

FISCAL
YEAR
2019

BOZEMAN^{MT}



Approved Budget

FOR FISCAL YEAR 2019

JULY 1, 2018 TO JUNE 30, 2019

CITY OF BOZEMAN, MONTANA

TABLE OF CONTENTS

EXECUTIVE SUMMARY		BUILDING INSPECTION	95
CITY MANAGER’S BUDGET MESSAGE	1	PARKING	97
BUDGET SUMMARY	9	PUBLIC WORKS	
BACKGROUND	11	PUBLIC WORKS ADMINISTRATION	101
CITY STRUCTURE	12	STREETS	105
CORE VALUES	12	STORMWATER	109
CITY VISION AND STRATEGIC GOALS	12	WATER	111
BUDGET PROCESS	13	WASTEWATER	115
FUNDING STRUCTURE	14	SOLID WASTE & RECYCLING	119
BUDGET POLICIES	16	VEHICLE MAINTENANCE	121
FINANCIAL AND RESERVE POLICIES	17	PUBLIC WELFARE	
AWARDS AND ACCOMPLISHMENTS	18	PARKS & RECREATION	125
FY2019 BUDGET SUMMARY	18	LIBRARY	131
FUND SUMMARIES	27	COMMUNITY SERVICES	135
GENERAL FUND	29	OTHER	
SPECIAL REVENUE FUNDS	32	NON-DEPARTMENTAL	127
DEBT SERVICE FUNDS	45	CAPITAL EXPENDITURES SUMMARY	
CONSTRUCTION FUNDS	46	FY 2019-CAPITAL IMPROVEMENT PLAN BUDGET	145
ENTERPRISE FUNDS	47	APPENDICES	
INTERNAL SERVICE FUNDS	52	STATISTICAL SECTION	155
PERMANENT FUNDS	53	FISCAL POLICIES	161
SUMMARY OF ALL FUND		LONG RANGE FINANCIAL PLANNING	169
REVENUES BY TYPE	54	GLOSSARY OF KEY TERMS	173
SUMMARY OF ALL FUND			
EXPENDITURES BY TYPE	56		
ACTIVITY/DEPARTMENT DETAIL	59		
GENERAL GOVERNMENT			
CITY COMMISSION	65		
CITY MANAGER	67		
CITY CLERK			
NEIGHBORHOODS			
CITY ATTORNEY	71		
FINANCE	75		
FACILITIES MANAGEMENT	77		
INFORMATION TECHNOLOGY	79		
HUMAN RESOURCES	81		
COMMUNITY DEVELOPMENT	83		
MUNICIPAL COURT	85		
PUBLIC SAFETY			
POLICE	89		
FIRE	93		



Executive Summary

June 25, 2018

Bozeman City Commission:

We are pleased to present to you the Approved Budget for Fiscal Year 2018-2019 (FY19). This budget represents the thoughtful work of dozens of people in developing the spending plan for our organization for the coming fiscal year. Bozeman is a vital, growing and changing city. This year, we have focused on equipping the organization to cope with our community's continued rapid growth and have incorporated the City's new Strategic Plan into budget priorities.

The FY19 budget estimates an annual increase in taxes and assessments for the typical resident of \$6.39, or \$0.53 per month. This amount does not include Water and Sewer rate changes. Water and Sewer rates are likely to change according to a cost-of-service rate study that the City is performing. The consultant will propose those rate changes to the Commission in August.

Continued Growth – Our community's most recent evidence of continued growth includes the US Census data showing an estimated population increase of 4.4% this year, on top of the 4.3% increase for last year. We see strong building permit activity and increased traffic counts and congestion on City streets. Much of our budget recommendation is made in response to the prolonged growth that Bozeman continues to experience. In order to maintain service levels and perform the work necessary to accomplish our Strategic Plan action items, we must expand our staff in key areas.

2018 Strategic Plan Adoption – On April 16, 2018 the City adopted its first Strategic Plan. This accomplishment significantly informs the items approved in the FY19 budget. The full plan can be found at <https://www.bozeman.net/city-projects/bozeman-strategic-plan>.

Vision Statements

Engaged Community: The City's first Communications Coordinator position, initially funded in FY18, plays a key role in our community engagement efforts in FY19. This position will significantly advance our work to foster a culture of civic engagement by creating a detailed communication plan for the organization, expand outreach to the community, and oversee a citizen engagement process. ***Communication and outreach*** is one of the seven priorities for this fiscal year.

Innovative Economy: Several Strategic Plan action items, that can also be found in the 2016 Economic Development Strategy, will be implementing through the ongoing work of the Economic Development Department this year.

Safe, Welcoming Community: *The Bozeman Public Safety Facility* is a safety-related priority for the FY19; we will work towards supporting high quality public safety facilities and emergency preparedness by resolving the current Police, Fire, Prosecution and Courts spaced needs now and into the future.

Well-Planned City: To consistently improve our community's quality of life as it grows, the priorities of *Planning and Land Use Initiatives* and *Annexation Analysis and Study* are included in this year's efforts. For FY19, we will be conducting studies in these areas to ensure we grow in a responsible manner. We will also be enhancing our affordable housing program to further the FY19 *Affordable Housing* priority, by using one-time monies from the General Fund. We are recommending in the FY19 budget to transfer of \$166,188 to the Workforce Housing fund for affordable housing projects. Included in this budget is the last phase of the consultant work for creation of a *Parks Maintenance District*. This work will give the Commission information on the possible paths toward defining a different funding source for park maintenance city-wide.

Creative, Learning Culture: We plan to partner with MSU, utilizing their student and faculty population to accomplish some strategic plan action items through college-level class assignments. This will be a new *partnership for education and learning* between the City and the University that has not existed in the past.

Sustainable Environment: Most notable in our sustainability efforts is the Climate Action & Resiliency Plan that we plan to begin in FY19.

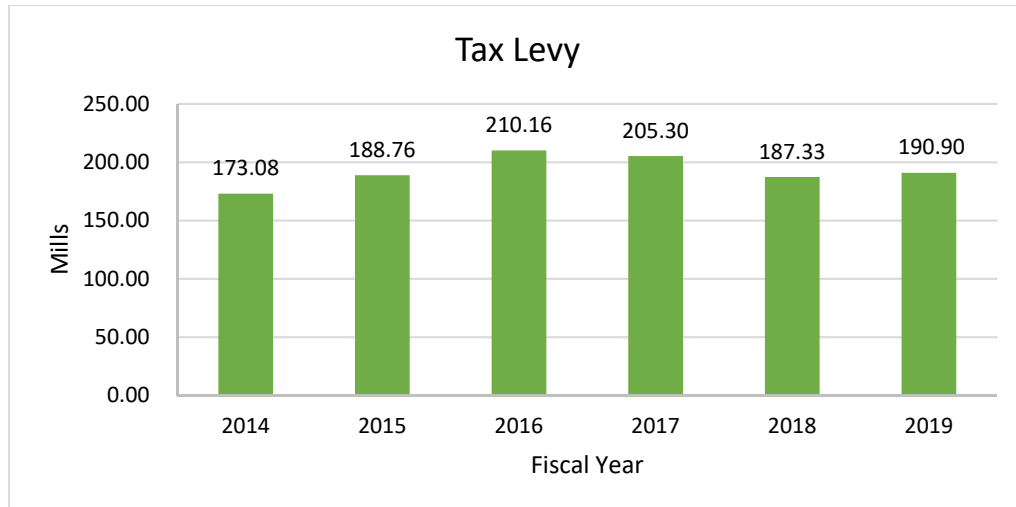
High Performance Organization: Maintaining the City's current levels of service and implementing action items in the Strategic Plan requires the additional staff that has been included in this budget. Key among them include civilian positions to support the Police Department according to the recommendations from the Police Staffing Plan, a plan review engineer to assist with workload created by development permitting, and a SCADA (Supervisory control and data acquisition) Systems Manager for the Wastewater Division of Public Works.

2019 Approved Budget

Revenues

Property Taxes

With the growth of the City, expected service levels, and the strategic plan initiatives, it is necessary to increase the property tax mill levy. This is necessary to address the needs of the expanding City while funding ongoing operations with sustainable revenues. In total, our Approved Budget levies 190.90 mills on all taxable property within City limits.



This is be a 3.57 mill increase over the previous year. To calculate property tax revenues, a 4% growth rate is assumed from new construction, leaving the estimated value of a mill at \$105,244. The total annual property tax for the median home is estimated to be \$724.66, a \$13.55 increase from the prior year.

Special Assessments

City property owners pay annual street maintenance, arterial street, and tree maintenance assessments based on the square footage of the lot they own. This funding supports the Street Maintenance Department, arterial capital projects and to support Forestry Department. In order to keep streets in repair the streets assessments needs a 5% increase. The Tree assessment also needs a 5% increase. Last session, the Montana Legislature passed House Bill 473, which authorized a 4.5 cent increase in the gas tax which went into effect on July 1, 2017. As a result, the arterial and collector assessment can be reduced by 28%. In total, the FY19 budget includes an \$18.19 reduction in special assessments for the average sized lot. The following is a breakdown of the assessments and their impact on residential lots:

	FY17 Approved Increases Streets 15%, Trees 15%	FY18 Approved Increases Streets 17%, Trees 15%	FY19 Recommended Changes Streets 5%, Trees 5% Arterial Street (-28%)
Lot Size			
Small - 5,000 sqft			
Street Maintenance	112.81	131.99	138.59
Tree Maintenance	13.03	14.98	15.73
Arterial & Collector Streets	28.27	46.64	34.52
	154.11	193.61	188.84
Average= 7,500 sqft			
Street Maintenance	169.24	198.02	207.92
Tree Maintenance	19.55	22.48	23.61
Arterial & Collector Streets	42.4	69.97	51.78
	231.19	290.47	283.31
Large= 10,000 sqft			
Street Maintenance	225.66	264.02	272.22
Tree Maintenance	28.34	28.34	31.48
Arterial & Collector Streets	55.54	93.29	69.03
	309.54	385.65	372.73

Charges for Services

Recently, the Commission adopted new fee structures and increases to our charges for services. The parks usage and recreation programs, and cemetery services had fee structure changes, which will increase revenue. The new residential short-term rental license, a simplified business license fee, and planning fee adjustments were fee changes approved this year for our community development programs.

Utility Rates

The City is currently undergoing a rate study for our water and sewer systems. For the FY19 budget, rate changes have not yet been included. Presentation of the studies should occur during the later part August and finalized rate changes will be presented in resolutions to be adopted in late August or early September. Due to the adequacy of current revenues, we are not recommending a Stormwater rate increase this year.

Expenditures

Staffing

In order to take a strategic approach to staffing, we are developing a three-year plan to address staffing levels across all departments in the organization. This is the first year of the plan, and we have focused on critical need areas to help us maintain service levels while addressing specific projects in the recently adopted Strategic Plan. The Budget adds 12.85 FTE in the changing year.

	Recommended		
	Current FY18	Changes FY19	FY19 Total
General Government	71.30	3.25	75.80
Public Safety	144.20	3.10	147.05
Public Services	120.25	4.50	123.75
Public Welfare	80.48	2.00	80.73
Total	416.23	12.85	427.33
Net FTE % Increase From Pervious Year			3.09%

The approved positions are the addition of 3 FTE and 4.25 FTE in the General Government and Public Services (Public Works) areas respectively. We are also adding 2.6 FTE in Public Safety and 2.0 in Public Welfare areas. The specific position titles are described in the following table.

Department	FTE	Position
Community Development	1.00	Administrative Assistant II
	1.00	Code Compliance Manager
Information Technology	1.00	System Administrator I
Human Resources	1.00	Human Resource Generalist
Police	1.00	Police Information Generalist
	0.60	Animal Control Officer (full Time) (.40 + .60 = 1 FTE)
Fire	1.00	Building/Life Safety Specialist
Public Works Administration/Engineering	1.00	Lead Billing Clerk
	1.00	Engineer I
Streets	0.75	Service Worker Streets (1 FTE -.25 short term= .75)
Water	0.50	Controls Integrator Technician (1 FTE - .5 Service worker= .50)
Wastewater	1.00	Scada Manager
Parks	2.00	Parks Worker

Operating Budgets

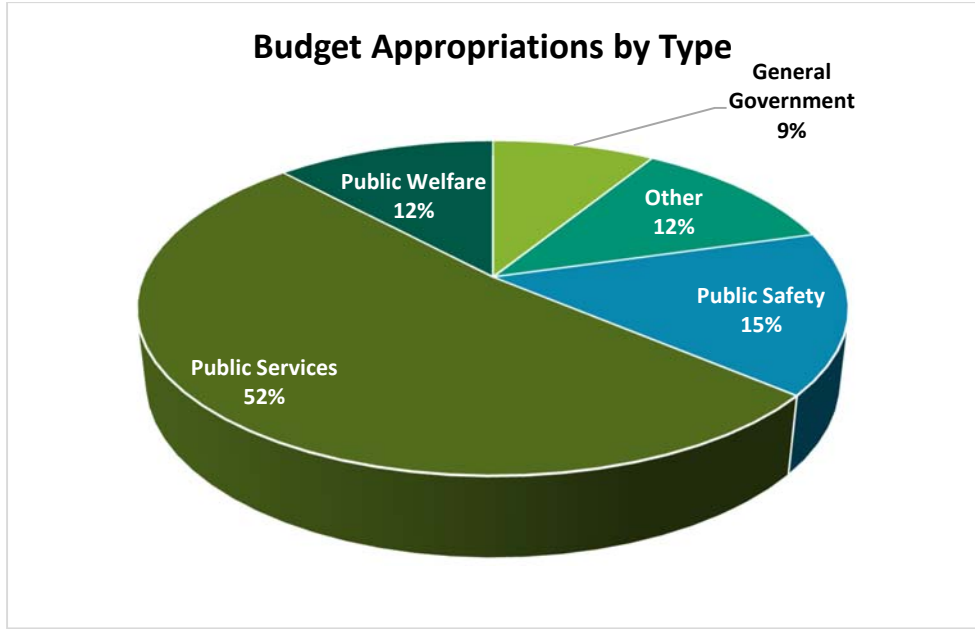
Many factors have caused changes in operational budgets. These changes vary by fund. Growth, inflation, capital projects, and Strategic Plan priorities have influenced increases in operating costs. For FY 19 operational costs total \$38.5 million, which is a 12% increase from FY18. This increase is in many areas and throughout most departments. There are contracted services for studies relating to the strategic plan and increases in contract renewals with vendors.

Capital

FY19 has over \$34.3 million in capital expenditures, which is a 29% increase over FY18. There are large sewer capacity projects that aid in the School District's effort in building a new High school. These infrastructure projects (Davis Lift Station and the Front Street Interceptor) will require financing in order to be completed. We plan to borrow for their completion for a total of just under \$8 million. Street Impact Fee and Arterial Collector shared projects will fund construction of the streets surrounding the new high school. In addition to these major projects, there is planned road maintenance, vehicle replacements and building improvements.

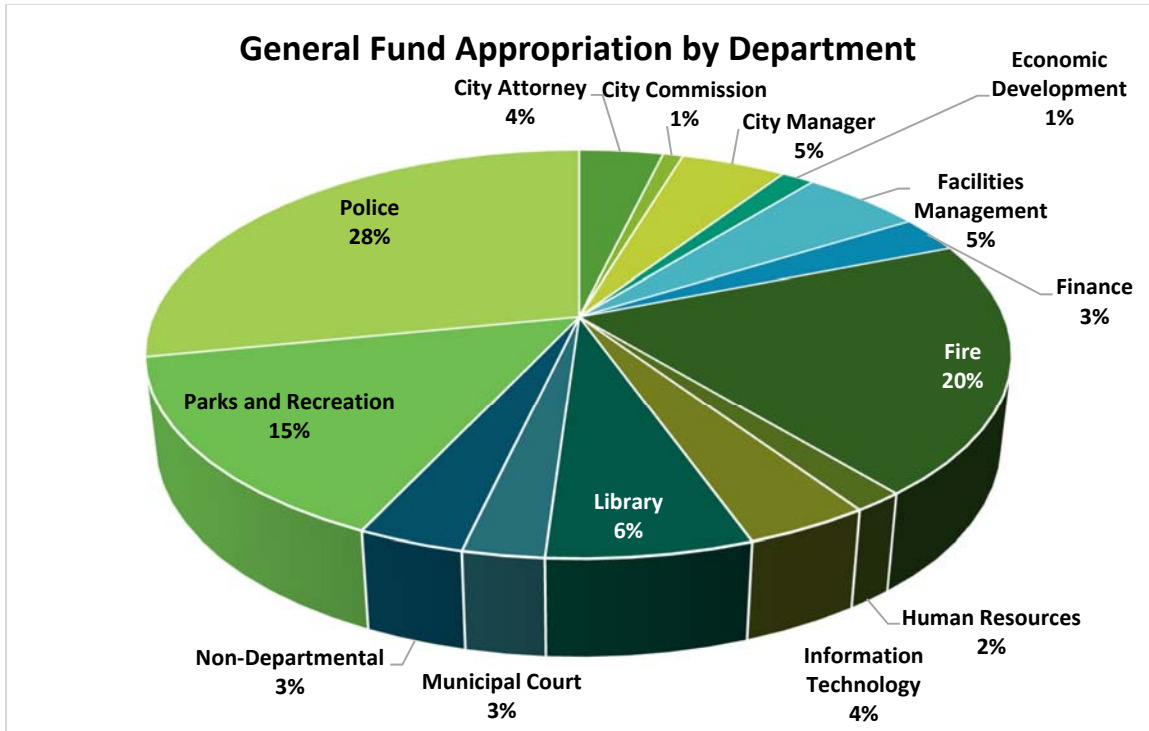
Total Budget

The chart below illustrates the total appropriations approved in the FY19 budget by activity. The majority of expenditures this year are attributed to Public Service (Public Works) efforts.



The General Fund

The General Fund is used to account for all financial resources of the City that are not required to be segregated into a separate fund. The General Fund is the most complex fund; it receives the most numerous sources of revenue and supports the highest number of departments. The table below shows the General Fund breakdown of the budget by department:



Reserves

The FY19 budget has a reduction in total fund balances mainly due infrastructure needs and to the use of one-time monies from the prior year. The General Fund reserve will maintain at its required minimum of 16.67% of annual revenues. In Special Revenue and Enterprise funds, efforts have been made to maintain a reasonable fund balance based on the operating conditions and circumstances of the fund. This year, it is important to increase fund balances in Street Maintenance (which have occasionally been budgeted to a negative balance), and in Tree Maintenance for an equipment reserve. We have planned to increased Solid Waste’s fund balance to be able to adjust to any pressures from the market, as it completes with private sector garbage and recycling services.

Citizen Impact

A typical residential property owner will see taxes and assessment increases, not including Water and Sewer rate changes, of \$6.39 for the year, or \$0.53 per month. The typical resident is calculated using an average sized lot (7,500sqft) lot and the median home of \$292,000:

	FY18 Approved	FY19 Recommended	FY 19 Recommended increase	% Change
Street Assessment	198.02	207.92	9.90	5.0%
Arterial Street Assessment	69.97	51.78	(18.19)	-26.0%
Tree (Forestry) Assessment	22.48	23.61	1.13	5.0%
Property Taxes	711.10	724.66	13.55	1.9%
Storm Water Services	70.92	70.92	-	0.0%
Water Service	516.24	TBD	TBD	
Sewer Services	606.72	TBD	TBD	
Total Annual Increase Pending Water/ Sewer rates			\$ 6.39	
Monthly Increase			\$ 0.53	

Conclusion

In closing, we are thankful to the Commission, community members and staff who participated in the many processes that resulted in this budget. Staff spent many hours discussing the Strategic Plan, which helped guide our priorities for FY19, and we believe that the FY19 Approved Budget will allow us to continue to operate and advance the City of Bozeman.

Working together, we have consistently found innovative ways to deliver services and invest in our community in fiscally responsible ways. We are a resilient, enterprising and creative community. The FY19 Approved Budget is

an achievable plan to provide efficient and effective services and to achieve the Commission's vision and priorities set out in the Strategic Plan for the City of Bozeman.

Respectfully,

Andrea Surratt, City Manager

Anna Rosenberry, Assistant City Manager

Kristin Donald, Finance Director



Budget Summary

Budget Summary

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

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

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

Background

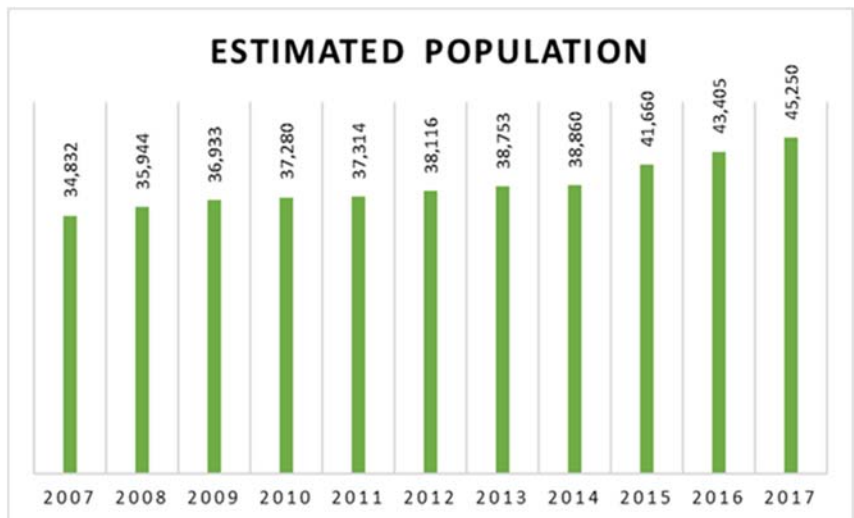
The City of Bozeman is located on the eastern slope of the Rocky Mountains and is the county seat of Gallatin County, Montana. Gallatin County encompasses over 2,500 square miles, bordering Yellowstone National Park to its south. The City encompasses an area over 18 square miles with its next-closest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



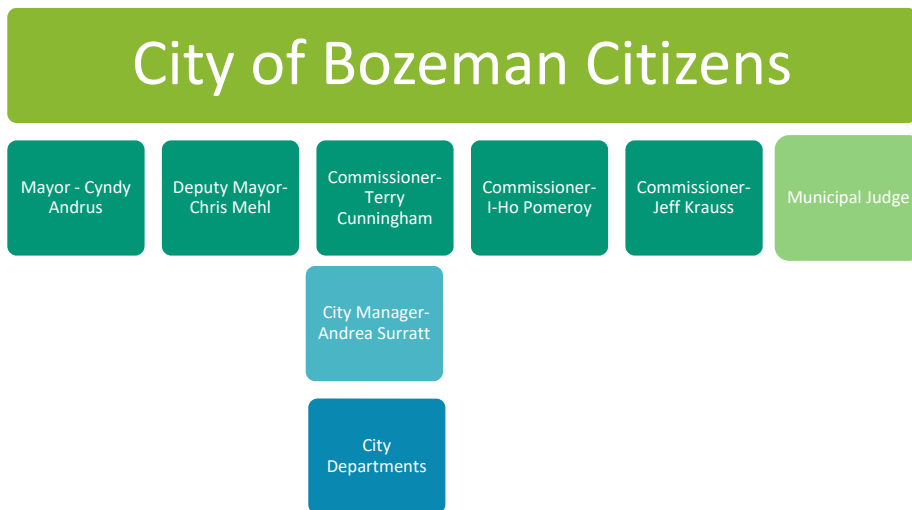
Bozeman is home to Montana State University – Bozeman and the Fighting Bobcats. The local newspaper is the Bozeman Daily Chronicle, and the City is served by Bozeman Yellowstone International Airport at Gallatin Field.

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

The City has seen large amounts of growth in the last five years going from a population of under 40,000 to over 45,000. The average age is 27.7 and 56.5% of the population has Bachelor’s Degree or Higher. Currently, the unemployment rate is 2.8% and per capita income is \$26,506. The top three major employers are Bozeman Deaconess Hospital, Oracle America and Bozeman School District #7.



City Structure



The Bozeman City Commission is composed of four members and a mayor 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 his or her term, and mayor for the balance of his or her term of office. The

City Manager is selected by, and reports to the City Commission. The City Manager's office is responsible for overseeing City staff and completing tasks as directed by the City Commission.

Core Values

City Commission Resolution No. 3832 adopted the City's core values in 2005. They were developed through extensive discussions the City Manager had with staff groups from all departments including department directors. These core values are what create the culture of our organization.

Integrity

- Be honest, hardworking, reliable and accountable to the public.

Leadership

- Take initiative, lead by example, and be open to innovative ideas.

Service

- Work unselfishly for our community and its citizens.

Teamwork

- Respect others, welcome citizen involvement, and work together to achieve the best result.

City Vision and Strategic Goals

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

Vision

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

Strategic Vision Statements:

- 1) An Engaged Community.** We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.
- 2) An Innovative Economy.** We grow a diversified and innovative economy leveraging our natural amenities, skilled and creative people, and educational resources to generate economic opportunities.

- 3) A Safe, Welcoming Community.** We embrace a safe, healthy, welcoming and inclusive community.
- 4) A Well-Planned City.** We maintain our community's quality of life as it grows and changes, honoring our sense of place and the 'Bozeman feel' as we plan for a livable, affordable, more connected city.
- 5) A Creative, Learning Culture.** We expand learning, education, arts, expression and creativity for all ages.
- 6) A Sustainable Environment.** We cultivate a strong environmental ethic, protecting our clean air, water, open spaces and climate, and promote environmentally sustainable businesses and lifestyles.
- 7) A High Performance Organization.** We operate as an ethical, high performance organization anticipating future needs, utilizing best practices, and striving for continuous improvement.

