

FY 2027



**Budget
Overview**

AGENDA



Budget Development Themes

Budget Assumptions

Budget Opportunities

Budget Challenges

Budget Financial Overview-DRAFT

Budget Capital Overview

General Capital Recommendations

Long Term View – General Fund

Budget Development Themes



Strategic Plan Focus:

- ✓ **Maintain & Improve City Infrastructure**
- ✓ **Holistic Residential & Commercial Development**
- ✓ **Maintain & Improve Services to Residents**
- ✓ **Be the employer of choice**

Budget Development Themes

Defining “needs” vs. “wants” to prioritize resources

- ✓ Defining **Core*** City Services:
Public Safety, Clean Water, Waste Management, Road Maintenance, State mandates such as Land Use Management; City Governance & Administration, etc.
- ✓ Defining **Basic*** City Services:
Maintain Safe & Healthful Environment (Parks maintenance, IT, Parking enforcement, public health, etc.)
- ✓ Defining **Enhanced*** City Services:
Services & programs that add to quality of life

**information provided are general examples: Subject to interpretation and public input*

Budget Development Assumptions

Present a balanced budget using reserves for one-time expenditures

Forecast available funding resources:

- **General tax growth relatively “flat” as compared to Budget 2026 (.7% increase)**
- **Potential rate increases for Golf (*adopted*), Civic Center(*adopted*), Water / Wastewater, Special Districts, Business Licenses, and Building fees**
- **Overall 10.8% decrease in revenue**

Forecast appropriation assumptions:

- **2.7% Cola for all staff**
- **3% Health Insurance premium increase**
- **5% Dental Insurance premium increase**
- **“On-Step” migration of pay-matrix**
- **“Base Budget” alignment – appropriations in line with historical usage instead of “budget”**
- **Cut operating costs to support Cola & balance budget**
- **Prioritize health and safety for capital improvement funding**

Budget Opportunities:



Employer of Choice:

- ✓ Present new pay matrix plan to Commission for consideration
- ✓ Continue offering competitive health, dental, vision and life insurance
- ✓ Develop and Implement best standard recruitment practices
- ✓ Continue offering professional development opportunities
- ✓ Employee Recognition
- ✓ Staffing Studies (SSD)

Commercial & Residential Development:

- ✓ Complete “Helena Forward” Land Use plan
- ✓ Zoning & Subdivision regulation updates
- ✓ Re-write Land Use Standards
- ✓ Develop efficiencies for “one-stop-shop” permitting concept
- ✓ Update Building Division guides

Budget Opportunities:



Maintain & Improve Services:

- ✓ Public Engagement – Listening Sessions
- ✓ Strategize HCC budget participation
- ✓ Complete Fire Station #3 – strategize public safety staffing needs
- ✓ Explore partnerships & options for expanded transit services
- ✓ Establish “stabilization” or “rainy day” fund with contingency reserve
- ✓ Create an “opportunity” fund for one-time project initiatives – strategize funding options
- ✓ Begin funding mechanism to replenish reserves in health insurance fund

Maintain & Improve Infrastructure:

- ✓ Improve city facilities: Civic Center, Swimming Pool, Chamber & Neighborhood Ctr Bldgs., CCAB & LJC
- ✓ Roadway Improvements: Mini-malfunction junction, equipment storage buildings, pavement preservation

Budget Opportunities:



Maintain & Improve Infrastructure (con't):

- ✓ **Stormwater improvements: Centennial Park Capacity Improvements & other lining and rehab upgrades**
- ✓ **Water: TMTP Lagoon Cleaning, MRTP Filter upgrades, Red Mtn. Flume, Main Replacements, Fire Hydrant and meter replacements & carryover projects**
- ✓ **Wastewater: Screwpress Building & Equipment; Secondary Digester Lid, Bio-basin improvements, Main & Manhole replacements**
- ✓ **Transfer Station: Security upgrades, pit floor resurfacing, tipping floor barriers and signage improvements**
- ✓ **Solid Waste: New excavator and shredder replacements – shared with county**
- ✓ **911 Center: HVAC Digital Controls**
- ✓ **Parking: Garage Improvements**

Budget Challenges:

- ❖ **Property Tax Legislation changes**
- ❖ **Managing Collective Bargaining Unit financial outcomes**
- ❖ **Staffing needs for increased service demands**
- ❖ **Deferred Capital**
- ❖ **Transit funding reductions**
- ❖ **911 Center staff funding**
- ❖ **Unfunded mandates**
- ❖ **Balancing rate, assessments and tax increases to support service demands against market conditions and affordability**

- ❖ **Prioritize “Core” and “Basic” services that align with Strategic Plan**

Budget Financial Overview - DRAFT:

Revenue:

FY27 Projected: \$108,304,000

FY26 Budget: \$121,468,000

Taxes: \$22.8 million

- **General Taxes: “Flat”**
- **TIF Tax receipts increasing \$1.75 million**

Licenses / Permits: \$1.6 million

- **.7% increase**

Intergovernmental: \$12.96 million

- **State Shared Revenue: .3% increase**
- **County contributions: 36% increase**
- **Federal/State Grants: 27% decrease**

Charges for Services: \$28.96 million

- **Parking: 14% increase**
- **Solid Waste: 5% increase**
- **Water / Sewer: 2% increase**

