/2028	\$25,178	4.100%	\$20,822	\$46,000	\$975,279
7/1/2028	\$25,974	4.100%	\$20,026	\$46,000	\$949,305
1/1/2029	\$26,289	4.100%	\$19,711	\$46,000	\$923,016
7/1/2029	\$27,092	4.100%	\$18,908	\$46,000	\$895,923
1/1/2030	\$27,339	4.100%	\$18,661	\$46,000	\$868,585
7/1/2030	\$28,199	4.100%	\$17,801	\$46,000	\$840,386
1/1/2031	\$28,487	4.100%	\$17,514	\$46,000	\$811,900
7/1/2031	\$29,351	4.100%	\$16,649	\$46,000	\$782,548
1/1/2032	\$29,682	4.100%	\$16,318	\$46,000	\$752,866
1/2/2032	\$30,509	4.100%	\$15,491	\$46,000	\$722,358
1/3/2032	\$30,967	4.100%	\$15,033	\$46,000	\$691,391
1/4/2032	\$31,801	4.100%	\$14,199	\$46,000	\$659,589
1/5/2032	\$32,223	4.100%	\$13,777	\$46,000	\$627,366
1/6/2032	\$33,103	4.100%	\$12,897	\$46,000	\$594,263
1/7/2032	\$33,573	4.100%	\$12,427	\$46,000	\$560,690
1/8/2032	\$34,459	4.100%	\$11,541	\$46,000	\$526,231
1/9/2032	\$34,980	4.100%	\$11,020	\$46,000	\$491,251
1/10/2032	\$35,842	4.100%	\$10,158	\$46,000	\$455,409
1/11/2032	\$36,470	4.100%	\$9,530	\$46,000	\$418,939
1/12/2032	\$37,341	4.100%	\$8,659	\$46,000	\$381,599
1/13/2032	\$37,969	4.100%	\$8,031	\$46,000	\$343,630
1/14/2032	\$38,872	4.100%	\$7,128	\$46,000	\$304,758
1/15/2032	\$39,557	4.100%	\$6,443	\$46,000	\$265,201
1/16/2032	\$40,466	4.100%	\$5,534	\$46,000	\$224,734
1/17/2032	\$41,211	4.100%	\$4,789	\$46,000	\$183,523
1/18/2032	\$42,116	4.100%	\$3,884	\$46,000	\$141,407
1/19/2032	\$42,942	4.100%	\$3,058	\$46,000	\$98,465
1/20/2032	\$43,856	4.100%	\$2,144	\$46,000	\$54,609
1/21/2032	\$44,727	4.100%	\$1,273	\$46,000	\$9,882
1/22/2032	\$9,882	4.100%	\$343	\$10,225	\$0
TOTALS	\$1,185,712		\$526,512	\$1,712,225	\$24,227,693

CITY OF BOZEMAN SERIES 2020 TAX INCREMENT URBAN RENEWAL REVENUE BONDS SPECIAL LIMITED OBLIGATIONS OF THE CITY MIDTOWN					
DEBT SERVICE SCHEDULE: \$6,500,000					
Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2024			\$110,625	\$110,625	
7/1/2024	\$190,000	3.000%	\$110,625	\$300,625	\$5,770,000
1/1/2025	\$0		\$107,775	\$107,775	
7/1/2025	\$195,000	4.000%	\$107,775	\$302,775	\$5,575,000
1/1/2026	\$0		\$103,875	\$103,875	
7/1/2026	\$205,000	4.000%	\$103,875	\$308,875	\$5,370,000
1/1/2027	\$0		\$99,775	\$99,775	
7/1/2027	\$210,000	4.000%	\$99,775	\$309,775	\$5,160,000
1/1/2028	\$0		\$95,575	\$95,575	
7/1/2028	\$220,000	4.000%	\$95,575	\$315,575	\$4,940,000
1/1/2029	\$0		\$91,175	\$91,175	
7/1/2029	\$230,000	4.000%	\$91,175	\$321,175	\$4,710,000
1/1/2030	\$0		\$86,575	\$86,575	
7/1/2030	\$235,000	4.000%	\$86,575	\$321,575	\$4,475,000
1/1/2031	\$0		\$81,875	\$81,875	
7/1/2031	\$245,000	4.000%	\$81,875	\$326,875	\$4,230,000
1/1/2032	\$0		\$76,975	\$76,975	
7/1/2032	\$255,000	4.000%	\$76,975	\$331,975	\$3,975,000
1/1/2033	\$0		\$71,875	\$71,875	\$0
7/1/2033	\$265,000	4.000%	\$71,875	\$336,875	\$3,710,000
1/1/2034	\$0		\$66,575	\$66,575	
7/1/2034	\$275,000	4.000%	\$66,575	\$341,575	\$3,435,000
1/1/2035	\$0		\$61,075	\$61,075	
7/1/2035	\$290,000	4.000%	\$61,075	\$351,075	\$3,145,000
1/1/2036	\$0		\$55,275	\$55,275	
7/1/2036	\$300,000	4.000%	\$55,275	\$355,275	\$2,845,000
1/1/2037	\$0		\$49,275	\$49,275	
7/1/2037	\$310,000	4.000%	\$49,275	\$359,275	\$2,535,000
1/1/2038	\$0		\$43,075	\$43,075	
7/1/2038	\$325,000	4.000%	\$43,075	\$368,075	\$2,210,000
1/1/2039	\$0		\$36,575	\$36,575	
7/1/2039	\$335,000	4.000%	\$36,575	\$371,575	\$1,875,000
1/1/2040	\$0		\$29,875	\$29,875	
7/1/2040	\$350,000	4.000%	\$29,875	\$379,875	\$1,525,000
1/1/2041	\$0		\$22,875	\$22,875	
7/1/2041	\$365,000	3.000%	\$22,875	\$387,875	\$1,160,000
1/1/2042	\$0		\$17,400	\$17,400	
7/1/2042	\$375,000	3.000%	\$17,400	\$392,400	\$785,000
1/1/2043	\$0		\$11,775	\$11,775	
7/1/2043	\$385,000	3.000%	\$11,775	\$396,775	\$400,000
1/1/2044	\$0		\$6,000	\$6,000	
7/1/2044	\$400,000	3.000%	\$6,000	\$406,000	\$0
TOTALS	\$5,960,000		\$2,651,750	\$8,611,750	\$67,830,000

CITY OF BOZEMAN SERIES 2020 REVENUE BOND SID NO. 747 SPECIAL LIMITED OBLIGATIONS OF THE CITY DEBT SERVICE SCHEDULE: \$4,001,000					
Payment Due	Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2024	\$79,248	3.175 %	\$56,133	\$135,380	\$3,456,670
7/1/2024	\$80,506	3.175 %	\$54,875	\$135,380	\$3,376,164
1/1/2025	\$81,784	3.175 %	\$53,597	\$135,380	\$3,294,381
7/1/2025	\$83,082	3.175 %	\$52,298	\$135,380	\$3,211,299
1/1/2026	\$84,401	3.175 %	\$50,979	\$135,380	\$3,126,898
7/1/2026	\$85,741	3.175 %	\$49,640	\$135,380	\$3,041,157
1/1/2027	\$87,102	3.175 %	\$48,278	\$135,380	\$2,954,055
7/1/2027	\$88,485	3.175 %	\$46,896	\$135,380	\$2,865,570
1/1/2028	\$89,889	3.175 %	\$45,491	\$135,380	\$2,775,681
7/1/2028	\$91,316	3.175 %	\$44,064	\$135,380	\$2,684,365
1/1/2029	\$92,766	3.175 %	\$42,614	\$135,380	\$2,591,598
7/1/2029	\$94,239	3.175 %	\$41,142	\$135,380	\$2,497,360
1/1/2030	\$95,735	3.175 %	\$39,646	\$135,380	\$2,401,625
7/1/2030	\$97,255	3.175 %	\$38,126	\$135,380	\$2,304,371
1/1/2031	\$98,798	3.175 %	\$36,582	\$135,380	\$2,205,572
7/1/2031	\$100,367	3.175 %	\$35,013	\$135,380	\$2,105,205
1/1/2032	\$101,960	3.175 %	\$33,420	\$135,380	\$2,003,245
7/1/2032	\$103,579	3.175 %	\$31,802	\$135,380	\$1,899,666
1/1/2033	\$105,223	3.175 %	\$30,157	\$135,380	\$1,794,443
7/1/2033	\$106,894	3.175 %	\$28,487	\$135,380	\$1,687,550
1/1/2034	\$108,590	3.175 %	\$26,790	\$135,380	\$1,578,959
7/1/2034	\$110,314	3.175 %	\$25,066	\$135,380	\$1,468,645
1/1/2035	\$112,066	3.175 %	\$23,315	\$135,380	\$1,356,579
7/1/2035	\$113,845	3.175 %	\$21,536	\$135,380	\$1,242,735
1/1/2036	\$115,652	3.175 %	\$19,728	\$135,380	\$1,127,083
7/1/2036	\$117,488	3.175 %	\$17,892	\$135,380	\$1,009,595
1/1/2037	\$119,353	3.175 %	\$16,027	\$135,380	\$890,242
7/1/2037	\$121,248	3.175 %	\$14,133	\$135,380	\$768,994
1/1/2038	\$123,173	3.175 %	\$12,208	\$135,380	\$645,822
7/1/2038	\$125,128	3.175 %	\$10,252	\$135,380	\$520,694
1/1/2039	\$127,114	3.175 %	\$8,266	\$135,380	\$393,580
7/1/2039	\$129,132	3.175 %	\$6,248	\$135,380	\$264,447
1/1/2040	\$131,182	3.175 %	\$4,198	\$135,380	\$133,265
7/1/2040	\$133,265	3.175 %	\$2,116	\$135,381	\$0
TOTALS	\$3,535,918		\$1,067,013	\$4,602,931	\$63,677,514

**CITY OF BOZEMAN SERIES 2019
LIMITED OBLIGATION BOND SPORTS PARK
SPECIAL LIMITED OBLIGATIONS OF THE CITY**

DEBT SERVICE SCHEDULE: \$1,700,000

Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2024	\$34,690	3.740%	\$28,208	\$62,897	\$1,469,633
7/1/2024	\$35,415	3.740%	\$27,483	\$62,897	\$1,434,218
1/1/2025	\$36,078	3.740%	\$26,820	\$62,897	\$1,398,141
7/1/2025	\$36,825	3.740%	\$26,073	\$62,897	\$1,361,316
1/1/2026	\$37,371	3.740%	\$25,526	\$62,897	\$1,323,945
7/1/2026	\$38,208	3.740%	\$24,690	\$62,897	\$1,285,738
1/1/2027	\$38,788	3.740%	\$24,109	\$62,897	\$1,246,949
7/1/2027	\$39,643	3.740%	\$23,254	\$62,897	\$1,207,306
1/1/2028	\$40,259	3.740%	\$22,638	\$62,897	\$1,167,047
7/1/2028	\$41,073	3.740%	\$21,824	\$62,897	\$1,125,974
1/1/2029	\$41,842	3.740%	\$21,056	\$62,897	\$1,084,132
7/1/2029	\$42,680	3.740%	\$20,217	\$62,897	\$1,041,452
1/1/2030	\$43,369	3.740%	\$19,529	\$62,897	\$998,083
7/1/2030	\$44,284	3.740%	\$18,613	\$62,897	\$953,798
1/1/2031	\$45,013	3.740%	\$17,885	\$62,897	\$908,786
7/1/2031	\$45,950	3.740%	\$16,948	\$62,897	\$862,836
1/1/2032	\$46,718	3.740%	\$16,179	\$62,897	\$816,118
7/1/2032	\$47,636	3.740%	\$15,262	\$62,897	\$768,482
1/1/2033	\$48,527	3.740%	\$14,371	\$62,897	\$719,955
7/1/2033	\$49,472	3.740%	\$13,426	\$62,897	\$670,484
1/1/2034	\$50,325	3.740%	\$12,572	\$62,897	\$620,158.71
7/1/2034	\$51,332	3.740%	\$11,565	\$62,897	\$568,826.45
1/1/2035	\$52,231	3.740%	\$10,666	\$62,897	\$516,595.19
7/1/2035	\$53,264	3.740%	\$9,634	\$62,897	\$463,332
1/1/2036	\$54,209	3.740%	\$8,688	\$62,897	\$409,122
7/1/2036	\$55,247	3.740%	\$7,651	\$62,897	\$353,876
1/1/2037	\$56,280	3.740%	\$6,617	\$62,897	\$297,596
7/1/2037	\$57,348	3.740%	\$5,550	\$62,897	\$240,248
1/1/2038	\$58,393	3.740%	\$4,505	\$62,897	\$181,855
7/1/2038	\$59,506	3.740%	\$3,391	\$62,897	\$122,349
1/1/2039	\$60,603	3.740%	\$2,294	\$62,897	\$61,746
7/1/2039	\$61,746	3.740%	\$1,151	\$62,897	\$0
TOTALS	\$1,504,322		\$508,396	\$2,012,719	\$25,680,095

CITY OF BOZEMAN					
INTERCAP LOANS 2593 02 & 2593 02					
REPLACE/UPGRADE STREET LIGHTS					
DEBT SERVICE SCHEDULE: \$193,231					
Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
8/15/2023	\$7,026	5.75%	\$3,138	\$10,163	\$103,009
2/15/2024	\$7,059	5.75%	\$2,986	\$10,045	\$95,950
8/15/2024	\$7,111		\$0	\$7,111	\$88,839
2/15/2025	\$7,150		\$0	\$7,150	\$81,690
8/15/2025	\$7,201		\$0	\$7,201	\$74,488
2/15/2026	\$7,238		\$0	\$7,238	\$67,250
8/15/2026	\$7,291		\$0	\$7,291	\$59,959
2/15/2027	\$7,330		\$0	\$7,330	\$52,629
8/15/2027	\$7,382		\$0	\$7,382	\$45,247
2/15/2028	\$7,423		\$0	\$7,423	\$37,824
8/15/2028	\$7,473		\$0	\$7,473	\$30,352
2/15/2029	\$7,517		\$0	\$7,517	\$22,835
8/15/2029	\$7,566		\$0	\$7,566	\$15,268
2/15/2030	\$7,612		\$0	\$7,612	\$7,657
8/15/2030	\$7,657		\$0	\$7,657	\$0
TOTALS	\$110,035		\$6,123	\$116,158	782996.75

SPORTS PARK/BRONKEN INTERCAP LOAN 2010 01 REPLACE/UPGRADE STREET LIGHTS					
DEBT SERVICE SCHEDULE: \$151,825					
Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
8/15/2023	\$15,045	5.75%	\$6,163	\$21,209	\$201,101
2/15/2024	\$15,241	5.75%	\$5,829	\$21,070	\$185,860
8/15/2024	\$15,543		\$0	\$15,543	\$170,317
2/15/2025	\$15,772		\$0	\$15,772	\$154,545
8/15/2025	\$16,075		\$0	\$16,075	\$138,470
2/15/2026	\$16,305		\$0	\$16,305	\$122,165
8/15/2026	\$16,616		\$0	\$16,616	\$105,549
2/15/2027	\$16,864		\$0	\$16,864	\$88,685
8/15/2027	\$17,176		\$0	\$17,176	\$71,509
2/15/2028	\$17,443		\$0	\$17,443	\$54,066
8/15/2028	\$17,752		\$0	\$17,752	\$36,315
2/15/2029	\$18,042		\$0	\$18,042	\$18,272
8/15/2029	\$18,272		\$0	\$18,272	\$0
TOTALS	\$216,147		\$11,992	\$228,139	\$1,346,855

2022 TOYOTA HIGHLANDER LEASE				
DEBT SERVICE SCHEDULE: \$19,833				
Payment Due	Principal Payment	Interest Payment	Monthly Payment	Lease Balance
7/1/2023	\$556	\$38	\$594	\$8,626
8/1/2023	\$558	\$36	\$594	\$8,068
9/1/2023	\$561	\$34	\$594	\$7,507
10/1/2023	\$563	\$31	\$594	\$6,944
11/1/2023	\$565	\$29	\$594	\$6,378
12/1/2023	\$568	\$27	\$594	\$5,810
1/1/2024	\$570	\$24	\$594	\$5,240
2/1/2024	\$573	\$22	\$594	\$4,667
3/1/2024	\$575	\$19	\$594	\$4,092
4/1/2024	\$577	\$17	\$594	\$3,515
5/1/2024	\$580	\$15	\$594	\$2,935
6/1/2024	\$582	\$12	\$594	\$2,353
7/1/2024	\$585	\$10	\$594	\$1,769
8/1/2024	\$587	\$7	\$594	\$1,181
9/1/2024	\$590	\$5	\$594	\$592
10/1/2024	\$592	\$2	\$594	\$0
TOTALS	\$9,182	\$329	\$9,504	\$69,677

E. BEALL OFFICE LEASE				
DEBT SERVICE SCHEDULE: \$423,122				
Payment Due	Principal Payment	Interest Payment	Monthly Payment	Lease Balance
7/1/2023	\$6,299	\$1,397	\$7,695	\$328,876
8/1/2023	\$6,325	\$1,370	\$7,695	\$322,551
9/1/2023	\$6,351	\$1,344	\$7,695	\$316,200
10/1/2023	\$6,378	\$1,318	\$7,695	\$309,822
11/1/2023	\$6,404	\$1,291	\$7,695	\$303,418
12/1/2023	\$6,431	\$1,264	\$7,695	\$296,987
1/1/2024	\$6,458	\$1,237	\$7,695	\$290,529
2/1/2024	\$6,485	\$1,211	\$7,695	\$284,044
3/1/2024	\$6,512	\$1,184	\$7,695	\$277,532
4/1/2024	\$6,848	\$1,156	\$8,005	\$270,684
5/1/2024	\$6,877	\$1,128	\$8,005	\$263,807
6/1/2024	\$6,906	\$1,099	\$8,005	\$256,901
7/1/2024	\$6,934	\$1,070	\$8,005	\$249,967
8/1/2024	\$6,963	\$1,042	\$8,005	\$243,004
9/1/2024	\$6,992	\$1,013	\$8,005	\$236,012
10/1/2024	\$7,021	\$983	\$8,005	\$228,990
11/1/2024	\$7,051	\$954	\$8,005	\$221,940
12/1/2024	\$7,080	\$925	\$8,005	\$214,860
1/1/2025	\$7,109	\$895	\$8,005	\$207,750
2/1/2025	\$7,139	\$866	\$8,005	\$200,611
3/1/2025	\$7,169	\$836	\$8,005	\$193,442
4/1/2025	\$7,518	\$806	\$8,324	\$185,924
5/1/2025	\$7,550	\$775	\$8,324	\$178,374
6/1/2025	\$7,581	\$743	\$8,324	\$170,793
7/1/2025	\$7,613	\$712	\$8,324	\$163,181
8/1/2025	\$7,644	\$680	\$8,324	\$155,537
9/1/2025	\$7,676	\$648	\$8,324	\$147,860
10/1/2025	\$7,708	\$616	\$8,324	\$140,152
11/1/2025	\$7,740	\$584	\$8,324	\$132,412
12/1/2025	\$7,773	\$552	\$8,324	\$124,639
1/1/2026	\$7,805	\$519	\$8,324	\$116,834
2/1/2026	\$7,837	\$487	\$8,324	\$108,997
3/1/2026	\$7,870	\$454	\$8,324	\$101,127
4/1/2026	\$8,236	\$421	\$8,657	\$92,891
5/1/2026	\$8,270	\$387	\$8,657	\$84,621
6/1/2026	\$8,305	\$353	\$8,657	\$76,316
7/1/2026	\$8,339	\$318	\$8,657	\$67,977
8/1/2026	\$8,374	\$283	\$8,657	\$59,603
9/1/2026	\$8,409	\$248	\$8,657	\$51,194
10/1/2026	\$8,444	\$213	\$8,657	\$42,750
11/1/2026	\$8,479	\$178	\$8,657	\$34,271
12/1/2026	\$8,514	\$143	\$8,657	\$25,757
1/1/2027	\$8,550	\$107	\$8,657	\$17,207
2/1/2027	\$8,586	\$72	\$8,657	\$8,621
3/1/2027	\$8,621	\$36	\$8,657	\$0
TOTALS	\$335,175	\$33,917	\$369,092	\$7,804,967

TWO (2) 2022 CAT 150 15AWD MOTOR GRADERS				
DEBT SERVICE SCHEDULE: \$584,900				
Payment Due	Principal Payment	Interest Payment	Annual Payment	Lease Balance
2/21/2024	\$53,341	\$38,542	\$91,883	\$531,559
2/21/2025	\$54,359	\$37,524	\$91,883	\$477,200
2/21/2026	\$58,159	\$33,724	\$91,883	\$419,042
2/21/2027	\$62,224	\$29,559	\$91,783	\$356,818
2/21/2028	\$356,818	\$26,745	\$383,563	\$0
TOTALS	\$584,900	\$166,095	\$750,995	\$1,784,619

2023 ELGIN BROOM BEAR SWEEPER				
DEBT SERVICE SCHEDULE: \$277,720				
Payment Due	Principal Payment	Interest Payment	Annual Payment	Lease Balance
4/1/2024	\$49,053	\$14,317	\$63,370	\$167,490
4/1/2025	\$52,296	\$11,074	\$63,370	\$115,194
4/1/2026	\$55,754	\$7,616	\$63,370	\$59,440
4/1/2027	\$59,440	\$3,930	\$63,370	\$0
TOTALS	\$216,543	\$36,937	\$253,480	\$342,124

2023 FORD TRANSIT VAN				
DEBT SERVICE SCHEDULE: \$66,602				
Payment Due	Principal Payment	Interest Payment	Annual Payment	Lease Balance
5/24/2024	\$15,187	\$2,557	\$17,743	\$16,415
5/24/2025	\$16,415	\$1,328	\$17,743	\$0
TOTALS	\$31,602	\$3,885	\$35,486	\$16,415



CAPITAL IMPROVEMENT PROGRAM

Capital Improvement Program (CIP)

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 are a couple of “exceptions” or “extensions” of this definition that we have found helpful and necessary in past years:

- 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 purchases of outright software and hardware. In the CIP, we have treated the software projects as a capital outlay purchase.