FY2019 Goals

The action items adopted in the plan in spring 2018 were prioritized. The goals set for 2019 are listed below:

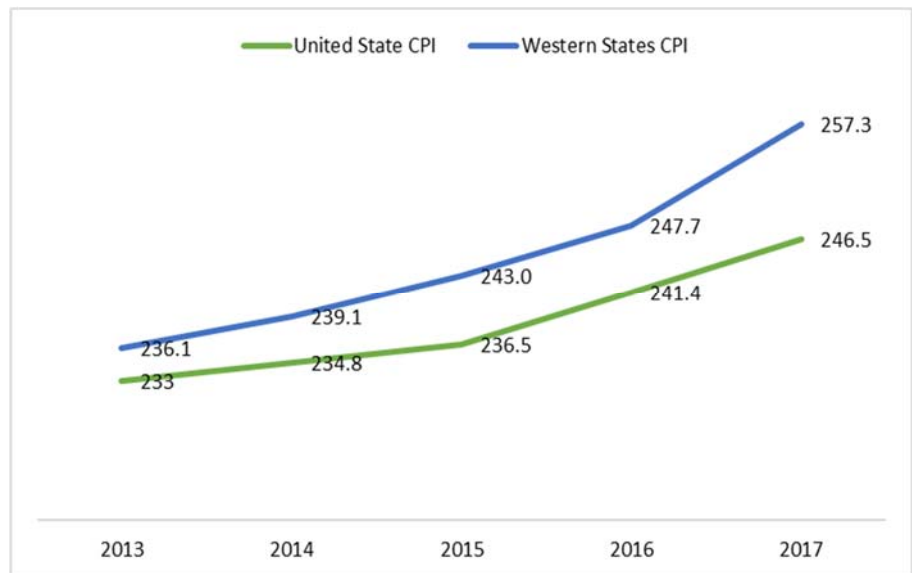
1. Community Outreach
2. Affordable Housing
3. Planning and Land Use Initiatives
4. Annexation Analysis and Study
5. Parks Maintenance District
6. Partnerships for Education and Learning
7. Law & Justice Center Project

FY2019 CPI

The population of City has been growing over the last ten years. There were 738 total new housing units built in 2017. Since 2007, the City has annexed 1,064.9 acres. This growth has increased the need for City services and infrastructure.

The Consumer Price index has grown over the last 10 years for the united State and particularly for the Western States. For FY18 the three average change was 1.2% while FY19 is showing 1.64% three average change in CPI-U.

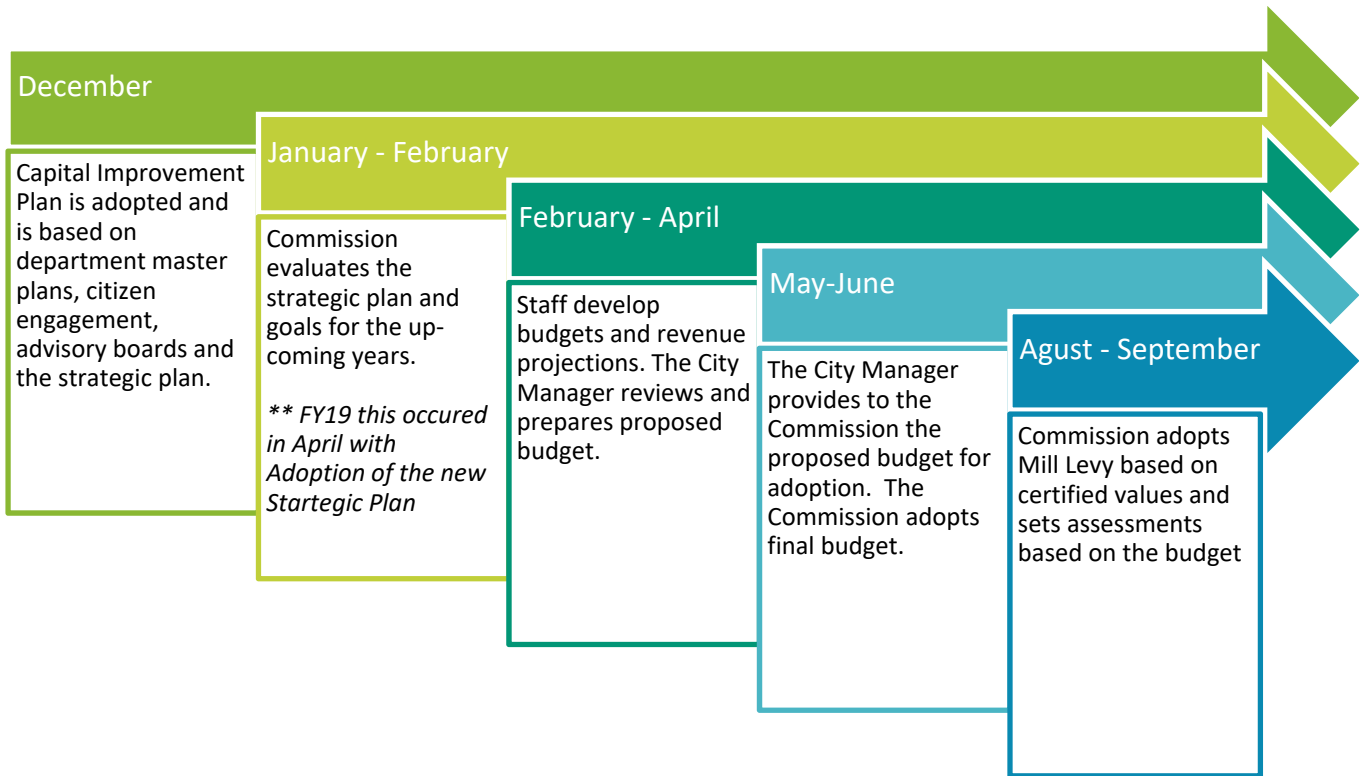
See Appendix A for more statistical details about the City's demographics and tax base.



Budget Process

The City plans for the long-term needs of our community through a number of efforts and studies. These documents are usually developed by consultants and staff, with numerous public hearings and advisory board meetings prior to their formal adoption by the Commission. Once adopted, we work diligently to implement the recommendations and changes outlined in the plans. The starting point is the Strategic plan and then the other

master plans that have been developed for each area of concern or study. Along with these documents, the capital improvement plan is used to budget for capital projects. The following chart outlines our process and timing for the budget:



Funding Structure

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

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

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

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

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

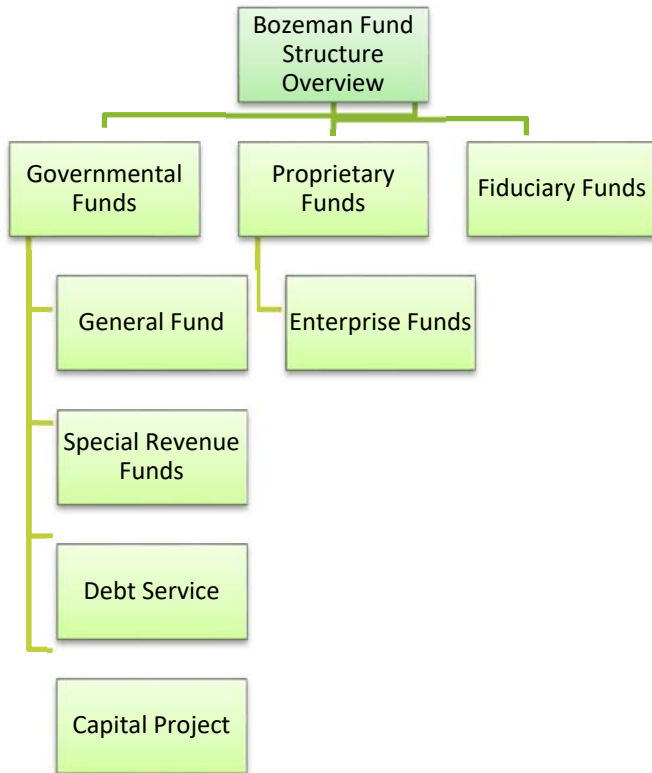
For example, to account for the expenses of constructing a new Wastewater Treatment Plant the City uses the following financial structure:

Activity:	Public Service
Department:	Wastewater Plant
Division:	Operations
Budget Unit:	Construction

Funds:

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

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



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

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

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

Capital Project Funds: Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Fund Types

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

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

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

Fiduciary Fund Types

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

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

Budget Policies

State statute provides the “Local Government Budget Act” in MCA 7-6-4001. This section of the law was adopted by the 2001 Legislature to replace the “Municipal Budget Law” and other various sections of code that related to city finances. See detailed Budget and Fiscal Policies in Appendix B. The law limits the amount of expenditures to 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 Budget must be “balanced”, and the City can use fund balance as a resource to balance the budget. Fund balance should not be used as a long-term approach to balancing the budget. Planned uses of fund balances should be limited.

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

Basis of Budgeting

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

when the levy is certified and as a revenue when due for collection in the subsequent year. An allowance for estimated uncollectible taxes is included in the estimated tax needed to balance the budget.

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

Financial and Reserve Policies

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

Long-range Planning

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

Capital Planning, and Asset Inventory and Condition Assessment

The City annually prepares its Capital Improvement Program to plan capital projects and equipment need for a five-year period. The plan is created on the fund basis and reviews all capital needs greater than \$10,000. The plan can be found on the city website at: <https://www.bozeman.net/Home/ShowDocument?id=5473>

Revenue Policies

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

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

Expenditure Policies

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

Debt Capacity, issuance and management

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

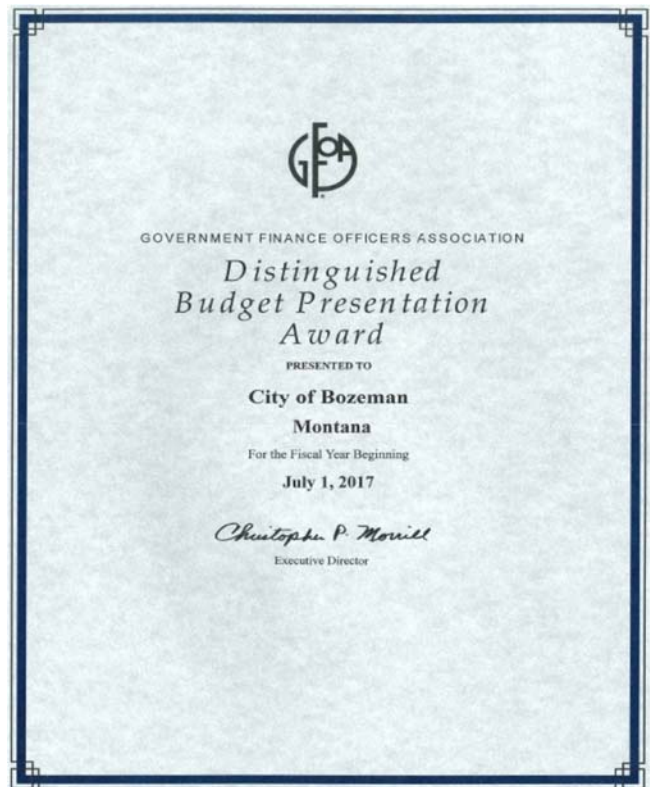
1. Purpose, feasibility and public benefit of the project
2. Impact on debt ratios generally applied by rating agencies
3. Availability of appropriate revenue stream(s)
4. Aggregate debt burden upon the City's tax base, including other entities' tax supported debt
5. Analysis of financing and funding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

Awards and Accomplishments

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the City of Bozeman for its annual budget for the fiscal year beginning July 1, 2017. The City has received this award for each budget it has prepared in the past 27 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 our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

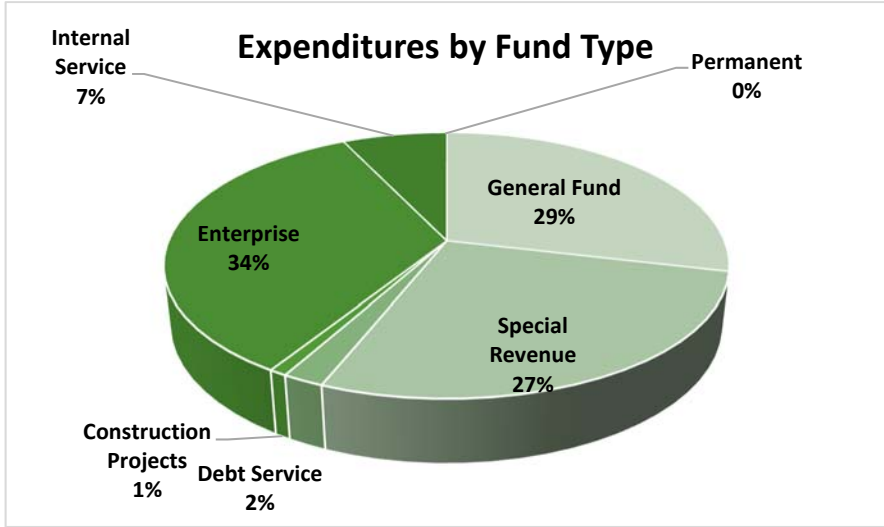
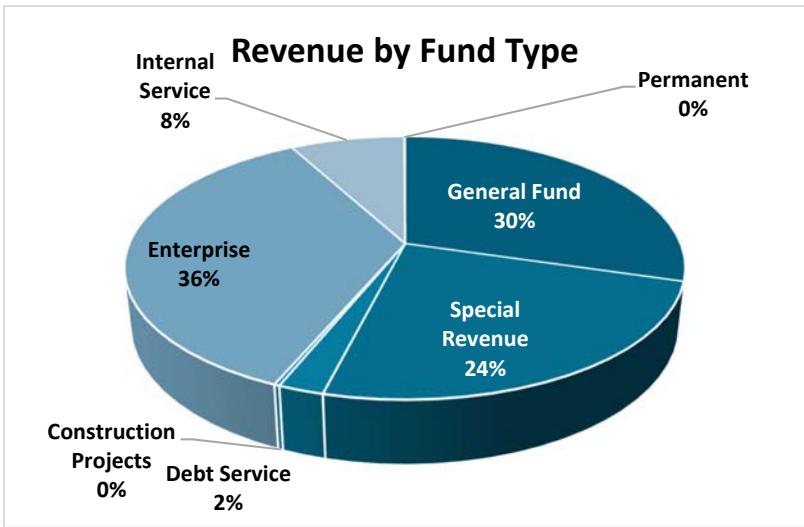


FY 2019 Budget Summary

The City of Bozeman's Fiscal year 2019 budget shows a \$12.6 million increase in revenue of (13.2%) and increase in expenditures of about \$12.5 million (11.8%). The major factors impacting revenue are the increase in charges for services, the estimated 4% growth in taxable value, and the additional levy of property tax mills. Fiscal Year 19 budget has over \$34.5 million in capital expenditures, which is a 29% increase over FY18 (\$26 million). The major expenditure increase affecting FY19 budget are large sewer capacity projects that aid in the School District's efforts in building a new High School. These infrastructure projects are the Davis Lift Station and the Front Street Interceptor. These two capacity efforts include Street Impact Fee and Arterial Collector shared projects to fund the building of the roads surrounding the new High School. Beyond major projects, there is planned road maintenance, vehicle replacements and building improvements.

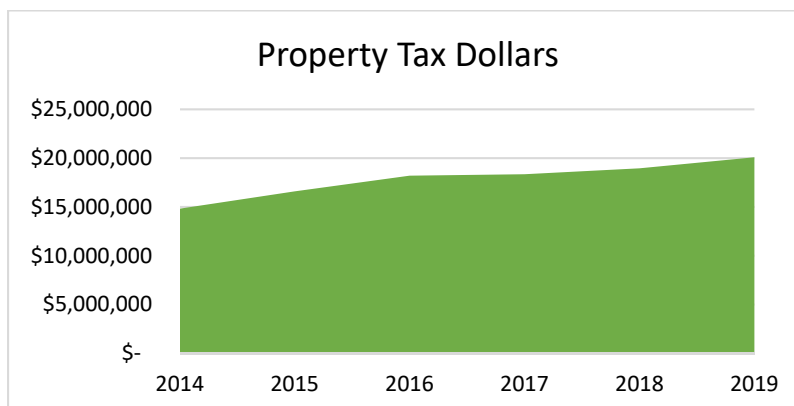
F2019 Financial Summary

Final Budget								
Fiscal Year 2018-2019								
	General Fund	Special Revenue	Debt Service	Construction Projects	Enterprise	Internal Service	Permanent	All Funds
Projected Beginning								
Fund Balance/Working Capital	\$ 7,486,631	\$ 19,451,235	\$ 2,311,989	\$ 9,072,613	\$ 18,235,666	\$ 1,062,137	\$ 1,307,838	\$ 58,928,109
Estimated Revenues	31,915,530	26,304,885	2,406,023	284,011	38,482,213	8,467,995	88,500	107,949,157
Less Appropriations	34,077,187	32,552,665	2,398,522	1,019,011	40,308,009	8,468,831	-	118,824,225
Increase/(Decrease) in								
Fund Balance/Working Capital	(2,161,657)	(6,247,780)	7,501	(735,000)	(1,825,796)	(836)	88,500	(10,875,068)
Projected Ending								
Fund Balance/Working Capital	\$ 5,324,974	\$ 13,203,455	\$ 2,319,490	\$ 8,337,613	\$ 16,409,870	\$ 1,061,301	\$ 1,396,338	\$ 48,053,041



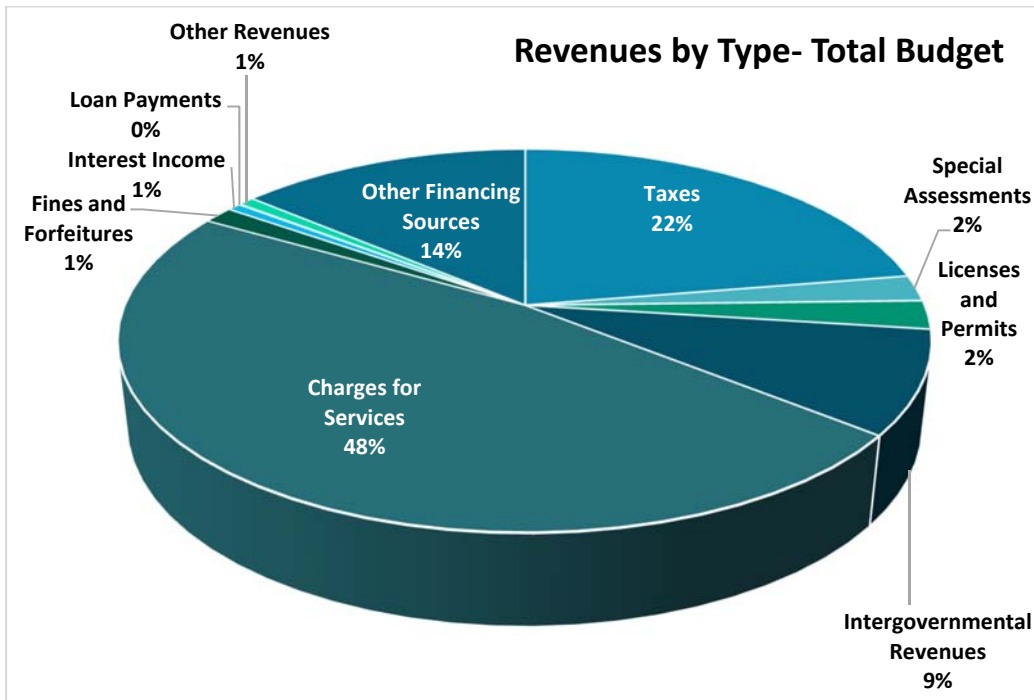
FY2019 Estimated Mill Levies and Values

MILL LEVIES & MILL VALUES						
FISCAL YEAR	FY14	FY15	FY16	FY17	FY 18	FY19 EST
MILL VALUE (net of TIFD's)	\$ 85,637	\$ 87,894	\$ 86,564	\$ 89,325	\$ 101,195	\$ 105,244
PERCENTAGE CHANGE	2.9%	2.6%	-1.5%	3.2%	13.3%	4.0%
GENERAL FUND:						
All-Purpose	134.76	144.77	155.78	148.21	134.39	139.69
SPECIAL REVENUE:						
City Planning	2.00	2.00	2.00	2.00	2.00	2.00
Health/Med Insurance	22.57	23.18	27.11	26.40	24.48	25.22
Fire Capital & Equipment	4.00	4.00	4.00	4.00	4.00	4.00
Transfer to Stormwater - Landfill Project	0.00	1.57	1.62	1.56	1.38	0.71
Transfer to Landfill Closure - Monitring	0.00	0.00	0.00	4.00	3.67	2.38
Senior Transportation	1.00	1.00	1.00	1.00	1.00	1.00
Workforce Housing	0.50	1.00	3.00	3.00	3.00	3.00
TOTAL SPECIAL REVENUE	30.07	32.75	38.72	41.96	39.53	38.31
DEBT SERVICE:						
Park & Trail G.O.Bonds	0.00	8.13	12.49	12.06	10.68	10.29
Library G.O. Bonds	3.06	3.11	3.16	3.07	2.73	2.61
Transportation G.O. Bonds	5.19	0.00	0.00	0.00	0.00	-
TOTAL DEBT SERVICE	8.25	11.24	15.65	15.13	13.41	12.90
TOTAL ALL LEVIES	173.08	188.76	210.16	205.30	187.33	190.90
Percentage Change in Mills	3.8%	9.4%	12.4%	-2.6%	-8.6%	1.7%
Property Taxes Levied	\$14,821,724	\$16,590,871	\$18,191,892	\$18,338,501	\$18,956,859	\$20,091,568
Percentage Change in Dollars	6.8%	11.9%	9.7%	0.8%	3.4%	6.0%
* These funds are being combined into the All Purpose Levy. They are all subject to MCA 15-10-420.						
Tax Authority Authorized but Not Levied						
General Fund Reduction	\$ 1,263,330	\$ 1,271,667	\$ 363,096	\$ 703,800	\$ 705,500	\$ 879,840
Police & Fire Reductions	\$ 578,525	\$ -	\$ -	\$ -	\$ -	\$ -
911 Mills (Resolution No. 3954)	\$ 749,034	\$ 770,733	\$ 779,076	\$ 803,925	\$ 910,755	\$ 887,207
Total Authorized But Not Levied	\$ 2,590,889	\$ 2,042,400	\$ 1,142,172	\$ 1,507,725	\$ 1,616,255	\$ 1,767,047
Number of Mills	31.13	23.85	13.19	16.88	15.97	16.79

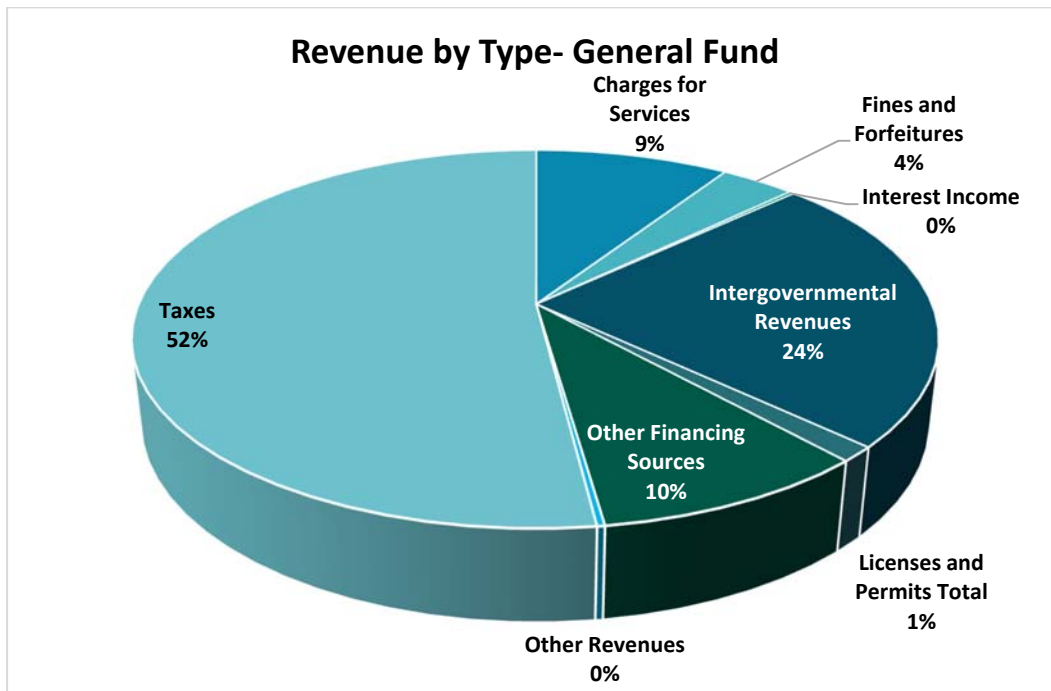


FY2019 Revenues

Overall, revenues are estimated at \$108 million, a \$13 million increase in revenue or 14%, over the prior year. Charges for services make up 48% of revenues, followed by taxes at 22%.