Fines/Penalties: \$630,500

- **13.3% increase**

Assessments / Rent / Misc.: \$16.9 million

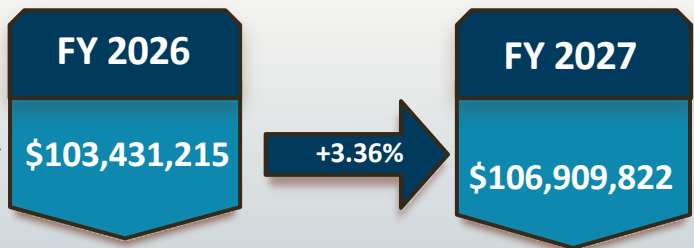
- **1.5% increase**

Internal Service Allocations: \$11.7 million

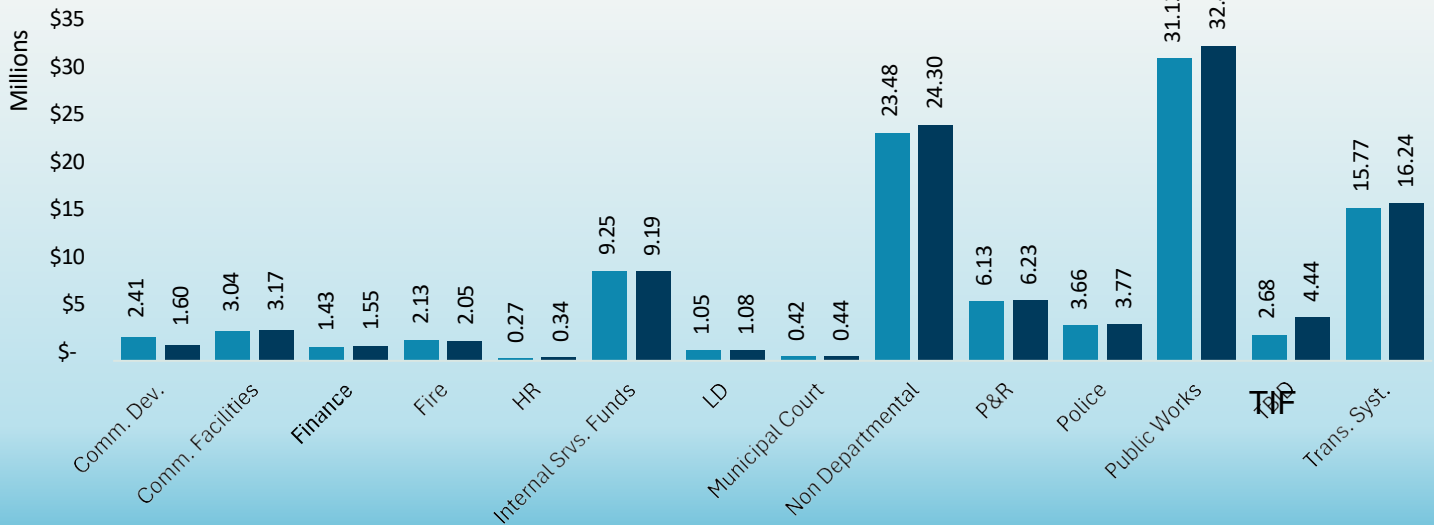
- **12.6% increase**

FY27 City-Wide Revenue

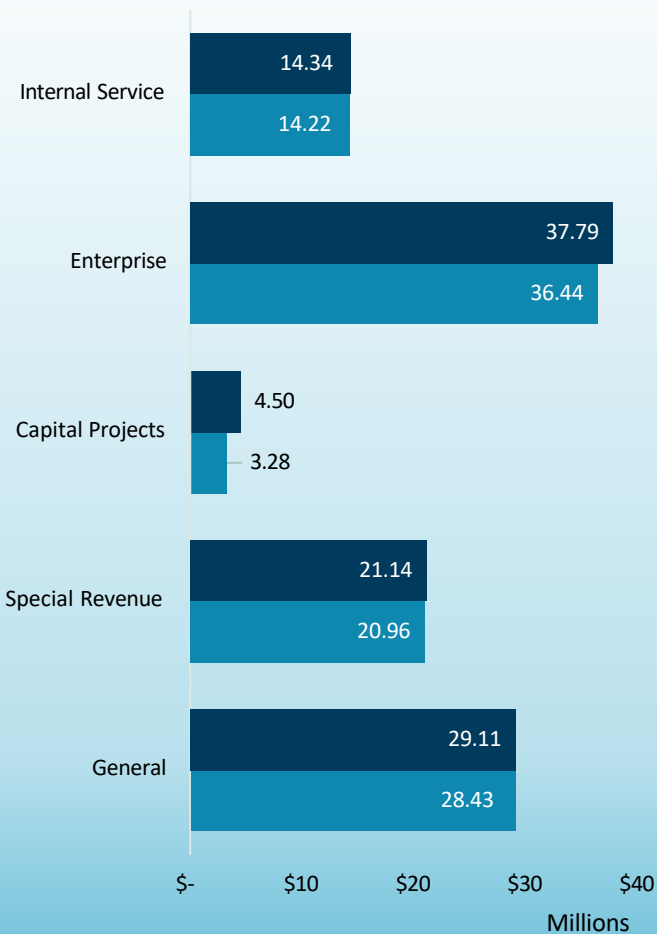
Not including Bond & Debt Svs. transfers