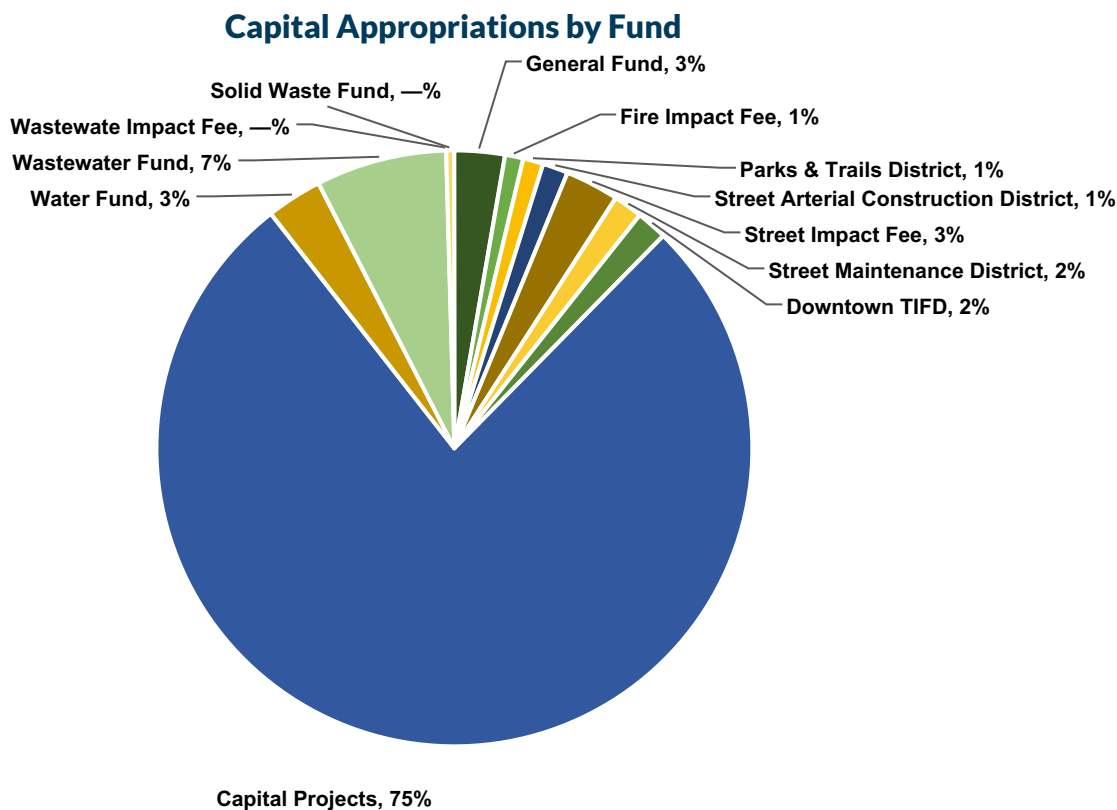
State law and City charter require the City to prepare the CIP. State Law requires the City to maintain a Capital Improvement Plan for our Development Impact Fee programs. Under Montana Code Annotated (MCA), this Capital Improvement Plan provides the schedules and cost projections required under MCA §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. The latest CIP Plan was adopted by the City Commission on December 13, 2022.

The 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.

Once adopted, the Capital Improvements Plan became the basis of the budget for FY24. The City will continue to invest in capital infrastructure in order to keep Bozeman a vibrant and active city. We are a resilient, enterprising, and creative community. The 2024-2028 CIP is a 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. The Plan can be found on the City website: [CIP FY24-FY28](#).

FY24 Capital Projects Summary Costs:

Approximately \$151 million in capital spending and commitments are planned in FY24, primarily for construction projects. The most significant driver is \$102 million planned for the Bozeman Community Center (GF355). Three million of this project is planned to be supported by the Library Foundation and the remaining \$99 million will be placed on the ballot for voter approval of a general obligation bond. Other projects include investments in recreational facilities already approved by voters, including the Swim Center, Bogert Pool, and Lindley Center. In addition Fire Station 2 is under contract and expected to be completed in the next year or two.



Following adopting of the FY24 Budget, Bozeman City Commission voted against including the Bozeman Community Center on the November 2023 ballot.

FY24 Capital Project Listing by Fund

FY24 Capital Project Listing				
Fund	Division	Project #	Project Name	FY24
General Fund				
10	Facilities	GF001	Elevator Replacement	275,000
10	Facilities	GF328	Vehicle Replacement	49,000
10	Facilities	GF329	Vehicle Replacement	49,000
10	Facilities	GF346	Facility Condition Invent	50,000
10	Facilities	GF360	LED Lighting Upgrade - Prof Building	40,000
10	Facilities	GF365	Senior Center Parking Lot	45,100
10	Facilities	GF366	Professional Building Parking Lot	42,900
10	Facilities	GF367	Service Worker Vehicle	49,000
10	Facilities	GF368	Site FCA Repairs	236,500
10	Facilities	GF369	Facility Needs Assessment	150,000
10	Facilities	GF370	City Hall Renovations	1,500,000
10	Information Technology	GF080	City-Wide Switches and Routers	55,000
10	Information Technology	GF265	Server Replacement Genera Fund	25,000
10	Police	GF053	Patrol Car & Equipment Replacement	308,200
10	Police	GF294	Patrol Car - Additional	74,000
10	Police	GF316	Police Body Camera System*	67,000
10	Cemetery	GF268	SW MT Veteran's Cemetery	450,000
10	Recreation	GF300	SMCC Gym Floor Replace	222,000
10	Recreation	GF373	Bulkhead Retro-fit	100,000
10	Sustainability	GF245	Energy Projects	75,000
10	Sustainability	GF362	Solar Panel Arrays	330,000
General Fund Total				4,192,700
Planning Fund				
100	Planning	CD08	Office Reconfigurations	25,000
Planning Fund Total				25,000
Street Maintenance Fund				
111	Street Maintenance	ICEWEL	Relocate Ice Well FS1	100,000
111	Street Maintenance	STR20	Annual Bike Path Improvements	100,000
111	Street Maintenance	STR22	Streets Operations Grader Lease	120,000
111	Street Maintenance	STR30	Annual Median & Boulevard Projects	100,000
111	Street Maintenance	STR34	Sweepers	115,000
111	Street Maintenance	STR49	Sanders Street Dept 5Yrs	40,000
111	Street Maintenance	STR58	Tandem Axle Dump Truck	320,000
111	Street Maintenance	STR71	Street Improvements Mill+Overlay	819,900
111	Street Maintenance	STR75	Annual Pedestrian Ramp Rehab	110,000
111	Street Maintenance	STR84	Plug In Electric Work Truck	70,000
111	Street Maintenance	STR90	Chip Seal*	811,300
111	Street Maintenance	STR92	Oak St Median Landscaping	60,000
111	Street Maintenance	STR114	Mag Chloride Containment	75,000
111	Street Maintenance	STR123	Light Duty Fleet Addition	70,000
111	Street Maintenance	STR125	Lowboy Equipment Trailer	100,000
111	Street Maintenance	STR133	Replace Sand Shed Panels	40,000
111	Street Maintenance	STR134	Ice Breaker Attachments	100,000
111	Street Maintenance	STR135	Diesel Fuel Tank & Kiosk	32,000
Street Maintenance Fund Total				3,183,200

*Project will not be capitalized and is included in the Operating budget.

FY24 Capital Project Listing

Fund	Division	Project #	Project Name	FY24
Tree Maintenance Fund				
112	Tree Maintenance	FOR19	Forestry 1-Ton Pickup	55,000
Tree Maintenance Fund Total				55,000
Fire Impact Fee Fund				
113	Fire Impact Fee	FIF06	Fire Station 4 Land Acquisition & Design	1,500,000
Fire Impact Fee Fund Total				1,500,000
Fire Capital & Equipment Fund				
187	Fire Capital & Equip	FE12	Personal Protective Equipment	43,000
Fire Capital & Equipment Fund Total				43,000
Street Impact Fee Fund				
114	Street Impact Fee	A&C012	Cottonwood Rd/Fallon	750,000
114	Street Impact Fee	SIF001	Right Of Way Acquisition	2,450,000
114	Street Impact Fee	SIF147	Oak & 19Th Intersection	750,000
114	Street Impact Fee	SIF152	N 27Th - Baxter - Cattail	450,000
Street Impact Fee Fund Total				4,400,000
Building Inspection Fund				
115	Building Inspection	BI05	Building Vehicle	50,000
115	Building Inspection	CD08	Office Reconfigurations	25,000
Building Inspection Fund Total				75,000
Arterial & Collector District Fund				
141	Arterial & Collector	A&C007	Shared Use Path-Valley Center	300,000
141	Arterial & Collector	A&C012	Cottonwood Rd/Fallon	750,000
141	Arterial & Collector	A&C026	Bike/Ped Gap Analysis	100,000
141	Arterial & Collector	SIF145	Kagy/Sourdough Intersection	85,000
141	Arterial & Collector	SIF147	Oak & 19Th Intersection	250,000
141	Arterial & Collector	SIF152	N 27Th - Baxter - Cattail	450,000
141	Arterial & Collector	SIF188	Oak St Intersections	150,000
Arterial & Collector Fund Total				2,085,000
Parks & Trails District Fund				
195	Parks & Trails District	GF031	Park Improvement Grant	275,000
195	Parks & Trails District	PTD03	Playground/Skate Park Improvements	630,000
195	Parks & Trails District	PTD04	Park Vehicles	135,000
195	Parks & Trails District	PTD05	Toolcat Multi Purpose	90,000
195	Parks & Trails District	PTD06	Park Shelter Replacement	60,000
195	Parks & Trails District	PTD09	Deferred Maintenance	100,000
195	Parks & Trails District	PTD13	Sports Complex	370,000
Parks & Trails District Total				1,660,000
Midtown TIFD				
143	Midtown TIFD		Westlake BMX Park Improvements	300,000
143	Midtown TIFD		Codify Design Standards for N. 7th Avenue Streetscape	50,000
143	Midtown TIFD		5th Ave. Trail	325,000
143	Midtown TIFD		Food Truck Development Code and Standards	50,000
Midtown TIFD Total				725,000

FY24 Capital Project Listing

Fund	Division	Project #	Project Name	FY24
Northeast TIFD*				
144	Northeast TIFD		Pedestrian Bridge/East Aspen Street Construction	405,000
144	Northeast TIFD		Pocket Park - North Church Right-of-Way Design	25,000
144	Northeast TIFD		Fencing along Depot Trail - West Side	20,000
144	Northeast TIFD		Quiet Zone Construction	436,900
144	Northeast TIFD		Public Art	30,000
144	Northeast TIFD		Identification of Undeveloped Public Properties	20,000
144	Northeast TIFD		Parking Structure	50,000
Northeast TIFD Total				986,900
Downtown TIFD*				
116	Downtown TIFD		Street Furniture/Streetscape Improvements	50,000
116	Downtown TIFD		Park Improvements (Sorooptimist/NBPP)	25,000
116	Downtown TIFD		Alley Improveents	250,000
116	Downtown TIFD		Intersection Cable Anchor Repairs	25,000
116	Downtown TIFD		Parklet Infrastructure	20,000
116	Downtown TIFD		Sidestreet Infrastructure Improvements	300,000
116	Downtown TIFD		Streetscape, Life-Safety & Fiber Grant Programs	90,000
116	Downtown TIFD		Wayfinding & Parking Signage	15,000
116	Downtown TIFD		Alternative Transportation Projects	50,000
116	Downtown TIFD		Streetlamp Power Reconfiguration Project (SILD)	100,000
116	Downtown TIFD		Workforce Housing Project - Fire Station One	1,600,000
Downtown TIFD Total				2,525,000
Construction Funds				
500	Recreation	GF355	Bozeman Community Center	102,000,000
504	Streets	SCR01	Curb Spot Repair	105,000
504	Streets	SCR26	Bogert Place - Church to Story	507,000
561	Library	LIB32	Automatic Blinds	60,000
572	Fire	GF305	Fire Station 2- Relocate	6,895,700
573	Recreation	GF137	Swim Center - Facility	4,050,000
573	Recreation	GF209	Lindley Center - Remodel	1,750,000
573	Recreation	GF238	Bogert Pool Renovation	1,000,000
Construction Funds Total				116,367,700
Water Funds				
600	Water	ICEWEL	Relocate Ice Well in FS1	50,000
600	Water	W03	Annual Water Pipe Replacement	25,000
600	Water	W04-24	Water Pipe Replacement Projects	1,200,000
600	Water	W79	Hyalite Dam & Reservoir Optimization Improvements	262,500
600	Water	W89	Membrane Replacement	500,000
600	Water	W93	Truck Replacement	60,000
600	Water	W97	Replace 1-Ton Truck	58,300
600	Water	W101	WTP Tank Outlet Monitor	110,000
600	Water	W104	Replace Backhoe	160,900
600	Water	W113	Tracked Skid Loader	150,000
600	Water	W133	Trans Main WTP to Nash	110,000
600	Water	W136	New 3/4 Ton Meter Truck	55,000
600	Water	W141	South Press Zone Pre-Design	350,000
600	Water	W142	Sourdough Trail Drain Improvements	30,000
600	Water	W145	N 3rd Water Main Improvements	212,000
600	Water	WC08	Water Conservation Vehicle	40,000
600	Water	WIF52	Water Main Cottonwood	525,000
610	Water Impact Fee	WIF52	Water Main Cottonwood	475,000
610	Water Impact Fee	WIF56	Blackwood Groves Water Main	210,000
Water Funds Total				4,583,700

* No funding for public art can be spent out of this fund until the City has a public art policy established by City Commission.

FY24 Capital Project Listing

Fund	Division	Project #	Project Name	FY24
Wastewater Funds				
620	Wastewater	ICEWEL	Relocate Ice Well in FS1	50,000
620	Wastewater	WW07	Annual Wastewater Pipe Replacement	25,000
620	Wastewater	WW08	Wastewater Pipe Replacement	1,000,000
620	Wastewater	WW09	Annual Wastewater Pipe Replacement	500,000
620	Wastewater	WW69	Small Works Projects	150,000
620	Wastewater	WW70	WRF Facility Engineering and Optimization	60,000
620	Wastewater	WW104	Replace Sewer TV Van	320,000
620	Wastewater	WW111	E Gallatin Streambank Erosion	150,000
620	Wastewater	WW112	E Gallatin River Data Collection	60,000
620	Wastewater	WW122	SCADA Motor Control #2	90,000
620	Wastewater	WW126	Bobcat Toolcat	80,000
620	Wastewater	WW129	WRF Base Hydraulic Ph 1	1,000,000
620	Wastewater	WW130	WRF Effluent Filt Pre-Design	25,000
620	Wastewater	WW133	Riverside Lift Station	2,500,000
620	Wastewater	WW134	Valley Center Lift Station	3,000,000
620	Wastewater	WW135	N 3rd Sewer Main Improvements	204,000
620	Wastewater	WWIF50	Joint MSE/DEQ Pilot	70,000
630	Wastewater Impact Fee	WWIF44	WRF Interceptor	1,200,000
630	Wastewater Impact Fee	WWIF52	Blackwood Groves Sewer	220,000
Wastewater Funds Total				10,704,000
Solid Waste Funds				
640	Solid Waste	SW58	Roll Off Truck	250,000
640	Solid Waste	SW59	Solid Waste Rate Study*	70,000
641	Landfill Closure Costs	SW71	Landfill South SVE Wells	70,000
641	Landfill Closure Costs	SW72	Landfill East SVE Wells	340,000
Solid Waste Funds Total				730,000
Parking Fund				
650	Parking Fund	P030	Mobile LPR Technology	100,000
650	Parking Fund	P031	Crack Repair Bridger Garage	250,000
650	Parking Fund	P034	Fixed LPR Technology	150,000
Parking Fund Total				500,000
Stormwater Fund				
670	Stormwater	STDM04	Historic Pipe Replacement Program	300,000
670	Stormwater	STDM05	Annual Unplanned Pipe Rehab	49,600
670	Stormwater	STDM18	Stormwater Rate Model Study*	50,000
670	Stormwater	STRH01	Downtown Mech Storm	300,000
Stormwater Fund Total				699,600
Vehicle Maintenance Fund				
710	Vehicle Maintenance	VM05	Vehicle Maintenance Service Truck	120,000
Vehicle Maintenance Fund Total				120,000
GIS/Asset Management				
750	Public Works Administration	GIS04	Aerial Photography	65,000
750	Public Works Administration	GIS09	LiDAR	65,000
750	Public Works Administration	GIS10	Land Cover Acquisition	65,000
Public Works Administration Fund Total				195,000
Total Capital Projects for All Funds				151,118,900

*Project will not be capitalized and is included in the Operating budget.

An aerial photograph of a large, green sports field, possibly a soccer or football field, with many people scattered across it. In the background, there are rolling hills or mountains under a clear blue sky. The word "APPENDICES" is overlaid in large, white, bold, sans-serif capital letters.

APPENDICES

- Appendix A: Economic Conditions Assessment**
- Appendix B: Fiscal Budget Policies**
- Appendix C: Long Range Planning**
- Appendix D: Glossary of Key Terms**
- Appendix E: State Submission Documents**

ECONOMIC CONDITIONS ASSESSMENT

City of Bozeman

Economic Development
Strategic Plan

Prepared by:



Economic & Planning Systems, Inc.



March 2023

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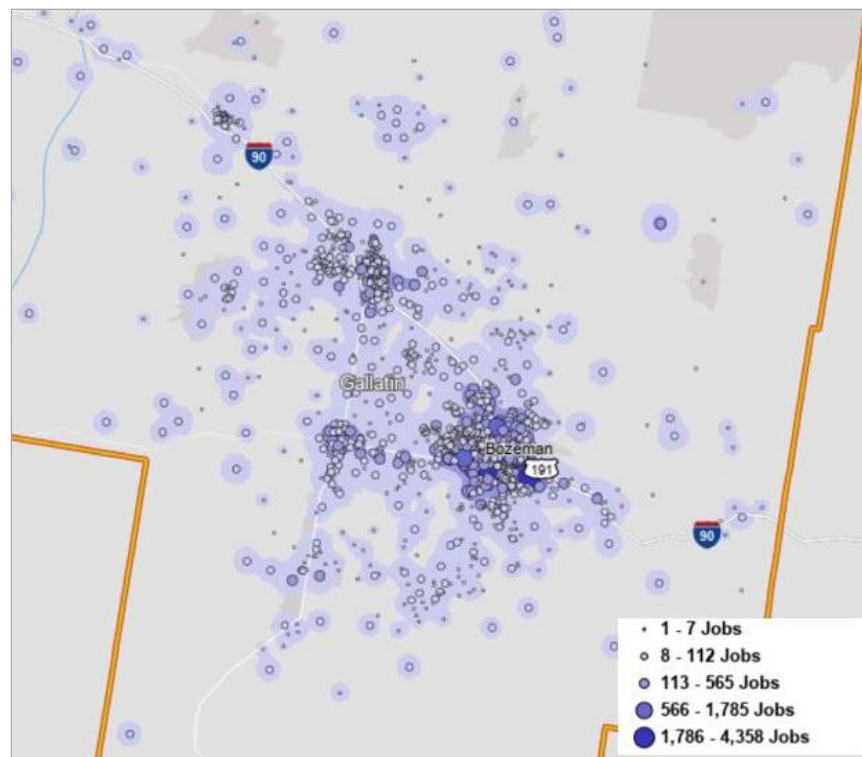
1. SUMMARY OF FINDINGS

Introduction and Purpose

This economic assessment describes the economy and demographics of Bozeman and Gallatin County. The information is intended to inform participants in the Economic Development Strategic Plan process. The analysis also compares Bozeman and Gallatin County to several comparison communities that Bozeman sometimes competes with for economic development.

Regional Economy

The economy of Bozeman, Gallatin County and the Gallatin Valley (Greater Bozeman) are closely related. About half of the jobs in the County are in Bozeman, and a large majority of the jobs are in the Gallatin Valley comprised of Bozeman, Gallatin Gateway, Four Corners, Belgrade, and Manhattan. While this plan is being prepared by the City of Bozeman, it is anticipated to result in regional partnerships to carry it forward. The success of each community in the region contributes to the overall economic vitality because of their proximity, single labor force, and economic relationships.