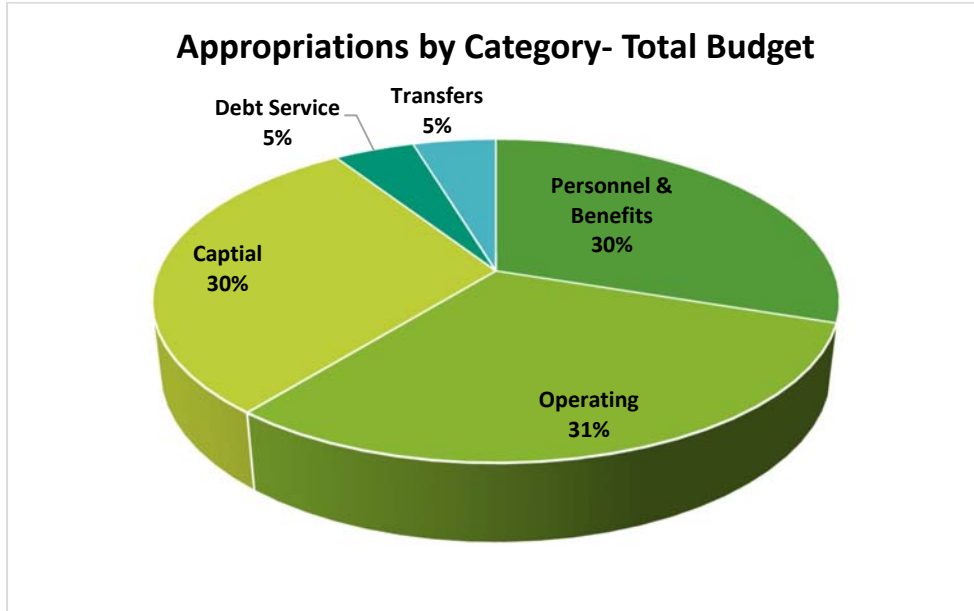


For the General Fund, taxes make up 52% of the revenue sources followed by intergovernmental revenue.

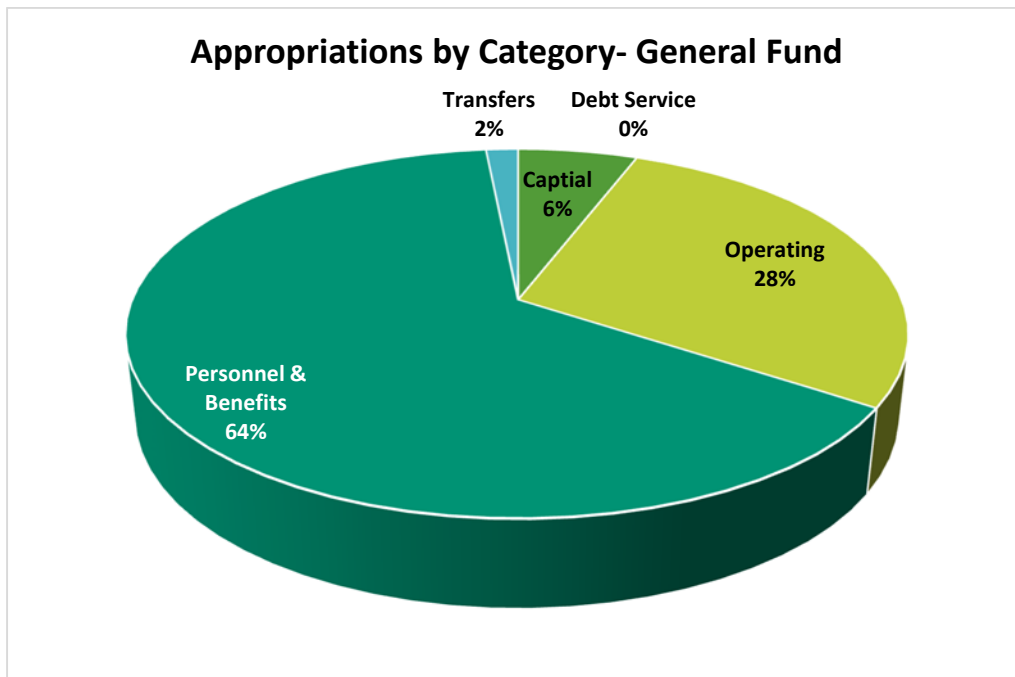


FY2019 Appropriations

Expenditures, often called “Appropriations,” are classified under one of six major categories: Personnel & Benefits, Operating Expense, Capital, Debt Service, Transfers, and Other Financing Uses. The graph below shows the relative percentage of the FY19 budget expenditures for all funds.



In general, governmental agencies see their largest percentage of expenditures as personnel. With our growing City, there is a need for more infrastructure spending. The General Fund personnel expenses are a much higher percentage, at 64%. There are fewer capital items in the General Fund than all the funds as a whole.



FY2019 Changes in Fund Balance/Working Capital

CHANGES IN FUND BALANCE/WORKING CAPITAL				
	Fiscal Year Projected Fund Balance/Working Capital	Estimated Revenues	Appropriations	Budgeted Ending Fund Balance/Working Capital
General Fund				
10 General Fund	7,486,631	31,915,530	34,077,187	5,324,974
Special Revenue Funds				
100 Planning Fund	785,972	1,294,196	1,661,194	418,974
103 Health-Medical Insurance	349,390	2,654,566	2,654,566	349,390
108 Community Transportation	59,092	1,200	-	60,292
109 Highway Safety Improvement Projects	23,242	200	-	23,442
110 Gas Tax Apportionment	1,511,755	1,411,031	1,171,500	1,751,286
111 Street Maintenance District	(571,288)	5,779,698	5,974,325	(765,915)
112 Tree Maintenance	313,475	737,221	825,577	225,119
113 Fire Impact Fee	1,873,002	392,363	-	2,265,365
114 Street Impact Fee	2,301,838	4,342,250	6,418,000	226,088
115 Building Inspection Special Revenue	1,604,882	1,800,200	2,660,416	744,666
116 Downtown Improvement District	1,711,289	1,875,000	2,052,500	1,533,789
119 Economic Development Loan Fund	842,750	50,000	31,000	861,750
120 Community Housing	556,409	495,420	371,858	679,971
121 Housing Revolving Loan Fund	6,496	1,285	-	7,781
123 Big Sky Ec Dev Grant	-	50,000	50,000	-
125 Drug Forfeiture	81,152	157,942	231,210	7,884
128 Fish Wildlife And Park Management Areas	12,523	150	8,000	4,673
130 Americans With Disability Act	35,938	300	-	36,238
131 Beautification of Bozeman	1,000	9	-	1,009
132 Bogert Park Special Revenue	17,644	6,300	5,000	18,944
133 Recreation Department Special Revenue	2,415	2,100	-	4,515
135 Cemetery Department Special Revenue	2,418	20	-	2,438
136 Park Department Special Revenue	2,371	2,600	-	4,971
137 Library Department Special Revenue	90,896	75,100	-	165,996
138 Law & Justice Center	312,375	-	19,125	293,250
139 Police Department Special Revenue	308,628	14,500	-	323,128
140 Police Domestic Violence	45,970	-	-	45,970
141 Street Arterial Construction	1,515,855	1,734,907	3,568,000	(317,238)
143 TIF Midtown (formerly N7th)	1,492,093	661,449	1,531,900	621,642
144 TIF NE Urban Renewal	363,225	141,000	434,100	70,125
145 TIF Mandeville Industrial	(8,657)	25,000	4,000	12,343
146 Lighting Dist.'s (146-170, 181, 182, 200-243)	507,138	431,600	472,517	466,221
174 Victim Witness Advocate	291,204	66,100	150,000	207,304
175 Senior Transportation	4,198	105,444	105,244	4,398
176 Business Improvement District	7,495	162,700	162,175	8,020
177 Neighborhood Associations	984	8	-	992
178 Veteran's Treatment Court	-	120,000	87,156	32,844
179 Disaster Relief Fund	1,289,310	11,000	-	1,300,310

CHANGES IN FUND BALANCE/WORKING CAPITAL				
	Fiscal Year Projected Fund Balance/Working Capital	Estimated Revenues	Appropriations	Budgeted Ending Fund Balance/Working Capital
Special Revenue Funds				
183 Fire Department Special Revenue	113,371	3,650	40,000	77,021
184 Parks Master Plan Develop	54,413	-	-	54,413
186 Development Impacts	149,891	1,500	-	151,391
187 Fire Department Equipment	880,400	423,476	606,000	697,876
188 City/County Drug Forfeiture	159,122	1,600	-	160,722
189 Story Mansion Special Revenue	(11,943)	22,000	57,302	(47,245)
191 Tourism BID	7,132	1,201,200	1,200,000	8,332
193 Street Maintenance - Babcock SID	8,320	3,200	-	11,520
194 Street Maintenance - Durston SID	47,322	40,900	-	88,222
850 Park Land - Cash in Lieu	298,728	4,500	-	303,228
Total Special Revenue Funds	19,451,235	26,304,885	32,552,665	13,203,455
Debt Service Funds				
300 Special Improvement District Revolv. Fund	1,862,643	30,000	224,011	1,668,632
303 G.O. Refunding Series 2012	133,115	275,900	276,900	132,115
304 Park & Trails Bond	40,956	1,083,136	1,088,138	35,954
305 TIF 2007 Downtown Bonds	-	423,673	423,673	-
310 SID Funds	275,275	593,314	385,800	482,789
Total Debt Service Funds	2,311,989	2,406,023	2,398,522	2,319,490
Construction Funds				
500's Capital Projects	9,072,613	284,011	1,019,011	8,337,613
Enterprise Funds				
600 Water	10,016,459	11,036,454	12,202,143	8,850,770
610 Water Impact Fee - Net Assets	438,668	1,888,070	2,186,020	140,718
620 Waste Water	3,004,211	9,652,361	10,915,672	1,740,900
630 Waste Water Impact Fee - Net Assets	1,548,610	9,287,208	8,625,000	2,210,818
640 Solid Waste	1,557,637	3,948,592	3,764,084	1,742,145
641 Landfill Post-Closure & Monitoring	60,667	250,000	311,417	(750)
650 Parking Enterprise	905,133	1,021,340	859,371	1,067,102
670 Storm Water	704,281	1,398,188	1,444,302	658,167
Total Enterprise Funds	18,235,666	38,482,213	40,308,009	16,409,870
Internal Service Funds				
710 Vehicle Maintenance Shop	652,625	1,265,626	1,259,462	658,789
720 Health-Medical Self-Insurance Fund	409,512	4,820,912	4,820,912	409,512
750 Public Works Administration	-	2,381,457	2,388,457	(7,000)
Total Internal Service Funds	1,062,137	8,467,995	8,468,831	1,061,301
Permanent Funds				
800 Cemetery Perpetual Care	1,307,838	88,500	-	1,396,338
Total All Funds	58,928,109	107,949,157	118,824,225	48,053,041

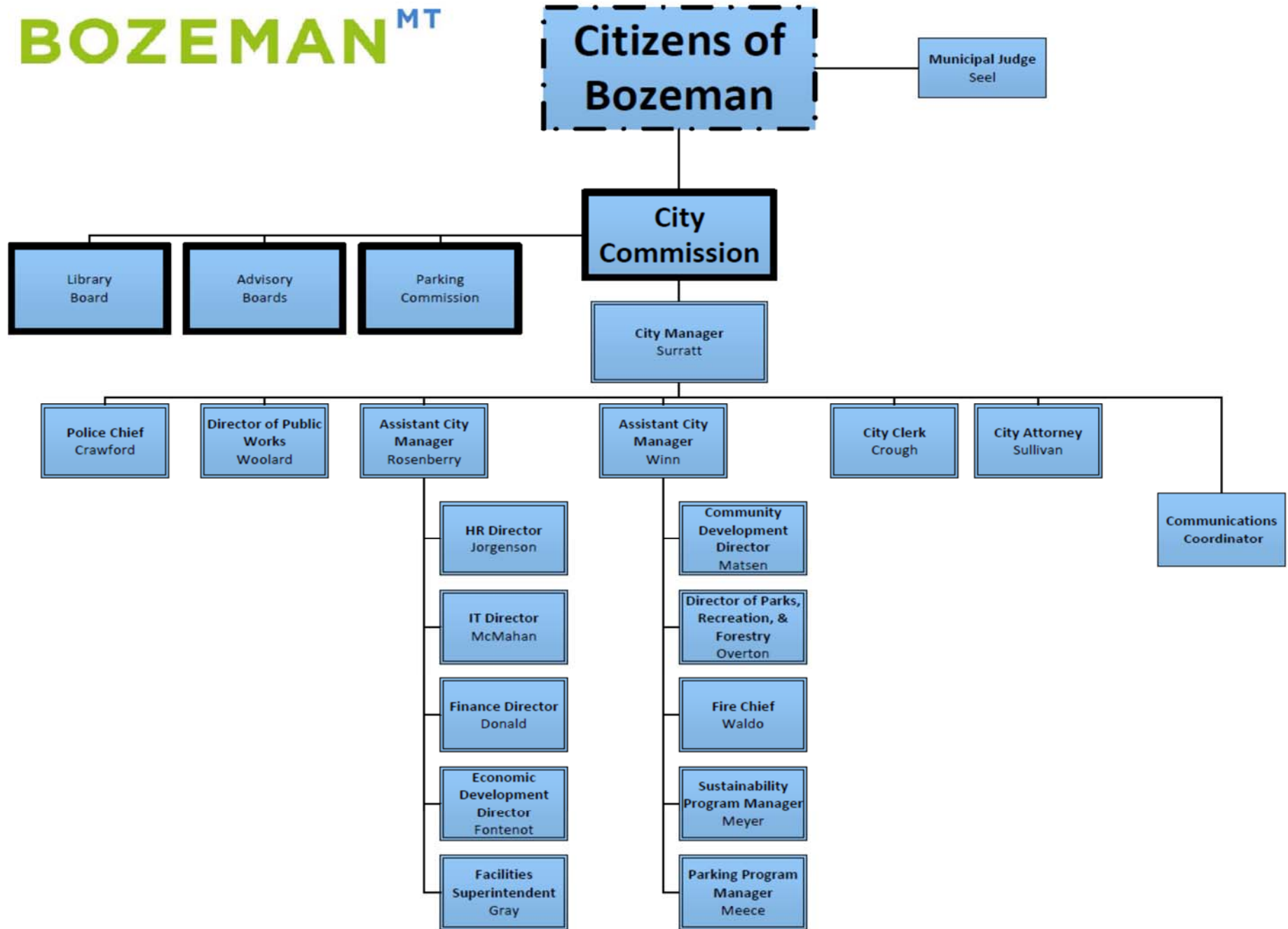
FY2019 Staffing Changes

We strive to maintain service levels with our growing community. We have a strategic approach to staffing this year and have developed a three-year staffing plan to address our staffing needs on a citywide level. Going forward, we hope this staffing plan process will become more refined and predictable for the organization and community,

	Recommended		
	Current FY18	Changes FY19	FY19 Total
General Government			
City Commission	2.10	-	2.10
City Manager (Admin, Clerk, Sustainability, Neighborhood)	9.00	-	9.00
Municipal Court	9.50	-	9.50
City Attorney	10.70	-	10.70
Finance	12.50	-	12.50
Community Development	13.00	1.25	14.25
Facilities Management	4.50	-	4.50
Information Technology	6.00	1.00	7.00
Human Resources	4.00	1.00	5.00
	71.30	3.25	74.55
Public Safety			
Police	72.70	1.85	74.55
Fire	46.00	1.00	47.00
Building Inspection	19.50	0.25	19.75
Parking	6.00	-	6.00
	144.20	3.10	147.30
Public Services			
Public Works Administration/Engineering	11.50	2.25	13.75
Streets	21.85	0.75	22.60
Stormwater	7.50	-	7.50
Water	25.95	0.50	26.45
Wastewater	28.80	1.00	29.80
Solid Waste Collection/Recycling	17.15	-	17.15
Vehicle Maintenance	7.50	-	7.50
	120.25	4.50	124.75
Public Welfare			
Parks and Recreation (numerous STW)	50.46	2.00	52.46
Library	28.02	-	28.02
Economic Development	2.00	-	2.00
	80.48	2.00	82.48
Total Employees	416.23	12.85	429.08

Organizational Chart

BOZEMAN^{MT}



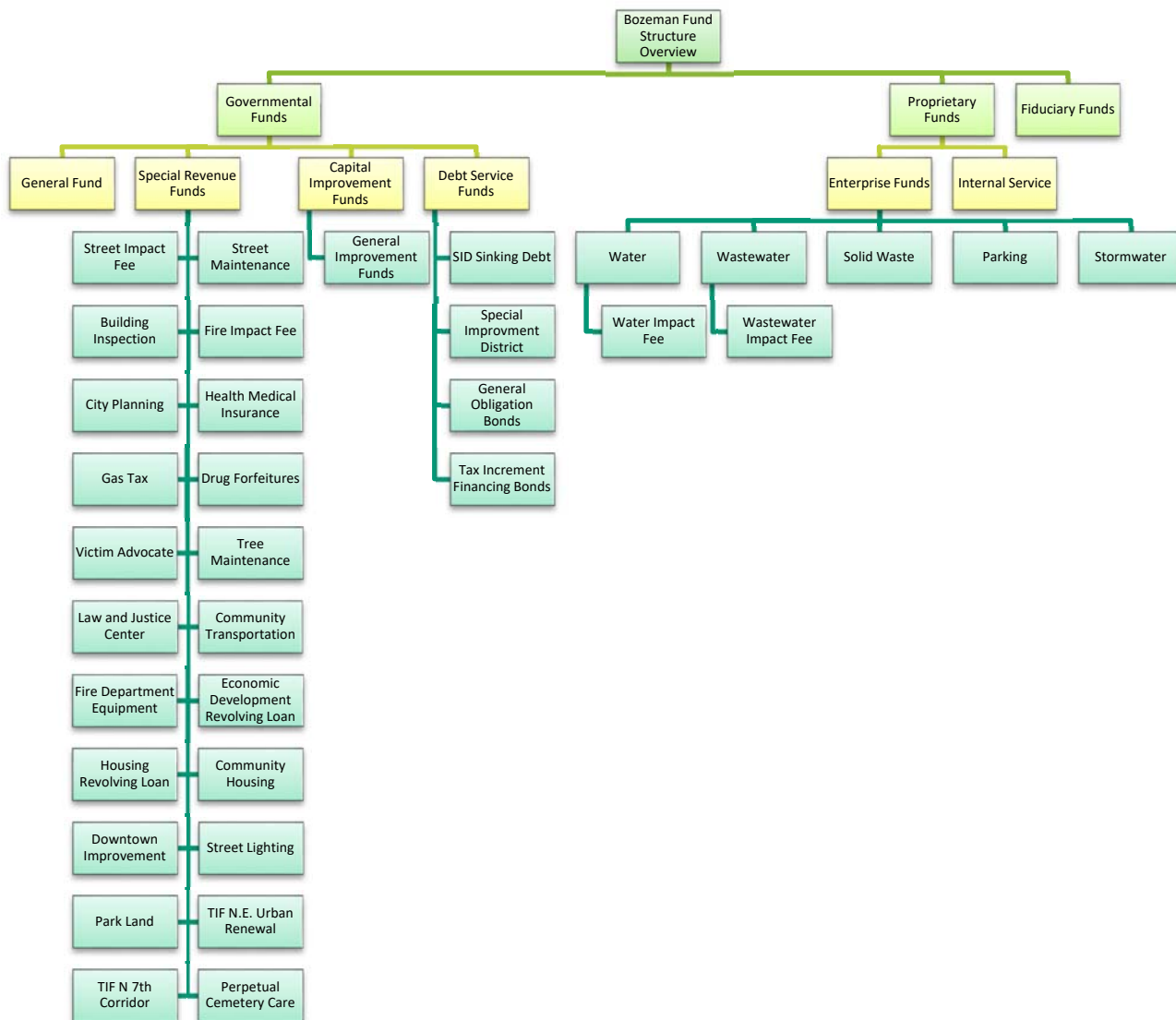


Fund Summaries

Fund Summaries

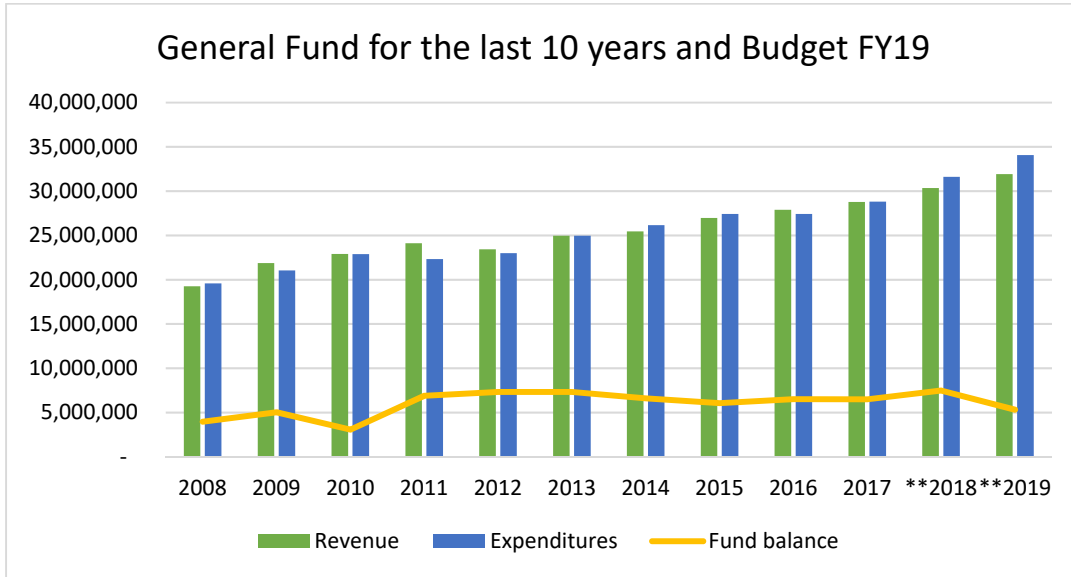
The purpose of fund summaries is to capture and detail the financial condition of each City fund. A fund summary provides information on revenues, expenditures and ending funds available. In addition, it functions as a planning mechanism, as it allows expenditures to be matched to available revenues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

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



General Fund

The General Fund is used to account for all financial resources of the City, except for those required to be accounted for in another fund. The General Fund supports such basic services as the General Administration, Police, Fire, Finance, Recreation, and Library services. Over the past ten years, the average percent change in revenue is 4% while expenditure change is 5%.

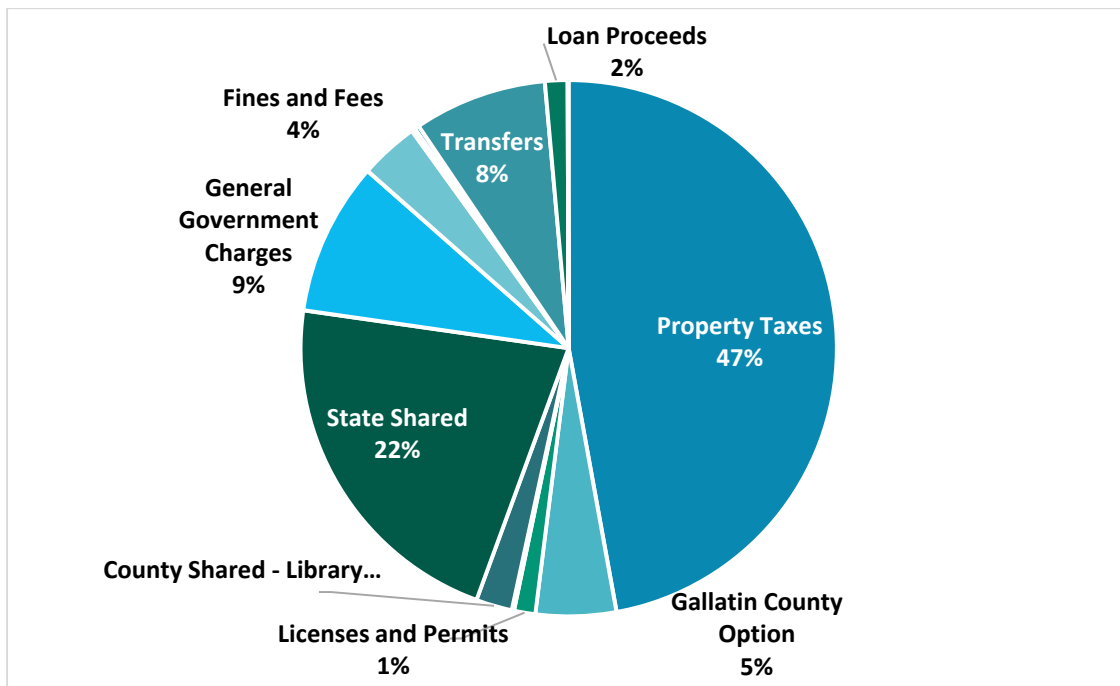


Revenues

The City's General Fund is financed heavily by property taxes, which provide nearly half of the General Fund revenue. Other revenue sources include: licenses and permits, intergovernmental revenue, charges for services, fines and forfeitures, interest on investments, operating transfers, and miscellaneous revenues. For the budget, we have estimated 4% growth and have proposed levying three additional mills to bring annual revenues in line with annual operations. Below are the property tax trends:

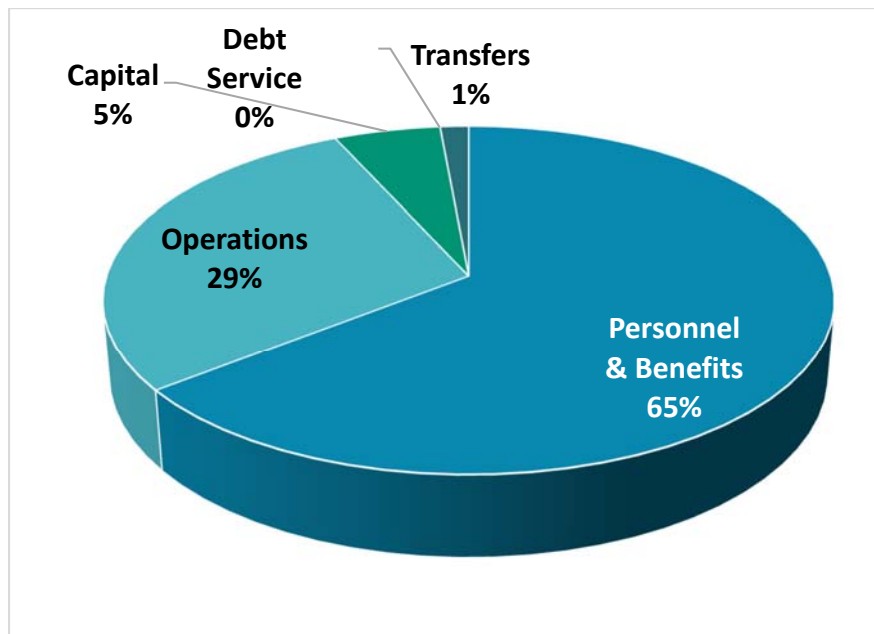
Fiscal Year	Tax Year	City Taxable Value	Change in TV	City Tax Levy	Change in Levy	Total-Property Tax Dollars	General Fund-Property Tax Dollars
2015	2014	87,894	2.6%	188.76	9.1%	16,590,871	12,724,414
2016	2015	86,564	-1.5%	210.16	11.3%	18,191,892	13,484,940
2017	2016	89,758	3.7%	209.91	-0.1%	18,338,501	13,238,858
2018	2017	101,195	12.7%	187.33	-10.8%	18,956,357	13,599,596
**2019	2018	105,244	4.0%	190.9	1.9%	20,091,568	14,641,545

We are estimating the General Fund to generate \$31.8 million in total revenue, with 47% is from property taxes, 22% from the State Entitlement share and 9% for charges for services. The following chart shows the breakdown of esimated revenues.