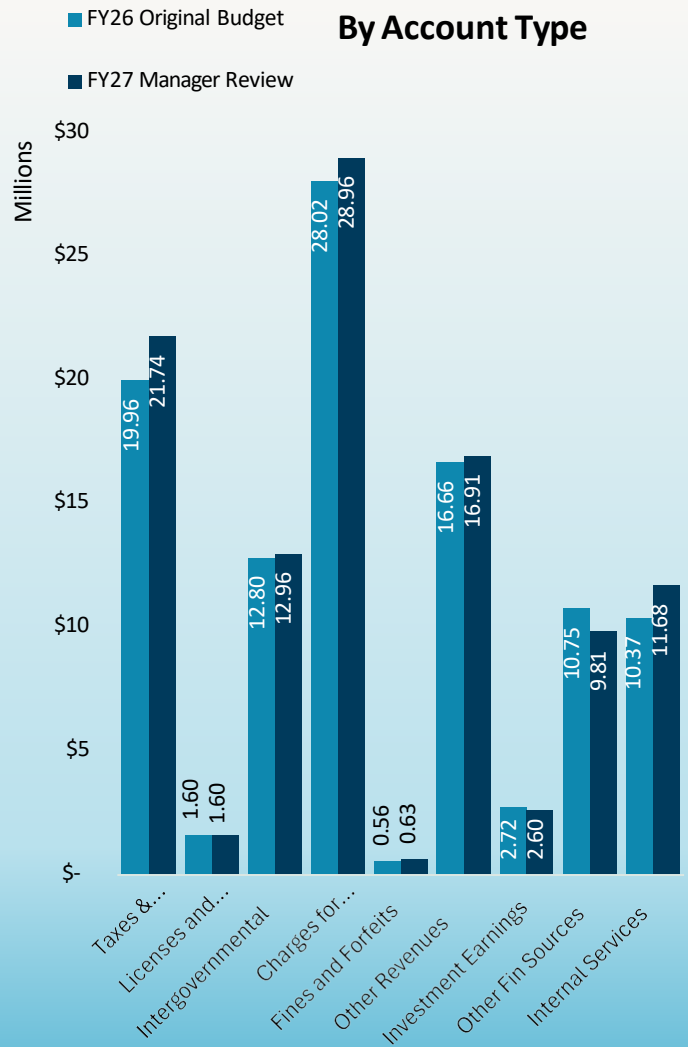
By Department



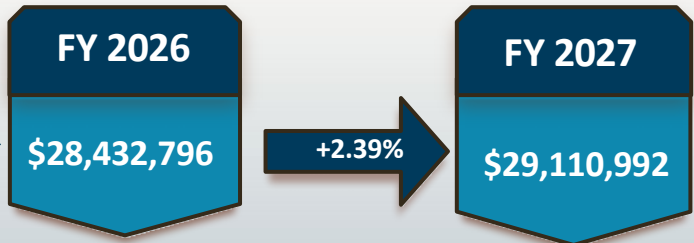
By Fund Type



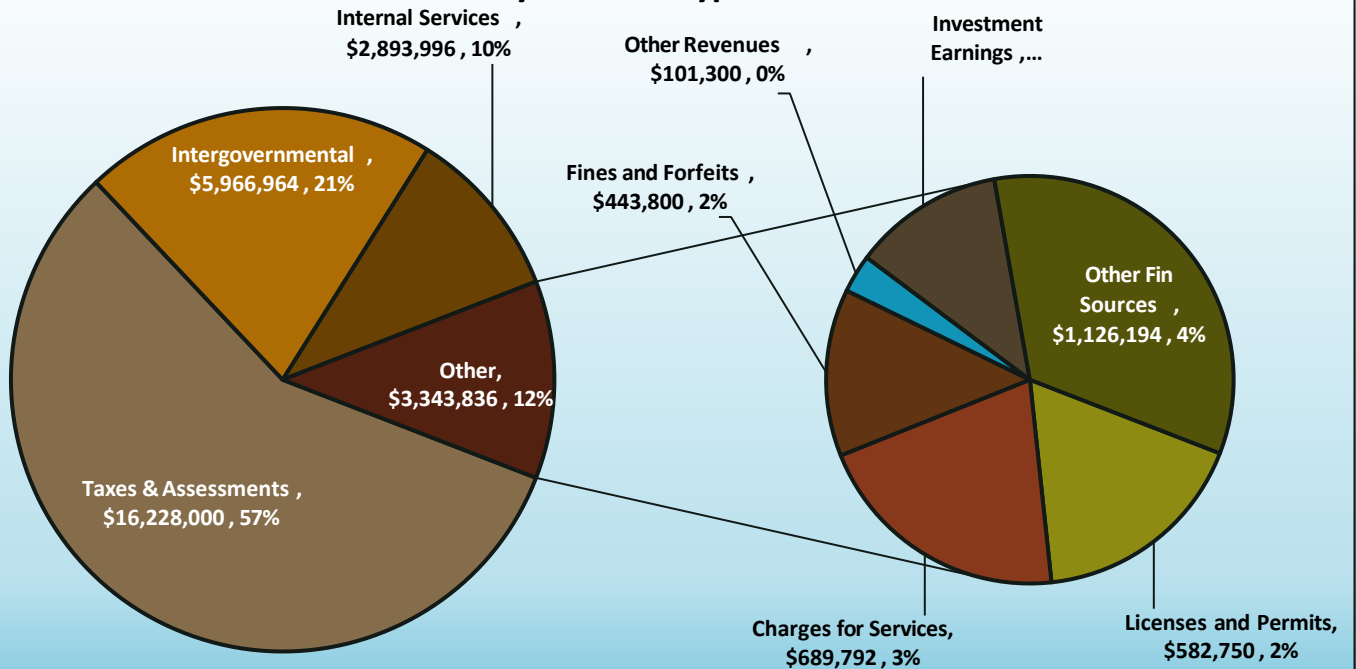
By Account Type



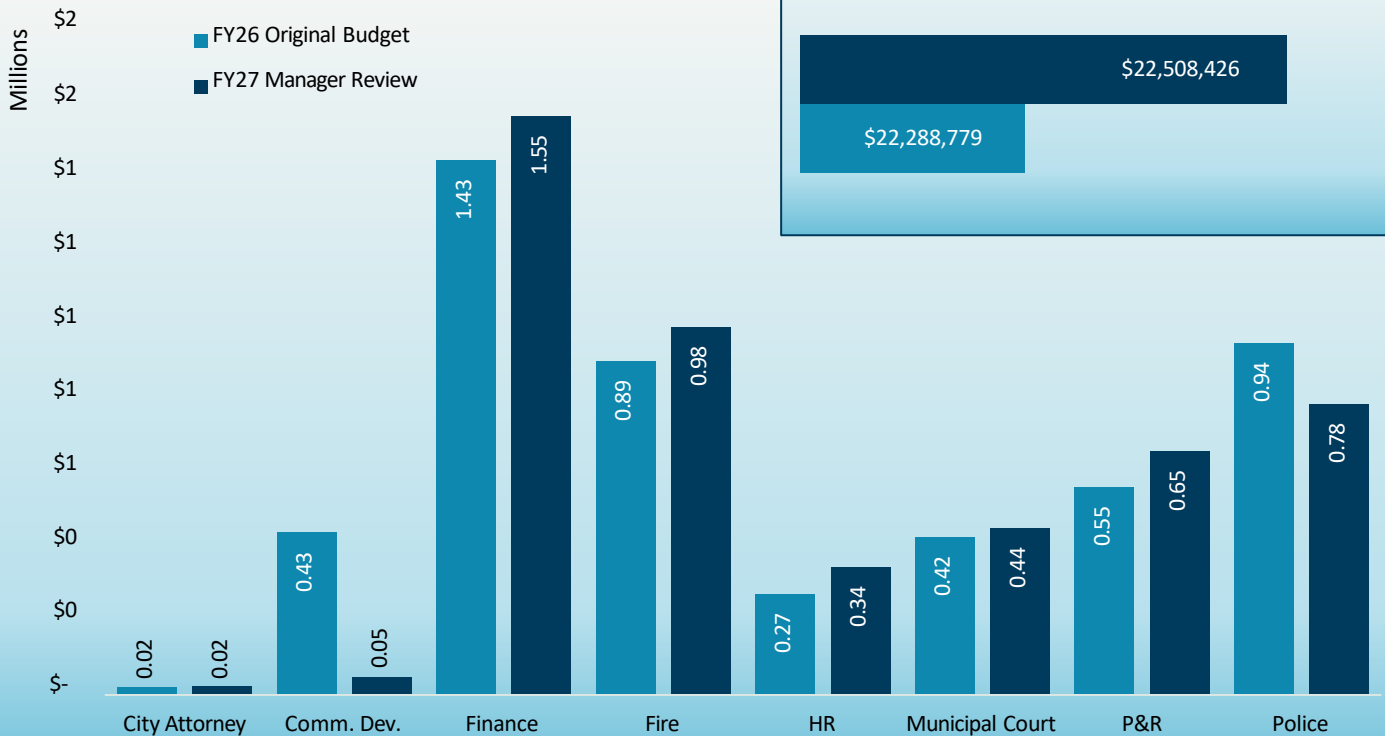
FY27 General Fund Revenue



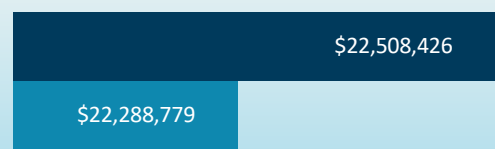
By Account Type



By Department



Non-Departmental



Budget Financial Overview - DRAFT:

Appropriations:

FY27 Projected: \$121,034,000

FY26 Budget: \$129,207,000

Personnel: \$43.99 million

- Overall 4.1% increase
- 3% Health Ins. Incr. / 5% Dental Incr.
- 2.7% Cola
- 10.5% incr. in FF personnel budget

Operating Supplies: \$5.34 million

- -4.6% decrease

Purchased Services: \$17.4 million

- .9 % increase

Internal Services: \$2.35 million

- -.4% decrease

Assessments / Insur./Rent: \$10.45 million

- 2.3% increase

Internal Overhead allocations: \$8 million

- .8% increase

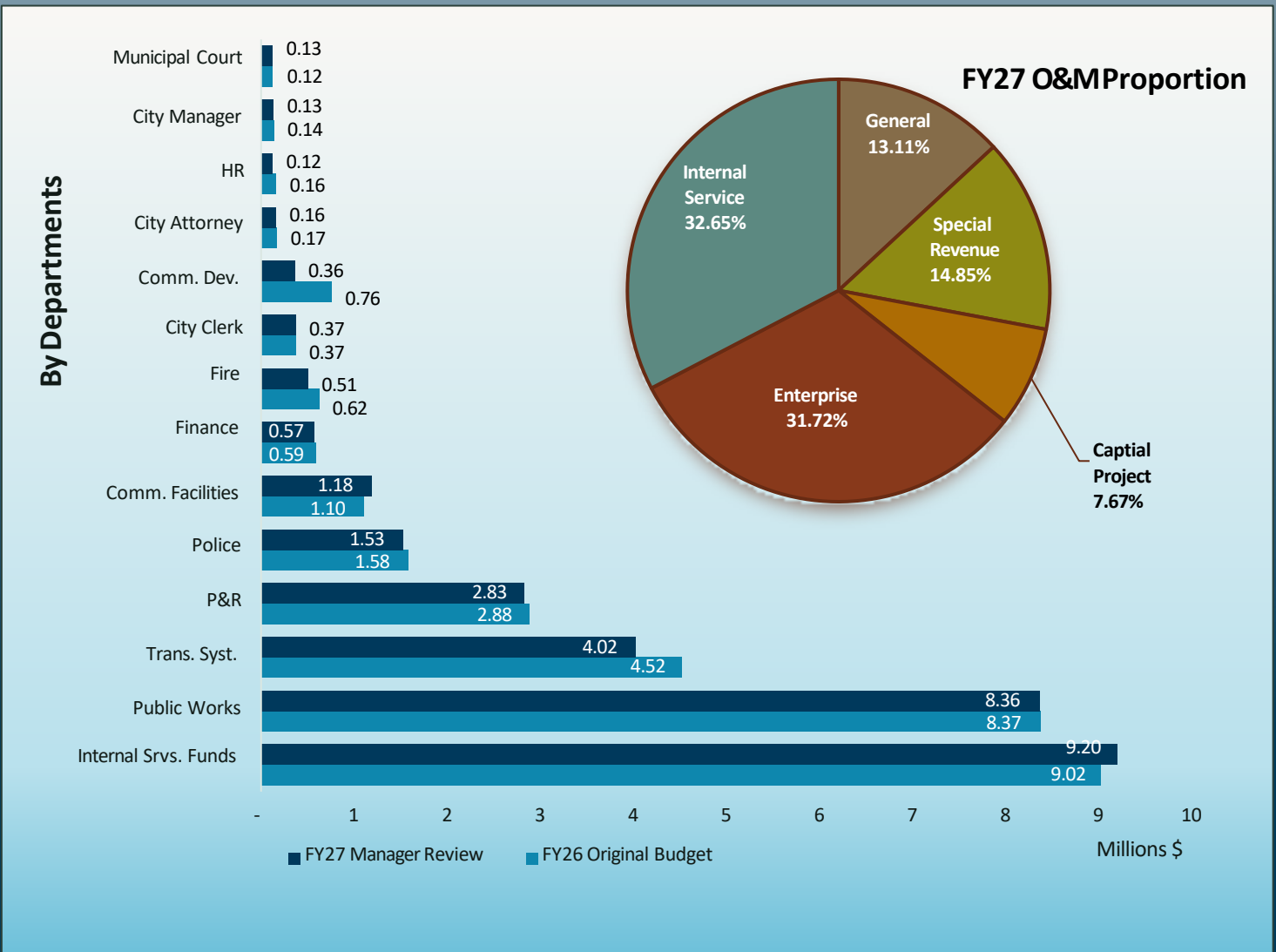
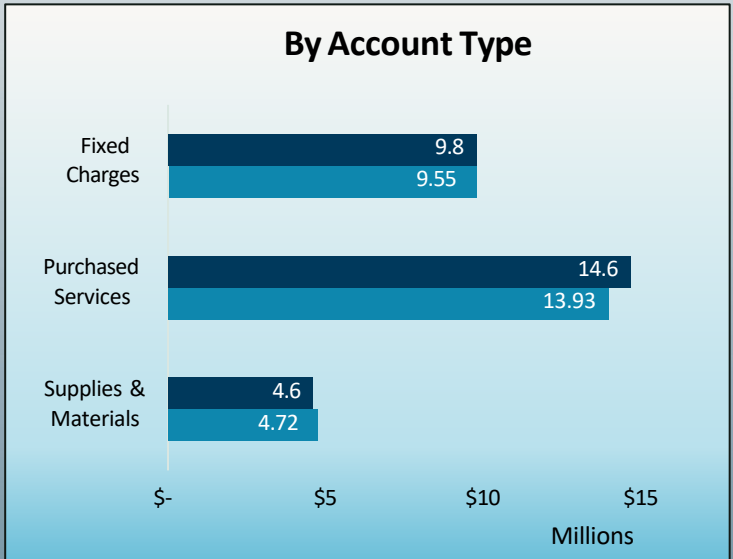
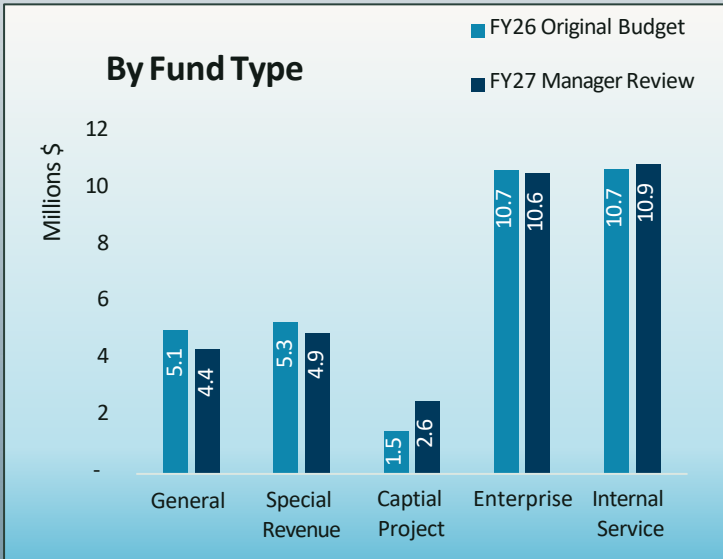
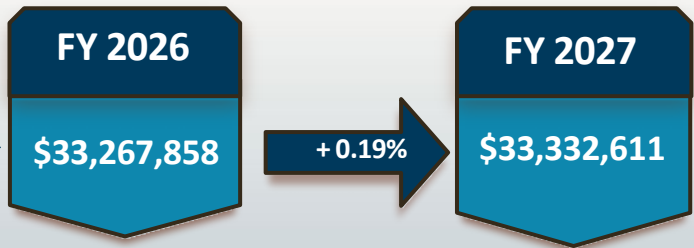
Capital: \$27.28 million