1. SUMMARY OF FINDINGS

Economy and Trends

- **Growth** – Bozeman is growing rapidly with 3.8% annual population growth (+6,400 people 2015-2019) and 2.5% annual job growth (+6,900 jobs 2015-2019). The COVID-19 pandemic has increased the appeal of high-amenity places for remote and knowledge workers and firms which is contributing to these trends.
- **Economic base** – Bozeman's economy is most heavily concentrated in tourism and retail type jobs (tourism and local sectors) that have lower wages than traded sector jobs.
- **Economic evolution** – Bozeman and Gallatin County are experiencing strong growth in knowledge-based industries (professional and technical services) and in manufacturing. These trends can be leveraged to further diversify the economy and raise average wages.
- **Wages** – Tight labor supply conditions and a rising cost of living have resulted in 5.4% annual wage growth across all industries. Knowledge based industries had wage growth in the 7 to 8% range annually which suggests that the area is attracting high value talent and that the composition of firms is changing.
- **Labor force** – The labor supply is extremely tight with 1.1% unemployment (4.0 to 5.0% is considered healthy). The labor shortage may moderate as people reenter the labor force as the pandemic stabilizes. Access to housing (high costs, limited supply) is also a contributing factor.

1. SUMMARY OF FINDINGS

Industry Clusters

Industry clusters are groups of similar and related businesses that share common markets, technologies, worker skill needs, and which are often linked by buyer-seller relationships. Industry clusters represent distinct qualities of a community and help define what makes one community different from another.

The Economic Development Strategy is likely to recommend a focus on traded sector industry clusters due to their higher economic impact than local sectors.

The table shows the industry sectors according to the National Industrial Classification System (NAICS) that align with the specific industry clusters.

Industry Sector (NAICS)	Industry Cluster	Private Wage and Salary Jobs (Gallatin County)
Professional and technical services	• Photonics • Quantum computing • Technology / IT • Biotechnology	4,800
		8,400
	• Health care	
Construction	• Residential and nonresidential construction and trades • Heavy civil construction	6,400
Retail, accommodations and food services	• Retail, restaurants, hotels	17,000
Total		31,100

1. SUMMARY OF FINDINGS

Factor	Implications
Strengths/Opportunities	
Rapid population and job growth	• Market supports investment. • Need to keep up with housing demand.
Bozeman brand and quality of life	• Attracts companies and workers that share that identity. • May be exacerbating housing costs and inequalities.
Growth in more diverse sectors (professional services, manufacturing)	• Bozeman becoming established as a location for knowledge based and high value manufacturing industries. • Need to ensure current residents have pathways into these careers.
MSU is classified as an R1 Doctoral University (very high research activity), the top research activity classification	• Technology transfer and entrepreneurship opportunities from MSU faculty, staff, and graduates.
Weaknesses/Threats	
Large portion of jobs in tourism, retail, and food and beverage industries	• Lower wages, less economic productivity, mismatch between wages and housing costs.
Rapid increase in housing and real estate costs	• Will constrain labor force availability. • May constrain business expansion or relocation (cost of space).
Education and opportunity gap between white and non-white population	• Invest in career paths into higher paying jobs.

1. SUMMARY OF FINDINGS

Comparison Communities

The consultant team and City staff developed a list of comparison areas to benchmark Bozeman and Gallatin County against. First, the comparison communities have a major university. Second, they are communities that Bozeman competes with for new company site selection.

- **Missoula, MT** – in **Missoula County**, Montana. Missoula has a population of 76,713 and is the home of the University of Montana, which has an enrollment of 10,015 students. Missoula County's largest employment industries include Health Care, Retail Trade, and Accommodations and Food Services.
- **Fort Collins, CO** – Located in **Larimer County**, Colorado. Fort Collins has a population of 173,035 and is the home of Colorado State University, which has an enrollment of 32,646 students. Larimer County's largest employment industries include Retail Trade, Health Care, and Accommodations and Food Services.
- **Boulder, CO** – Located in **Boulder County**, Colorado. Boulder has a population of 105,479 and is the home of the University of Colorado Boulder, which has an enrollment of 34,975 students. Boulder County's largest employment industries include Professional and Technical Services, Health Care, and Manufacturing.
- **Bend, OR** – Located in **Deschutes County**, Oregon. Bend has a population of 97,283 and is the home of Oregon State University–Cascades, which has an enrollment of 1,374 students. Deschutes County's largest employment

industries include Health Care, Retail Trade, and Accommodations and Food Services.

- **Ogden, UT** – Located in **Weber County**, Utah. Ogden has a population of 89,694 and is the home of Weber State University, which has an enrollment of 29,596 students. Weber County's largest employment industries include Manufacturing, Health Care, and Retail Trade.
- **Boise, ID** – Located in **Ada County**, Idaho. Boise has a population of 240,333 and is the home of Boise State University, which has an enrollment of 24,103 students. Ada County's largest employment industries include Health Care, Retail Trade, and Administration and Waste Services.



1. SUMMARY OF FINDINGS

How do we compare?

Measure * Indicates City only metric; other metrics are County	Bozeman/ Gallatin County	Missoula/ Missoula County	Fort Collins/ Larimer County	Boulder/ Boulder County	Bend/ Deschutes County	Ogden/ Weber County	Boise/ Ada County
Population* (2021)	51,405	76,713	173,035	105,479	97,283	89,694	240,333
Population Annual Growth Rate (5 years)* (2010-2021)	2.9%	1.2%	1.6%	0.7%	2.2%	0.7%	1.3%
Jobs	59,022	58,735	158,006	179,056	81,429	107,658	250,270
Annual Job Growth Rate (2015-2020)	2.5%	0.5%	1.4%	0.7%	2.4%	1.7%	2.9%
Largest 3 industries (2020)	Retail Trade Accomm. Construction	Health Care Retail Trade Accomm.	Retail Trade Health Care Accomm.	Prof. & Tech. Svcs. Health Care Manufacturing	Health Care Retail Trade Accomm.	Manufacturing Health Care Retail Trade	Health Care Retail Trade Admin. & Waste Svcs.
Average Annual Wage (2020)	\$51,400	\$47,469	\$58,425	\$78,383	\$52,936	\$46,698	\$56,192
Gross Regional Product (Output) per Job (2020)	\$95,912	\$84,341	\$117,875	\$148,666	\$112,162	\$98,984	\$103,445
% Bachelor's Degree or Higher* (2019)	59%	48%	55%	76%	44%	21%	42%
Median Home Price* (Dec. 2021)	\$700,000	\$517,497	\$534,978	\$940,000	\$683,000	\$360,000	\$554,933
% White-Non Hispanic / All Other Races* (2019)	92% / 8%	91% / 9%	88% / 12%	87% / 13%	93% / 7%	84% / 16%	89% / 11%

2. COMMUNITY PROFILE

Population and Growth Rates

Why we measure

Population growth comes from job growth, in-migration, and natural increase (births and deaths). It is a broad indicator of economic vitality, the appeal of a place, and community change and evolution. Population growth also drives demand for housing.

Key Findings

- Bozeman had the fastest population growth rate among the comparison communities, at 2.9% per year. The City added 14,051 people from 2010-2021.
- Bend, OR was the second fastest growing at 2.2% per year.
- Fort Collins, Boise, and Missoula are growing at a more moderate pace of 1.2 to 1.6% per year.
- Bozeman surpassed 50,000 population which is a threshold that makes the City eligible for new federal funding sources. The official population estimates from the US Census Redistricting process is 53,293.

Description	2010	2021	2010-2021		
			Total	Ann. #	Ann. %
Population					
Bozeman	37,354	51,405	14,051	1,277	2.9%
Bend	76,652	97,283	20,631	1,876	2.2%
Fort Collins	144,693	173,035	28,342	2,577	1.6%
Boise	208,726	240,333	31,607	2,873	1.3%
Missoula	67,533	76,713	9,180	835	1.2%
Ogden	82,905	89,694	6,789	617	0.7%
Boulder	97,968	105,479	7,511	683	0.7%
Households					
Bozeman	15,777	22,051	6,274	570	3.1%
Bend	31,795	40,021	8,226	748	2.1%
Fort Collins	58,113	69,655	11,542	1,049	1.7%
Boise	86,978	102,110	15,132	1,376	1.5%
Missoula	29,406	33,965	4,559	414	1.3%
Ogden	29,667	32,338	2,671	243	0.8%
Boulder	41,522	44,389	2,867	261	0.6%

Source: ESRI; Economic & Planning Systems

2. COMMUNITY PROFILE

Total Jobs and Growth Rates

Why we measure

Job growth is an indicator of the strength of an economy. Jobs are created from the growth of existing businesses, and new business formation and entrepreneurship.

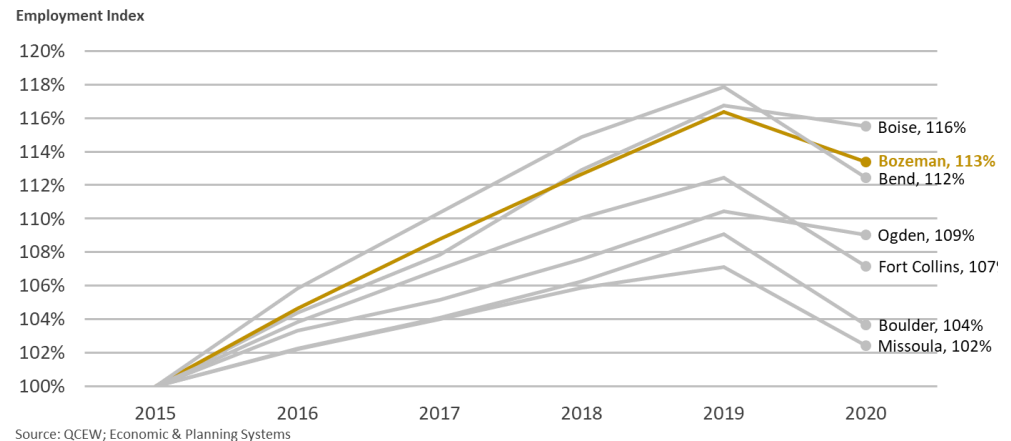
The best employment data is only available at the county level. Most of the economic analysis that follows is for the counties in which the comparison communities are located.

Key Findings

- Jobs in Gallatin County grew at a 2.5% annual rate, the second-highest of the comparison areas. The County added nearly 7,000 jobs between 2015 and 2020.
- Population in Gallatin County is growing faster than jobs. Possible explanations include:
 - In-migration is not tied to a local job (e.g., remote workers, retirees)
 - Jobs of new residents are recorded elsewhere
- Ada County (Boise) had the fastest job growth at 2.9% per year. Deschutes County (Bend) was slightly behind Bozeman at 2.4% per year.

Description	County	2015	2020	2015-2020		
				Total	Ann. #	Ann. %
Total, All Industries						
Boise	Ada	216,678	250,270	33,592	6,718	2.9%
Bozeman	Gallatin	52,059	59,022	6,963	1,393	2.5%
Bend	Deschutes	72,423	81,429	9,006	1,801	2.4%
Ogden	Weber	98,729	107,658	8,929	1,786	1.7%
Fort Collins	Larimer	147,455	158,006	10,551	2,110	1.4%
Boulder	Boulder	172,735	179,056	6,321	1,264	0.7%
Missoula	Missoula	57,337	58,735	1,398	280	0.5%

Source: QCEW; Economic & Planning Systems



2. COMMUNITY PROFILE

Universities

Universities are centers of research and innovation. They spin off entrepreneurs, technology, and ideas that support jobs and innovation in the local economy. Universities are also major employers on their own. The student population also influences the housing and retail markets in their host communities.

Research Classification

There are 146 institutions classified as “R1: Doctoral Universities – Very High Research Activity” as of 2021. This status indicates a high level of research activity per capita. Of the peer communities, only Montana State University, University of Colorado Boulder, Colorado State University, and the University of Montana share this status.

Description	Boulder	Ogden	Bozeman	Fort Collins	Missoula	Boise	Bend
Major Colleges/Universities	University of Colorado	Weber State University	Montana State University	Colorado State University	University of Montana	Boise State University	Oregon State University
Research Classification	R1-Very High Research Activity	---	R1-Very High Research Activity	R1-Very High Research Activity	R1-Very High Research Activity	R2-High Research Activity	---
Enrollment (Fall 2020)	34,975	29,596	16,249	32,646	10,015	24,103	1,374
% of Total Population	33.2%	33.0%	31.6%	18.9%	13.1%	10.0%	1.4%

Source: Economic & Planning Systems

3. ECONOMY

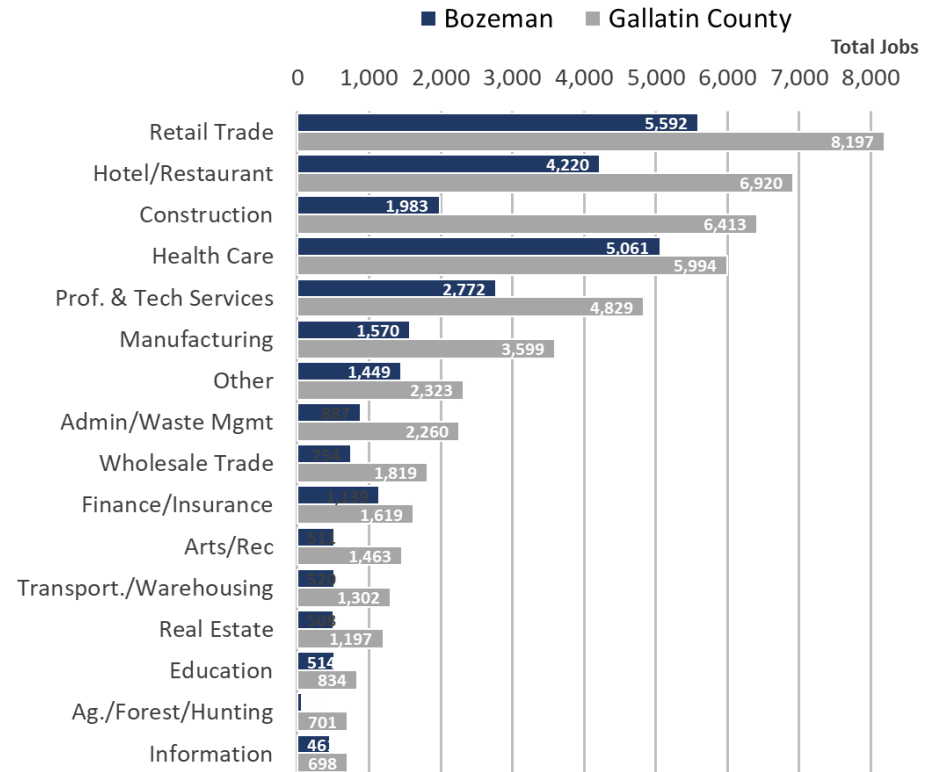
Jobs by Industry, 2020

Why we measure

The types of jobs in an economy influence demographic factors such as household income and education levels. Available job types affect economic mobility and career opportunities as well. The economic mix also affects the built environment and real estate markets – the types of buildings and housing that are in demand.

Key Findings

- The largest industries in Bozeman and Gallatin County are:
 - Retail trade
 - Hotels and restaurants
 - Construction
 - Health care
 - Professional and technical services
 - Manufacturing
- Greater Bozeman is a gateway to Yellowstone National Park and other outdoor recreation assets that attract national and international visitors. Tourism and retail sectors are therefore a large part of the economy.
- Note: these figures are private wage and salary jobs and do not include state and federal government or MSU jobs. State and local government employs approximately 10,700 people in Gallatin County including about 4,200 faculty and staff at MSU.



Source: Bureau of Labor Statistics; MT Dept. of Labor; Economic & Planning Systems

3. ECONOMY

Definitions: Traded and Local Sectors

Traded Sector

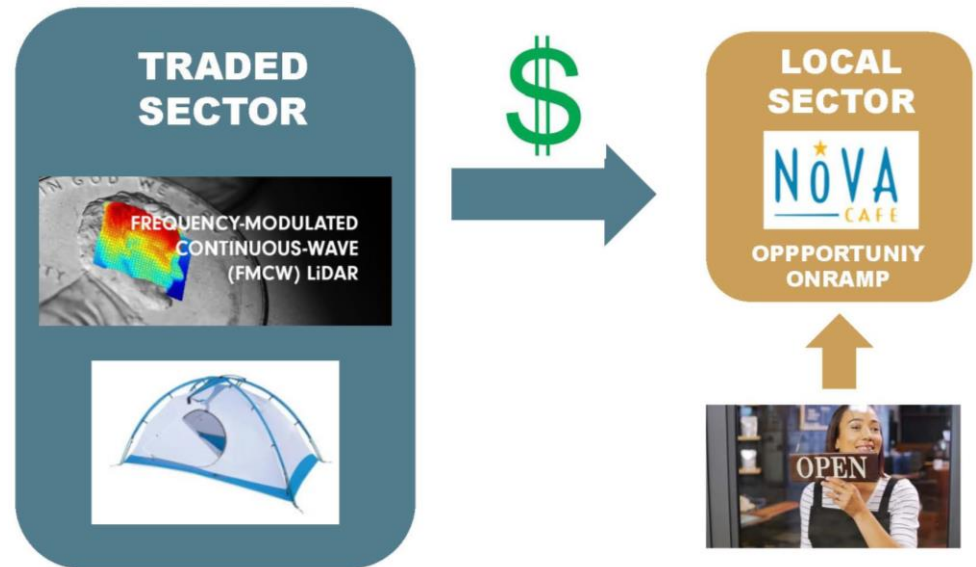
Traded sectors export goods and services and bring new money into the economy. This injection of new money helps support local traded sector businesses. Traded sector jobs also tend to have higher wages and larger multiplier effects (spinoff or indirect impacts) than local sectors. Manufacturing and knowledge-based industries are among the traded sectors in the Gallatin Valley.

Local Sectors

Local sectors are generally goods and services needed by local residents. Local sectors include retail stores, restaurants, health care, personal care services, and repair and maintenance services. There are entrepreneurship and business ownership opportunities in many local sectors with lower barriers to entry compared to traded sectors, making them a good “on ramp” for opportunity. Local sectors tend to have lower wages in comparison to traded sectors.

Role of Tourism

Since tourism is an important part of the economy, some local sectors are also exports because they serve visitors and second homeowners. These include hotels, restaurants and retail, property management, construction, and outdoor recreation.



3. ECONOMY

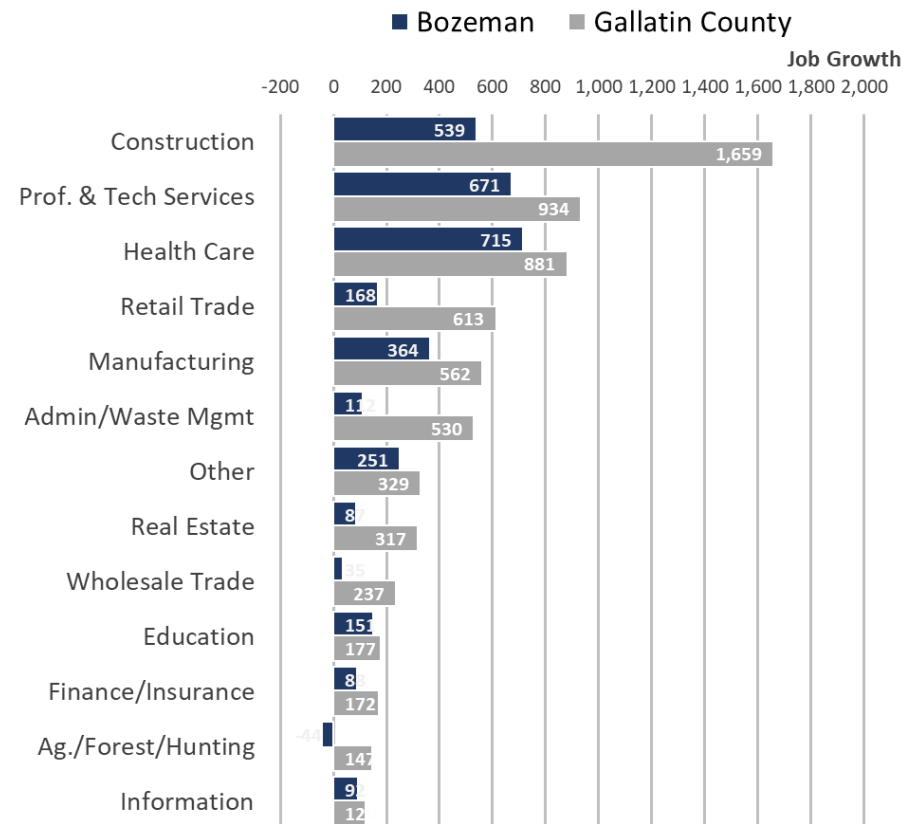
Change in Jobs 2015-2020

Why we measure

The change in jobs by industry is a forward-looking indicator of where the economy is trending. These data can inform strategies on which industries to support for growth or to prevent or manage decline.