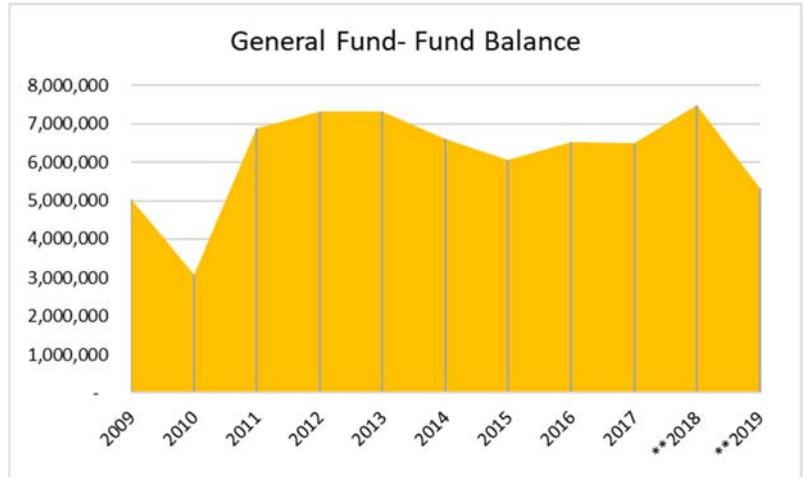
Expenditures

This year's General Fund budget has \$34.1 Million in expenditures. Personnel expenses are the highest portion at \$21.8 million, followed by operations of \$9.5 million. The capital expenditures are \$2 million, which includes vehicle replacements and additions, the Commission Room remodel, and Police portable radio lease. The break down by percentage is below:



Fund Balance

The General Fund balance at the beginning of the budget year is higher than expected due to a settlement of \$1 million being awarded the City in FY18 and an expected carry forward of \$1.26 million. These are on-time monies and should be and have been allocated as such. The equivalent of two mill, \$166,188, has been transferred to the Workforce Housing Fund for Affordable Housing projects. The remaining one time funds are being used for capital items. The City has set as its policy for General Fund to maintain at least 16.67% of the year's revenue in ending fund balance. The FY19 approved budget, we have estimated to have will have 16.72% at the end of the fiscal year.



FY19 Budget

The Details of the FY17 Actuals, FY18 Budgets and the FY19 Approved Budget is in the following table:

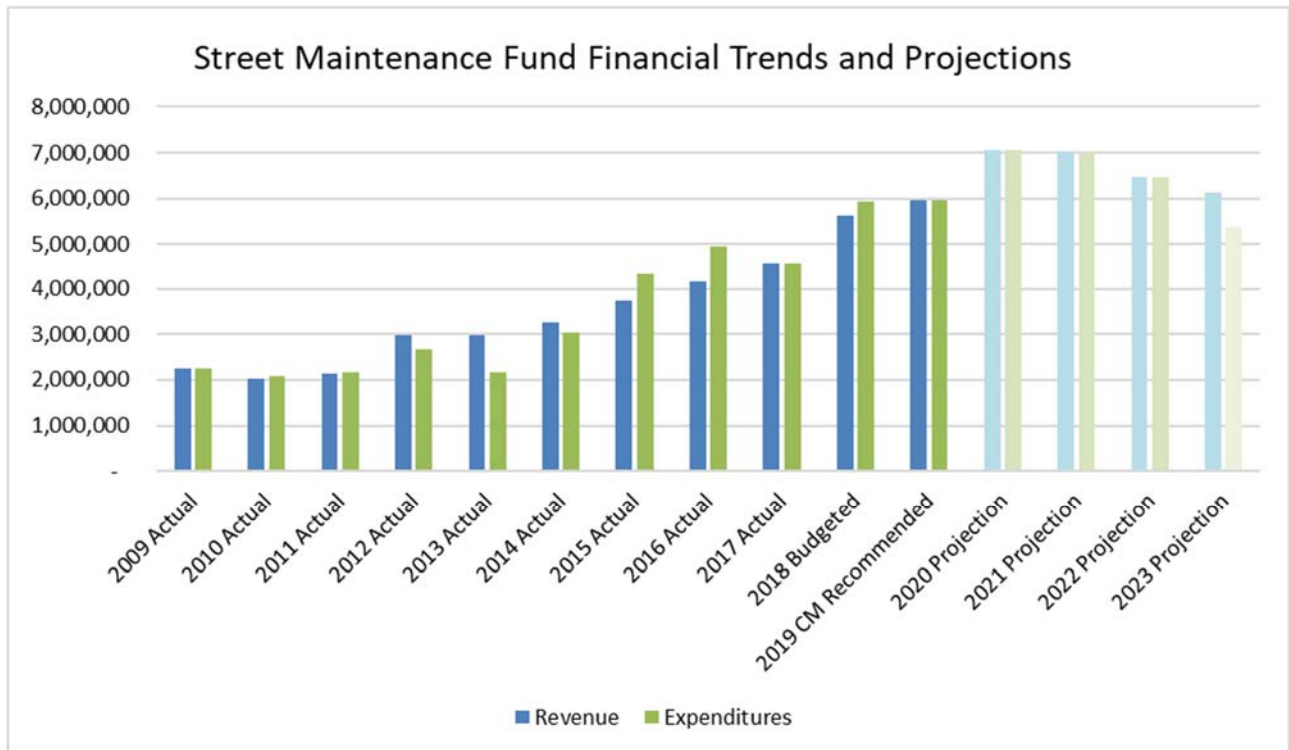
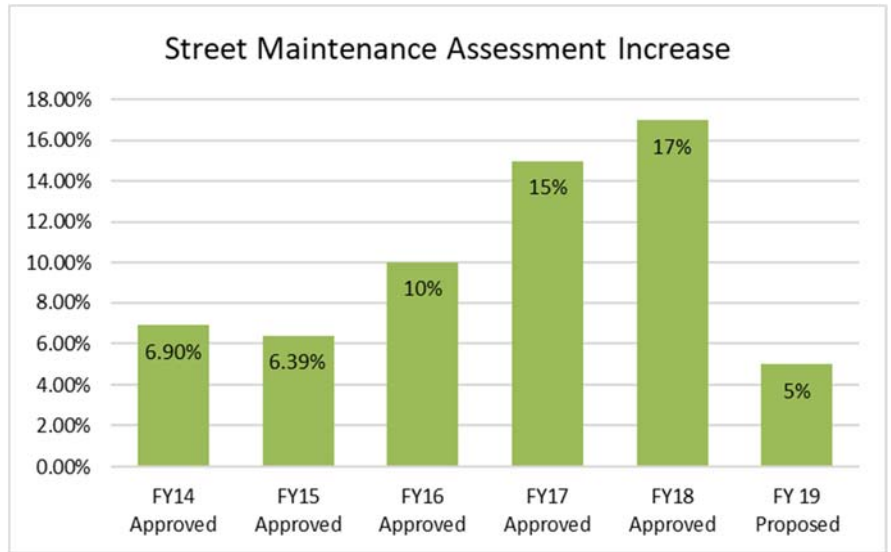
FUND	FY17 Actual	FY18 Budget	FY19 Approved
010 - General Fund			
Revenues			
Property Taxes	13,792,894	14,360,641	15,076,534
Gallatin County Option	1,475,731	1,400,000	1,545,000
Penalty & Interest	62	-	-
Business/Animal Licenses and Permits	356,286	346,337	409,475
Grants	21,939	140,000	40,000
County Shared - Library	671,663	676,000	696,280
State Shared	6,700,100	6,676,170	6,906,231
General Government Charges	2,295,677	2,545,137	2,940,941
Library Fines	48,987	50,000	50,000
Police Court Fines	1,031,080	988,000	1,023,000
Parking Fines	39,233	35,000	38,000
Snow Removal Fines	20,009	20,000	20,000
Interest Income	51,635	45,000	75,000
Admin Reimbursement	1,500	-	-
Miscellaneous Revenue	27,117	12,000	12,000
Refunds & Reimbursements	4,352	50,000	25,000
Rents and Royalties (Leases)	-	40,000	40,950
Sales/Unclaimed Property	4,500	4,500	5,500
Transfers	2,214,190	2,376,092	2,560,119
Loan Proceeds	-	563,746	431,500
Proceeds-Asset Disposition	23,892	15,000	20,000
Total Revenues	28,780,847	30,343,623	31,915,530
Expenditures			
Personnel & Benefits	21,301,275	20,593,660	21,960,888
Operations	6,016,445	8,985,322	9,788,744
Capital	668,191	1,284,996	1,832,717
Debt Service	3,760	550	3,650
Transfers	822,119	747,084	491,188
Total Expenditures	28,811,790	31,611,612	34,077,187

Special Revenue Funds

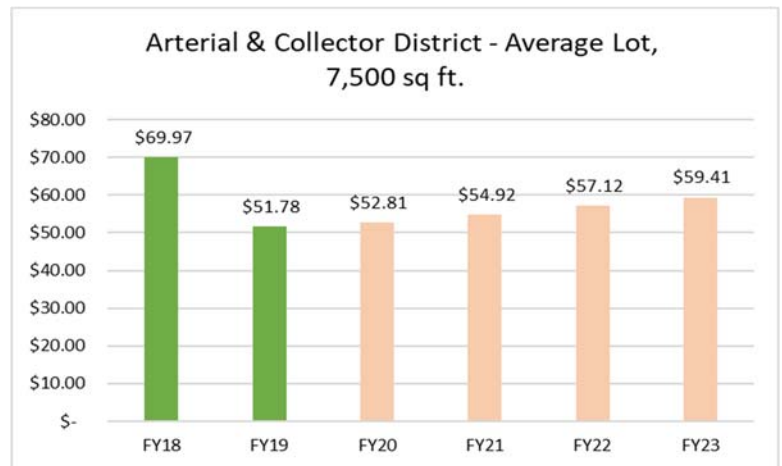
Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. The revenue is generated in different ways; some have assessments on properties, property taxes, charges for services, and some are funded through grants or donations.

The **Streets Maintenance Fund** relies on assessments for revenue generation for street maintenance and reconstruction. Since the City expanded the Streets program to include major street maintenance projects in FY16 there has been a need to increase the assessment. This year we are recommending a 5% increase.

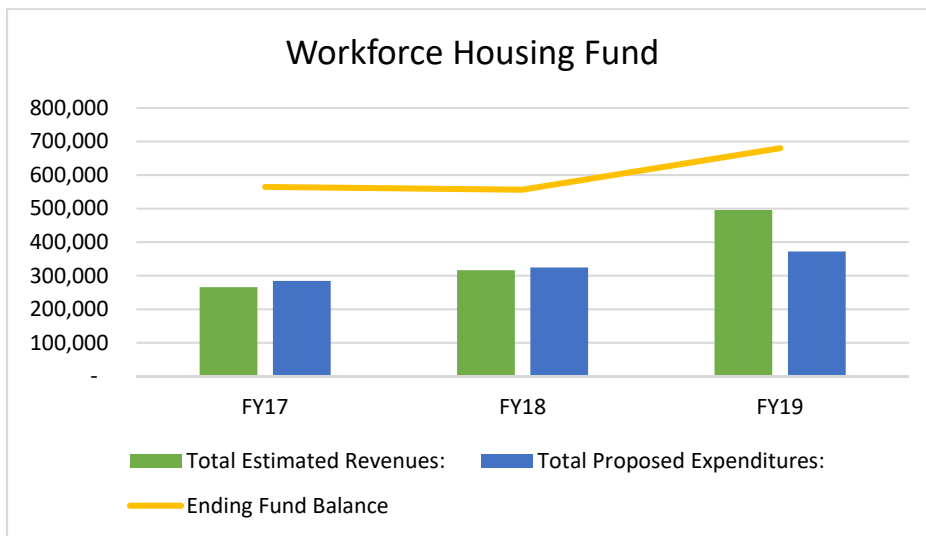
Street Maintenance fund budgets include increased amounts of pavement maintenance capital projects, and the addition of Streets workers, which make up the large portion of the increased expenditures. This trend will continue with the inclusions of the Capital Improvement Plan and the three-year staffing plan. As we look toward the future and the Capital Improvement Plan, there will need to be larger increases near 10% for FY20 and FY21. With the increase this year and the next few years, we can build a reserve in this fund assist in adjusting to unpredicted needs.



Street Arterial & Collector District Fund is a relatively new fund and has seen a phase in approach with funding. With the passing of the new gas tax, we are reducing the assessment by the amount of the City's new gas tax allocation. This will reduce the assessment by 28% and the average lot will see a reduction in their annual fee from \$68.97 to \$51.78. Based on the Capital Improvement Plan and our projections with growth, there may need to be small increases later in FY22 and FY23 pending the gas tax allocation as well.



Tree Maintenance Fund accounts for special assessment revenues levied, received, and expended for tree maintenance provided in the public right of way. In previous years, we raised the assessment by 15% to aid working towards the Urban Forestry Management Plan. To continue those efforts and to build a reserve for capital items we are recommending a 5% increase. The program mainly buys large capital items, and if one needs to be replaced unexpectedly, it can be costly. The 5% increase for the average lot would increase from \$22.48 to \$23.61.



The Workforce Housing Fund is where our affordable housing program is accounted for. Affordable Housing is part of our Strategic Plan and a priority for FY19. With the hiring of the program coordinator, the City is forming an updated plan to be approved by the Commission. To ensure there is enough for the program needs, one-time monies from the General Fund of \$166,188, will be transferred into the fund. There will be a review in the third quarter to determine if there is additional funding

through the cash-in-lieu program to equal more than the value to two mills (\$210,488).

All Special Revenue Funds:

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Special Revenue Funds			
100 - Community Development/Planning			
Revenues			
Property Taxes	180,741	185,830	210,488
State Shared	119,888	108,700	110,733
Charges for Services	799,242	745,925	785,500
Interest Income	7,357	6,000	6,500
Refunds & Miscellaneous Revenue	59,556	53,400	53,400
Transfers	88,037	124,284	127,575
Total Revenues	1,254,821	1,224,139	1,294,196
Expenditures			
Personnel & Benefits	699,971	971,694	990,695
Operations	265,889	423,669	369,281
Capital	-	110,000	301,218
Total Expenditures	965,860	1,505,363	1,661,194

103 - Health-Medical Insurance			
Revenues			
Property Taxes	2,263,694	2,476,888	2,654,566
Total Revenues	2,263,694	2,476,888	2,654,566
Expenditures			
Transfers	2,278,269	2,476,888	2,654,566
Total Expenditures	2,278,269	2,476,888	2,654,566

108 - Community Transportation			
Revenues			
Interest Income	806	1,660	1,200
Total Revenues	806	1,660	1,200
Expenditures			
Capital	59,889	-	-
Total Expenditures	59,889	-	-

109 - Highway Safety Improvement Projects			
Revenues			
Interest Income	200	180	200
Total Revenues	200	180	200

110 - Gas Tax			
Revenues			
State Shared	693,945	959,999	1,402,031
Interest Income	11,418	7,000	9,000
Total Revenues	705,363	966,999	1,411,031
Expenditures			
Operations	157,342	229,500	244,500
Capital	-	731,000	927,000
Total Expenditures	157,342	960,500	1,171,500

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Special Revenue Funds			
111 - Street Maintenance			
Revenues			
Penalty & Interest	11,418	11,000	11,500
Permits	18,466	17,500	18,000
Public Service	4,545,407	5,328,172	5,730,198
Interest Income	3,573	10,000	10,000
Other Financing Sources	1,026	-	-
Refunds & Reimbursements	19,411	-	10,000
Proceeds-Asset Disposition	19,385	-	-
Loan Proceeds	234,702	-	-
Transfers	43,227	-	-
Total Revenues	4,896,615	5,366,672	5,779,698
Expenditures			
Personnel & Benefits	1,370,643	1,563,694	1,629,339
Operations	1,992,530	1,592,207	2,019,801
Capital	1,101,123	1,773,900	1,314,500
Debt Service	213,529	295,207	315,207
Transfers	598,000	700,000	695,478
Total Expenditures	5,275,825	5,925,008	5,974,325

112 - Tree Maintenance			
Revenues			
Penalty & Interest	1,031	1,350	1,200
Grants	-	750	-
State Revenue	261	-	-
Public Service	581,734	682,373	730,821
Interest Income	2,633	1,600	2,200
Sale of Raw Materials	2,545	6,000	3,000
Total Revenues	588,204	692,073	737,221
Expenditures			
Personnel & Benefits	357,941	420,950	435,400
Operations	122,868	228,987	244,177
Capital	33,246	57,000	146,000
Total Expenditures	514,055	706,937	825,577

113 - Fire Impact Fee			
Revenues			
Public Safety	315,732	362,250	380,363
Interest Income	12,311	10,000	12,000
Total Revenues	328,043	372,250	392,363
Expenditures			
Operations	25,000	50,000	-
Total Expenditures	25,000	50,000	-

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Special Revenue Funds			
114 - Street Impact Fee			
Revenues			
Public Service	3,966,383	3,123,750	4,226,250
Interest Income	126,257	100,000	115,000
Admin Reimbursement	807	960	1,000
Grants	11,891	-	-
Total Revenues	4,105,338	3,224,710	4,342,250
Expenditures			
Operations	374,301	95,000	45,000
Capital	4,728,938	7,651,245	6,373,000
Total Expenditures	5,103,239	7,746,245	6,418,000

115 - Building Inspection Fund			
Revenues			
Permits	1,717,846	1,749,800	1,783,700
General Government	1,915	2,350	1,500
Interest Income	12,177	17,000	15,000
Miscellaneous Revenue	52,172	-	-
Total Revenues	1,784,110	1,769,150	1,800,200
Expenditures			
Personnel & Benefits	1,311,428	1,565,957	1,702,127
Operations	393,353	488,495	706,608
Capital	51,840	32,500	251,681
Total Expenditures	1,756,621	2,086,952	2,660,416

116 - TIFD Downtown Improvement			
Revenues			
Property Taxes	1,080,852	1,813,350	1,820,000
State Shared	56,050	45,660	45,000
Interest Income	19,698	10,000	10,000
Other Revenues	-	1,500	-
Total Revenues	1,156,600	1,870,510	1,875,000
Expenditures			
Operations	295,757	1,235,712	1,618,500
Transfers	792,398	672,288	434,000
Total Expenditures	1,088,155	1,908,000	2,052,500

119 - Economic Development Loan			
Revenues			
Interest Income			
Loan Principal	-	35,500	25,000
Loan Interest	27,755	13,000	25,000
Total Revenues	27,755	48,500	50,000
Expenditures			
Operations	35,652	31,000	31,000
Total Expenditures	35,652	31,000	31,000

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Special Revenue Funds			
120 - Community Housing Fund			
Revenues			
Property Tax Revenue	260,687	278,745	315,732
Interest Income	4,401	3,000	4,000
Loan Principal & Interest	494	9,500	9,500
Transfers	-	-	166,188
Total Revenues	265,582	291,245	495,420
Expenditures			
Personnel	-	-	78,708
Operations	284,401	324,400	293,150
Total Expenditures	284,401	324,400	371,858

121 - Housing Revolving Loan			
Revenues			
Interest Income	-	50	10
Loan Principal	-	4,900	1,000
Loan Interest	143	375	275
Total Revenues	143	5,325	1,285
Expenditures			
Operations	7,219	-	-
Total Expenditures	7,219	-	-

123 - Big Sky Econ. Development Grant			
Revenues			
Grants	140,000	50,000	50,000
Total Revenues	140,000	50,000	50,000
Expenditures			
Operations	140,000	50,000	50,000
Total Expenditures	140,000	50,000	50,000

125 - Drug Forfeiture Fund			
Revenues			
Grants	108,023	70,000	75,000
State Shared	-	-	-
Police Court Fines	53,908	50,500	54,000
Interest Income	69	-	70
Miscellaneous Revenue	-	-	-
Other Financing Sources	12,436	111,512	28,872
Total Revenues	174,436	232,012	157,942
Expenditures			
Personnel & Benefits	244,728	213,824	222,710
Operations	4,987	7,300	8,500
Total Expenditures	249,715	221,124	231,210

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Special Revenue Funds			
128 - Fish Wildlife & Park Mgmt			
Revenues			
Interest Income	178	-	150
Total Revenues	178	-	150
Expenditures			
Operations	-	8,000	8,000
Total Expenditures	-	8,000	8,000

130 - Americans with Disability			
Revenues			
Interest Income	309	240	300
Total Revenues	309	240	300

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

132 - Bogert Park Special Revenue			
Revenues			
Interest Income	136	85	100
Donations	-	-	5,000
Refunds & Reimbursements	1,087	2,115	1,200
Total Revenues	1,223	2,200	6,300
Expenditures			
Operations	-	-	5,000
Total Expenditures	-	-	5,000

133 - Recreation Special Revenue			
Revenues			
Interest Income	110	40	100
Donations	4,167	2,000	2,000
Total Revenues	4,277	2,040	2,100
Expenditures			
Operations	-	9,500	-
Total Expenditures	-	9,500	-

135 - Cemetery Special Revenue			
Revenues			
Interest Income	21	15	20
Total Revenues	21	15	20

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Special Revenue Funds			
136 - Park Special Revenue			
Revenues			
Interest Income	106	30	100
Donations	-	150	-
Miscellaneous Revenue	2,320	3,000	2,500
Total Revenues	2,426	3,180	2,600
Expenditures			
Operations	-	9,000	-
Total Expenditures	-	9,000	-

137 - Library Special Revenue			
Revenues			
Grants	23,708	-	
Interest Income	56	300	100
Donations	74,630	75,000	75,000
Total Revenues	98,394	75,300	75,100
Expenditures			
Operations	144,837	-	-
Total Expenditures	144,837	-	-

138 - Law & Justice Center			
Expenditures			
Operations	19,125	19,125	19,125
Total Expenditures	19,125	19,125	19,125

139 - Police Special Revenue			
Revenues			
Interest Income	2,242	1,800	2,000
Donations	2,100	2,000	2,000
Miscellaneous Revenue	5,083	15,000	10,000
Refunds & Reimbursements	7,526	350	500
Total Revenues	16,951	19,150	14,500
Expenditures			
Operating	35,730	-	-
Capital	21,820	-	-
Total Expenditures	35,730	-	-

140 - Police Domestic Violence			
Revenues			
Grants	181,308	115,000	-
State Shared	10	-	-
Transfers	-	150,000	-
Total Revenues	181,318	265,000	-
Expenditures			
Personnel & Benefits	12,042	9,929	-
Operating	169,275	209,101	-
Total Expenditures	40 181,317	219,030	-

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Special Revenue Funds			
141 - Street Arterial Construction			
Revenues			
Penalty & Interest	2,281	2,000	2,334
Street Maintenance Assessments	1,092,411	1,816,250	1,333,854
Other Revenues/Refunds	-	-	378,688
Interest Income	13,916	3,000	20,031
Total Revenues	1,108,608	1,821,250	1,734,907
Expenditures			
Operating	3,933	-	115,000
Capital	367,727	1,780,311	3,453,000
Total Expenditures	371,660	1,780,311	3,568,000