- .7% increase

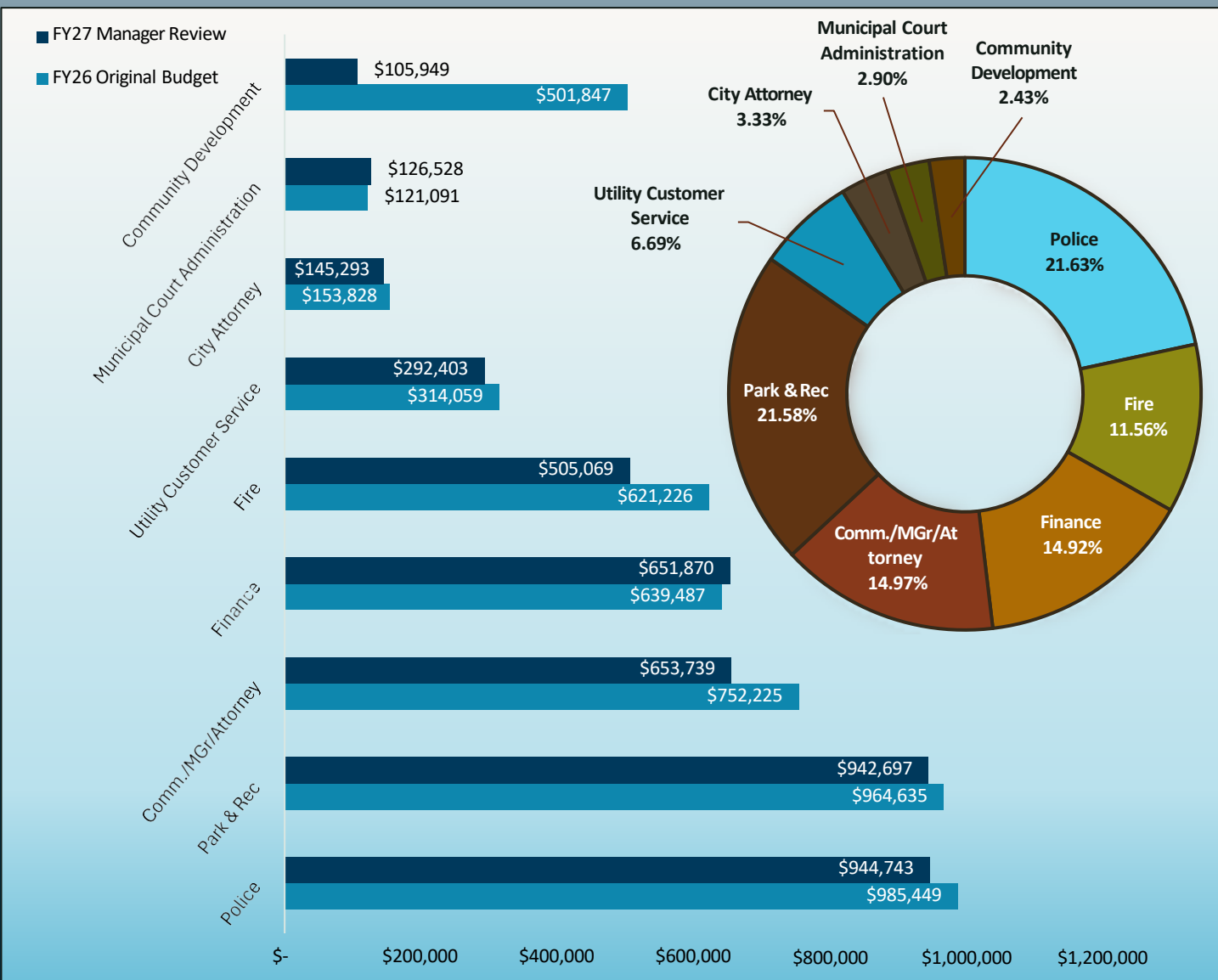
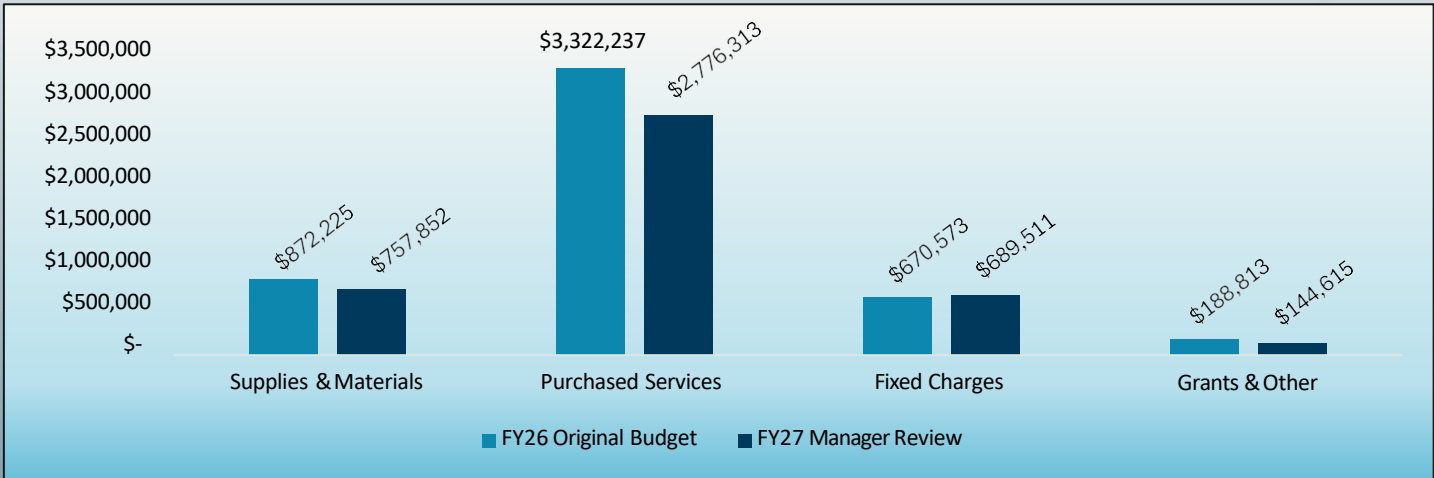
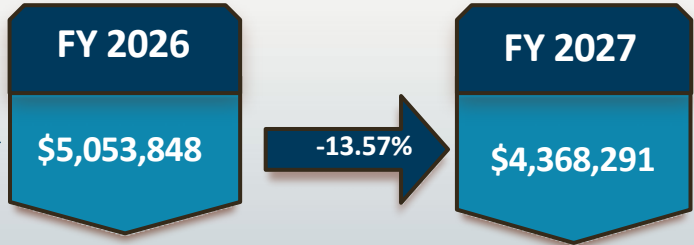
Debt Service: \$3.49 million