Key Findings

- Construction is booming as Greater Bozeman grows and major resort projects are underway in Big Sky.
- Professional and technical services had the most growth outside of construction. This is a significant change and shows that companies in Greater Bozeman are expanding, and new firms are being formed or attracted. The area is attracting knowledge-based companies and workers.
- Manufacturing also had significant growth which is rare in small metro areas. Manufacturing is a diverse and important sector in Greater Bozeman.
- Health care also grew significantly, which is consistent with national trends. People are living longer, more people have health insurance, and the large baby boomer population is aging and increasing health care demand.



Source: Bureau of Labor Statistics; MT Dept. of Labor; Economic & Planning Systems

3. ECONOMY

Location Quotients

Why we measure

A location quotient (LQ) measures the concentration of an industry in an area compared to the U.S. It is a ratio calculated as the percentage of jobs in the analysis area divided by the percentage in the U.S. From this we can compare the concentrations of industries across different areas and assess local industry strengths or specializations.

How to interpret: “Construction jobs in Gallatin County are 2.09 times more concentrated than the U.S. average.”

Key Findings

- Bozeman has lower concentrations in most traded sectors than the comparison communities and higher concentrations in local sectors.
- As larger cities/metros, Boulder and Boise have more diverse economies.
- Boulder and Boise/Ada County have higher concentrations of jobs in knowledge and financial industries.
- Ogden, UT/Weber County has more than twice the manufacturing concentration than Bozeman (aerospace, defense, outdoor products, advanced materials)
- Boulder and Fort Collins also have higher concentrations of manufacturing at 1.29 and 1.02.

Industry	Bozeman/Gallatin Location Quotient	Highest Concentration	
Traded Sectors			
Agriculture, forestry, fishing and hunting	1.33	Corvallis/Benton	3.21
Mining, quarrying, and oil and gas extraction	0.82	Bozeman/Gallatin	0.82
Information	0.63	Boise/Ada	1.14
Management of companies and enterprises	0.24	Boise/Ada	1.05
Professional and technical services	1.20	Boulder/Boulder	2.47
Wholesale trade	0.76	Boise/Ada	1.22
Manufacturing	0.70	Ogden/Weber	1.61
Transportation and warehousing	0.55	Boise/Ada	0.70
Finance and insurance	0.63	Boise/Ada	1.14
Local Sectors			
Utilities	0.50	Boise/Ada	1.03
Construction	2.09	Bozeman/Gallatin	2.09
Retail trade	1.31	Bozeman/Gallatin	1.31
Real estate and rental and leasing	1.30	Bozeman/Gallatin	1.30
Administrative and waste services	0.62	Boise/Ada	1.38
Educational services	0.72	Boulder/Boulder	0.79
Health care and social assistance	0.72	Missoula/Missoula	1.22
Arts, entertainment, and recreation	1.99	Bozeman/Gallatin	1.99
Accommodation and food services	1.47	Bozeman/Gallatin	1.47
Other services, except public administration	1.39	Missoula/Missoula	1.57

Source: Economic & Planning Systems

3. ECONOMY

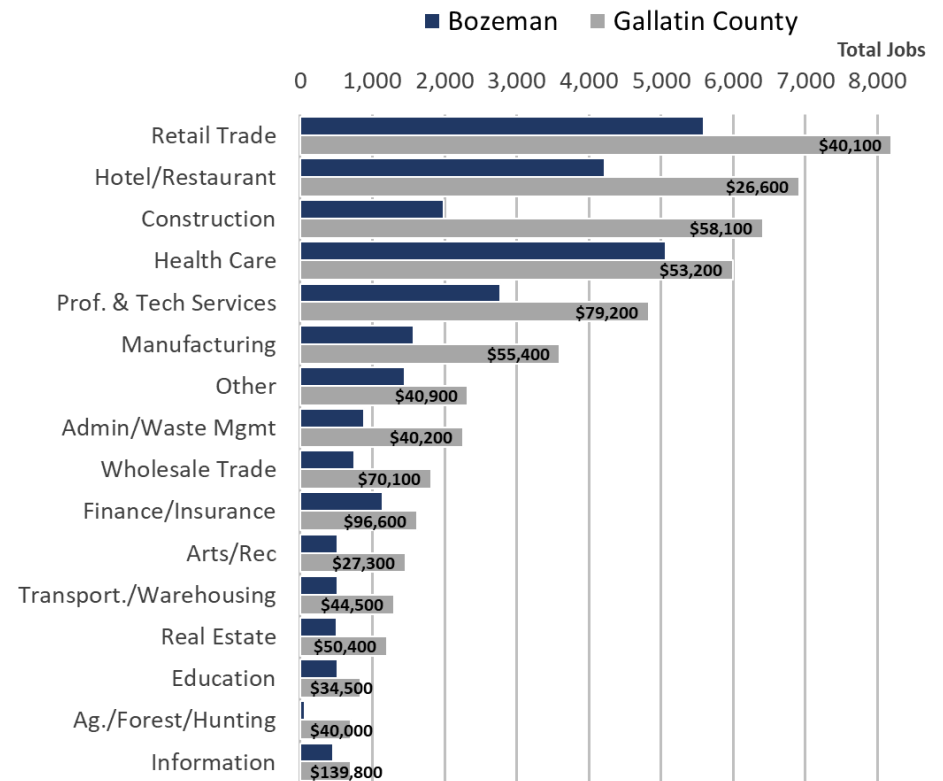
Wages by Industry

Why we measure

The wage earned by a worker translates directly to their income, ability to support family members, pay for housing, and invest in education and/or retirement. Wages in an industry are also an indicator of the value creation and worker skills in that industry. Higher paying jobs typically require more education and training, which can be a barrier to low-income populations and people of color.

Key Findings

- There are more jobs with lower wages than there are with higher wages, which is a typical pattern.
- Tourism and local sectors have lower wages than traded or economic base sectors.
- The average wage in retail is \$40,100 (\$19.27/hr) and \$26,600 (\$12.78) in hotel and restaurant jobs (not including tips).
- In comparison, the average annual wage for professional and technical services is \$79,200 (\$38.08/hr).



Source: Bureau of Labor Statistics; MT Dept. of Labor; Economic & Planning Systems

3. ECONOMY

Change in Wages by Industry

Why we measure

At the industry level wages change due to a variety of factors such as competition for workers and talent (labor supply) and changes in the mix of companies and products within an industry.

Key Findings

- Greater Bozeman has experienced strong wage growth likely due to a tight labor supply and rising cost of a living. Wages grew at an average of 5.4% per year.
- Some of the highest wage growth was in information, finance/insurance, and professional and technical services. This suggests that:
 - There is competition for talent
 - Bozeman is attracting higher value service firms and employees
 - The economy is evolving and producing higher value services and products
- Local and tourism sectors also had strong wage growth indicating a tight supply of labor and more leverage for workers to command higher wages.

Industry	Wages		Change in Wages		% of Jobs
	2015	2020	% Change	Growth Rate	
Economic Base/Traded Sectors					
Ag./Forest/Hunting	\$33,800	\$46,300	37.0%	6.5%	1.5%
Mining	\$74,900	\$86,500	15.5%	2.9%	0.3%
Utilities	D	D	D	D	0.0%
Manufacturing	\$41,500	\$53,500	28.9%	5.2%	7.1%
Wholesale Trade	\$56,100	\$68,100	21.4%	4.0%	3.4%
Transport./Warehousing	\$33,500	\$45,200	34.9%	6.2%	2.5%
Information	\$56,500	\$82,400	45.8%	7.8%	1.3%
Finance/Insurance	\$63,400	\$89,800	41.6%	7.2%	3.1%
Prof. & Tech Services	\$66,700	\$87,500	31.2%	5.6%	9.2%
Mgmt. of Companies	\$60,100	\$74,700	24.3%	4.4%	0.4%
Admin/Waste Mgmt	\$32,400	\$39,000	20.4%	3.8%	4.4%
Subtotal					33.3%
Local Sectors					
Construction	\$46,900	\$59,900	27.7%	5.0%	12.4%
Retail Trade	\$29,300	\$38,000	29.7%	5.3%	16.2%
Real Estate	\$34,800	\$50,900	46.3%	7.9%	2.4%
Education	\$25,900	\$36,000	39.0%	6.8%	1.7%
Health Care	\$44,900	\$56,100	24.9%	4.6%	11.8%
Arts/Rec	\$25,800	\$28,700	11.2%	2.2%	3.0%
Hotel/Restaurant	\$18,300	\$24,300	32.8%	5.8%	14.8%
Other	\$30,100	\$39,400	30.9%	5.5%	4.5%
Subtotal					66.7%
Overall Averages	\$39,600	\$51,400	29.8%	5.4%	100.0%

Note: "D" indicates not disclosed for privacy requirements.

Source: Bureau of Labor Statistics QCEW; Economic & Planning Systems

3. ECONOMY

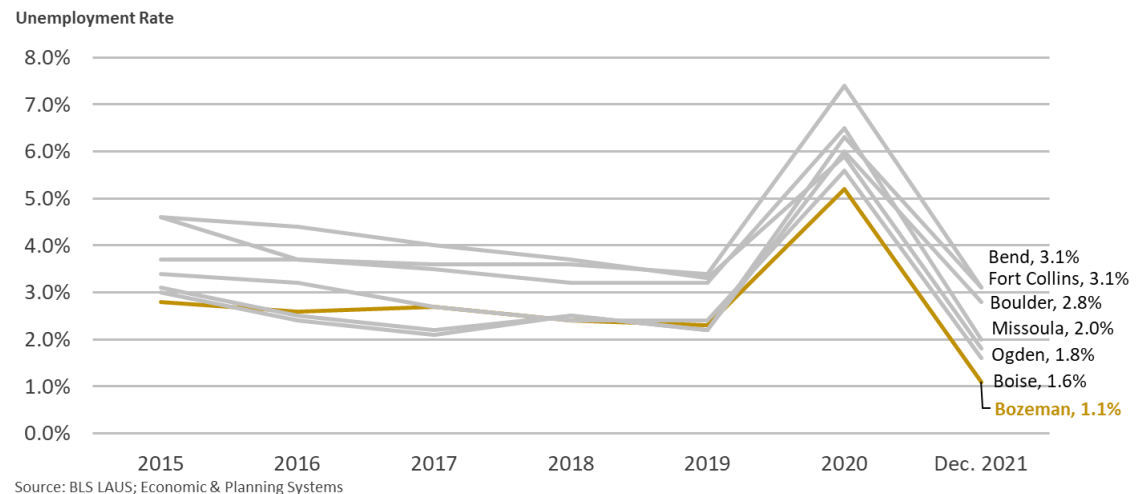
Unemployment Rate

Why we measure

The unemployment rate measures the supply and demand relationship between employers and workers. When unemployment is high, there are not enough jobs for people in the labor force and visa versa. It is another good indicator of the health of an economy. However low unemployment is an indicator of labor shortages and can lead to inflation and constrain business growth.

Key Findings

- Unemployment rates are at historic lows nationally due to a drop in labor force participation related to the Pandemic.
- Bozeman has the lowest unemployment rate of the comparison communities at 1.1%, which is not sustainable. Economists generally view a “healthy” unemployment rate as 4.0 to 5.0%.
- The unemployment rate is expected to rise if more people reenter the labor force as the pandemic stabilizes, and if wages increase to create enough incentive.



3. ECONOMY

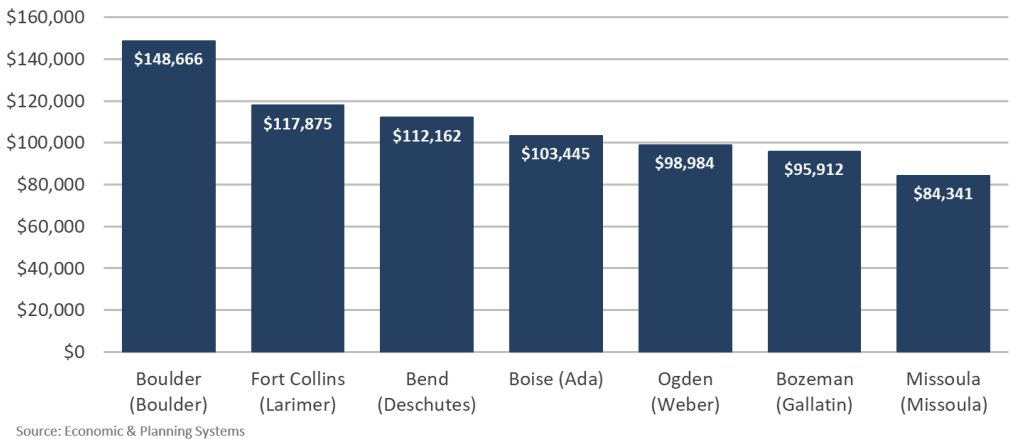
Gross Regional Product (GRP) per Job

Why we measure

Gross Regional Product (GRP) is the local or regional equivalent of GDP (Gross Domestic Product). GRP is the value of all goods and services produced in an economy. GRP per job is a measure of the productivity of the labor force and firms in the economy – the value of the output created from each worker.

Key Findings

- Boulder, CO has the most productive economy with nearly \$150,000 in annual output per worker, followed by Fort Collins, CO at \$118,000.
- Bozeman and Gallatin County are at the lower end of the spectrum of the comparison communities due to the higher concentration of tourism and local serving jobs.



3. ECONOMY

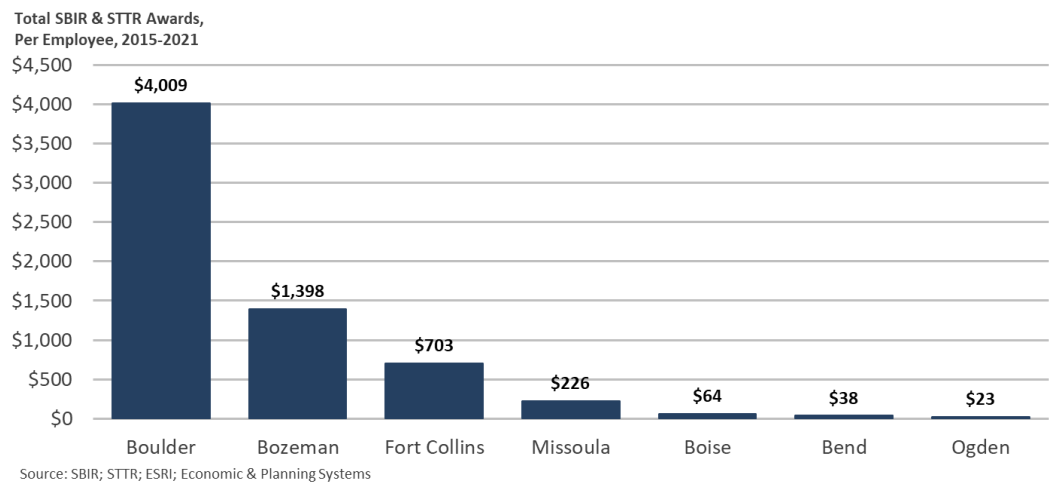
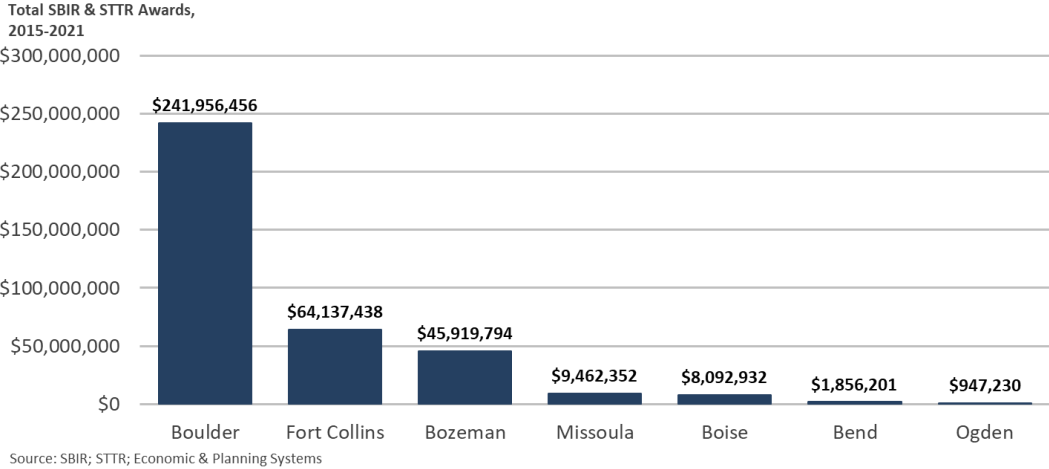
Technology Transfer Awards

Why we measure

The Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs are highly competitive federal research funds designed to stimulate R&D and technological innovation for small businesses. STTR/SBIR programs and funding are an indicator of innovation among small businesses in communities.

Key Findings

- Boulder, CO was awarded the most SBIR and STTR funding, with \$242 million, or \$4,009 per employee since 2015.
- Bozeman received the second-most funding per employee of the peer communities.
- Bozeman has a large concentration of R&D and tech-centric businesses that are catalyzed by MSU's Tech Transfer Office and MilTech, which help commercialize and provide a gateway for industry partners to access MSU technology.



4. INDUSTRY CLUSTERS

Definition

Industry clusters are groups of similar and related businesses that share common markets, technologies, worker skill needs, and that are often linked by buyer-seller relationships. Industry clusters represent distinct qualities of a community and help define what makes one community different from another.

As they convey distinct qualities, it is important to be specific in the definition of a cluster. For example, rather than promoting “high-tech,” a community should focus on “software or photonics” to convey the type of product being manufactured and its unique workforce and supply chain needs.

The Economic Development Strategy is likely to recommend a focus on traded sector industries in terms of the City’s role and investment of resources. Traded sectors industries have higher wages and greater economic impact than local sectors.

The table shows the industry sectors according to the North American Industry Classification System (NAICS) that align with the specific industry clusters.

Industry Sector (NAICS)	Industry Cluster	Private Wage and Salary Jobs (Gallatin County)
Professional and technical services	• Photonics • Quantum computing • Technology / IT • Biotechnology	4,800
		8,400
	• Health care	
Construction	• Residential and nonresidential construction and trades • Heavy civil construction	6,400
Retail, accommodations and food services	• Retail, restaurants, hotels	17,000
Total		31,100

4. INDUSTRY CLUSTERS

Traded Sector Industry Clusters

- **Photonics** – The science and technology of generating, detecting, and controlling light. It has numerous everyday consumer and industrial applications. Photonics companies were created from MSU grads and related R&D programs. There are at least 35 companies and 800 jobs in Photonics.
- **Biotechnology** – Biotechnology includes medical and drug research and manufacturing. The cluster is oriented around MSU R&D and numerous startup companies in the Gallatin Valley. The area's strength is in the R&D, trial, and identifying commercial use stages of biotech.
- **Quantum computing** – Quantum computing uses atomic motion to perform computing operations. It is a major national security and technology priority. MSU has received \$20M in federal grants to expand quantum research. There are relationships with the local photonics cluster in quantum research as well.
- **Technology / IT** – The Gallatin Valley has a thriving and growing segment of technology (programming and information technology) companies stemming from spinoffs from RightNow Technologies, Oracle, and Bozeman's quality of life that attracts startup entrepreneurs and venture capital.
- **Outdoor equipment** – Bozeman is known throughout the U.S. as an outdoor recreation destination. It also attracts Outdoor companies that capitalize on the Bozeman brand and identity. Companies such as Simms Fishing, Oboz Shoes, Mystery Ranch (formerly Dana Design), Spark R&D and numerous smaller companies are in the Gallatin Valley.
- **Manufacturing and niche products** – Manufacturing is a diverse sector in the Gallatin Valley. Products made here include electronic components, metal products, musical instruments, food and beverages, and wood products and building materials.
- **Creative Arts** – Sectors whose goods and services are based on intellectual property. Individual creativity is the main source of value and cause of a transaction. The creative arts industry cluster for Gallatin Valley includes the following sectors: publishing; advertising and marketing; film, TV; and photography; design; and performing arts.



Montana Molecular



5. ECONOMIC EQUITY

Self Sufficiency Wage

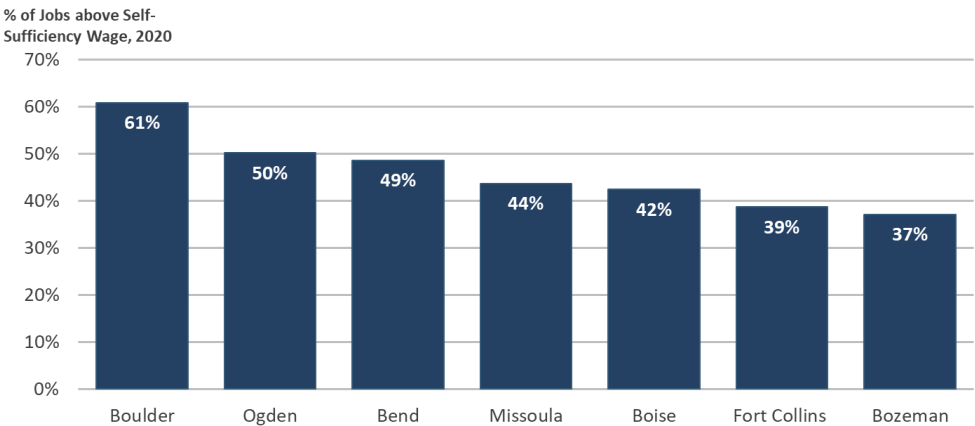
Why we measure

The federal poverty definition only accounts for a basic food budget and does not include other costs such as childcare and housing. The MIT Living Wage calculator estimates the wage needed for a household to afford food, childcare, health insurance, housing, transportation, and basic necessities (clothing, hygiene items). As stated in its definitions, the “living wage is the minimum income standard that, if met, draws a very fine line between the financial independence of the working poor and the need to seek out public assistance or suffer consistent and severe housing and food insecurity.”