143 - TIF N 7th Corridor			
Revenues			
Property Taxes	651,887	700,000	651,949
Interest Income	9,727	8,800	9,500
Transfers	116,567	-	-
Total Revenues	778,181	708,800	661,449
Expenditures			
Operating	331,065	676,000	1,491,900
Capital	778,288	-	-
Transfers	47,327	36,000	40,000
Total Expenditures	1,156,680	712,000	1,531,900

144 - TIF NE Urban Renewal District			
Revenues			
Property Taxes	130,468	143,000	139,500
Grants	1,353	-	-
Interest Income	3,314	1,800	1,500
Proceeds of Bond Sale	-	-	-
Total Revenues	135,135	144,800	141,000
Expenditures			
Operating	121,702	156,600	420,100
Transfers	10,000	10,000	14,000
Total Expenditures	131,702	166,600	434,100

145 - TIF Mandeville Farm Industrial			
Revenues			
Property Taxes	56,440	36,097	25,000
Total Revenues	56,440	36,097	25,000
Expenditures			
Operating	8,482	-	4,000
Total Expenditures	8,482	-	4,000

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Special Revenue Funds			
146 - 170;181;182; 200 -243 - Lighting Districts			
Revenues			
Penalty & Interest	-		113
Special Assessments	426,189	368,357	426,562
Interest Income	5,138	5,004	4,925
Total Revenues	431,327	373,361	431,600
Expenditures			
Operating	412,158	409,233	440,617
Transfers	31,900	31,900	31,900
Total Expenditures	444,058	441,133	472,517

174 - Victim/Witness Advocate			
Revenues			
Police Court Fines	62,808	60,950	63,000
Interest Income	3,324	3,000	3,100
Total Revenues	66,132	63,950	66,100
Expenditures			
Operating	54,477	150,000	150,000
Total Expenditures	54,477	150,000	150,000

175 - Senior Transportation			
Revenues			
Property Taxes	85,567	92,915	105,244
Interest Income	238	106	200
Total Revenues	85,805	93,021	105,444
Expenditures			
Operating	87,612	92,915	105,244
Total Expenditures	87,612	92,915	105,244

176 - BID Downtown Improv Dist			
Revenues			
Principal	120,003	132,000	143,000
Penalty & Interest	316	200	200
Donations/other	14,500	24,000	19,500
Total Revenues	134,819	156,200	162,700
Expenditures			
Operating	120,000	156,200	162,175
Total Expenditures	120,000	156,200	162,175

177 - Neighborhood Association			
Revenues			
Interest Income	8	7	8
Total Revenues	8	7	8

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Special Revenue Funds			
178 - Veteran's Treatment Court			
Revenues			
Grants	-	-	113,000
State Shared	-	-	-
Refunds & Reimbursements	-	-	7,000
Transfers	-	-	-
Total Revenues	-	-	120,000
Expenditures			
Personnel & Benefits	-	-	-
Operating	-	-	87,156
Total Expenditures	-	-	87,156

179 - Disaster Relief (Hail Damage Events)			
Revenues			
Interest Income	11,004	8,636	11,000
Total Revenues	11,004	8,636	11,000

183 - Fire Department Special Revenue			
Revenues			
Interest Income	833	506	650
Donations	3,332	3,000	3,000
Grants	58,406	40,000	-
Total Revenues	62,571	43,506	3,650
Expenditures			
Operating	26,141	40,000	40,000
Total Expenditures	26,141	40,000	40,000

184 - Parks Master Plan/Improvement Grants			
Revenues			
Transfers	100,000	-	-
Total Revenues	100,000	-	-
Expenditures			
Operating	600	-	-
Capital	130,106	-	-
Total Expenditures	130,706	-	-

186 - Development Impacts			
Revenues			
Interest Income	1,525	250	1,500
Other Revenue	6,200	-	-
Total Revenues	7,725	250	1,500
Expenditures			
Operating	4,698	-	-
Total Expenditures	4,698	-	-

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Special Revenue Funds			
187 - Fire Dept Equipment			
Revenues			
Property Taxes	347,641	371,660	420,976
Other	-	-	-
Interest Income	7,045	2,500	2,500
Total Revenues	354,686	374,160	423,476
Expenditures			
Capital	-	530,500	606,000
Total Expenditures	-	530,500	606,000

188 - City/County Joint Drug Forfeiture			
Revenues			
Fines	500	-	500
Interest Income	1,114	1,000	1,100
Total Revenues	1,614	1,000	1,600

189 - Story Mansion Special Revenue			
Revenues			
Charges for Sevices	25,100	18,500	22,000
Total Revenues	25,100	18,500	22,000
Expenditures			
Operating	29,955	47,423	57,302
Capital	-	-	-
Total Expenditures	29,955	47,423	57,302

191 - Bozeman Tourism BID			
Revenues			
Special Assessments	979,804	1,200,000	1,200,000
Penalty & Interest	724	1,200	1,200
Total Revenues	980,528	1,201,200	1,201,200
Expenditures			
Operations	980,528	1,200,000	1,200,000
Total Expenditures	980,528	1,200,000	1,200,000

193 - Street Maint - Babcock SID			
Revenues			
Principal	1,925	4,500	2,000
Interest	684	1,200	1,200
Interest Income	11	-	-
Total Revenues	2,620	5,700	3,200

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Special Revenue Funds			
194 - Street Maint - Durston SID			
Revenues			
Principal	39,688	3,500	40,000
Interest	688	1,750	500
Interest Income	308	40	400
Total Revenues	40,684	5,290	40,900
850 - Cash in Lieu of Parkland			
Revenues			
Cash in Lieu of Parkland	105,063	-	-
Other Revenue	4,229	-	4,500
Interest Income	-	-	-
Total Revenues	109,292	-	4,500

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. Debt schedules are located at the end of the Activity/Department Section under the Non-Departmental.

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Debt Service Funds			
300 - SID Revolving Fund			
Revenues			
Interest Income	28,362	26,000	26,500
Loan Interest	3,445	5,000	3,500
Other	1,917	-	-
Total Revenues	33,724	31,000	30,000
Expenditures			
Transfers	-	1,588,781	224,011
Total Expenditures	-	1,588,781	224,011
303 - G.O. Refunding Series 2012			
Revenues			
Property Taxes	268,046	276,000	275,900
Total Revenues	268,046	276,000	275,900
Expenditures			
Debt Service	276,500	276,000	276,900
Total Expenditures	276,500	276,000	276,900
304 - Bond S & I Parks & Open Space Bond			
Revenues			
Property Taxes	1,050,075	1,080,538	1,083,136
Total Revenues	1,050,075	1,080,538	1,083,136
Expenditures			
Debt Service	1,084,454	1,080,537	1,088,138
Total Expenditures	1,084,454	1,080,537	1,088,138
305 - 2007 Downtown TIF Bonds			
Revenues			
Transfers In	425,837	422,288	423,673
Total Revenues	425,837	422,288	423,673
Expenditures			
Debt Service	425,837	422,288	423,673
Total Expenditures	425,837	422,288	423,673
310-447- SID Funds			
Revenues			
Special Assessments	432,251	626,389	439,129
Penalty & Interest	125,553	-	152,985
Interest Income	11,693	-	1,200
Total Revenues	569,497	626,389	593,314
Expenditures			
Debt Service	191,142	379,800	385,800
Transfers	-	10,700	-
Total Expenditures	191,142	390,500	385,800

Construction Funds

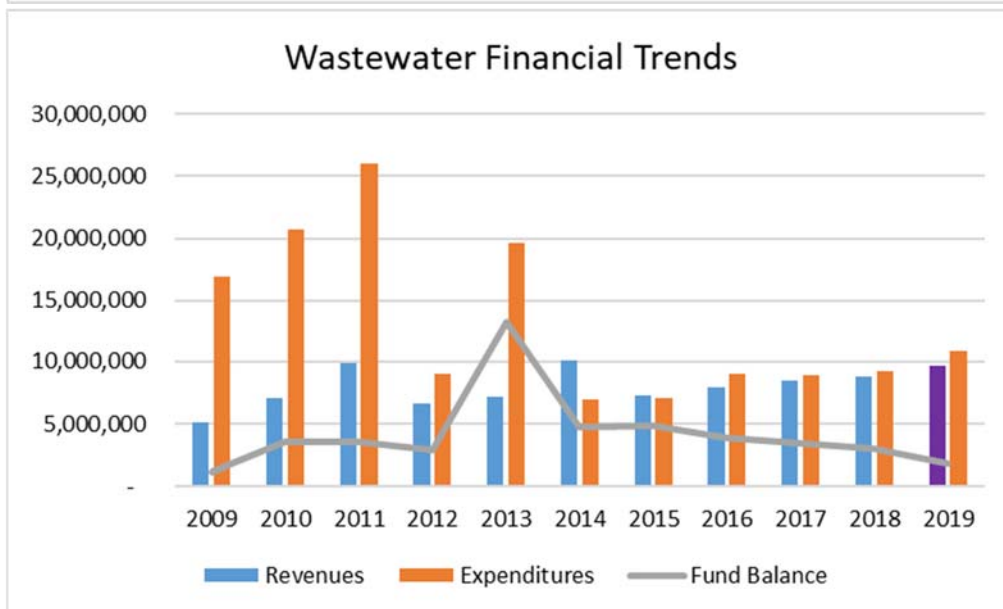
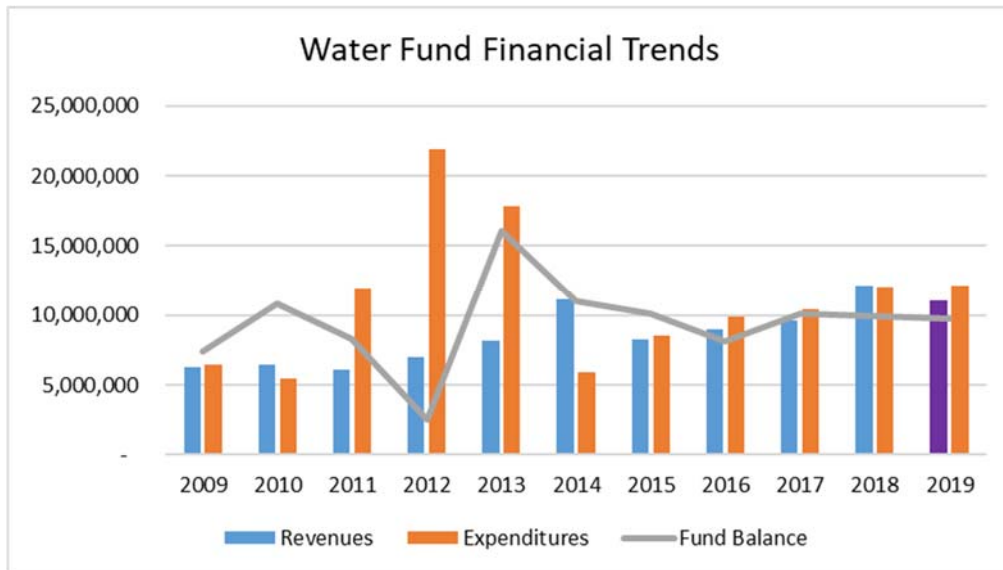
General Improvements Capital Projects Funds account for the construction of general improvement projects financed by special assessments other than those financed by proprietary funds.

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Construction Funds			
500-566 - Construction Funds			
Revenues			
Interest Income	151,434	-	
Transfers	851,164	2,272,781	284,011
Other Funding	958,800	-	-
Total Revenues	1,961,398	2,272,781	284,011
Expenditures			
Operating	16,545	-	735,000
Capital	4,249,509	2,268,375	284,011
Transfers	-	-	-
Total Expenditures	4,266,054	2,268,375	1,019,011

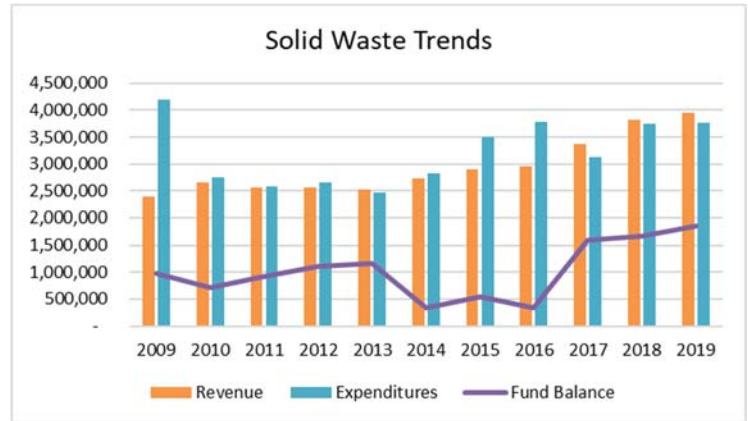
Enterprise Funds

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.

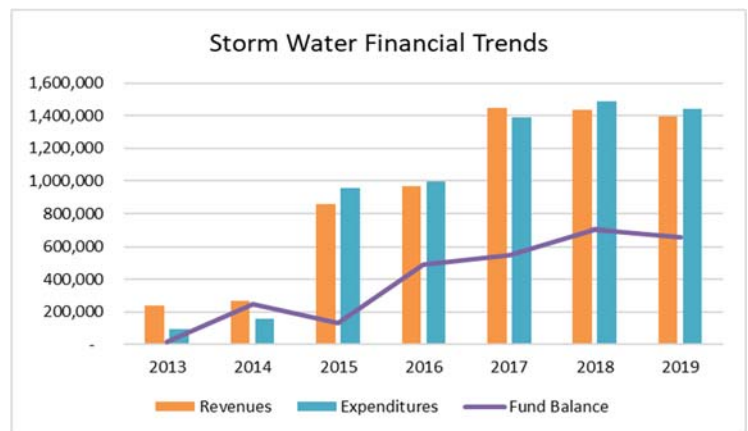
Water and Wastewater Fund- City Property owners are by and large required to use the City's Water and Sewer treatment systems. Currently, the City is undergoing a rate study. The revenue projected for FY19 are annualized amounts. Rates are set in September.



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. With a joint effort with the Forestry Department, Solid waste reduced its capital need by sharing a truck. Fund balance is sufficient for depreciation coverage and for an event, if we lose a truck unexpectedly. We recommend from a 45-day reserve to a 90-day reserve to be able to respond to competition.



Stormwater Fund started in 2013 and had its current rate structure set in April 2015, rates are based on impervious area, and existing infrastructure. The rate recommended for FY19 remains the same as the previous year. With maintaining the rate and with projected growth, the fund will be able to maintain a 45-day reserve and a depreciation reserve to be able to replace unexpected loss of equipment.



All Enterprise Funds:

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Enterprise Funds			
600 - Water Fund			
Revenues			
Penalty & Interest	-	-	-
State Shared	1,500	1,500	1,500
Utility Charges	7,898,330	8,590,940	8,985,959
Interest Income	197,899	135,000	168,495
Donations - Contributed Capital	-	-	-
Miscellaneous Revenue	50,000	50,000	50,000
Refunds & Reimbursements	5,000	5,000	500
Rents & Royalties	80,000	80,000	80,000
Administrative Reimbursement	1,518,096	1,486,808	-
Other Financing Sources	-	1,750,000	1,750,000
Total Revenues	9,750,825	12,099,248	11,036,454
Expenditures			
Personnel & Benefits	3,418,374	3,079,228	2,085,584
Operating	4,163,532	4,766,817	4,634,920
Capital	2,100,401	2,808,400	4,316,009
Debt Service	1,313,010	1,313,010	1,165,630
Total Expenditures	10,995,317	11,967,455	12,202,143

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Enterprise Funds			
610 - Water Impact Fee			
Revenues			
Utilities & Enterprise	1,470,000	1,793,400	1,883,070
Interest Income	5,000	5,000	5,000
Total Revenues	1,475,000	1,798,400	1,888,070
Expenditures			
Operating	164,892	-	-
Capital	305,797	3,190,000	1,586,020
Transfers	500	600,000	600,000
Total Expenditures	471,189	3,790,000	2,186,020

620 - Waste Water Fund			
Revenues			
Penalties & Interest		-	-
State Shared	1,500	1,500	1,500
Utility & Enterprise	8,149,451	8,755,198	9,559,623
Interest Income	15,000	50,000	91,238
Refunds & Reimbursements	284,200	-	-
Contributed Capital		-	-
Other Financing		-	-
Total Revenues	8,450,151	8,806,698	9,652,361
Expenditures			
Personnel & Benefits	1,338,524	2,143,921	2,017,844
Operating	5,318,777	3,803,613	4,069,269
Capital	2,727,189	1,562,500	3,352,500
Debt Service	-	1,704,247	1,476,059
Transfers	-	-	-
Total Expenditures	9,384,490	9,214,281	10,915,672

630 - Waste Water Impact Fee			
Revenues			
Utility & Enterprise	1,103,550	1,221,150	1,282,208
Loan Proceeds	-	-	7,985,000
Interest Income	20,149	-	20,000
Total Revenues	1,123,699	1,221,150	9,287,208
Expenditures			
Operating	44,463	-	-
Capital	242,887	1,440,000	8,625,000
Debt Service	-	-	-
Transfers	-	-	-
Total Expenditures	287,350	1,440,000	8,625,000

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Enterprise Funds			
640 - Solid Waste Fund			
Revenues			
Penalty & Interest	54	-	-
State Shared	20,852	-	-
Recycling Revenue	377,415	396,150	408,035
Utilities & Enterprise	3,236,305	3,391,291	3,508,627
Interest Income	22,248	6,752	6,995
Miscellaneous Revenue	2,069	-	-
Refunds & Reimbursements	2,299	-	-
Rents and Royalties	-	8,000	8,240
Roll-Off Container Rental	15,434	16,209	16,695
Sales	2,042,390	-	-
Total Revenues	5,719,066	3,818,402	3,948,592
Expenditures			
Personnel & Benefits	1,058,077	1,197,422	1,351,142
Operating	2,316,888	2,114,835	2,312,942
Capital	798,002	430,000	100,000
Transfers	1,569,319	-	-
Total Expenditures	5,742,286	3,742,257	3,764,084

641 - Landfill Post Closure and Monitoring Costs			
Revenues			
Transfers	2,375,319	368,084	250,000
Total Revenues	2,375,319	368,084	250,000
Expenditures			
Operations	886,685	353,000	250,000
Capital	61,417	61,417	61,417
Total Expenditures	948,102	414,417	311,417

650 - Parking Fund			
Revenues			
Licenses and Permits	482,566	379,000	414,000
Charges for Services	64,492	50,000	50,000
Fines and Forfeitures	336,216	300,000	300,000
Interest Income	6,904	750	5,000
Loan Interest	811	840	840
Miscellaneous Revenue	617		
Rents & Receivables	25,067	2,000	1,500
Transfers from other Funds	250,000	250,000	250,000
Total Revenues	1,166,673	982,590	1,021,340
Expenditures			
Personnel & Benefits	299,921	342,633	353,362
Operating	597,359	365,597	393,978
Capital	9,378	260,000	112,031
Total Expenditures	906,658	968,230	859,371

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Enterprise Funds			
670 - Storm Water Fund			
Revenues			
State Shared	6,182	-	-
Utilities & Enterprise	1,294,328	1,292,753	1,317,688
Interest Income	7,080	5,000	5,500
Contributed Capital	549,096	-	-
Transfers from other Funds	140,000	140,000	75,000
Total Revenues	1,996,686	1,437,753	1,398,188
Expenditures			
Personnel & Benefits	553,566	451,548	408,583
Operations	329,185	161,466	240,373
Capital	303,639	650,000	635,000
Debt Service	193,906	225,346	160,346
Transfers	454,000	-	-
Total Expenditures	1,834,296	1,488,360	1,444,302

Internal Service Funds

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

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Internal Service Funds			
710 - Vehicle Maintenance			
Revenues			
General Government	1,121,811	1,184,000	1,264,876
Interest Income	60	2,700	250
Refunds & Reimbursements	468	3,000	500
Total Revenues	1,122,339	1,189,700	1,265,626
Expenditures			
Personnel & Benefits	418,300	480,652	481,127
Operating	789,939	757,392	778,335
Capital	41,210	-	-
Total Expenditures	1,249,449	1,238,044	1,259,462

720 - Health-Medical Insurance			
Revenues			
Public Welfare	4,820,912	4,820,912	4,820,912
Refunds & Reimbursements	-	-	
Transfers In			
Total Revenues	4,820,912	4,820,912	4,820,912
Expenditures			
Operating	4,715,591	4,820,912	4,820,912
Total Expenditures	4,715,591	4,820,912	4,820,912

750 - Public Works Administration			
Revenues			
General Government	-	-	2,381,457
Total Revenues	-	-	2,381,457
Expenditures			
Personnel & Benefits	-	-	1,693,903
Operating	-	-	588,006
Capital	-	-	106,548
Total Expenditures	-	-	2,388,457

Permanent Funds

Perpetual Cemetery Care Fund 800 accounts for the maintenance fee received from the sale of City cemetery lots, which is to be used for perpetual care. Beginning in FY19, 35% of all revenue will be recorded in to the fund. The interest income from the trust is transferred to the general fund for use in maintaining the City’s cemetery.

FUND	FY17 Actual	FY18 Budget	FY19 Approved
Permanent Funds			
800 - Cemetery Perpetual Care			
Revenues			
Public Welfare	115,982	100,000	75,000
Interest Income	14,205	6,000	13,500
Total Revenues	130,187	106,000	88,500

Summary of all Fund Revenues by Type

City of Bozeman Revenues: All Funds	Property Taxes	Special Assessments	Licenses & Permits	Inter-governmental	Charges for Services	Fines and Forfeitures	Interest Income	Other Revenues	Other Financing Sources	TOTAL
010 - General Fund	\$ 16,621,534		\$ 409,475	\$ 7,642,511	\$ 2,940,941	\$ 1,131,000	\$ 75,000	\$ 83,450	\$ 3,011,619	\$ 31,915,530
100 - Community Development/Planning	210,488			110,733	785,500		6,500	53,400	127,575	\$ 1,294,196
103 - Health-Medical Insurance	2,654,566									\$ 2,654,566
108 - Community Transportation							1,200			\$ 1,200
109 - Highway Safety Improvement Projects							200			\$ 200
110 - Gas Tax				1,402,031			9,000			\$ 1,411,031
111 - Street Maintenance	11,500		18,000		5,730,198		10,000	10,000		\$ 5,779,698
112 - Tree Maintenance					730,821		2,200	4,200		\$ 737,221
113 - Fire Impact Fee					380,363		12,000			\$ 392,363
114 - Street Impact Fee					4,226,250		115,000	1,000		\$ 4,342,250
115 - Building Inspection Fund			1,783,700		1,500		15,000			\$ 1,800,200
116 - TIFD Downtown Improvement	1,820,000			45,000			10,000			\$ 1,875,000
119 - Economic Development Loan									50,000	\$ 50,000
120 - Community Housing Fund							4,000	9,500	481,920	\$ 495,420
121 - Housing Revolving Loan							10	1,275		\$ 1,285
123 - Big Sky Econ. Development Grant								50,000		\$ 50,000
125 - Drug Forfeiture Fund				75,000		54,000	70		28,872	\$ 157,942
128 - Fish Wildlife & Park Mgmt							150			\$ 150
130 - Americans with Disability							300			\$ 300
131 - Beautification of Bozeman							9			\$ 9
132 - Bogert Park Special Revenue							100	6,200		\$ 6,300
133 - Recreation Special Revenue							100	2,000		\$ 2,100
135 - Cemetery Special Revenue							20			\$ 20
136 - Park Special Revenue							100	2,500		\$ 2,600
137 - Library Special Revenue							100	75,000		\$ 75,100
139 - Police Special Revenue							2,000	12,500		\$ 14,500
141 - Street Arterial Construction		1,333,854					20,031	381,022		\$ 1,734,907
143 - TIF N 7th Corridor	651,949						9,500			\$ 661,449
144 - TIF NE Urban Renewal District	139,500						1,500			\$ 141,000
145 - TIF Mandeville Farm Industrial	25,000									\$ 25,000
146 - 170;181;182; 200 -241 - Lighting Districts		426,562					4,925	113		\$ 431,600
174 - Victim/Witness Advocate						63,000	3,100			\$ 66,100
175 - Senior Transportation	105,244						200			\$ 105,444