- 14.1% increase

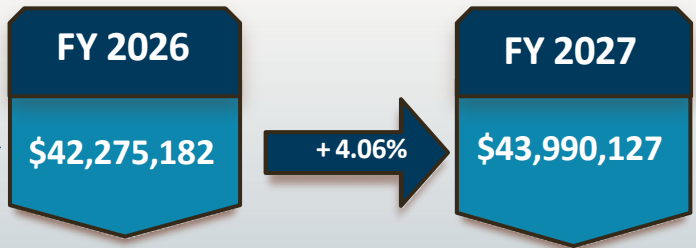
FY27 City-Wide Operation & Maintenance



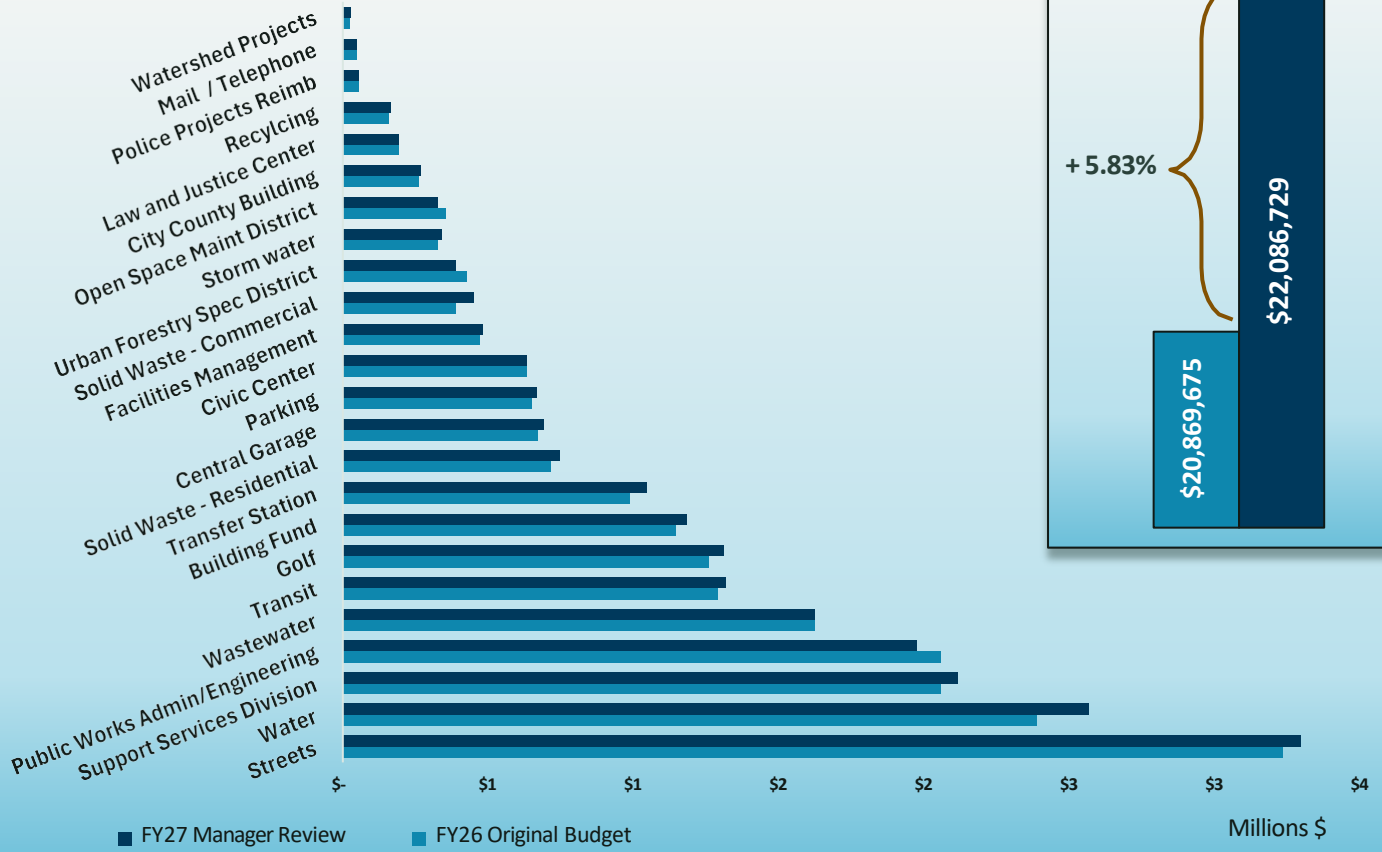
FY27 General Fund Operation & Maintenance