The MIT Living Wage calculator estimates the living wage in Gallatin County at \$21.68 for a family of four with two working adults and two children. The chart shows the percentage of jobs in each county that are above the self sufficiency wage.

Key Findings

Due to the high cost of housing and large concentration of tourism and local sector jobs, Bozeman and Gallatin County are at the bottom of the comparison communities with the lowest percentage of jobs above the self sufficiency threshold.



Source: QCEW; MIT Living Wage Calculator, Economic & Planning Systems

5. ECONOMIC EQUITY

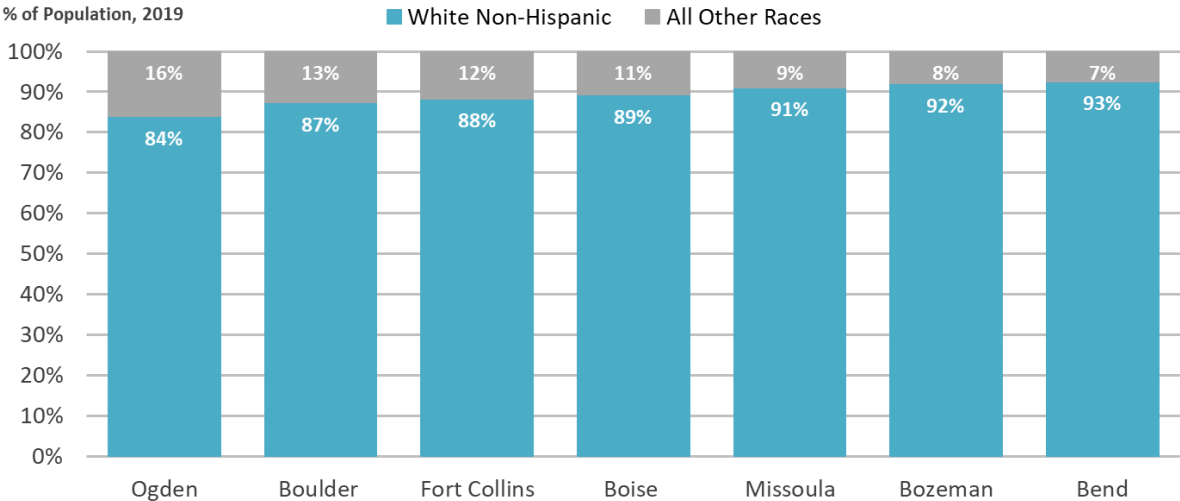
Race and Ethnicity

Why we measure

Looking at the racial composition of a place helps us evaluate the presence of disparities in economic opportunity by race. There are persistent gaps between income, wealth, and education between non-Hispanic whites and people of color and white Hispanic and Latinx people.

Key Findings

The white non-Hispanic population comprises 92% of the population of Bozeman, which is similar to most of the comparison communities. Larger cities within larger metro areas such as Ogden and Boulder have slightly more diverse populations.



Source: US Census; Economic & Planning Systems

5. ECONOMIC EQUITY

Business Owner Demographics

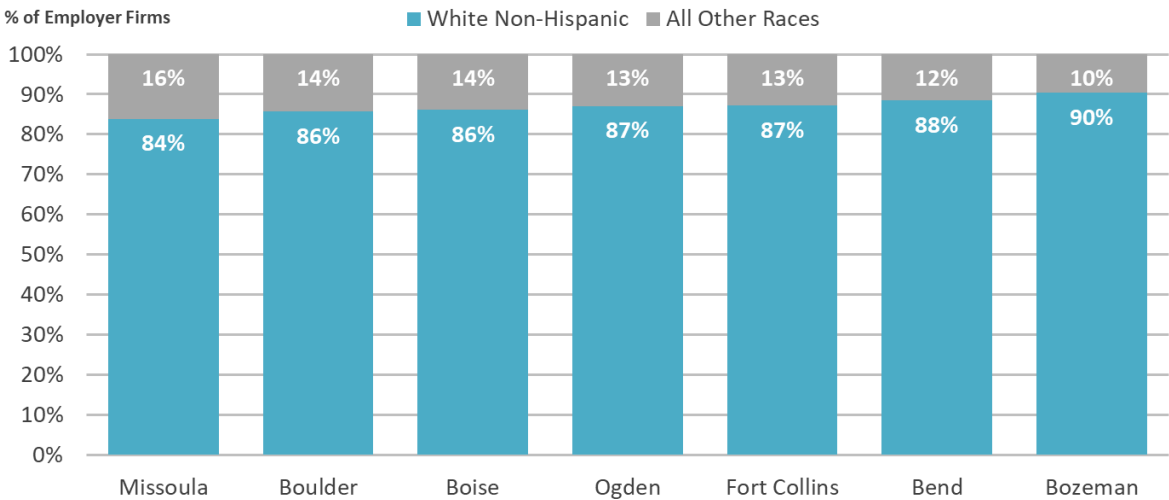
Why we measure

Looking at the racial composition of business owners helps to further evaluate the presence of disparities in economic opportunity and wealth building by race.

Key Findings

From the data, there do not appear to be significant differences between the racial and ethnic composition of business owners and the overall population in Bozeman or in the comparison communities.

A caveat is that there is a margin of error in these data, and people of color may be underrepresented in Census data.



Source: US Census 2017 Annual Business Survey; Economic & Planning Systems

5. ECONOMIC EQUITY

Educational Attainment

Why we measure

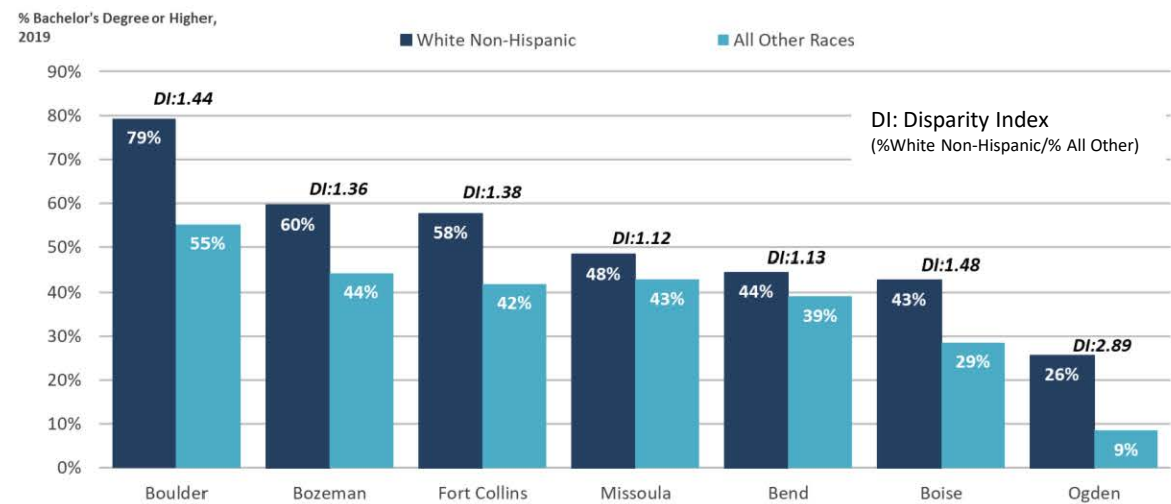
Comparing the level of education achieved to the overall population is another indicator of disparities in economic opportunity and wealth building.

Key Findings

Boulder is the most highly educated community. Bozeman and Fort Collins have similar levels of education with about 60% of the population having a Bachelor's degree or higher. Ogden, Utah has the lowest levels of education.

There are differences in educational attainment by race and ethnicity in each community. Boulder, Bozeman, and Fort Collins have the highest educational disparities. In Boulder, white non-Hispanics are about 1.44 times more likely to have a college degree or higher and 1.36 times more likely in Bozeman.

The disparity in educational attainment is partly explained by the presence of large universities, particularly in Boulder, Bozeman, and Fort Collins. The predominately white faculty in each case increases the number of white advanced degree holders in the community.



Source: US Census; Economic & Planning Systems

5. ECONOMIC EQUITY

Housing Costs and Access

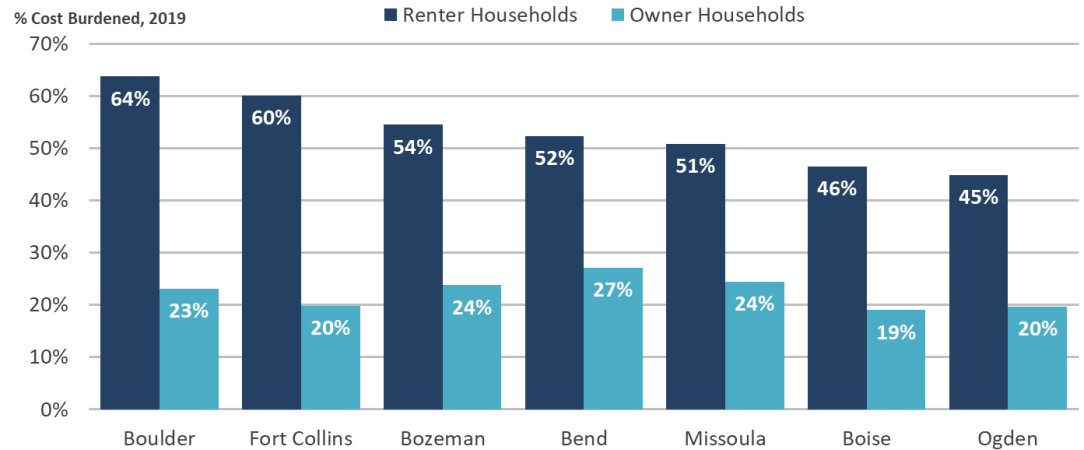
Why we measure

Housing costs are a large factor in quality of life, access to home ownership, wealth building, and labor force attraction and retention. High housing costs and low supply can constrain economic growth when the labor force cannot find adequate housing. A person or household is “cost burdened” when they are paying more than 30% of their income towards rent or mortgage payments.

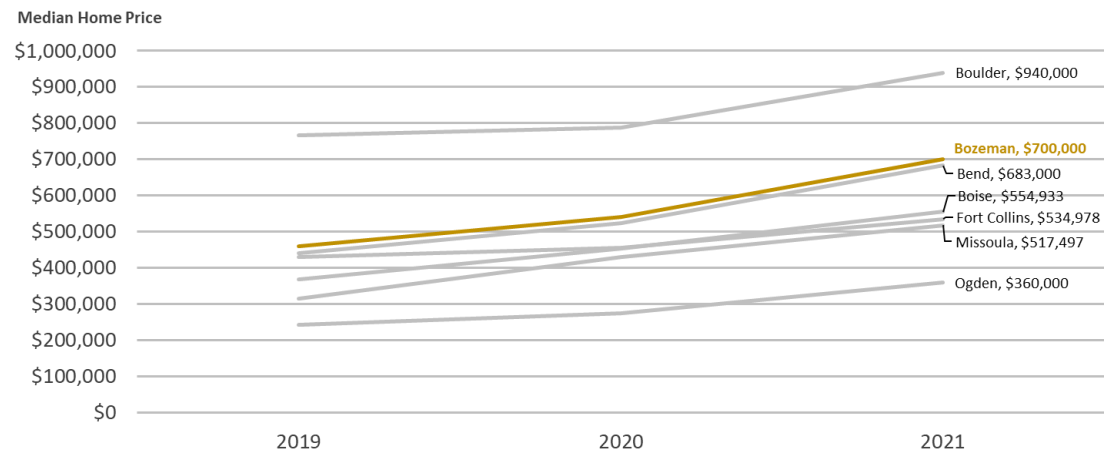
Key Findings

In Bozeman, 54% of renters are cost burdened making it the third most unaffordable city for renters of the comparison communities. Boulder and Fort Collins are even less affordable for renters while Boise and Ogden are more affordable with a lower percentage of cost burdened renters and owners.

Bozeman has the second highest median home price at about \$700,000, second only to Boulder at \$940,000. Home prices in Bozeman have increased at alarming rates due to strong job and in-migration of wealth, and a housing supply that has not kept up.



Source: US Census; Economic & Planning Systems



Source: Economic & Planning Systems

5. ECONOMIC EQUITY

Relating Wages to Home Prices

Why we measure

Wages are the primary source of household income for working people. In a balanced housing market, home prices are related to wages and local household incomes. Bozeman however has a complex housing market influenced by the influx of remote workers, second homeowners, early retirees, and a smaller pool of builders than larger metro area markets. The supply has not been able to keep up with demand as exhibited by the rapidly rising home prices. These influences have detached home prices from local wages.

Key Findings

Towards the end of 2021, the median home price in the city was about \$700,000, which required an annual income of approximately \$162,000 to afford and is 220% of area median income (AMI). The table on the next page shows average wages for each major industry. For a household with one earner, the average wage is equivalent to the household income. The table also shows the household income if there are 1.5 (one full one half time) or 2.0 workers in the household earning the same wage.

The **green shaded** cells show the incomes and industries that pay enough to afford the median home price. Only in the highest paying industries with two earners is the median home price affordable.

5. ECONOMIC EQUITY

Relating Wages to Home Prices

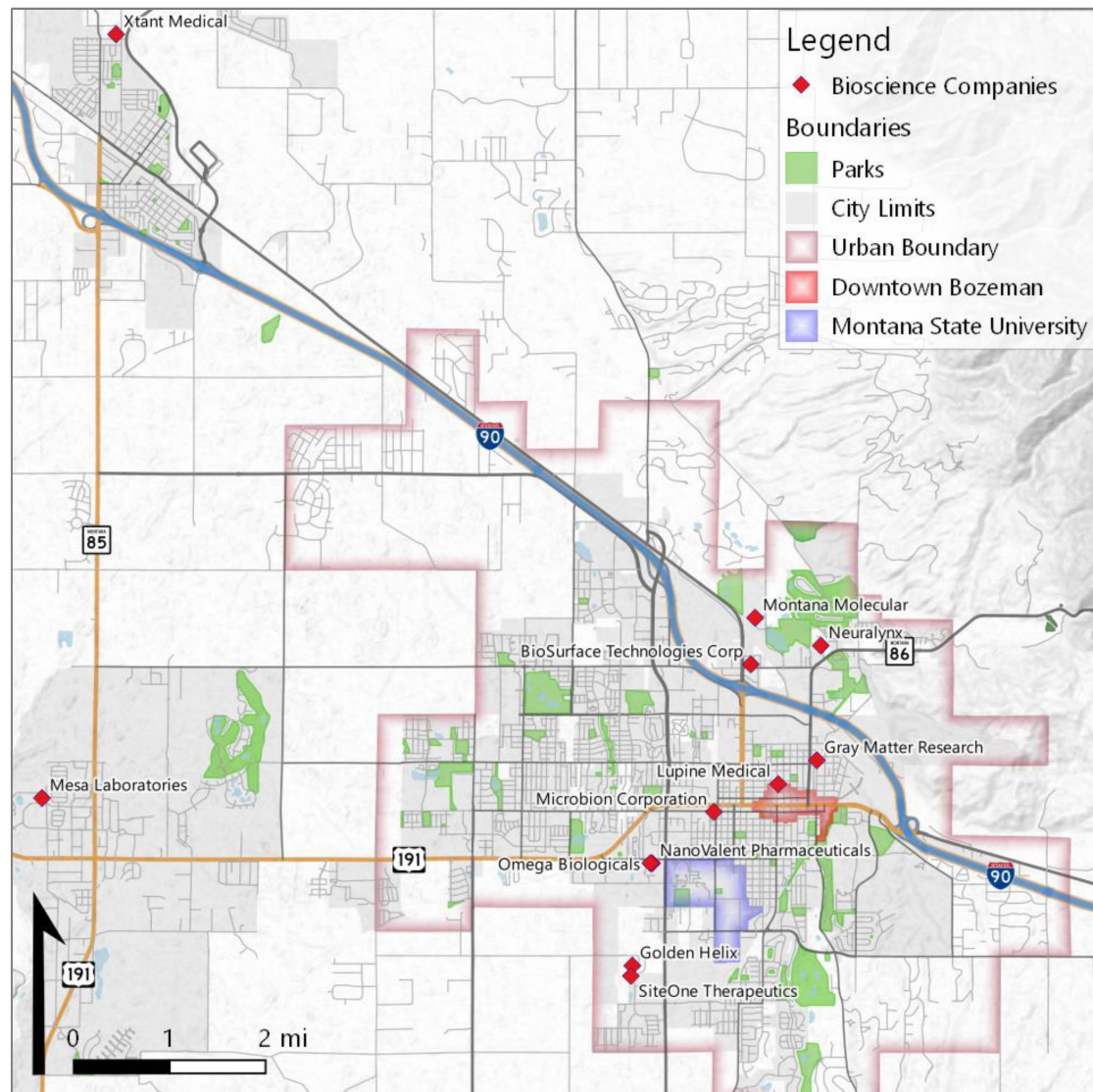
Income needed to afford \$700,000: \$162,000 (220% of AMI)

Description	1-Earner 1-Person Household		1.5-Earner 4-Person Household		2-Earner 4-Person Household	
	Ann. Income	% AMI	Ann. Income	% AMI	Ann. Income	% AMI
Area Median Income	\$62,250 1-person household		\$88,900 4-person household		\$88,900 4-person household	
Traded Sectors						
Ag./Forest/Hunting	\$46,300	74.4%	\$69,450	78.1%	\$92,600	104.2%
Mining	\$86,500	139.0%	\$129,750	146.0%	\$173,000	194.6%
Utilities	D	N/A	N/A	N/A	N/A	N/A
Manufacturing	\$53,500	85.9%	\$80,250	90.3%	\$107,000	120.4%
Wholesale Trade	\$68,100	109.4%	\$102,150	114.9%	\$136,200	153.2%
Transport/Warehousing	\$45,200	72.6%	\$67,800	76.3%	\$90,400	101.7%
Information	\$82,400	132.4%	\$123,600	139.0%	\$164,800	185.4%
Finance/Insurance	\$89,800	144.3%	\$134,700	151.5%	\$179,600	202.0%
Prof. & Tech Services	\$87,500	140.6%	\$131,250	147.6%	\$175,000	196.9%
Mgmt. of Companies	\$74,700	120.0%	\$112,050	126.0%	\$149,400	168.1%
Admin/Waste Mgmt	\$39,000	62.7%	\$58,500	65.8%	\$78,000	87.7%
Local Sectors						
Construction	\$59,900	96.2%	\$89,850	101.1%	\$119,800	134.8%
Retail Trade	\$38,000	61.0%	\$57,000	64.1%	\$76,000	85.5%
Real Estate	\$50,900	81.8%	\$76,350	85.9%	\$101,800	114.5%
Education	\$36,000	57.8%	\$54,000	60.7%	\$72,000	81.0%
Health Care	\$56,100	90.1%	\$84,150	94.7%	\$112,200	126.2%
Arts/Rec	\$28,700	46.1%	\$43,050	48.4%	\$57,400	64.6%
Hotel/Restaurant	\$24,300	39.0%	\$36,450	41.0%	\$48,600	54.7%
Other	\$39,400	63.3%	\$59,100	66.5%	\$78,800	88.6%
Public Admin	D	N/A	N/A	N/A	N/A	N/A
Unclassified	D	N/A	N/A	N/A	N/A	N/A