City of Bozeman Revenues: All Funds	Property Taxes	Special Assessments	Licenses & Permits	Inter-governmental	Charges for Services	Fines and Forfeitures	Interest Income	Other Revenues	Other Financing Sources	TOTAL
176 - BID Downtown ImprovDist							200	19,500	143,000	\$ 162,700
177 - Neighborhood Association							8			\$ 8
178 - Veteran's Treatment Court				113,000				7,000		\$ 120,000
179 - Disaster Relief							11,000			\$ 11,000
183 - Fire Department Special Revenue							650	3,000		\$ 3,650
186 - Development Impacts							1,500			\$ 1,500
187 - Fire Dept Equipment	420,976						2,500			\$ 423,476
188 - City/County Joint Forfeiture							1,100	500		\$ 1,600
189 - Story Mansion Special Revenue					22,000					\$ 22,000
191 - Bozeman Tourism BID		1,200,000						1,200		\$ 1,201,200
193 - Street Maintenance - Babcock SID							1,200	2,000		\$ 3,200
194 - Street Maintenance - Durston SID							500	40,400		\$ 40,900
850 - Cash in Lieu of Parkland								4,500		\$ 4,500
300 - SID Revolving Fund							26,500	3,500		\$ 30,000
303 - G.O. Refunding Series 2012	275,900									\$ 275,900
304 - Parks & Open Space Bond	1,083,136									\$ 1,083,136
305 - 2007 Downtown TIF Bonds									423,673	\$ 423,673
310-447- SID Funds		439,129					1,200	152,985		\$ 593,314
500-566 - Construction Funds									284,011	\$ 284,011
600 - Water Fund				1,500	8,985,959		168,495	130,500	1,750,000	\$ 11,036,454
610 - Water Impact Fee					1,883,070		5,000			\$ 1,888,070
620 - Waste Water Fund				1,500	9,559,623		91,238	-		\$ 9,652,361
630 - Waste Water Impact Fee					1,282,208		20,000		7,985,000	\$ 9,287,208
640 - Solid Waste Fund					3,916,662		6,995	24,935		\$ 3,948,592
641 - Landfill Closure Costs								250,000		\$ 250,000
650 - Parking Fund			414,000		50,000	300,000	5,000	252,340		\$ 1,021,340
670 - Storm Water Fund					1,317,688		5,500		75,000	\$ 1,398,188
710 - Vehicle Maintenance					1,264,876		250		500	\$ 1,265,626
720 - Health-Medical Insurance					4,820,912					\$ 4,820,912
750 - Public Works Administration					2,381,457					\$ 2,381,457
800 - Cemetery Perpetual Care					75,000		13,500			\$ 88,500
	\$ 24,019,793	\$ 3,399,545	\$ 2,625,175	\$ 9,391,275	\$ 50,355,028	\$ 1,548,000	\$ 664,651	\$ 1,584,520	\$ 14,361,170	\$ 107,949,157
% of Total	22%	3%	2%	9%	47%	1%	1%	1%	13%	100%

Summary of all Fund Expenditures by Type

City of Bozeman Expenditures: All Funds	Personnel & Benefits	Operations	Capital	Debt Service	Transfers	Other Financing Uses	TOTAL
010 - General Fund	21,960,888	9,788,744	1,832,717	3,650	491,188		34,077,187
100 - Community Development/Planning	990,695	369,281	301,218				1,661,194
103 - Health-Medical Insurance					2,654,566		2,654,566
110 - Gas Tax		244,500	927,000				1,171,500
111 - Street Maintenance	1,629,339	2,019,801	1,314,500	315,207	695,478		5,974,325
112 - Tree Maintenance	435,400	244,177	146,000				825,577
114 - Street Impact Fee		45,000	6,373,000				6,418,000
115 - Building Inspection Fund	1,702,127	706,608	251,681				2,660,416
116 - TIFD Downtown Improvement		1,618,500			434,000		2,052,500
119 - Economic Development Loan		31,000					31,000
120 - Community Housing Fund	78,708	293,150					371,858
123 - Big Sky Ec Dev Fund		50,000					50,000
125 - Drug Forfeiture Fund	222,710	8,500					231,210
128 - Fish Wildlife & Park Mgmt		8,000					8,000
132 - Bogert Park Special Revenue		5,000					5,000
138 - Law & Justice Center		19,125					19,125
141 - Street Arterial Construction		115,000	3,453,000				3,568,000
143 - TIF N 7th Corridor		1,491,900			40,000		1,531,900
144 - TIF NE Urban Renewal District		420,100			14,000		434,100
145 - TIF Mandeville Farm Industrial					4,000		4,000
146 - 170;181;182; 200 -241 - Lighting Districts		440,617			31,900		472,517
174 - Victim/Witness Advocate		150,000					150,000
175 - Senior Transportation		105,244					105,244
176 - BiD Downtown Improv Dist		162,175					162,175
178 - Veteran's Treatment Court		87,156					87,156

City of Bozeman Expenditures: All Funds	Personnel & Benefits	Operations	Capital	Debt Service	Transfers	Other Financing Uses	TOTAL
183 - Fire Dept Special Revenue		40,000					40,000
187 - Fire Dept Equipment			606,000				606,000
189 - Story Mansion Special Revenue		57,302					57,302
191 - Bozeman Tourism BID		1,200,000					1,200,000
300 - SID Revolving Fund					224,011		224,011
303 - G.O. Refunding Series 2012				276,900			276,900
304 - Bond S & I Parks & Open Space Bond				1,088,138			1,088,138
305 - 2007 Downtown TIF Bonds				423,673			423,673
310-447- SID Funds				385,800			385,800
500-566 - Construction Funds		735,000	284,011				1,019,011
600 - Water Fund	2,085,584	4,634,920	4,316,009	1,165,630			12,202,143
610 - Water Impact Fee			1,586,020		600,000		2,186,020
620 - Waste Water Fund	2,017,844	4,069,269	3,352,500	1,476,059			10,915,672
630 - Waste Water Impact Fee			8,625,000				8,625,000
640 - Solid Waste Fund	1,351,142	2,312,942	100,000				3,764,084
641 - Landfill Closure Costs		250,000	61,417				311,417
650 - Parking Fund	353,362	393,978	112,031				859,371
670- Storm Water Fund	408,583	240,373	635,000	160,346			1,444,302
710 - Vehicle Maintenance	481,127	778,335					1,259,462
720 - Health-Medical Insurance		4,820,912					4,820,912
750 - Public Works Administration	1,693,903	588,006	106,548				2,388,457
	\$ 35,411,412	\$ 38,544,615	\$ 34,383,652	\$ 5,295,403	\$ 5,189,143	\$ -	\$ 118,824,225
% of Total	30%	32%	29%	4%	4%	0%	100%



Activity/Department Details

Activity/Department Detail

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



The Department have Divisions within them and there are specific funds that they use for operational budgeting. The following table lists the Department and corresponding division and budgeted fund for the current fiscal year.

Activity	Departments	Divisions and Budget Units	Budgeted Funds
General Government	City Commission	City Commission, Special Bodies (Ethics Board)	General
	City Manager	Administration, City Clerk, Sustainability and Neighborhoods,	General
	Municipal Court	Operations	General
	City Attorney	Administration, Civil Litigation, Criminal Litigation, Criminal Victim-Witness	General, Victim Witness Advocate
	Finance	Administration, Accounting, Treasury	General
	Community Development	Operations, Development Review, Long-Range Planning, Historical Preservation	Community Development
	Facilities Maintenance	City Hall, City Hall Annex, Shop Complex, Professional Building, Senior Center, Library, Fire Station #2, Fire Station #3, Vehicle Maintenance Shop	General
	Information Technology	Operations	General, Capital Projects
	Human Resources	Operations	General
Public Safety	Police	Operations, Crime Control & Investigations, Drug Forfeiture, Parking, Animal Control	General, Drug Forfeiture, Law & Justice Center, Domestic Violence
	Fire	Administration, Operations, Operational Readiness, Fire Prevention, Special Fire Services, Hazardous Materials, Disaster & Emergency Services	General, Fire Impact Fees, Fire Special Revenue, Fire Capital/Equipment Replacement
	Building Inspection	Operations, Life Safety	Building Inspection
	Parking	Administration, Operations, Parking Garage	Parking Enterprise
Public Works	Public Works Administration	Administration, GIS, Engineering, Snow Removal Enforcement, Weed Cutting Enforcement, Sidewalk Repair Program, Sidewalk & Curb Construction, SID Construction	Internal Service Fund
	Streets	Operations, Maintenance, Construction, Snow & Ice Removal, Lighting, Traffic Signs & Markers	General, Community Transportation, Gas Tax, Street Maintenance, Street Impact Fees, SIDs, Arterial Construction
	Water	Operations, Water Conservation, Construction, Utility Locates, Water Services, Construction, Reservoirs, Meters, Hydrants, Valves, Repairs	Water, Water Impact Fees
	Wastewater	Operations, Utility Locates, Services, Construction, Manholes, Televising, Flushing, Repairs, Laboratory, Sludge Injection, Pretreatment	Wastewater, Wastewater Impact Fees
	Storm Water	Admin and Mapping, Operations, Capital Improvements	Stormwater Enterprise
	Solid Waste Collection & Recycling	Collections, Recycling, landfill	Solid Waste Enterprise
	Vehicle Maintenance	Operations	Internal Service Fund
Public Welfare	Parks & Recreation	Cemetery, Parks, Forestry, Recreation	General, Parks & Open Space Bond, Tree Maintenance, Recreation Special Revenue, Story Mansion Operating
	Library	Operations, Technical Services, Information, Children's Services, Circulation, Construction	General, Library Special Revenue, Library Depreciation
	Economic Development	Economic Development	General, Downtown TIF, Community Housing, Housing Revolving Loans, North 7 th . TIF, North East Urban Renewal TIF, Downtown BID, Development Impacts, Tourism BID
Other	Non Departmental, GO, SID & TIF Bonds, SID Revolving	Insurance, Contingencies, Transfers, Beautification of Bozeman, Band, Senior Transportation, Principal & Interest	General, Permissive Medical Levy, Senior Transportation, Employee Health Insurance, GO Refunding Series 2012, Parks & Open Space Bond, Downtown TIF, SID Bonds



General Government



City Commission

About:

The City Commission is the legislative body of city government. It is comprised of a mayor and four commissioners. Members of the City Commission are elected at large for four year overlapping terms. Responsibilities of the Commission include: establishment of policies governing the operation of the City, enactment of ordinances and resolutions, adoption of the annual operating budget, levying of taxes, and appointment of members to citizen advisory boards and commissions. The Commission employs a City Manager and is responsible for the oversight and evaluation of the Manager's performance as the chief administrative officer of the City. The City Commission's budget is appropriated in the General fund.

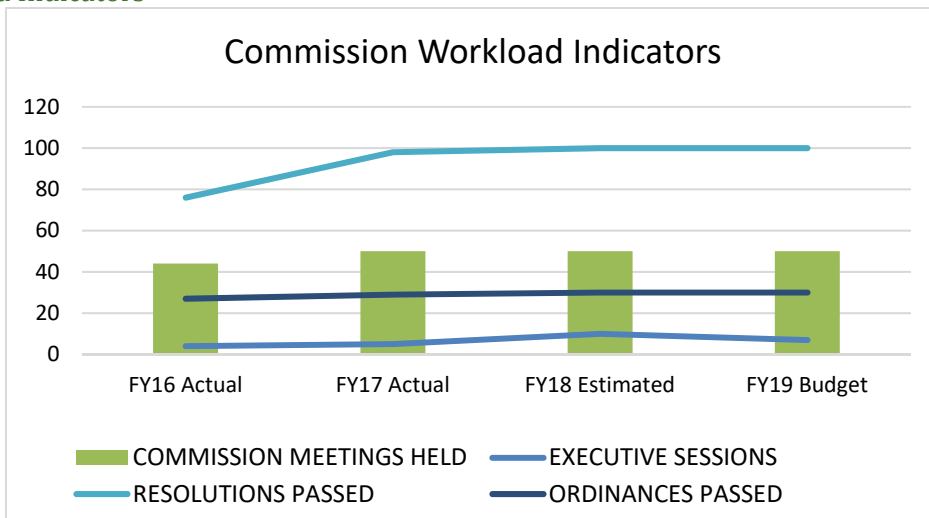
Major Objectives:

- Work closely with the administration and other government officials to lobby for state legislation beneficial to cities.
- Develop broad-based city-wide support for economic development and to foster coordination of public and private resources as a means of enhancing economic prosperity and environmental quality.
- Improve public facilities and the quality of services delivered to the public in order to meet the needs of the citizenry.
- Cooperate with other governmental entities in order to provide services efficiently and effectively and in a manner resulting in the most equitable distribution of the tax burden.
- Ensure that all decisions are protective of the health, safety and general welfare of the citizens of this community.

Accomplishments

- Adopting the Strategic Plan
- Working with the City employees to carry out the adopted Vision and Strategic Plan

Workload Indicators



Budget Issues and Details

- Business Expenses Increase - \$7,000
- Commission Room Upgrade - \$85,000

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
CITY COMMISSION	010	General Fund	179,765	234,148	295,016

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
CITY COMMISSION	Salaries & Benefits	128,196	128,798	131,266	1.9%
CITY COMMISSION	Operating	50,315	100,350	82,200	-18.1%
CITY COMMISSION	Capital	-	5,000	80,000	1500.0%
CITY COMMISSION	Debt Service	1,254	-	1,550	0.0%
CITY COMMISSION	Transfers	-	-	-	0.0%
TOTALS		179,765	234,148	295,016	26.0%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
CITY COMMISSION	1110	City Commission	234,148	295,016	60,868	26.0%

City Manager

About:

The role of the City Manager is to operate at the will of the City Commission with a focus on policy, long range planning, and strategy. The purpose of the City Manager's office is the administration of the City operations and is to provide overall leadership, direction, coordination, and support for the City's activities and workforce. The City Manager provides information to the City Commission in an effort to support their ability to make informed policy decisions. The City Manager department includes the City Clerk, Sustainability program, and Neighborhoods program. The City Manager's budget is appropriated in the General fund.

- City Clerk- dedicated to preparing the proceedings of the City Commission and preserving the City records, using integrity to offer timely and courteous service to the citizens and staff of Bozeman Montana, along with enhancing the ability of the citizenry to participate in local government.
- Sustainability- Coordinates with city departments and community stakeholders to advance our Climate Action Plan. This is a Public Welfare activity so Community Services section for details on this program's budget
- Neighborhoods- provides multiple modes of communication between Bozeman neighbors, City staff and commissioners, as well as other stakeholders like MSU, non-profit groups, and the Downtown Business Association. The Neighborhoods Program strives to convey information, updates, and policy changes and processes to the public, and to invite public comment and participation to City operations and policy decisions.

Major Objectives:

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

- City Clerk- To support the City Commission and to preserve the City records.
- Neighborhoods- Create understanding of the Neighborhoods Program among Bozeman neighbors and increase those neighborhoods represented by official Neighborhood Associations

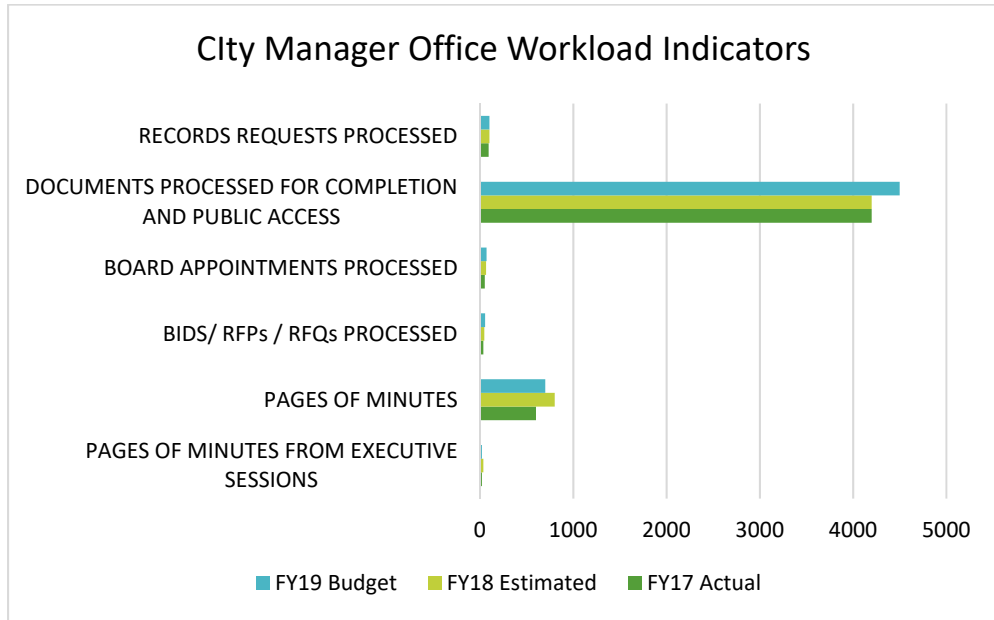
Key areas, as identified in the City's Strategic Plan for the City Manager's Office, are:

- A well-planned city with a focus on safety, sustainability and inclusivity
- A community that supports creativity, education, and an innovative economy
- A high performing organization that utilizes best practices to anticipate future needs, and engages the community for continuous improvement

Accomplishments

The City Manager joined the City of Bozeman half way through FY18 and helped with to refine the activities to accomplish the strategic plan. The City Manager's Office looks forward to implementing the Communications Position, and adopting and implementing the Strategic Plan.

Workload and Performance Indicators



Budget Issues and Details

Administration - Increases in many areas as we continue to adjust to a new City manager, and prepare for a Communications position. These adjustments can primarily be seen in the Travel and Training, Supplies, and Dues and Certification accounts.

Clerk- Staffing increase and software for automation.

Neighborhoods- Increase in marketing and engagement workshop supplies to continue outreach efforts.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
CITY MANAGER	010	General Fund	1,233,707	1,216,952	1,339,138

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
CITY MANAGER	Salaries & Benefits	920,099	976,385	1,068,849	9.5%
CITY MANAGER	Operating	312,354	231,517	268,189	15.8%
CITY MANAGER	Capital	-	8,500	-	0.0%
CITY MANAGER	Debt Service	1,254	550	2,100	281.8%
CITY MANAGER	Transfers	-	-	-	0.0%
TOTALS		1,233,707	1,216,952	1,339,138	10.0%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
CITY MANAGER	1210	City Administration	918,541	944,508	25,967	2.8%
CITY MANAGER	1220	City Clerk	207,835	297,839	90,004	43.3%
CITY MANAGER	1260	Neighborhood Programs	90,576	96,791	6,215	6.9%
TOTALS			1,216,952	1,339,138	122,186	10.0%

City Attorney

About:

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 its legal operations. The City Attorney, Assistant City Attorneys and Prosecutors: represent the city before all courts, administrative agencies, and all legal proceedings involving the City; prosecute misdemeanors including DUI, domestic violence related cases, and other offenses civil and criminal offenses committed within City; provide legal advice to the City Commission, City Manager, and all departmental staff and agencies and boards; and prepare or review contracts, deeds, resolutions, ordinances, and other municipal documents. The City Attorney’s Office also oversees litigation involving the city conducted by appointed counsel. The City Attorney’s budget is appropriated in the General Fund.

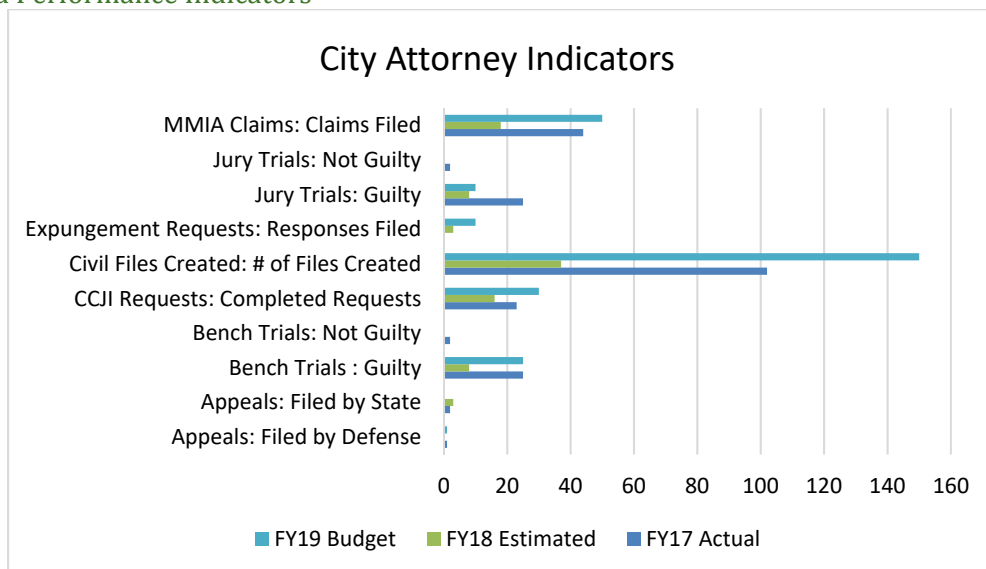
Major Objectives:

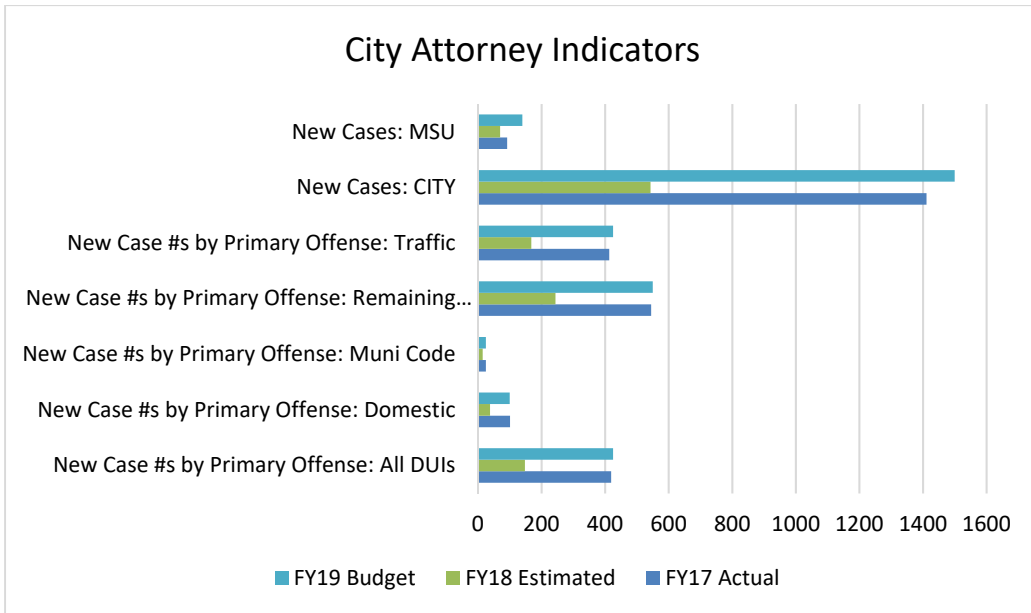
- To work with the Bozeman Police Department and MSU Police Department to enforce state laws and city ordinances pertaining to misdemeanor offenses within the city.
- To work with other city personnel and officials in enforcing city ordinances including zoning, building code, fire code, etc.
- To review legitimate complaints from citizens for the filing of criminal offenses and, if accepted, prosecute the violations in court.
- To prosecute criminal cases in a timely and efficient manner in the best interests of justice, the best interests of the citizens of Bozeman, and the interests of victims of crime.

Accomplishments

- Demonstrated improvement in effectiveness of informing police officers and other witnesses of cancelled or amended dates for hearings and trials.
- Promoted prosecutor to Chief Prosecutor and effectively implemented the new role into the department and organization.
- Resolved several significant pieces of litigation (Digester; Malpractice case)

Workload and Performance Indicators





Budget Issues and Details

- \$10,000 for connecting JustWare (criminal software) to Zuercher (criminal records software). First year includes a \$5,000 license and a \$5,000 fee for creating the software bridge. Ongoing will be approx. \$5,000 per year.
- Begin the process of going “paperless.” The first step will be to provide the prosecutors Surface Pros (included in IT budget) and to provide the legal assistant desktop scanners. We will also need a docking station and monitor at the L&J office as well as external CD players for use by prosecutors in court for playing video.
- Increase in bar dues for all seven lawyers. Rates went up to just under \$500/year.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
CITY ATTORNEY	010	General Fund	1,165,824	1,246,948	1,258,873
CITY ATTORNEY	174	Victim Witness Advocate	54,477	150,000	150,000
TOTALS			1,220,301	1,396,948	1,408,873

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
CITY ATTORNEY	Salaries & Benefits	961,499	1,037,748	1,119,223	7.9%
CITY ATTORNEY	Operating	252,569	359,200	289,650	-19.4%
CITY ATTORNEY	Capital	6,234	-	-	0.0%
CITY ATTORNEY	Debt Service	-	-	-	0.0%
CITY ATTORNEY	Transfers	-	-	-	0.0%
TOTALS		1,220,302	1,396,948	1,408,873	0.9%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
CITY ATTORNEY	1460	Criminal Prosecution - General	1,000	1,000	-	0.0%
CITY ATTORNEY	1430-	Civil Litigation	115,000	25,000	(90,000)	-78.3%
CITY ATTORNEY	1410	City Attorney	1,130,948	1,232,873	101,925	9.0%
CITY ATTORNEY	1462	Criminal Prosecution - Victim/Witness	150,000	150,000	-	0.0%
TOTALS			1,396,948	1,408,873	11,925	0.9%

Finance Department

About:

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 including financial planning, budgeting, insurance administration, accounting and financial statement preparation, data processing, collection and investment of City funds, debt administration, utility billing, special improvement district accounting, and development of internal controls. The Finance Department is budgeted out of the General Fund but some of its costs are allocated to the Enterprise funds for the support of their financial operations.