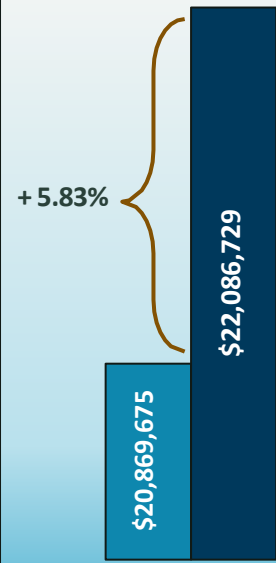
FY27 Personnel



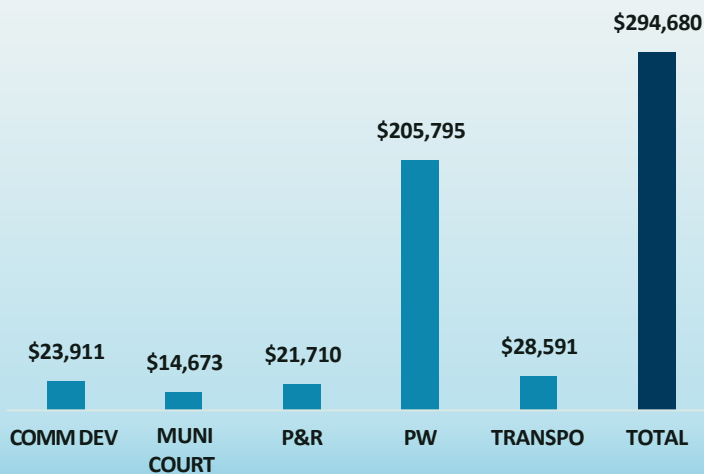
Non-General Funds



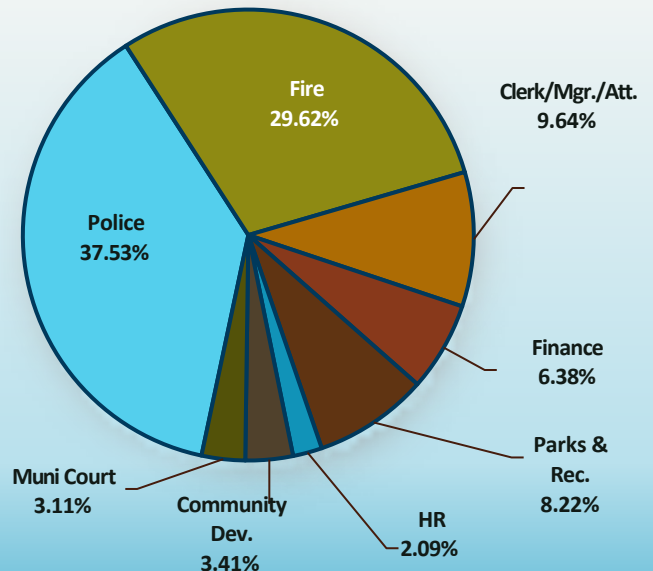
General Fund



FY27 New Personnel Ask Cost(s)



General Fund Breakout



Budget Capital Overview:



Total Capital Budget: \$27.28 million

Buildings/Improvements: \$1.6 million

Other Improvements: \$5.15 million

Machinery & Equipment: \$5.6 million

Transmission/Distribution: \$7.8 million

Watershed Basins: \$158,000

Street Construction: \$5.45 million

Vehicles: \$1.5 million

General Gov't Capital Recommendations:

- \$340,000 – Patrol Vehicles**
- \$165,000 – Pioneer Park Playground**
- \$160,000 – Bill Roberts Treatment Ponds**
- \$130,000 - Pool Slide Inspection/Repair**
- \$78,000 - Parks Maint. Dump Truck**
- \$52,000 - Barney Park Tennis Court**
- \$50,000 – Police Tasers**
- \$25,000 – Patrol Rifle refurbishment**
- \$25,000 – Police Getac Tablets**
- \$10,000 – Swimming Pool Heater Study**
- \$40,000 – Civic Center East Tower**
- \$15,000 – Civic Center Rigging Repairs**
- \$20,000 – Civic Center Ballroom Screens/
Projectors**
- \$1,110,000 Total**

Funding Sources:

General Fund Cash Reserves: \$500,000

Capital Fund Cash Reserves: \$610,000

General Gov't Capital – FY27 Deferred – pending funding

\$223,000 – Various Civic Center Projects

\$68,000 – Parks Maint. – Tool Cat

\$52,000 – Parks Maint. – ½ Ton Truck

\$70,000 – Parks/Urb. For. – 1 Ton Dump Trk

\$20,000 – Centennial Park Irrigation Control

\$24,000 – Batch Field Irrigation

\$16,000 – Ice Rink Lights

\$473,000 Total

Fire:

(Pending review of Fire Levy Reserves)

\$8,000 – Handheld radio replacement

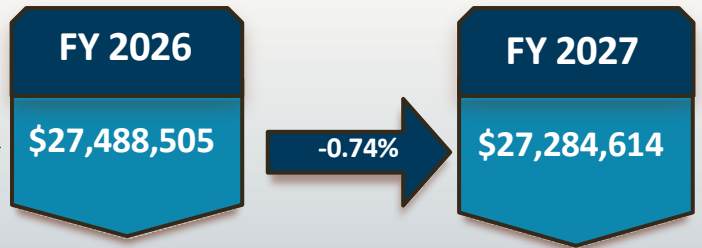
\$50,000 – T1 Extraction Equipment

\$30,000 – Station 2 Weight Room Equip.

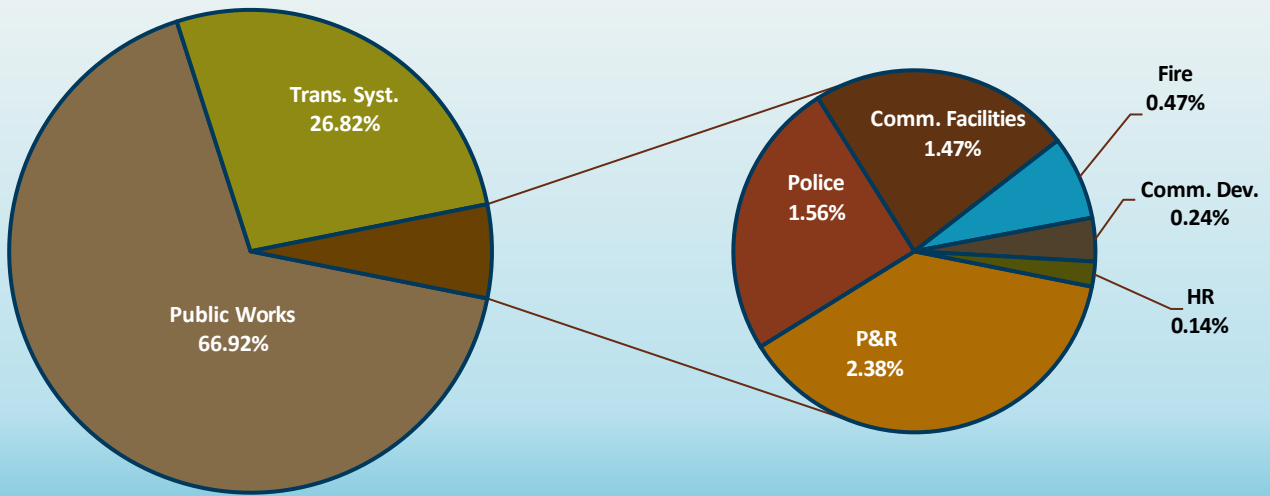
\$40,000 – Station 2 Gear Storage

\$128,000 Total

FY27 Capital



Capital Budget by Department



Public Works

FY26 Original: \$12,222,556
 FY27 Bdgt: \$18,260,080
 % Change: +49.4%

Transportation

FY26 Original: \$3,710,000
 FY27 Bdgt: \$7,317,250
 % Change: +97.23%

Comm. Facilities

FY26 Original: \$8,123,757
 FY27 Bdgt: \$400,500
 % Change: -95.07%

Fire Dept.