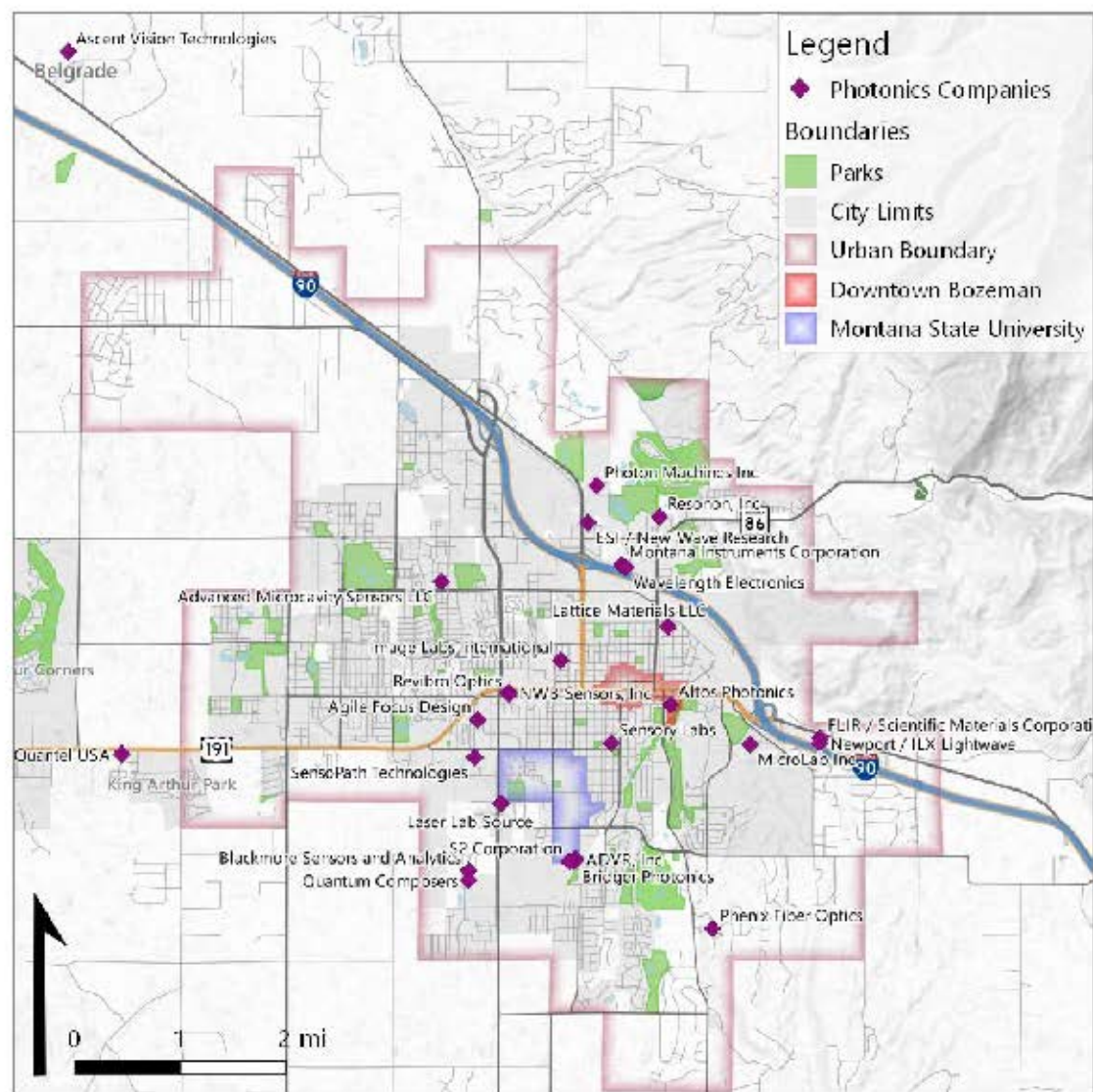
Source: Economic & Planning Systems

APPENDIX

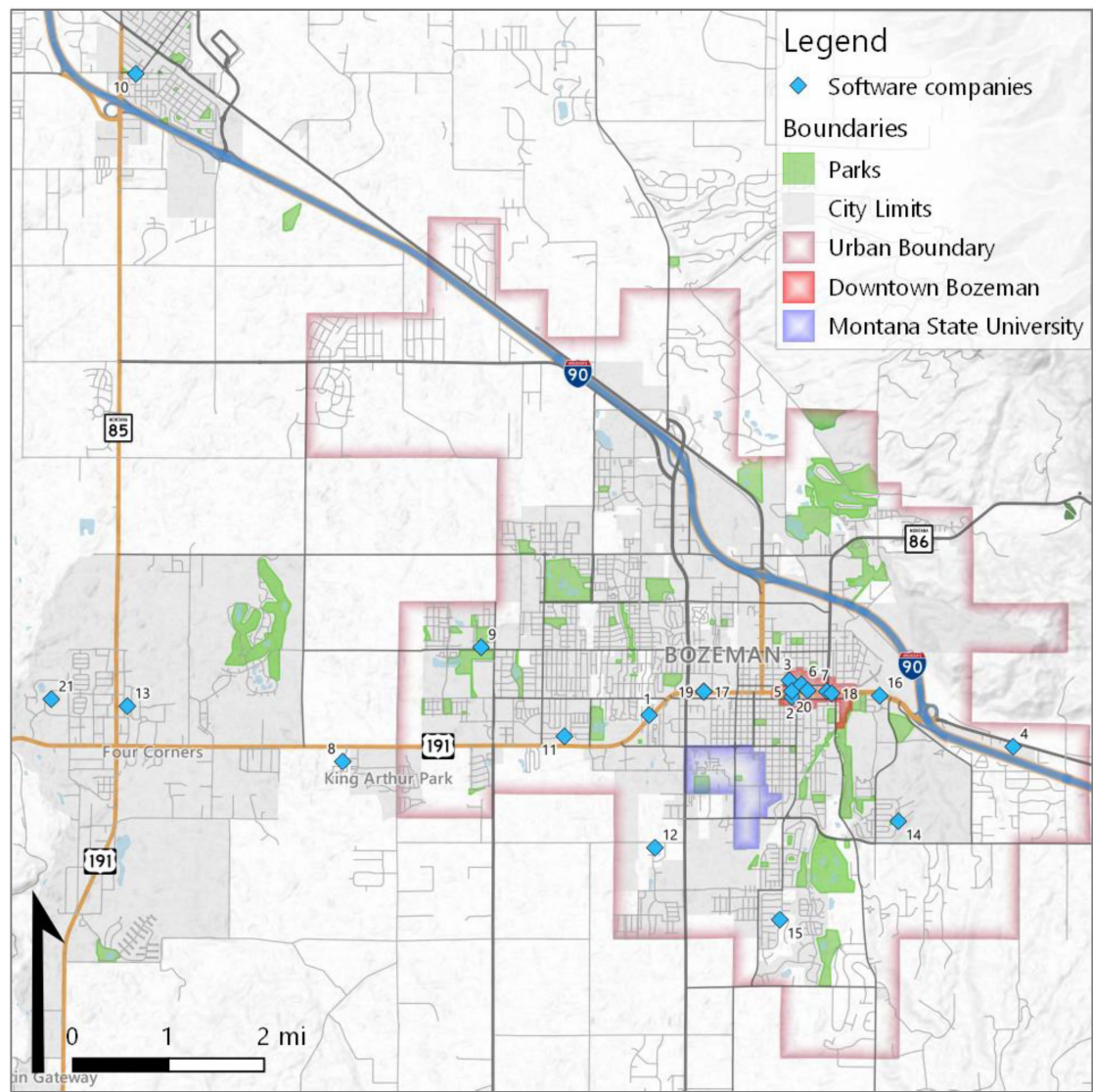
APPENDIX: BIOTECHNOLOGY COMPANIES



APPENDIX: PHOTONICS COMPANIES



APPENDIX: SOFTWARE COMPANIES



APPENDIX: DETAILED LOCATION QUOTIENTS

Industry	Bozeman Gallatin	Boulder Boulder	Boise Ada	Corvallis Benton	Bend Deschutes	Fort Collins Larimer	Missoula Missoula	Ogden Weber
Traded Sectors								
Agriculture, forestry, fishing and hunting	1.33	0.38	0.33	3.21	1.12	0.67	1.00	0.00
Mining, quarrying, and oil and gas extraction	0.82	0.25	0.17	0.14	0.21	0.79	0.15	0.00
Information	0.63	0.53	1.14	0.44	0.59	0.49	0.80	1.00
Management of companies and enterprises	0.24	0.54	1.05	0.00	0.73	0.39	0.26	0.00
Professional and technical services	1.20	2.47	1.01	0.92	0.83	1.04	0.91	0.00
Wholesale trade	0.76	0.90	1.22	0.00	0.66	0.81	0.85	0.00
Manufacturing	0.70	1.29	0.78	0.91	0.75	1.02	0.47	1.00
Transportation and warehousing	0.55	0.23	0.70	0.31	0.56	0.57	0.00	0.00
Finance and insurance	0.63	0.53	1.14	0.44	0.59	0.49	0.80	1.00
Local Sectors								
Utilities	0.50	0.33	1.03	0.00	1.02	0.45	0.00	0.00
Construction	2.09	0.58	1.39	0.66	1.66	1.35	1.19	1.00
Retail trade	1.31	0.87	1.05	0.93	1.31	1.10	1.28	1.00
Real estate and rental and leasing	1.30	0.94	0.95	0.76	1.04	1.24	1.00	0.00
Administrative and waste services	0.62	0.56	1.38	0.00	0.90	0.81	0.78	1.00
Educational services	0.72	0.79	0.53	0.61	0.62	0.53	0.47	0.00
Health care and social assistance	0.72	0.86	1.05	1.21	1.18	0.73	1.22	0.00
Arts, entertainment, and recreation	1.99	1.16	1.46	0.78	1.80	1.13	1.66	1.00
Accommodation and food services	1.47	0.94	1.02	1.05	1.42	1.21	1.28	0.00
Other services, except public administration	1.39	0.95	0.96	1.32	1.27	1.04	1.57	0.00

APPENDIX: INDUSTRY DETAIL

MANUFACTURING

3 Digit NAICS	Industry Name	Sector Total (Disclosable)	% Total	LQ vs. U.S.	Avg. Ann. Wage	Includes Photonics?	Description
Total Private Wage & Salary Jobs		50,672					
Total Manufacturing Sector		3,598	7.1%	0.70			
339	Miscellaneous Manufacturing	532	1.0%	2.16	\$55,574		Medical equip, sporting goods, musical instr.
334	Computer and Electronic Product Manufacturing	402	0.8%	0.90	\$88,788	Y	Computer, electronic, instrumentation, measuring/controlling, photonics
332	Fabricated Metal Product Manufacturing	391	0.8%	0.67	\$48,961		Forging, stamping, bending, forming, and machining
312	Beverage and Tobacco Product Manufacturing	367	0.7%	3.16	\$30,203		Breweries, distilleries, etc.
327	Nonmetallic Mineral Product Manufacturing	290	0.6%	1.72	\$63,779		Stone, tile, cement products
326	Plastics and Rubber Products Manufacturing	257	0.5%	0.87	\$43,929		Plastic containers, hardware, plumbing
311	Food Manufacturing	248	0.5%	0.37	\$36,480		Bakeries, coffee, tea, dairy products
336	Transportation Equipment Manufacturing	150	0.3%	0.22	\$58,928		Boats, trailers, vehicle parts
337	Furniture and Related Product Manufacturing	144	0.3%	0.94	\$44,262		Furniture, cabinetry
335	Electrical Equipment, Appliance, and Component Manufacturing	114	0.2%	0.71	\$59,485	Y	Lighting, electrical, communications, appliances
323	Printing and Related Support Activities	99	0.2%	0.62	\$38,849	Y	Printing, data imaging
314	Textile Product Mills	93	0.2%	2.18	\$32,668		Textile manufacturing
333	Machinery Manufacturing	88	0.2%	0.20	\$73,874	Y	Optical instruments and lenses, photographic equipment, commercial laundry and dry-cleaning machinery, office machinery, automotive maintenance equipment (except mechanics' hand tools), and commercial-type cooking equipment
321	Wood Product Manufacturing	81	0.2%	0.48	\$49,465		Wood bldg. materials, manufactured structures
315	Apparel Manufacturing	5	0.0%	0.13	\$32,572		Apparel
316	Leather and Allied Product Manufacturing	4	0.0%	0.39	\$18,653		Leather products

Source: Bureau of Labor Statistics; Economic & Planning Systems

APPENDIX: INDUSTRY DETAIL

PROFESSIONAL & TECHNICAL SERVICES

4 Digit NAICS	Industry Name	Sector Total (Disclosable)	% Total	LQ vs. U.S.	Avg. Ann. Wage	Includes Photonics?	Description
Total Private Wage & Salary Jobs		50,672					
Total Prof. & Tech. Svcs. Sector		4,828	9.5%	1.20			
5415	Computer Systems Design and Related Services	1,346	2.7%	1.44	\$141,037		Programming, IT
5413	Architectural, Engineering, and Related Services	1,094	2.2%	1.72	\$71,547		
5416	Management, Scientific, and Technical Consulting Services	618	1.2%	0.95	\$71,652		Environmental, management, administrative, other scientific consulting
5412	Accounting, Tax Preparation, Bookkeeping, and Payroll Services	449	0.9%	1.04	\$53,752		
5419	Other Professional, Scientific, and Technical Services	424	0.8%	1.35	\$40,502		Marketing, photography, veterinary, other
5417	Scientific Research and Development Services	337	0.7%	1.04	\$94,689	Y	R&D in life and social sciences.
5411	Legal Services	327	0.6%	0.68	\$68,183		
5418	Advertising, Public Relations, and Related Services	133	0.3%	0.71	\$60,349		
5414	Specialized Design Services	100	0.2%	1.78	\$60,754	Y	Specialized design except architectural, engineering, and computer systems design

Source: Bureau of Labor Statistics; Economic & Planning Systems

APPENDIX: INDUSTRY DETAIL

CONSTRUCTION

3 Digit NAICS	Industry Name	Sector Total (Disclosable)	% Total	LQ vs. U.S.	Avg. Ann. Wage	Description
Total Private Wage & Salary Jobs		50,672				
Total Construction Sector		6,401	12.6%	2.09		
237	Heavy and Civil Engineering Construction	659	1.3%	1.50	\$101,284	Roads, infrastructure
236	Construction of Buildings	1,837	3.6%	2.72	\$59,216	Residential and nonresidential buildings
238	Specialty Trade Contractors	3,906	7.7%	2.01	\$53,269	Concrete, site preparation, plumbing, painting, and electrical

Source: Bureau of Labor Statistics; Economic & Planning Systems

APPENDIX: INDUSTRY DETAIL

TOURISM, RETAIL, AND OUTDOOR RECREATION

3 Digit NAICS	Industry Name	Sector Total (Disclosable)	% Total	LQ vs. U.S.	Avg. Annual Wage	Description
Total Private Wage & Salary Jobs		50,672				
Retail		3,598	7.1%	1.31		Retail stores
Recreation		1,819	3.6%	1.99		Recreation businesses including ski areas
Accommodations & Food Services		<u>8,190</u>	<u>16.2%</u>	1.47		Hotels and restaurants
Cluster Total		13,607	26.9%			
Retail						
445	Food and beverage stores	1,541	3.0%	1.18	\$31,786	
444	Building material and garden supply stores	1,193	2.4%	2.08	\$45,429	
452	General merchandise stores	1,107	2.2%	0.89	\$32,580	
441	Motor vehicle and parts dealers	1,036	2.0%	1.29	\$60,870	
453	Miscellaneous store retailers	784	1.5%	2.52	\$31,388	
451	Sports, hobby, music instrument, book stores	674	1.3%	3.37	\$23,189	
447	Gasoline stations	541	1.1%	1.39	\$25,669	
442	Furniture and home furnishings stores	392	0.8%	2.26	\$49,206	
448	Clothing and clothing accessories stores	341	0.7%	0.83	\$25,758	
446	Health and personal care stores	250	0.5%	0.61	\$34,298	
454	Nonstore retailers	221	0.4%	0.89	\$60,018	
443	Electronics and appliance stores	110	0.2%	0.59	\$43,276	
Recreation, Hotels, Restaurants						
722	Food services and drinking places	5,054	10.0%	1.23	\$20,992	
721	Accommodation	1,857	3.7%	3.13	\$33,408	
713	Amusements, gambling, and recreation	1,216	2.4%	2.27	\$26,058	Includes ski areas
711	Performing arts and spectator sports	124	0.2%	0.88	\$36,767	
712	Museums, historical sites, zoos, and parks	116	0.2%	---	\$45,924	
712	Museums, historical sites, zoos, and parks	116	0.2%	---	\$45,924	

Source: Bureau of Labor Statistics; Economic & Planning Systems

APPENDIX: INDUSTRY DETAIL

CREATIVE ARTS

Industry	3 Digit NAICS	NAICS Description	Private Total	Establishments	% of Disclosable Total	LQ vs. U.S.	Avg. Ann. Wage	Hourly on 2080 Hours
Total Private Wage & Salary Jobs			50,672		100.00%			
Publishing	323	Printing and related support activities	99	9	0.20%	0.62	\$38,849	\$18.68
Film/TV/Media	512	Motion picture and sound recording industries	73	70	0.14%	0.58	\$43,148	\$20.74
	5418	Advertising, pr, and related services	133	40	0.26%	0.71	\$60,349	\$29.01
	54192	Photographic services	24	32	0.05%	1.60	\$37,168	\$17.87
Design	5419	Other professional and technical services	424	83	0.84%	1.35	\$40,502	\$19.47
	5414	Specialized design services	100	43	0.20%	1.78	\$60,754	\$29.21
Performing Arts	711	Performing arts and spectator sports	124	46	0.24%	0.88	\$36,767	\$17.68
	7111	Performing arts companies	35	8	0.07%	1.06	\$18,147	\$8.72
		All other Performing arts and spectator sports	89	38	0.18%	---	---	---
Museums and Galleries ¹	712	Museums, non-retail galleries, historical sites, and similar institutions	127	10	0.25%	1.96	\$49,504	\$23.80
Total Creative Cluster			1,104	333	2.18%		\$41,241	\$19.83

¹ Museums and Galleries includes publicly owned facilities such as Museum of the Rockies housed at MSU which skews wages upward.

Source: U.S. Bureau of Labor Statistics; Economic & Planning Systems

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 "Local government officials may not make a disbursement or an expenditure or incur an obligation in excess of the total appropriations for a fund." (MCA 7-6-4005(1)) 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.

The budget presents 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.

Beyond adherence to this basic philosophy, Montana's Constitution states that taxes shall be levied for public purposes. The citizens of Bozeman should be assured 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 for public purposes.

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.

State law provides that "The final budget must be balanced so that appropriations do not exceed the projected beginning balance plus the estimated revenue of each fund for the fiscal year." (MCA 7-6-4030(2)) The City is committed to long-term financial planning and ensuring that the current budget does not expend funds that may be needed to avoid significant rate or assessment increases in future years. The City uses six-year financial models for major funds to ensure that revenues and expenditures balance throughout the years not just in the current fiscal 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 operational expenditures results in incurring annual expenditure obligations which could become unfunded in future years. Using one-time revenues to fund capital assets or other non-recurring expenditures is best practice to ensure that funding is maintained for annual expenditures.

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 in alignment with City Code section 2.06.150. 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 and assures compliance with the City's Code, Division 2, established for the budget. 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 and are a requirement of City Code section 2.06.170.

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.

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 \$25,000 or more will be included in the Capital Improvement Plan (CIP); minor capital outlays of less than \$25,000 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. Minor and major capital replacement and construction projects must be adopted in compliance with City Code section 5.07 where the City's capital program is established.

https://library.municode.com/mt/bozeman/codes/code_of_ordinances

7. 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. More detail around each resource category is included in the Reserves and Fund Balances section of this policy.

- **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:

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. 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.

5. The City of Bozeman will adhere to state of Montana General Fund limitations for municipalities.

For the General Fund, Montana Code Annotated section 7-7-4101 allows the City to issue an obligation so long as 10% of the General Fund budget in each of the two immediately preceding fiscal years is not exceeded, debt services in the current or any future fiscal year do not exceed 2% of revenue deposited in each of the two immediately preceding fiscal years in the Fund, and the term of an obligation cannot exceed 20 years.

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 undesignated 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.