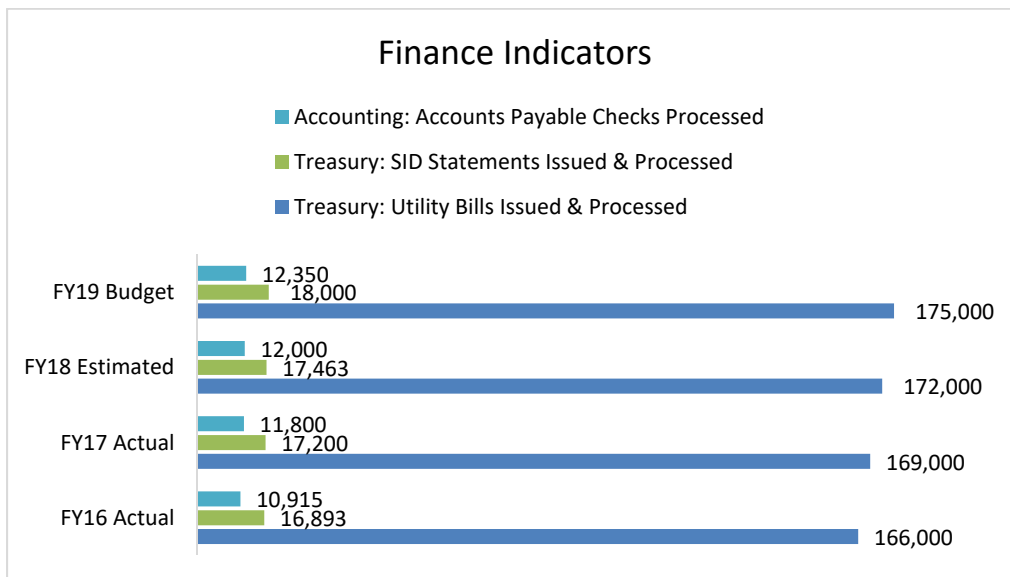
Major Objectives:

- To manage and account for the City's finances in accordance with Generally Accepted Accounting Principles (GAAP), as set forth by the Governmental Accounting Standards Board (GASB).
- To prepare a Comprehensive Annual Financial Report (CAFR) in conformity with GAAP
- To prepare a comprehensive budget on an annual basis that encompasses all funds of the City.
- To monitor all department grants for compliance with federal and state regulations and reporting requirements.
- To assure efficient and effective management of the public's resources by providing quality financial services.
- To safeguard and account for City assets and to provide accurate and timely budgetary and financial data to management, City Commission, and the citizens of Bozeman.

Accomplishments

- Government Finance Officers Association Awards for the Comprehensive Annual Financial Report and Budget book
- Banking Services and Audit Firm Requests for Proposals
- Rate and fee studies in many areas and funds

Workload and Performance Indicators



Achievement	FY16 Actual	FY17 Actual	FY18 Estimated
City's Bond Rating: General Obligation	Aa3	Aa2	Aa2
Certificate of Achievement for Excellence in Financial Reporting	RECEIVED	APPLIED	WILL APPLY
Distinguished Budget Presentation Award	RECEIVED	RECEIVED	RECEIVED

Budget Issues and Details

Personnel costs are reduced with utility billing clerks being moved to the Internal Service fund 750 to be allocated to the enterprise funds that they serve. Increases in training with newer staff and new financial reporting software component for \$35,000 to help with pulling information from the ERP system.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
FINANCE	010	General Fund	995,131	1,065,951	957,847

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
FINANCE DEPARTMENT	Salaries & Benefits	774,102	876,140	756,309	-13.7%
FINANCE DEPARTMENT	Operating	208,269	189,811	197,538	4.1%
FINANCE DEPARTMENT	Capital	12,760	-	4,000	0.0%
FINANCE DEPARTMENT	Debt Service	-	-	-	0.0%
FINANCE DEPARTMENT	Transfers	-	-	-	0.0%
TOTALS		995,131	1,065,951	957,847	-10.1%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
FINANCE DEPARTMENT	1510	Finance Administration	159,170	269,421	110,251	69.3%
FINANCE DEPARTMENT	1520	Accounting	500,164	434,114	(66,050)	-13.2%
FINANCE DEPARTMENT	1530	Treasury	406,617	254,312	(152,305)	-37.5%
TOTALS			1,065,951	957,847	251,597	23.6%

Facilities Management

About:

The Facilities Management budget accounts for costs associated with sustaining operations with limited discretionary spending to City owned buildings and grounds including: City Hall; Fire Stations #1, #2 and #3; City Shop Complex; Alfred M. Stiff Professional Building; Bozeman Public Library; and the Bozeman Senior Center. Facilities Management is also responsible for coordinating remodeling, renovations, and new construction projects. Contracted services include activities such as: janitorial services; snow removal; lawn care; and building systems including elevator and fire suppression systems, heating, ventilation, air conditioning systems, mechanical controls, and building generators. The department also provides support to other divisions with their buildings, grounds, contract service, internal projects and construction related services as requested.

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 measures.

Accomplishments

- Completed, or will complete, all the CIP projects funded in FY18 and remaining from FY17
- Anticipated for FY17: Retooling of Cityworks asset management, tracking and help desk functions
- Support Story Mill Recreation Center Renovation
- Review and update Facility Condition Reports
- Improve drainage and pedestrian access at the Library

Budget Issues and Details

The budget includes many Capital Improvement items at City Hall and Professional building. The major expenditure is for the \$300,000 remodel of the Commission room of City Hall. The items are described at length in the Capital Improvement Plan. There has been an increase for custodial needs.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
FACILITIES MANAGEMENT	010	General Fund	1,288,646	1,455,651	1,815,352

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
FACILITIES MANAGEMENT	Salaries & Benefits	238,846	311,147	378,572	21.7%
FACILITIES MANAGEMENT	Operating	899,998	979,754	1,149,749	17.4%
FACILITIES MANAGEMENT	Capital	149,802	164,750	287,031	74.2%
FACILITIES MANAGEMENT	Debt Service	-	-	-	0.0%
FACILITIES MANAGEMENT	Transfers	-	-	-	0.0%
TOTALS		1,288,646	1,455,651	1,815,352	24.7%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
FACILITIES MANAGEMENT	1810	City Hall	481,166	733,900	252,734	52.5%
FACILITIES MANAGEMENT	1820	Fire Station #1	45,430	51,659	6,229	13.7%
FACILITIES MANAGEMENT	1830	Shops Complex	97,280	109,159	11,879	12.2%
FACILITIES MANAGEMENT	1840	Professional Building	295,735	320,504	24,769	8.4%
FACILITIES MANAGEMENT	1850	Senior Center	147,115	83,465	(63,650)	-43.3%
FACILITIES MANAGEMENT	1860	Library	279,990	396,670	116,680	41.7%
FACILITIES MANAGEMENT	1870	Fire Station #2	21,425	21,535	110	0.5%
FACILITIES MANAGEMENT	1880	Fire Station #3	50,445	59,239	8,794	17.4%
FACILITIES MANAGEMENT	1890	Vehicle Maintenance Facility	37,065	39,221	2,156	5.8%
TOTALS			1,455,651	1,815,352	359,701	24.7%

Information Technology Department

About:

The Information Technology Department purpose is to manage and operate the City's enterprise applications and networking services. The division provides technology services to the City departments and customers; support, training and research for City staff; and manages and maintains daily operations of the data centers.

Major Objectives:

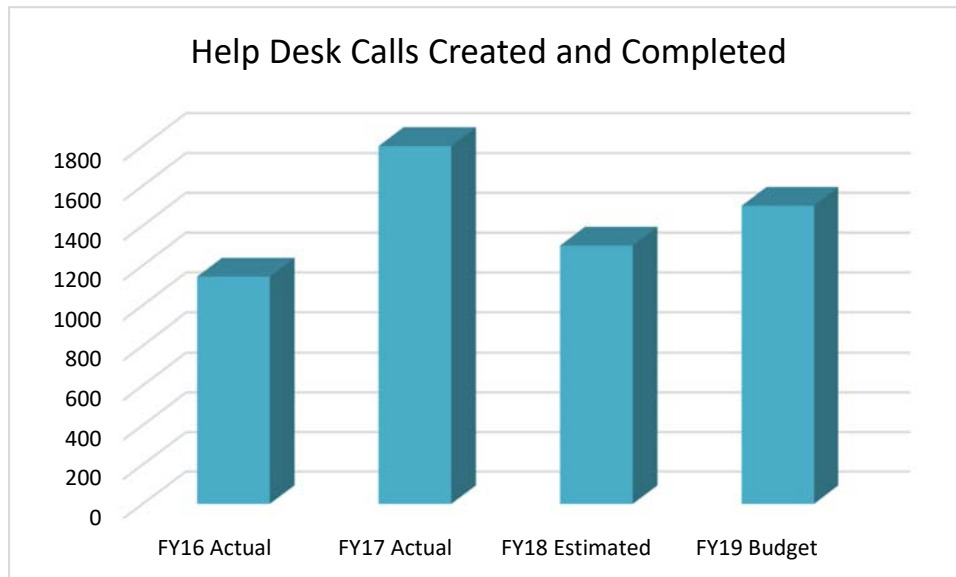
The Department supports the entire City's Information Technology needs.

Accomplishments

- Commission Room Production Equipment Replacement
- Continued to upgrade the City Website to enhance the public's access to City information
- Assisted with Executime Implementation
- Upgraded our VMWare Environment to accommodate GIS Server needs
- Continue upgrades to aging routers and switches at selected locations
- Transition to SIP trunks for redundant phone Service
- Security Camera Install/Configuration in multiple City Facilities



Workload and Performance Indicators



Budget Issues and Details

Increase in software licenses our occurring in FY19 and have typical three year cycle. There are enhancements to technology and storage as part of the Capital Improvement Plan and the continued rotation of desktop replacements.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
INFORMATION TECHNOLOGY	010	General Fund	955,335	978,222	1,331,185

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
INFORMATION TECHNOLOGY	Salaries & Benefits	525,979	586,334	712,461	21.5%
INFORMATION TECHNOLOGY	Operating	343,513	301,888	392,538	30.0%
INFORMATION TECHNOLOGY	Transfers	-	-	-	0.0%
INFORMATION TECHNOLOGY	Capital	85,843	90,000	226,186	151.3%
INFORMATION TECHNOLOGY	Debt Service	-	-	-	0.0%
TOTALS		955,335	978,222	1,331,185	36.1%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
INFORMATION TECHNOLOGY	1910	Information Technology	978,222	1,331,185	352,963	36.1%

Human Resources Department

About:

The Human Resources Department purpose is to support City functions by ensuring the capability and stability of the workforce. The manager supports administrators and directors with current lawful information that provides sound recruitment practices and protects the employment rights of the City and the workforce member.

Major Objectives:

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

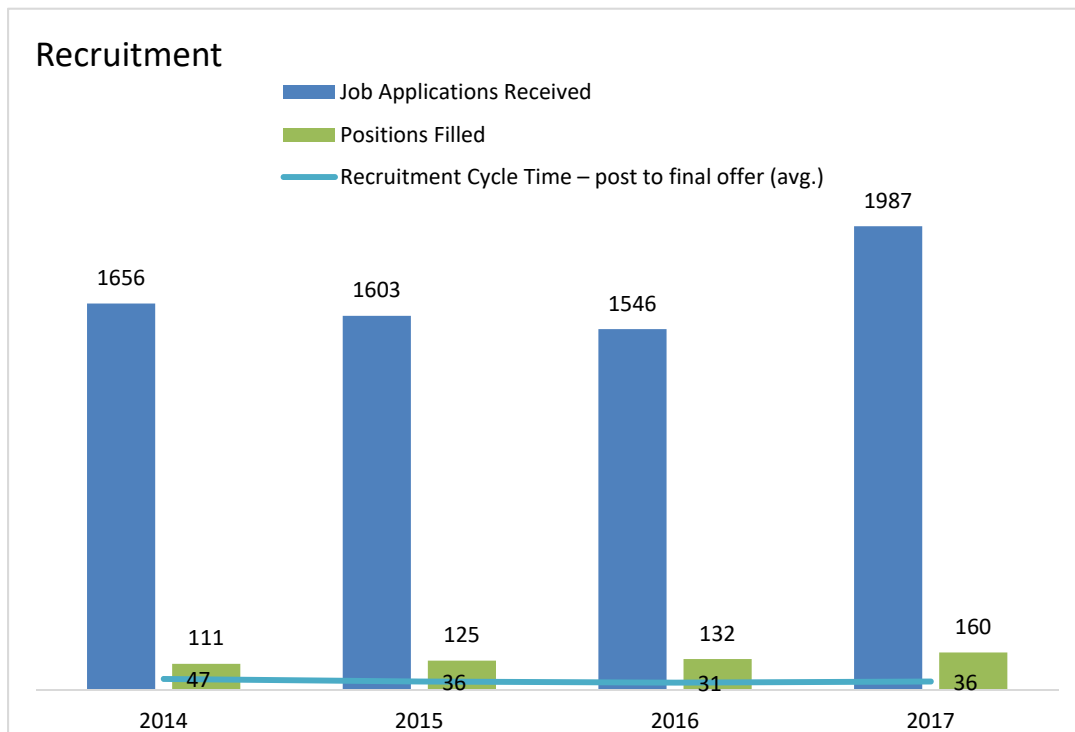
Accomplishments

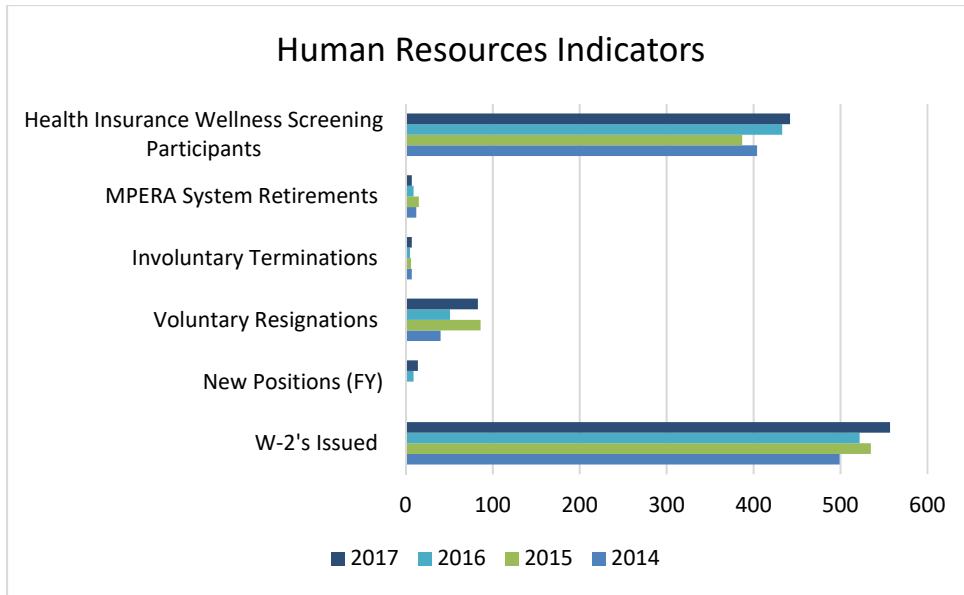
- Implemented Electronic Time and Attendance
- Delivered New Employee Handbook
- Recruitment – filled 160 positions
- Payroll – monthly self-audits, 557 W-2s issued
- Performance Evaluations – increased focus on accuracy and completion
- Worker’s Compensation – model for MMIA
- Completed Data Collection for Equal Pay Initiative, Began Analysis



Workload and Performance Indicators

*Calendar years are used for data compilation





Budget Issues and Details

Increases for hiring advertising for diversity and increase for background checks for new positions. Increase for training of department staff and scheduling system upgrade to time and attendance software.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
HUMAN RESOURCES	010	General Fund	385,587	413,390	540,618

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
HUMAN RESOURCES	Salaries & Benefits	285,475	331,290	408,518	23.3%
HUMAN RESOURCES	Operating	70,352	82,100	97,100	18.3%
HUMAN RESOURCES	Capital	29,760	-	35,000	0.0%
HUMAN RESOURCES	Debt Service	-	-	-	0.0%
HUMAN RESOURCES	Transfers	-	-	-	0.0%
TOTALS		385,587	413,390	540,618	30.8%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
HUMAN RESOURCES	2010	Human Resources	413,390	540,618	127,228	30.8%

Community Development Department

About:

The Community Development Department plans for the growth and development of the City of Bozeman. Working with property owners, the design community, residents and business owners to plan, build and grow our community by considering the needs of the current and future residents and property owners within the city boundaries. Major elements of our work consist of: Long Range Planning, Development Review, Historic Preservation, Impact Fees, Affordable Housing and Boards Commissions Served. The Community Development Department's budget is appropriated in the special revenue Planning Fund.

Major Objectives:

- Provide exemplary customer service by making the planning process accessible, understandable, and efficient.
- Evaluate and make recommendations to the Planning Board, City Commission, and /or Director of Public Works on all applications for annexations and subdivisions of land.
- Evaluate and make recommendations to the Development Review Committee, Design Review Board, Zoning Commission and City Commission on all proposals for site development.
- Review business licenses and building permit applications for compliance with the Zoning Ordinance.
- Aid the City Commission and the Community Affordable Housing Advisory Board in implementing the inclusionary housing ordinance. This is a Public Welfare activity so Community Services section for details on this program's budget.
- Support the City's economic development programs.

Accomplishments

- Revised City's Unified Development Ordinance (UDC) to advance community goals and Commission direction.
- Supported the Bozeman Community Plan and Economic Development Plan
- Continued coordination and cooperation on planning issues with Gallatin County, City of Belgrade, School District 7, Montana State University, Montana Department of Transportation, Gallatin Valley Land Trust, and other public and private organizations.

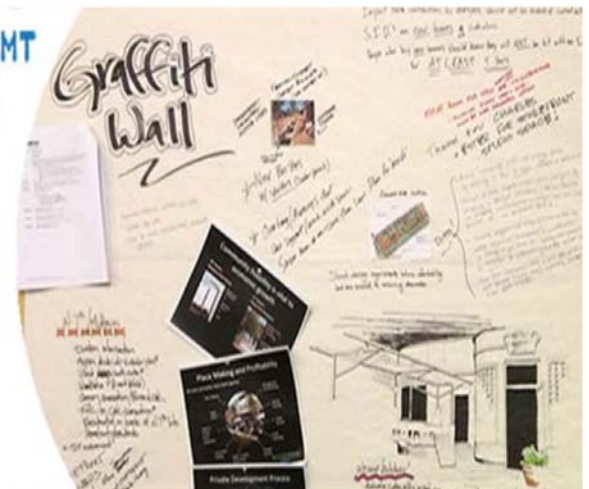
UDC Code Update

BOZEMAN^{MT}
CODE UPDATE

YOUR COMMUNITY

YOUR IDEAS

YOUR VOICE



Budget Issues and Details

Increases are due to contracted services for strategic plan action items. The capital expenditure is the department's portion of the building remodel.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
COMMUNITY DEVELOPMENT	100	Community Development Fund	965,863	1,505,363	1,661,194

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
COMMUNITY DEVELOPMENT	Salaries & Benefits	699,975	971,694	990,695	2.0%
COMMUNITY DEVELOPMENT	Operating	265,888	423,669	369,281	-12.8%
COMMUNITY DEVELOPMENT	Capital	-	110,000	301,218	173.8%
COMMUNITY DEVELOPMENT	Debt Service	-	-	-	0.0%
COMMUNITY DEVELOPMENT	Transfers	-	-	-	0.0%
TOTALS		965,863	1,505,363	1,661,194	10.4%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
COMMUNITY DEVELOPMENT	1610	Planning Operations	682,473	798,553	116,080	17.0%
COMMUNITY DEVELOPMENT	1620	Development Review	500,467	513,353	12,886	2.6%
COMMUNITY DEVELOPMENT	1630	Long-Range Planning	322,423	349,288	26,865	8.3%
TOTALS			1,505,363	1,661,194	155,831	10.4%

Municipal Court

About:

The Municipal Judge is an Elected Position. Municipal Court accounts for costs associated with the judicial branch of City government, which includes one full-time judge and one three quarter-time judge, chief clerk, line clerks, and related operating costs. The Municipal Court hears cases involving city ordinances, misdemeanor cases defined by state criminal codes, and may conduct (preliminary hearings) in felony cases. The Municipal Judge is elected every 4 years in a nonpartisan election held in conjunction with the City's regularly scheduled general election. The Municipal Court's budget is appropriated in the General fund.



Major Objectives:

- Maintain an efficient collection system concentrating on Municipal Services Bureau and collection of fines and restitution.
- Continue effective communications with the City Attorney, Prosecutor, Law Enforcement, and Public Defender's Office.

Budget Issues and Details

Increases in many areas as we continue to adjust to a new City manager, an additional Assistant City Manager, and prepare for a Communications position. These adjustments can primarily be seen in the Travel and Training, Supplies, and Dues and Certification accounts. The addition of the Veteran Court grant has added a fund, grant revenue and appropriations for the program.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
MUNICIPAL COURT	010	General Fund	719,179	943,811	867,868
MUNICIPAL COURT	178	Veteran Court	-	-	87,156
TOTALS			719,179	943,811	955,024

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
MUNICIPAL COURT	Salaries & Benefits	578,841	681,029	697,956	2.5%
MUNICIPAL COURT	Operating	140,338	249,782	257,068	2.9%
MUNICIPAL COURT	Capital	-	13,000	-	-100.0%
MUNICIPAL COURT	Debt Service	-	-	-	0.0%
MUNICIPAL COURT	Transfers	-	-	-	0.0%
TOTALS		719,179	943,811	955,024	1.2%



Public Safety



Police Department

About:

The Bozeman Police Department budget accounts for costs associated with providing all law enforcement services to the citizens of 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 tasked with detecting, preventing, and investigating all crimes occurring within the City as well as providing a broad range of public safety services.

- **PATROL DIVISION:** The patrol officers of the Bozeman Police Department provide coverage for the City of Bozeman 24 hours a day. They respond to all types of calls for service, performing a variety of duties based on the type of call and the resulting need.
- **SUPPORT SERVICES DIVISION:** The Division consists of animal control, code compliance, and a community resource officer. The division is also responsible for vehicle procurement and maintenance, uniform and equipment procurement, departmental training and standards, and police officer recruitment and hiring. Code Compliance includes neighborhood issues such as abandoned vehicles, snow removal. The division also coordinates citizen volunteers, and handles the bicycle registration program and abandoned bicycle auction.
- **DETECTIVE DIVISION:** The Detective Division is responsible for investigating felony criminal activity including crimes against persons, sexual offenses, crimes against children, internet crimes, property crimes and other complex investigations. Detectives are responsible for conducting background and internal affairs investigations, maintaining the Sexual and Violent Offender Registry and assisting the patrol division and other agencies with complex cases.
- **DRUG FORFEITURE:** The drug forfeiture budget accounts for the City of Bozeman's costs related to the drug enforcement efforts within the Missouri River Drug Task Force (MRDTF) as outlined in the MRDTF Local Drug Task Force Inter-local Agreement. The MRDTF encompasses seven counties to include Gallatin, Lewis and Clark, Broadwater, Meagher, Madison, Sweet Grass and Park. This task force is focused on the investigation of local and regional drug and firearm offenses.



Major Objectives:

- Detect, investigate, and proactively prevent criminal activity.
- Apprehend and hold criminal offenders accountable for their illegal behavior.
- Participate in court proceedings.
- Provide assistance to those who cannot care for themselves or those in danger of physical harm.
- Provide crime prevention education to schools, civic groups, businesses, and the public. • Develop positive programs, in partnership with the members of our community, which incorporate the concept of shared responsibility for public safety.