FY26 Original: \$96,500
 FY27 Bdgt: \$128,000
 % Change: +32.64%

Police Dept.

FY26 Original: \$1,773,532
 FY27 Bdgt: \$425,000
 % Change: -76.04%

Parks & Rec.

FY26 Original: \$1,562,160
 FY27 Bdgt: \$649,500
 % Change: -58.42%

Sustainability Projects (Update)	Status	Budget
City Shop & Bill Roberts Solar	Finished	\$240,000
Glass Crusher	Finished	\$80,000
Ford Lighting	Finished	\$60,000
EV Charging Stations	Finished	\$50,000
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Xeriscape Signage	On Going	\$7,500
HVAC/LJC & CCAB Modernization	On Going	\$25,000

Funding Sources

- Northwestern Energy \$ 107,000
- Cares Act Funding \$ 100,000
- City Funding \$ 255,500

Sustainability Projects by Dept

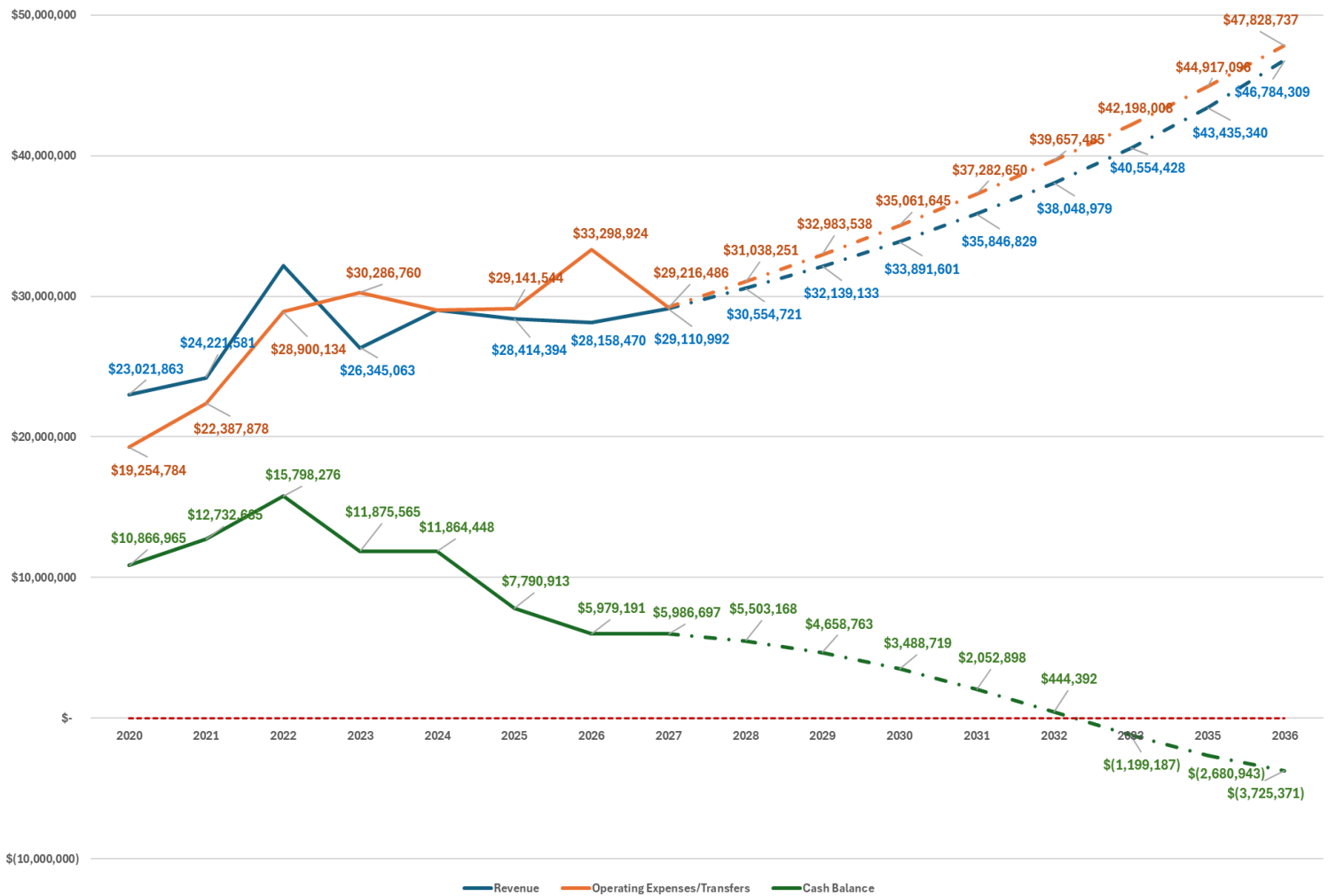
- Public Works - \$ 430,000
- Facilities - \$ 32,500

Proposed

- \$ 320,000 Bill Roberts Golf Course Pond Lining – (*\$160,000 funded by Landfill Monitoring, \$160,000 funded by General Capital Fund*)
- Last Chance Water Park Efficiency Project – (\$ 10,000)

GENERAL FUND: Long Term View

General Fund Forecast - FY20-FY2036



Assumptions:

Taxes	4.2%	Personnel Services	5.4%	
License & Permits	1.2%	Supplies & Materials	7.0%	
Intergovernmental Revenues	2.7%	Purchased Services	10.7%	
Charges For Services	2.2%	Intra-City Charges	8.7%	
Fines & Forfeitures	-0.9%	Fixed Charges	5.3% >>>>>	(Assessments, Rent, Bank Charges)
Investment Earnings	17.8%	Internal Charges	6.3% >>>>>	(Engineering, Insurance)
Other Financing Sources / (Uses)	-6.1%	Transfers Out	11.0% >>>>>	(Transit, Civic Center, Golf Debt, Public Art, Aff. Housing Trust)
Internal Service Revenues	7.2%			
Interfund Transfers In	30.2%			