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. The City's Municipal Code section 2.06.108 requires the City Manager to recommend a budget that results in a year-end General Fund unreserved fund balance of no less than 16.67% of estimated General Fund revenues. The intention of reserve as adopted by the City Commission is to ensure availability of funds and at the same time compliance with the City's Code. At no time may a budget be adopted or amended in a manner that results in a year-end General Fund unreserved balance of less than five percent of estimated General Fund reserves. This limit does not apply in case of an emergency, pursuant to state law. 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 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 an Annual Comprehensive Financial Report (ACFR) in conformance with Generally Accepted Accounting Principles (GAAP). The report will be made available to the general public. The ACFR 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 annual comprehensive financial report covering all funds and financial transactions of the government during the year. The ACFR 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

Six-year Financial Plans: Each year, the City prepares and maintains financial plans for the current year and at least the ensuing five years for the following funds:

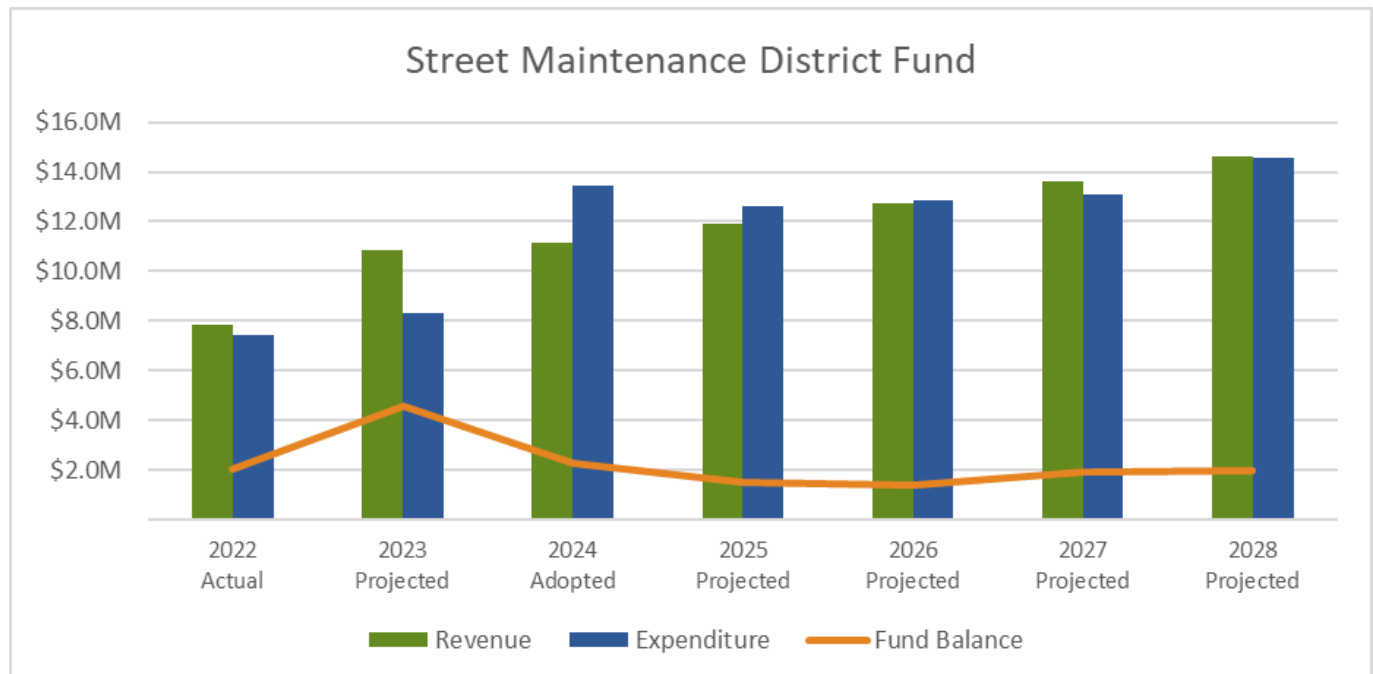
- Street Maintenance Fund
- Arterial & Collector Fund
- Tree Maintenance Fund
- Parks & Trails District Fund
- Water Fund
- Wastewater Fund
- Stormwater Fund

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, chemicals, and capital plans. The plans project revenue requirements, expenditure levels, and estimated reserve levels for each of the five years. Expenditures in all long-term financial models may differ from FY24 Adopted appropriations because Montana Local Budget Law requires the City Commission to appropriate funds prior to the expenditure being committed. Long range financial plans are on a cash basis and therefore expenditures are estimated based on when they will be paid rather than committed.

Special Revenue Funds

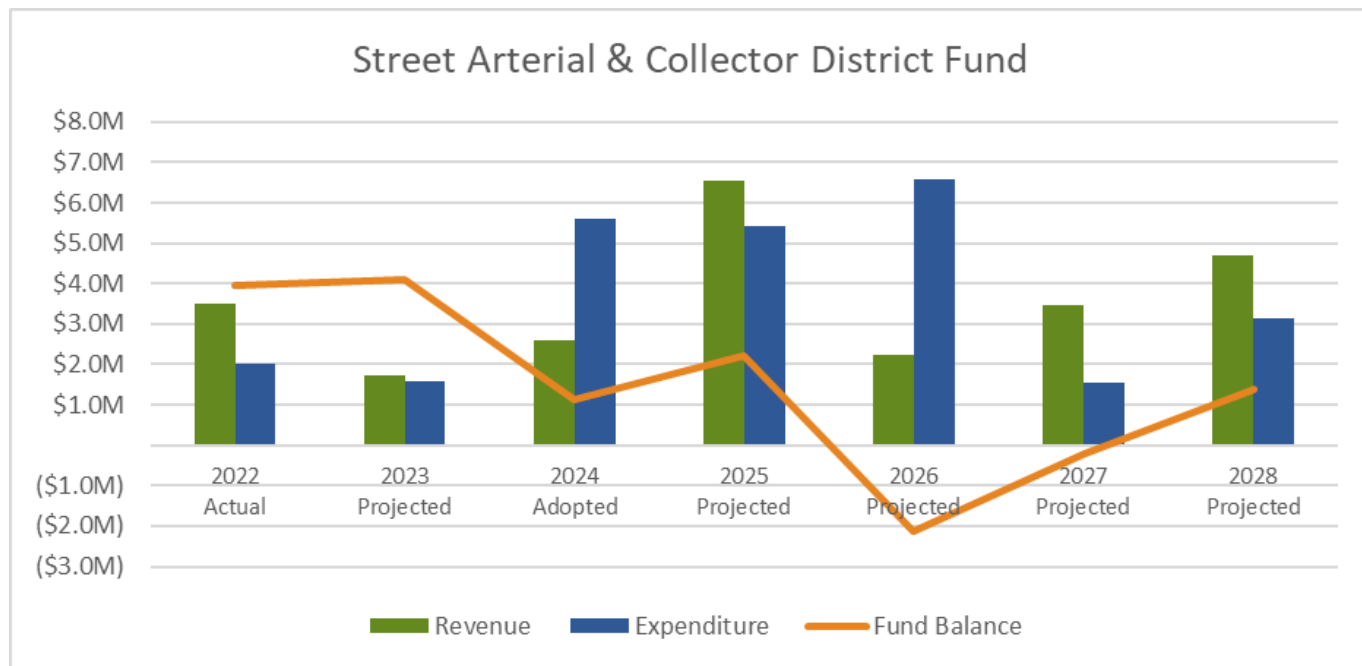
Street Maintenance District:

The Street Maintenance long-term plan continues to show increases in assessments to meet the needs of the capital plan and growth. Assessment increases over the financial plan are estimated to be between 5% and 8% per year. Assessment increases have been between 5% and 17% over the last 5 years. The cost of the Street Maintenance assessment on the typical homeowner in Bozeman is estimated to be \$284.31 annually in FY24. Assessment increases were adopted by City Commission on August 22, 2023.



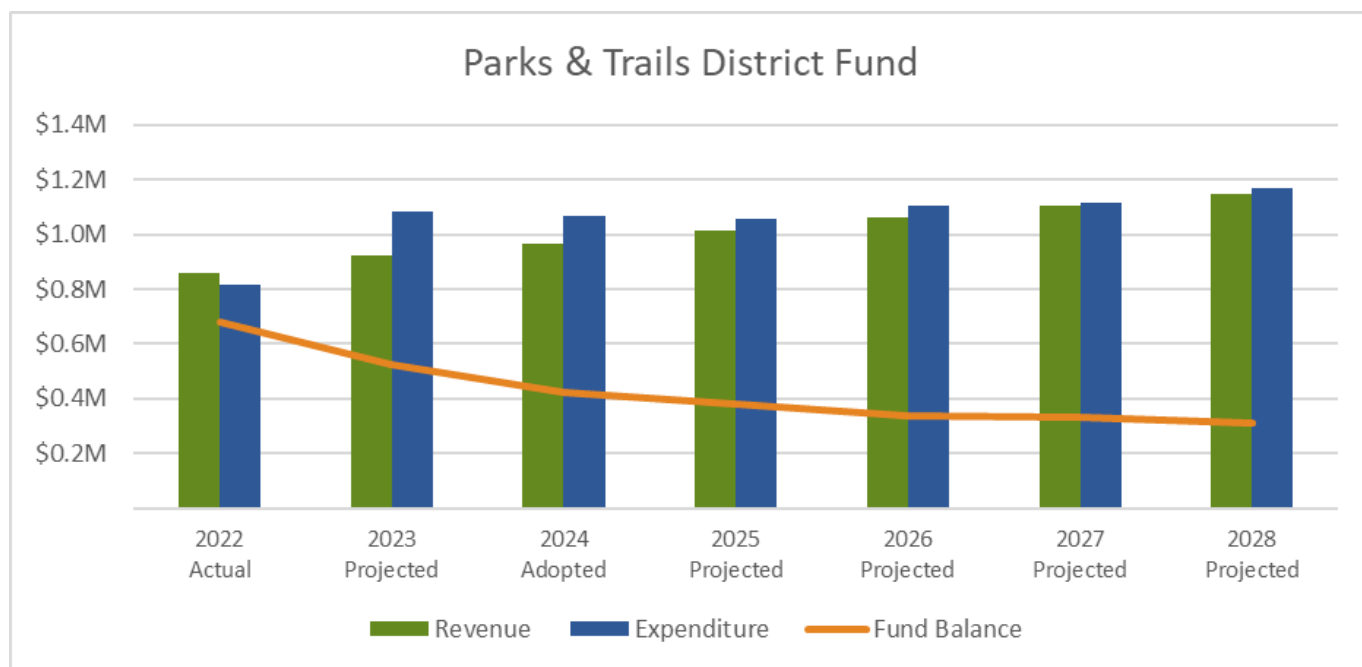
Arterial & Collector District (A&CD) Fund

The long-term plan for the Arterial & Collector District Fund continues to show increases in assessments to meet the needs of the capital plan and growth. Assessment increases over the financial plan are estimated to be approximately 8% per year. The fund balance is currently projected to go negative in FY26 due to significant capital projects, but the fund will be balanced by FY27. The cost of the A&CD assessment on the typical homeowner in Bozeman is estimated to be \$60.08 annually for FY24. Assessment increases were adopted by City Commission on August 22, 2023.



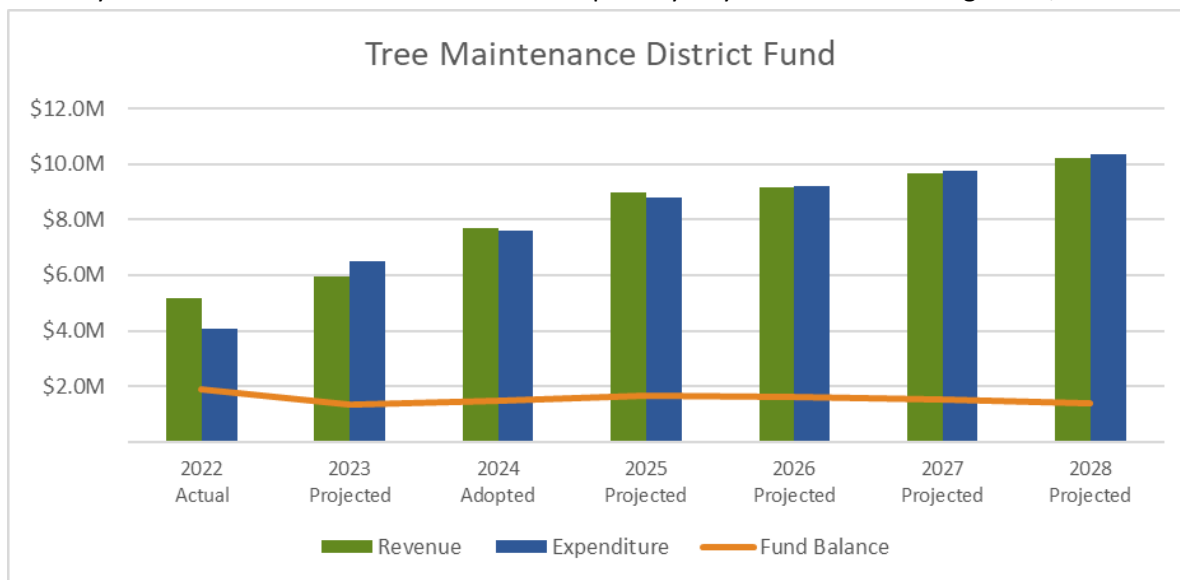
Parks & Trails District Fund

Parks & Trails District Fund plan as approved by the Commission is a five-year ramp up to Silver level of service. The current plan includes 6-8% increases annually over the next five years to complete the adopted CIP. The cost of the Parks & Trails District assessment on the typical homeowner is estimated to be \$208.67 annually for FY24. Assessment increases were adopted by City Commission on August 22, 2023.



Tree Maintenance District (Forestry) Fund

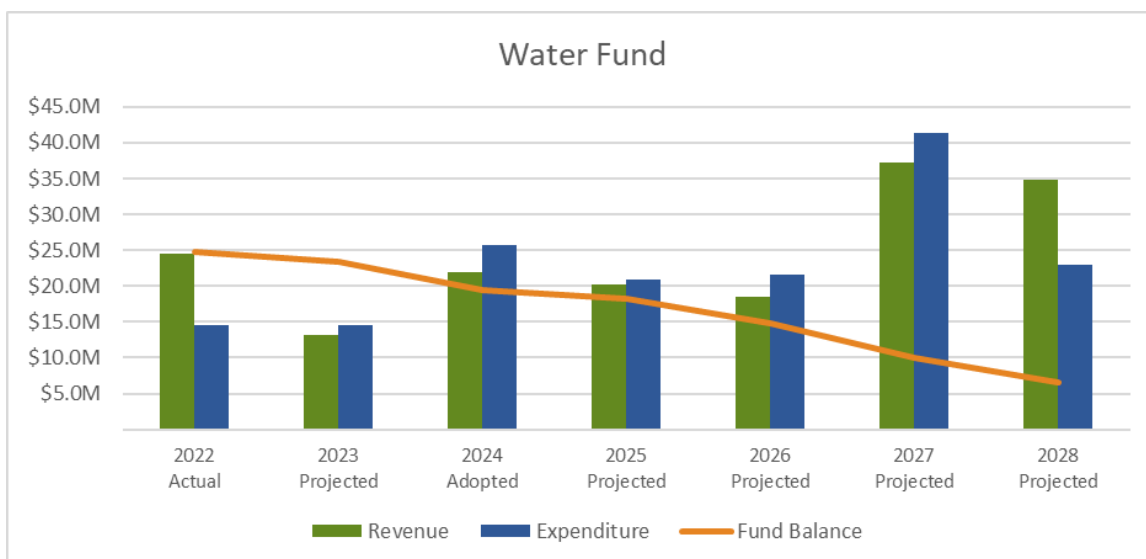
The long-range plan for the Tree Maintenance District includes 4% increases annually over the next five years to complete the adopted CIP. The cost of the assessment on the typical homeowner in Bozeman is estimated to be \$30.53 annually in FY24. Assessment increases were adopted by City Commission on August 22, 2023.



Enterprise Funds

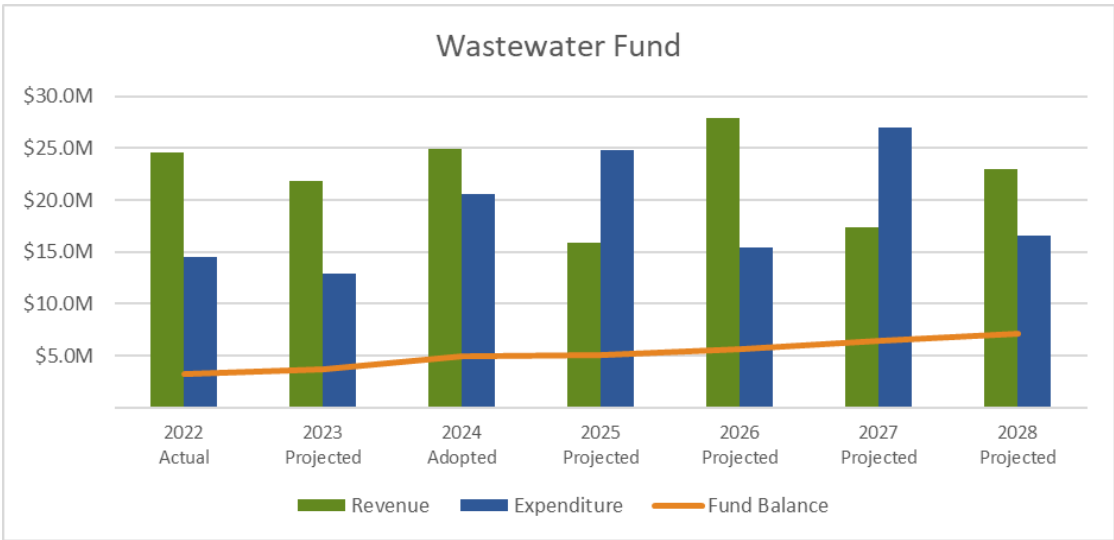
Water Fund

Residential single family water rates, which make up approximately 50% of Water Fund rate revenues, have been held flat since FY19. The next largest portion of water rates is multi-family, which make up approximately 25% of rate revenues and have been held to modest 1% rate increases over the same period of time. Rate increases adopted were consistent with the rate study presented to the City Commission in January 2019, and updated in FY21. Meanwhile, the cost of providing water services has continued to increase each year compared to the FY21 projections included in the study. Updated financial models are showing the need for significant rate increases to address the cost of the adopted CIP and operations over the next five years. Revenue increases of 12% are needed for FY24 and FY25, and rate increases in future years are anticipated to be approximately 8%. A rate study is planned to be performed prior to the FY26 budget process to inform future rates by customer classes, and ensure proper revenue coverage and reserve amounts, including a drought reserve. Water rate increases were adopted by City Commission on August 22, 2023.



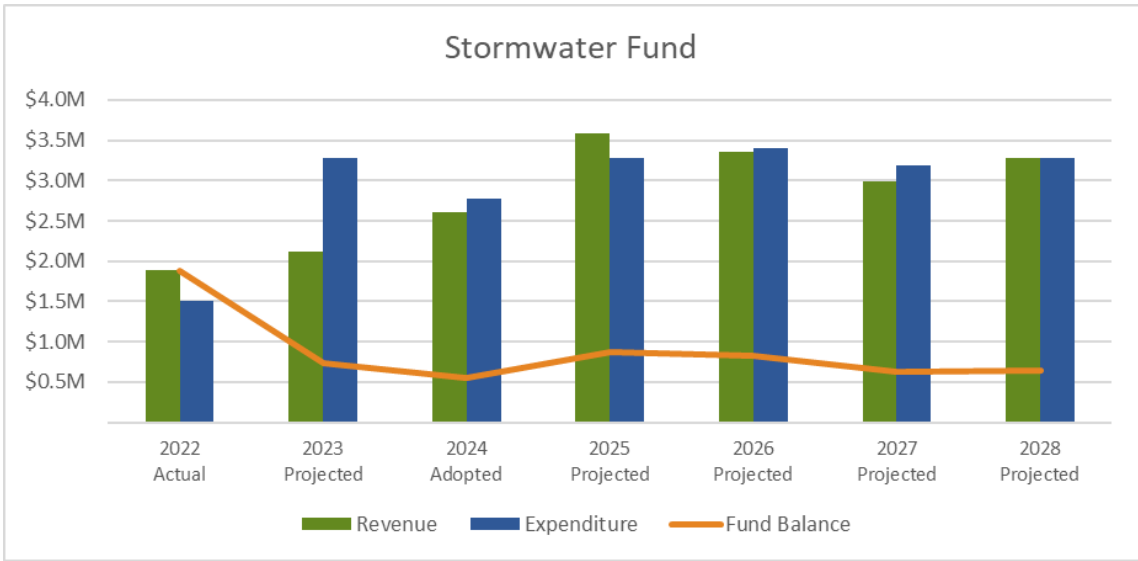
Wastewater Fund

Residential single family wastewater rates, which make up approximately 25% of Wastewater Fund rate revenues, have been held flat since FY19. The next largest portion of wastewater rates is multi-family, which make up approximately 25% of rate revenues and have been held to modest 2% rate increases over the same period of time. Rate increases adopted were consistent with the rate study presented to the City Commission in January 2019, and updated in FY21. Meanwhile, the cost of providing wastewater services has continued to increase each year compared to the FY21 projections included in the study. Updated financial models are showing the need for significant rate increases to address the cost of the adopted CIP and operations over the next five years. A revenue increase of 12% is adopted for FY24, and rate increases in future years are anticipated to be approximately 3%. A rate study is planned to be performed to inform future rates by customer classes and ensure proper revenue coverage and reserve amounts. Wastewater rate increases were adopted by City Commission on August 22, 2023.



Stormwater Fund

The long-term plan for the Stormwater Utility includes increases in assessments to meet the needs of the capital plan and growth. Assessment increases over the financial plan are estimated to be approximately 8% per year. The annual cost for Stormwater services for the typical homeowner in Bozeman is estimated to be \$54.30 annually in FY24. Stormwater rate increases were adopted by City Commission on August 22, 2023.



Appendix D: 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 budget where appropriations do not exceed the projected beginning balance plus the estimated revenue of each fund for the fiscal year.

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 accounted for separately. 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. Construction projects and capital purchases of \$25,000 or more will be included in the Capital Improvement Program. Minor and major capital replacement and construction projects must be adopted in compliance with City Code section 5.07 where the City's Capital Program is established.

CAPITAL OUTLAY - Items that cost more than \$5,000 and have a useful life of one year or more. For budgeting purposes, capital outlays of less than \$25,000 will be included in the regular operating budget, but will still be included in the CIP.

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 typically become fixed assets. Projects are categorized as either minor or major:

MINOR CAPITAL PROJECTS or reoccurring capital projects primarily benefit current residents.

MAJOR CAPITAL PROJECTS benefit future, as well as current residents and can represent large expenditures of a non-recurring nature which primarily benefit future residents.

CASH BASIS - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

CDBG - Community Development Block Grant, a federally funded grant program for specific national objectives related to housing, infrastructure, and economic development.

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 and 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.

DISTINGUISHED 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.

FIDUCIARY FUND - A Fiduciary Fund is used in governmental accounting to report on assets held in trust for others.

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. Beginning in the FY23 Budget, unassigned Fund Balance and undesignated reserves are specifically called out.

NON-SPENDABLE 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 granters, 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.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) - A collection of commonly followed accounting rules and standards for financial reporting.

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.

GOVERNMENTAL FUNDS - Funds generally used to account for tax-supported activities. Governmental funds include: general, special revenue, debt service, capital projects, and permanent funds.

GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) - Represents public finance officials through the United States and Canada who publish best practices in local government finance.

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.

INTER-GOVERNMENT 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. In Montana, there are three categories of Mills:

NON-VOTED (FLOATING) MILL - Annual mills capped by statewide law based in certified taxable values and inflation.

PERMISSIVE MILL - Annual mills allowed by Montana state law to be levied for specific purposes to raise needed funds (Permissive medical levy and some school levies, for example)

VOTED DOLLAR AMOUNT OR MILL - Taxpayer approved specific mills or mills calculated to meet voter approved specific dollars for activities

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.

RESERVE (UNDESIGNATED) - Funds to be used for undesignated, unexpected expenses. Beginning in the FY23 budget, unassigned fund balance and undesignated reserves are specifically called out.

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.

UNDESIGNATED RESERVE - The portion of a fund's balance that is set aside for non-specific purposes to address unforeseen expenses within the budget year and is available for general appropriation.

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 different 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.

Appendix E: City Commission Adoptions



BUDGET CERTIFICATION

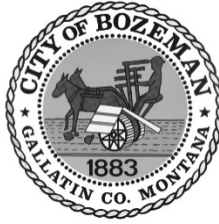
THIS IS TO CERTIFY that the Annual Budget for Fiscal Year 2024 was prepared according to law and adopted by the City Commission on July 11, 2023; and that all financial data set forth herein are complete and correct to the best of my knowledge and belief.

Signed [Signature] Date 9.27.23
Mayor

Signed [Signature] Date 9-27-23
Manager

Attest [Signature] Date 9-27-23
City Clerk





RESOLUTION 5486

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF BOZEMAN, MONTANA, APPROPRIATING FUNDS FOR VARIOUS BUDGET UNITS, AND FURTHER ESTIMATING REVENUE NECESSARY TO OPERATE AND MAINTAIN SERVICES OF MUNICIPAL GOVERNMENT FOR THE FISCAL YEAR ENDING JUNE 30, 2024.

WHEREAS, the City Commission did, on the 6th day of June, 2023, receive the City Manager's Budget Recommendations for Fiscal Year 2023-2024 (FY24); and

WHEREAS, the City Commission did, on June 13th and June 27th hold Budget Work Sessions that were open to the public to discuss the details of the Recommended Budget and make changes to the same; and

WHEREAS, the City Commission did, on the 11th day of July, 2023, after due and proper legal notice, conduct a public hearing on the proposed municipal budget.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Bozeman, Montana, as follows:

Section 1

The City Commission of the City of Bozeman, Montana, does hereby authorize and appropriate expenditures of governmental fund types (general fund, special revenues funds, debt service funds and capital project funds) and expenses for proprietary fund types (enterprise funds and internal service funds) and fiduciary fund types (permanent funds) for budget units and purposes set forth below, in the amounts designated herein, as follows. The City Commission further authorizes and re-appropriates the unexpended balance of Capital Improvement

Resolution 5486, Appropriating Funds for Fiscal Year ending June 30, 2024

Program & repair and equipment items as approved by the City Manager which were previously budgeted and have not been completed.

<u>Budget Unit</u>	<u>Appropriations</u>
General Fund	\$ 55,707,000
Special Revenue Funds	72,303,400
Debt Service Funds	5,169,900
Construction Funds	116,367,700
Enterprise Funds	52,270,300
Internal Service Funds	16,221,900
Permanent Funds	-
Grand Total - Appropriations	\$ 318,040,200

Section 2

The City Commission of the City of Bozeman, Montana does hereby estimate revenues for the various funds, as follows:

<u>Budget Unit</u>	<u>Estimated Revenues</u>
General Fund	\$ 53,523,200
Special Revenue Funds	58,617,000
Debt Service Funds	5,532,200
Construction Funds	115,711,700
Enterprise Funds	56,591,900
Internal Service Funds	21,188,600
Permanent Funds	86,700
Grand Total - Estimated Revenues	\$ 311,251,300

Resolution 5486, Appropriating Funds for Fiscal Year ending June 30, 2024

Section 3

That budget information contained in the "City Manager's Recommended Budget for Fiscal Year 2023-2024" document pertaining to Policy Direction, Fiscal Policy, and the specific information concerning budgeting for each fund, as may be subsequently amended prior to final adoption of the budget, are hereby incorporated into the document entitled "Approved Budget for Fiscal Year 2023-2024" and are hereby adopted as reference.

Section 4

Annual appropriations and transfer out for various departments for Fiscal Year 2023-2024 will be controlled and monitored for budgetary compliance at the budget unit level.

Section 5

Pursuant to Sections 7-6-4006 and 7-6-4012, M.C.A., the City Commission hereby delegates appropriation and budget amendment authority to the City Manager for the expenditures from the following funds: debt service funds; fee-based budgets; trust funds; federal, state and private grants accepted and approved by the City Commission; special assessments; monies borrowed during the year; proceeds from sale of land; and funds for gifts or donations.

Section 6

Pursuant to Section 7-6-4030, M.C.A., this resolution, upon its passage, shall be in full force and effect as of July 1, 2023.

Section 7

That upon this resolution becoming effective, as provided in Section 6 above, all resolutions and parts thereof in conflict herewith are hereby repealed.

Section 8

That should it be found by any court of competent jurisdiction that any section, clause, portion, sentence, word, or phrase of this resolution is deemed to be contrary to any existing law or regulations, that in this instance, it is the intent of the City Commission of the City of Bozeman, Montana, that all other portions, sections, words, clauses, phrases, or paragraphs of this document shall remain in full force and effect.

Resolution 5486, Appropriating Funds for Fiscal Year ending June 30, 2024

PASSED, APPROVED, AND ADOPTED by the City Commission of the City of Bozeman, Montana,
at a regular session thereof held on the 11th day of July, 2023.

DocuSigned by:



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Cynthia L. Andrus

Mayor

ATTEST:

DocuSigned by:



F41F922095AB475...

Mike Maas

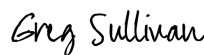
City Clerk

DocuSigned by:



APPROVED AS TO FORM:

DocuSigned by:



876992AC9ACA44B...

GREG SULLIVAN

City Attorney



2023 Certified Taxable Valuation Information

(15-10-202, MCA)

Gallatin County

CITY OF BOZEMAN

Certified values are now available online at property.mt.gov/cov

1. 2023 Total Market Value ¹	\$	17,730,663,050
2. 2023 Total Taxable Value ²	\$	268,988,379
3. 2023 Taxable Value of Newly Taxable Property.....	\$	13,462,518
4. 2023 Taxable Value less Incremental Taxable Value ³	\$	247,105,759
5. 2023 Taxable Value of Net and Gross Proceeds ⁴ (Class 1 and Class 2).....	\$	-

6. TIF Districts

Tax Increment District Name	Current Taxable Value ²	Base Taxable Value	Incremental Value
BOZEMAN DOWNTOWN	15,118,342	1,328,695	13,789,647
NORTHEAST URBAN REN	1,805,712	423,054	1,382,658
BOZEMAN MIDTOWN UI	8,905,551	3,507,723	5,397,828
NORTH PARK URBAN REI	329,639	244,332	85,307
SOUTH BOZEMAN TECHI	98,650	417	98,233
POLE YARD URD	2,266,003	1,137,056	1,128,947

Total Incremental Value \$ 21,882,620

Preparer Terri Smith

Date 8/7/2023

¹Market value does not include class 1 and class 2 value

²Taxable value is calculated after abatements have been applied

³This value is the taxable value less total incremental value of all tax increment financing districts

⁴The taxable value of class 1 and class 2 is included in the taxable value totals

For Information Purposes Only

2023 taxable value of centrally assessed property having a market value of \$1 million or more, which has transferred to a different ownership in compliance with 15-10-202(2), MCA.

I. Value Included in "newly taxable" property	\$	-
II. Total value exclusive of "newly taxable" property	\$	-

Note

Special district resolutions must be delivered to the department by the first Thursday after the first Tuesday in September, 09/07/2023, or within 30 calendar days after the date on this form 7-11-1025(8), MCA.

The county clerk and recorder must provide mill levies for each taxing jurisdiction to the department by the second Monday in September, 09/11/2023, or within 30 calendar days after the date on this form 15-10-305(1)(a), MCA.



2023 Certified Taxable Valuation Information

(15-10-202, MCA)

Gallatin County

BOZEMAN (CITY) PLANNING DISTRICT

Certified values are now available online at property.mt.gov/cov

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For Information Purposes Only

2023 taxable value of centrally assessed property having a market value of \$1 million or more, which has transferred to a different ownership in compliance with 15-10-202(2), MCA.

I. Value Included in "newly taxable" property	\$	-
II. Total value exclusive of "newly taxable" property	\$	-

Note

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City of Bozeman **Taxable Valuation/Mill Levy** **Ten-Year History and Analysis**

NOTE: The analysis below includes only entity-wide levies subject to the limitations of Section 15-10-420, MCA

If applicable, a separate analysis is provided for levies subject to the limitations of Section 15-10-420, MCA that are authorized and actually imposed using a different taxable valuation.

Analyses contained in this report do not include voted or permissive levies. Voted and/or permissive mills levied in the current year are listed below.

FISCAL YEAR	ENTITY-WIDE TAXABLE VALUATION	%INCREASE (DECREASE) FROM PREVIOUS YEAR	TOTAL CURRENT YEAR AUTHORIZED MILL LEVY (Includes Prior Year Carry Forward Mills)	CURRENT YEAR ACTUAL MILL LEVY	CARRY FORWARD MILLS AVAILABLE (May be levied in a subsequent year)
			FY's 2012-2013 through 2016-2017 enter number of mills from prior year budget-page 9. FY's 2017-2018 and forward enter number of mills from line (14) of the applicable Mill Levy Determination Form.	FY's 2012-2013 through 2016- 2017 enter number of mills from prior year budget - page 9. FY's 2017-2018 & forward enter number of mills from line (16) of the applicable Mill Levy Determination Form.	The Carry Forward in this column is <u>not cumulative</u> - the current fiscal year carry forward mills available are the full amount that may be levied in a subsequent year. These mills will be included in the next year's total authorized mill levy.
2014 - 2015	92,081,322		159.49	147.34	
2015 - 2016	90,787,797	-1.40%	173.59	160.40	
2016 - 2017	94,102,761	3.65%	173.61	156.77	
2017 - 2018	106,224,806	12.88%	160.41	142.44	17.97
2018 - 2019	109,713,782	3.28%	161.67	145.78	15.89
2019 - 2020	133,582,036	21.76%	142.37	132.62	9.75
2020 - 2021	137,983,427	3.29%	144.15	112.36	31.79
2021 - 2022	166,838,141	20.91%	128.89	107.23	21.66
2022 - 2023	171,848,622	3.00%	145.24	133.94	11.30
2023 - 2024	268,988,379	56.53%	105.13	93.02	12.11

Enter Fund Name (example: County Road Fund)

FISCAL YEAR	TAXABLE VALUATION	%INCREASE (DECREASE) FROM PREVIOUS YEAR	TOTAL CURRENT YEAR AUTHORIZED MILL LEVY (Includes Prior Year Carry Forward Mills)	CURRENT YEAR ACTUAL MILL LEVY	CARRY FORWARD MILLS AVAILABLE (May be levied in a subsequent year)
2014 - 2015					
2015 - 2016		#DIV/0!			
2016 - 2017		#DIV/0!			
2017 - 2018		#DIV/0!			0.00

2018 - 2019	#DIV/0!			0.00
2019 - 2020	#DIV/0!			0.00
2020 - 2021	#DIV/0!			0.00
2021 - 2022	#DIV/0!			0.00
2022 - 2023	#DIV/0!			0.00
2023 - 2024	#DIV/0!			0.00

Voted/Permissive mills levied in the current fiscal year:

<u>Description</u>	<u>Number of Mills levied</u>
Fire Department Equipment & Maintenance	4
Fire Staffing	12
Police Staffing	14
Parks & Trails GO Bond	4.49
Public Safety Center GO Bond	10.15
Fire Station 2 Relocation GO Bond	2.18
Health Insurance Premiums (Permissive)	10.88

FY24 Tax Levy (2023 Tax Year) Analysis for Resolution 5500

Background

Montana State Law allows local governments to levy three types of mills: all-purpose, permissive, and voted mills.

All-purpose mill levies are floating mills, which means the number of mills available to levy are not fixed. Local governments are restricted by MCA 15-10-420 to collecting an amount equal to last year's actual tax revenue collected, plus ½ the average rate of inflation for the last three years, plus newly taxable value. This means that as appraised values go up, allowable millage rates for all-purpose levies go down and local government tax bills to property owners do not rise at the same rate as their appraised values.

Permissive mills are allowed by state law that are not subject to the limits in MCA 15-10-420. The City levies one levy which is permissive for health/medical insurance for general government employees. The permissive levy for health/medical insurance recommended for FY24 is 10.88 mills and is calculated subject to MCA 15-10-420(9).

Voted mill levies are approved by the voters for specific purposes. Most recently, Bozeman citizens approved a General Obligation Bond to fund the Public Safety Center. Voted levies for debt service are calculated to recover the amount of revenue needed to pay for the debt service on the outstanding bonds each year. Typically, debt service is a flat dollar amount over the life of the loan, so the number of mills levied would decrease from year to year, as the mill value rises. Voted levies can also be approved as a total number of mills.

Adopted Budget

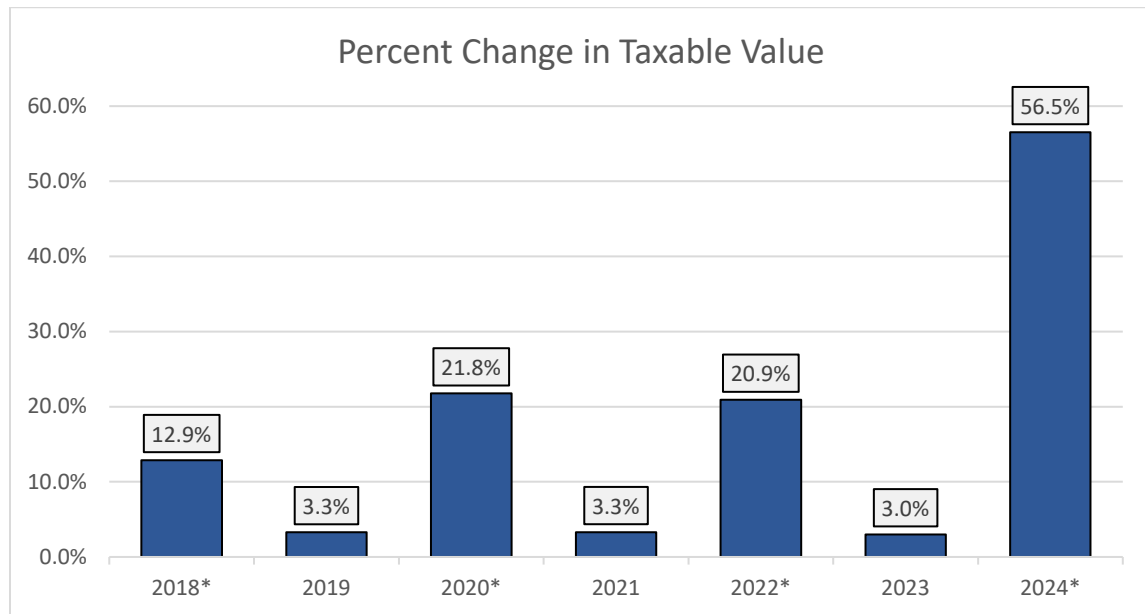
The FY24 budget was approved by the City Commission via Resolution 5486 on July 11, 2023, prior to the publication of certified values for the tax year. The budget included estimated mill values based on historical trends. However, Resolution 5500 recommends establishing and affixing mill values that are less than those included in the adopted budget, due to higher than anticipated increase in mill values. The estimated mill value included in the budget was \$190,436. The actual mill value is \$247,106.

Certified Values and Maximum Mill Levy

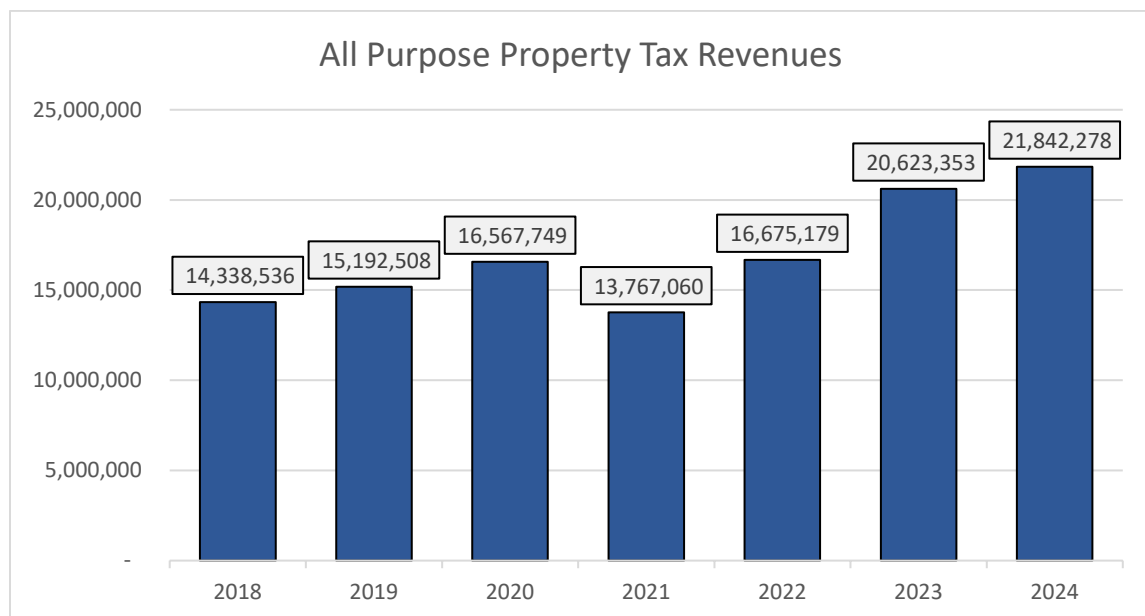
On August 1, 2023, the City received its official certification of taxable values for FY24 (2023 tax year/calendar year), issued by the Department of Revenue (DOR). The certification showed that taxable value went up by 56.5%. The certification also showed an increase of \$13.5 million from new construction (newly taxable property). The final certified values result in an actual mill value of \$247,106. Resolution 5500 proposes that the City Commission levy a total of 150.72 mills city-wide. The General Fund all-purpose levy, as provided by Sections 7-6-4451 and 15-10-420 MCA, is proposed to be 93.02 mills of 105.13 total available as the maximum levy. Mill Levies have been reduced in this resolution to generate the same amount of revenue included in the adopted budget. With approval of Resolution 5500, the City will maintain its commitment of 9.0 floating mills being held back in alignment with Resolution No. 3954 (911 mills) and leaves 12.11 available floating General Fund mills unlevied.

Mill Levy Fiscal Year 2023-2024 (FY24)	
All Purpose Levy:	
General Fund	83.30
Community/Workforce Housing	5.89
City Planning	1.46
Senior Transportation	0.77
Story Mill Landfill Monitoring	1.60
Total All Purpose Levy	93.02
Permissive Levies:	
Health/Medical Insurance	10.88
Total Permissive Levies	10.88
Voted Levies:	
Fire Equipment	4.00
Fire Staffing	12.00
Police Staffing	14.00
Parks & Trails GO Bonds	4.49
Bozeman Public Safety Center Bonds	10.15
Fire Station #2 Relocation GO Bonds	2.18
Total Voted Levies:	46.82
Grand Total Levied	150.72

The charts below show the percentage change in taxable value city-wide, and the total property taxes levied through the all-purpose property tax levy. Although taxable values increased by more than 55%, revenues to the City from all-purpose property tax levies are expected to increase by only 8%.



*Denotes years of valuation. Montana values property every other year.



Tax Increment Financing Districts (TIFD)

Tax increment financing districts have also seen significant increases in incremental values. The additional revenue can be used to fund projects within each respective district. Expenditures of additional revenue that was not anticipated when the budget was adopted will require a budget amendment.