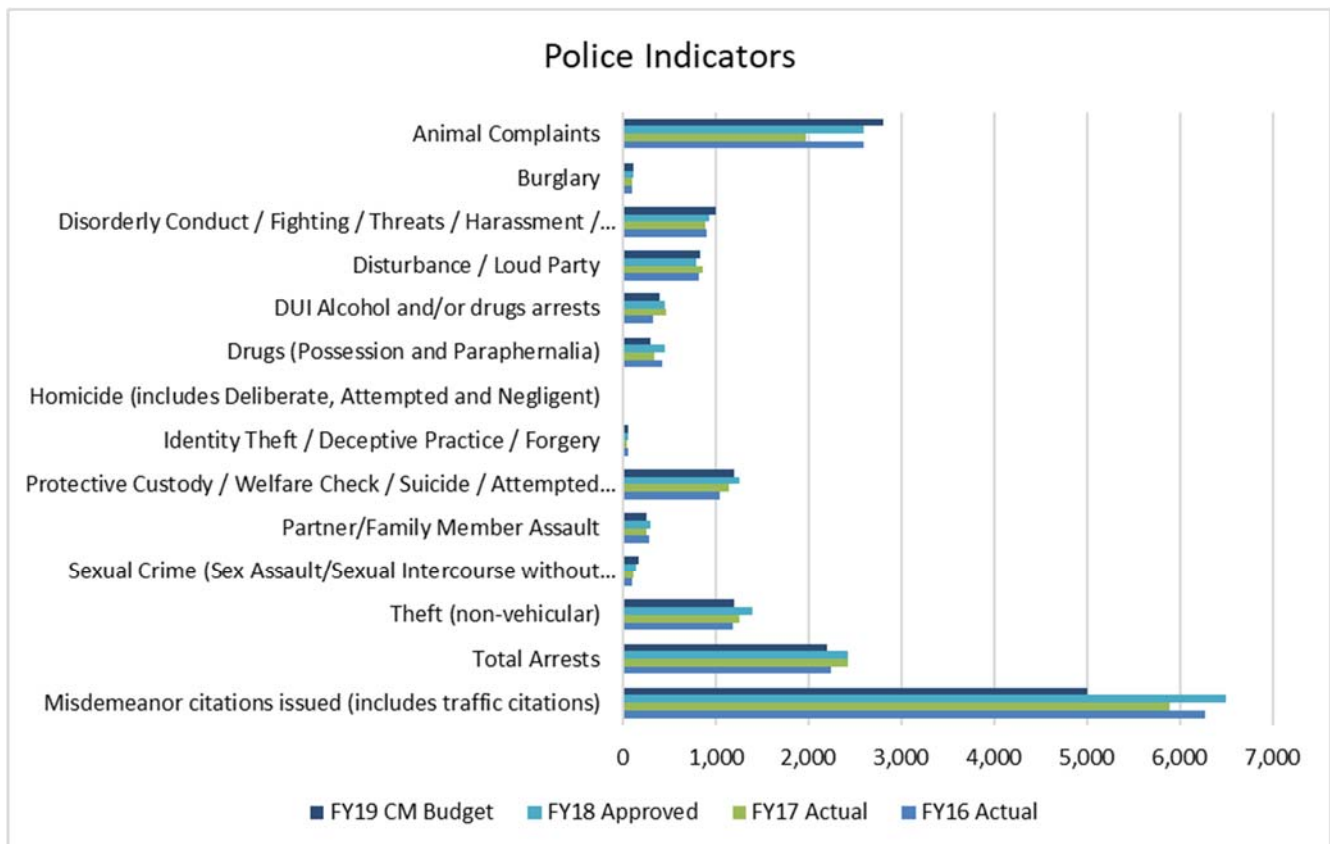
Accomplishments

Anticipated for FY19:

- Continue to work with City leadership to implement strategic plan into police planning and operations
- Continue to work jointly with County/911 to fully implement new Records Management
- Continue to maintain highly trained Bozeman Police Department employees
- Continued focused recruitment efforts that enhances a diverse workforce that reflects our community

- Implement a multi-jurisdictional Special Victims Unit (SVU) whose goal is to provide a comprehensive approach to victims of sexual assault
- Implement use of part-time officers to assist patrol shortages in the area of special events and court security

Workload and Performance Indicators



Budget Issues and Details

Increase in training and some operational costs. Capital Improvement Plan implementation has replacement of several police vehicles.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
POLICE	010	General Fund	8,515,713	7,890,215	8,541,786
POLICE	125	Drug Forfeiture	249,715	221,124	231,210
POLICE	138	Law & Justice Center Prepaid Rent	19,125	19,125	19,125
POLICE	139	Police Special Revenue	57,551	-	-
POLICE	140	Police Domestic Violence	181,318	219,030	-
TOTALS			9,023,422	8,349,494	8,792,121

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
POLICE	Salaries & Benefits	7,777,855	7,171,689	7,534,344	5.1%
POLICE	Operating	1,069,280	1,098,805	870,777	-20.8%
POLICE	Capital	176,287	79,000	387,000	389.9%
POLICE	Debt Service	-	-	-	0.0%
POLICE	Transfers	-	-	-	0.0%
TOTALS		9,023,422	8,349,494	8,792,121	5.3%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
POLICE	3040	Drug Forfeiture	221,124	231,210	10,086	4.6%
POLICE	3020	Crime Control & Investigations	1,598,021	2,069,015	470,994	29.5%
POLICE	3010	Police Operations	6,319,406	6,250,961	(68,445)	-1.1%
POLICE	3070	Animal Control	210,943	240,935	29,992	14.2%
TOTALS			8,349,494	8,792,121	442,627	5.3%

Fire Department

About:

The Fire Department budget is developed and administered to provide fire, rescue, hazardous materials, and emergency medical services throughout Bozeman while ensuring that firefighters are equipped and trained to meet nationally recognized minimum consensus standards. Additionally the budget provides resources necessary for the department to maintain a fire prevention program that is comprised of fire and life safety inspection, community outreach, school programs, rental safety initiatives, emergency preparedness, and public education.



Major Objectives:

Anticipated for FY 19: The primary objective of the department for the next fiscal year is to begin the process of implementing the findings from the 2017 Master Plan update while continuing the pursuit of organizational excellence via the accreditation process of the Center for Public Safety Excellence Commission on Fire Accreditation International. The updated Fire Master Plan provided forty-two recommendations for the fire department to review and evaluate for the future growth, efficiency, and effectiveness of the fire department. A primary recommendation of the Fire Master Plan is the relocation of Fire Station 1 and 2, thus department administration will be working with City Administration to help develop a formalized station location plan. As the department continues to pursue accreditation, the completion of a city-wide risk assessment and standards of cover will be required.

Accomplishments

- All members of the department now hold a nationally recognized Fire Instructor I level certification that is a 91% increase from 2016.
- The department completed the first phase of the Blue Card Hazard Zone Management program, which is a nationally recognized program for incident management.
- The department completed over 13,000 hours of training which 63% increase was over 2016.
- The department successfully implemented a new 800 MHz radio system replacing the outdated VHF radio system.
- The department successfully updated the Fire Protection Master Plan and obtained an improved ISO rating of Class 2.

Workload and Performance Indicators

- A record number of calls, 4696, were answered during 2017, which was just over a 9% increase from calendar year 2016. This increase in service demand is not expected to flatten out or decrease anytime in the near future, rather the department expects to see another 10% or larger increase in service demands in 2017.

Budget Issues and Details

Implementation of the Fire Protection Master Plan / Pursuit of Accreditation via the Center for Public Safety Excellence Commission on Fire Accreditation International. Development of a Community Risk Analysis and Standards of Cover. Implementation of a station alerting system for emergency response notification.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
FIRE	010	General Fund	6,196,943	5,287,614	5,331,652
FIRE	113	Fire Impact Fees	14,779	50,000	-
FIRE	183	Fire Department Special Revenue	58,891	40,000	40,000
FIRE	187	Fire Capital & Equipment Replacement	-	530,500	606,000
TOTALS			6,270,613	5,908,114	5,977,652

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
FIRE	Salaries & Benefits	5,570,430	4,713,667	4,924,814	4.5%
FIRE	Operating	689,783	663,947	446,838	-32.7%
FIRE	Capital	10,401	530,500	606,000	14.2%
FIRE	Debt Service	-	-	-	0.0%
FIRE	Transfers	-	-	-	0.0%
TOTALS		6,270,614	5,908,114	5,977,652	1.2%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
FIRE	3120	Fire Operations	5,254,171	5,329,959	75,788	1.4%
FIRE	3160	Hazardous Materials	9,050	17,400	8,350	92.3%
FIRE	3140	Fire Prevention	25,400	25,400	-	0.0%
FIRE	3110	Fire Administration	574,493	557,893	(16,600)	-2.9%
FIRE	3130	Operational Readiness	45,000	47,000	2,000	4.4%
TOTALS			5,908,114	5,977,652	69,538	1.2%

Building Inspection

About:

The Building Inspection Division, reporting to the Community Development Department, accounts for expenditures utilized to monitor construction projects within the City of Bozeman Jurisdictional Area as allowed by state law and as adopted by the City Commission. The intent of the Division is to provide guidance and to enforce minimum building code standards to safeguard life, limb, health, property and public welfare by regulating and controlling the design, construction, quality of materials, use and occupancy, location and maintenance of all buildings and structures within this jurisdiction. This Division activities are recorded in the special revenue fund Building Inspection fund.

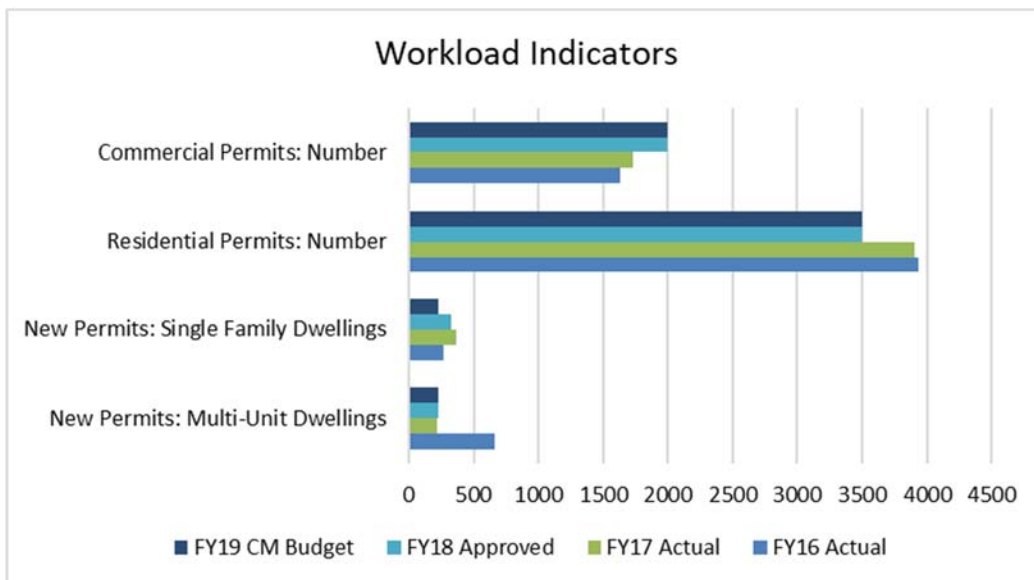
Major Objectives:

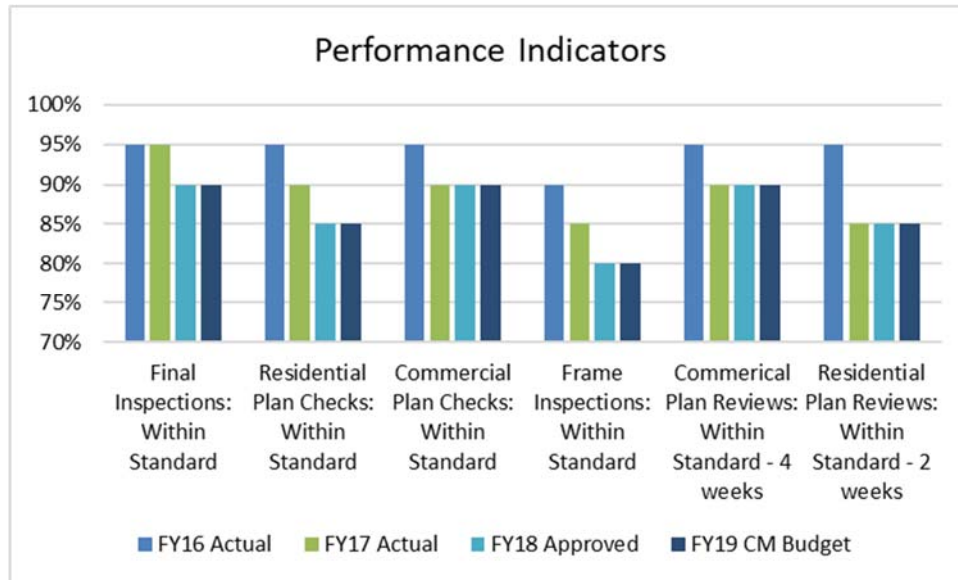
- Work to improve our building permit issuance procedure wherever possible.
- Provide expert technical advice and consultation for our customers.
- Continue implementing and working with new technology in order to provide faster, higher quality, more accessible and streamlined services for our customers in the coming years.

Accomplishments

Worked to accomplish Department's major objectives throughout the year.

Workload and Performance Indicators





Budget Issues and Details

The biggest capital item is the fund’s portion of the building remodel. There is also new staffing for fire inspection a portion of code compliance.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
BUILDING INSPECTION	115	Building Inspection Fund	1,756,622	2,086,952	2,660,416

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
BUILDING INSPECTION	Salaries & Benefits	1,311,428	1,565,957	1,702,127	8.7%
BUILDING INSPECTION	Operating	393,353	488,495	706,608	44.6%
BUILDING INSPECTION	Capital	51,840	32,500	251,681	674.4%
BUILDING INSPECTION	Debt Service	-	-	-	0.0%
BUILDING INSPECTION	Transfers	-	-	-	0.0%
TOTALS		1,756,621	2,086,952	2,660,416	27.5%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
BUILDING INSPECTION	3210	Building Inspection Operations	2,086,952	2,660,416	573,464	27.5%

Parking

About:

The Parking Services Division has responsibility for parking enforcement, and public permit sales, within the City of Bozeman, to include: Downtown (B-3), MSU Residential Parking Permit District, Bozeman High School Residential Parking Permit District, Bridger Park Downtown Garage, four surface lots (Black, Rouse, N. Willson 31, N. Willson #2), and all on-street parking. The Division’s activities are accounted for in an enterprise fund, the Parking Services Fund, which has three primary sources of revenue: Citations, Residential Parking Permits, monthly/annual leases and permits in the four surface lots and Bridger Park Downtown garage.



Major Objectives:

MISSION: The Bozeman Parking Commission is responsible for managing and regulating public parking in its districts to best serve the needs of its customers, businesses, residents, employees, and visitors.

Accomplishments

Replace the software, hardware, and revenue control/enforcement equipment that supports the management of public parking in Bozeman.

Workload and Performance Indicators

The Division will continue its goal of 11,000 citations and continue to maintain the current parking lots and garage.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
PARKING	650	Parking Enterprise Fund	906,658	968,230	859,371

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
PARKING	Salaries & Benefits	299,921	342,633	353,632	3.2%
PARKING	Operating	597,359	365,597	393,708	7.7%
PARKING	Capital	9,378	260,000	112,031	-56.9%
PARKING	Debt Service	-	-	-	0.0%
PARKING	Transfers	-	-	-	0.0%
TOTALS		906,658	968,230	859,371	-11.2%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
PARKING	3330	Parking Garage Operations	197,022	217,805	20,783	10.5%
PARKING	3310	Parking Administration	509,359	356,839	(152,520)	-29.9%
PARKING	3320	Parking Operations/Enforcement	261,849	284,727	22,878	8.7%
TOTALS			968,230	859,371	(108,859)	-11.2%



Public Works

Public Works Administration

About:

The Public Works Administration budget unit includes the Director of Public Works, Engineering, and GIS. The Director of Public works has oversight responsibilities for water, wastewater and stormwater utilities, streets maintenance, signs and signals, vehicle maintenance, solid waste, engineering, and GIS.

- The Engineering Division- provides technical engineering in the preparation, review, and oversight in the planning, design, construction inspection and construction management of the City's Public Works facilities including water treatment and distribution, wastewater collection and treatment, storm water collection and treatment, streets (with appurtenant curb, gutter, sidewalk and drainage facilities), traffic control facilities, solid waste, and other facility and infrastructure projects.
- The GIS Division-develops, supports, delivers and promotes enterprise geographic data and spatial technologies to all levels of government and the public. The GIS Division performs a wide variety of data maintenance and analysis for most City departments and coordinates data sharing among various public and private agencies. The GIS Division manages the City's asset management and deferred maintenance programs, including coordinated capital planning effort throughout Public Works. The GIS Division also implements and maintains the City's work order management and maintenance system (Cityworks) as well as several public web mapping applications and data portals.

Public Works Administration is accounted for in an Internal Service fund and then its costs are allocated to the funds where the functions its supports are allocated to.

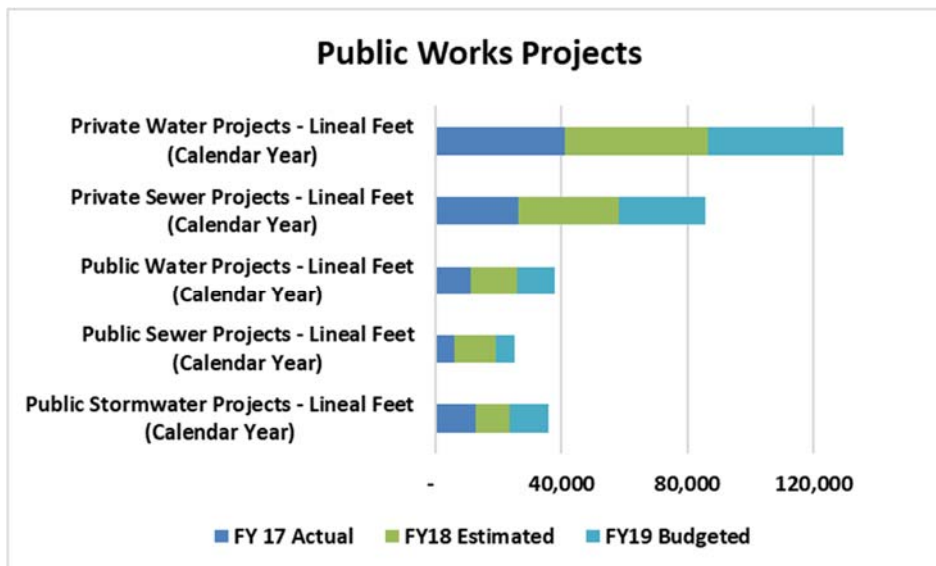
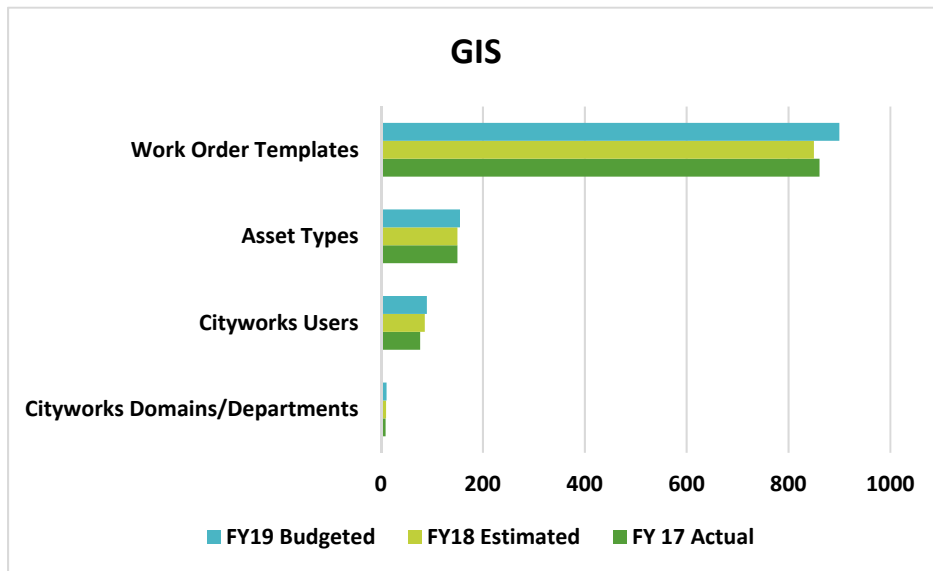
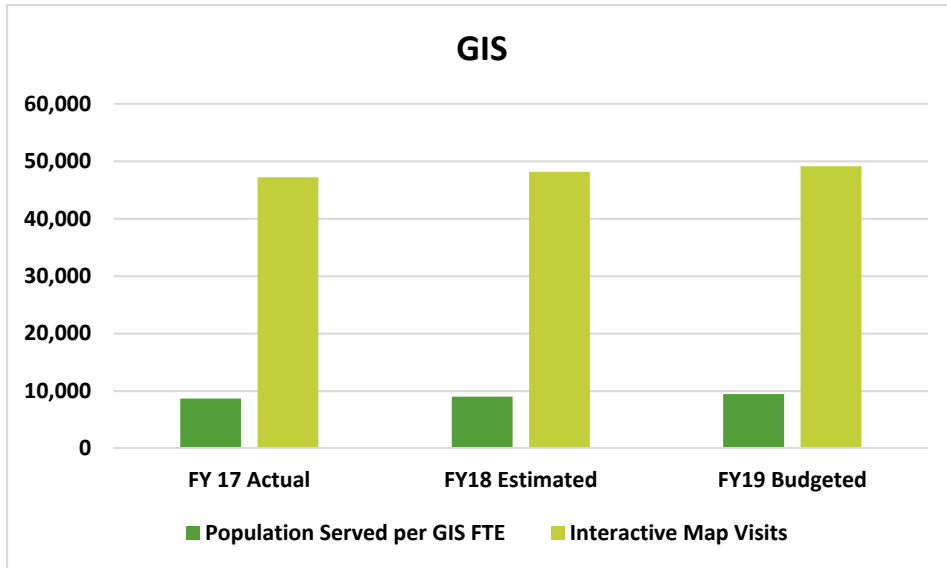
Major Objectives:

- To coordinate the activities of the Public Works department divisions.
- To establish and maintain policies, procedures and protocol for conducting the department's functions.
- To provide general oversight of department activities affected by new federal and state mandates.
- To assure the City's long-term master plans for water, wastewater, stormwater, and transportation facilities are implemented in a cost-effective manner, and that all City infrastructure improvements are constructed in a quality manner to provide reliable service for the public's immediate and long-term needs.
- To deliver accurate and complete spatial data and analysis for the City of Bozeman and its citizens.

Accomplishments

Anticipated GIS accomplishments for FY19: Finalization of system architecture stabilization project, implementation of Cityworks in Solid Waste, expansion of high level of service of two additional departments, increases in transparency and access to city records, development of business intelligence tools, assistance with creation of parks maintenance district, creation of training materials for both staff and public.

Workload and Performance Indicators



Budget Issues and Details

There are some technology updates for GIS included in the Capital Improvement Plan. Also, increased staff in Engineering to aid in the services levels for growth.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
PUBLIC WORKS ADMIN	600	Water	1,396,943	1,705,473	-
PUBLIC WORKS ADMIN	562	#713	-	-	-
PUBLIC WORKS ADMIN	750	Public Services Admin	-	-	2,391,353
TOTALS			1,396,943	1,705,473	2,391,353

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
PUBLIC WORKS ADMIN	Salaries & Benefits	869,208	938,493	1,693,903	80.5%
PUBLIC WORKS ADMIN	Operating	518,791	563,080	557,902	-0.9%
PUBLIC WORKS ADMIN	Capital	8,944	203,900	139,548	-31.6%
PUBLIC WORKS ADMIN	Debt Service	-	-	-	0.0%
PUBLIC WORKS ADMIN	Transfers	-	-	-	0.0%
TOTALS		1,396,943	1,705,473	2,391,353	40.2%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
PUBLIC WORKS ADMIN	4010	Public Services Administration	241,167	580,249	339,082	140.6%
PUBLIC WORKS ADMIN	4020	Engineering	563,696	1,016,765	453,069	80.4%
PUBLIC WORKS ADMIN	4025	GIS	900,610	794,339	(106,271)	-11.8%
TOTALS			1,705,473	2,391,353	685,880	40.2%

Streets

About:

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 such as emergency services, schools, employment, shopping, community services, or other facilities in a quick, convenient, safe and comfortable manner while minimizing harmful effects on the environment. The fund associated with Street Maintenance are as follows:

- **STREET MAINTENANCE FUND:** The street maintenance district division accounts for the expenditure of special assessments on property in the City for the repair and upkeep of the City's streets. Section 7-12-4401 MCA authorizes the City to create street maintenance districts for the purpose of maintaining its streets, alleys, and other public places. The maintenance districts were first created during fiscal year 1990-91. Assessments are levied on each piece of property within the City limits and are recorded on the property owners SID notices annually. Collection takes place in November and May and provide the revenues for the street maintenance district program. The costs incurred in maintaining streets, alleys, and other public places within the maintenance district are assessed against each property within the district based on the assessable area of the property as a percentage of the entire assessable area of the district, exclusive of streets, avenues, alleys, and public places.
- **GAS TAX FUND:** The gas tax division accounts for the expenditure of the City's share of state collected gas tax funds allocated to the City by the Montana Department of Transportation (MDT). Section 15-70-101 MCA provides that MDT shall allocate gas tax revenues to cities, towns, and counties. One-half of the City's allocation is based on population and one-half is based on street and alley mileage. The funds may be used only for construction, reconstruction, maintenance, and repair of streets and alleys. The funds may not be used for equipment purchases.

Major Objectives:

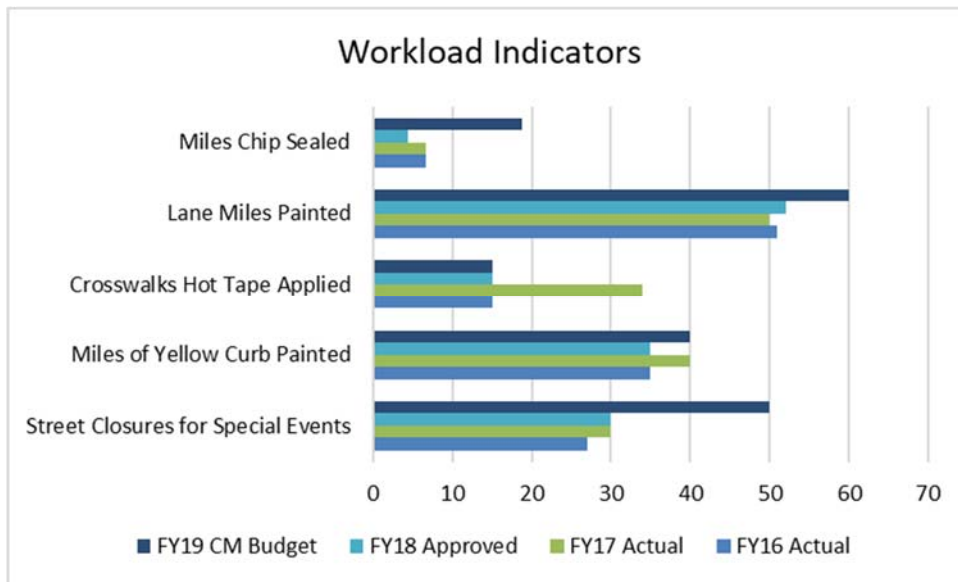
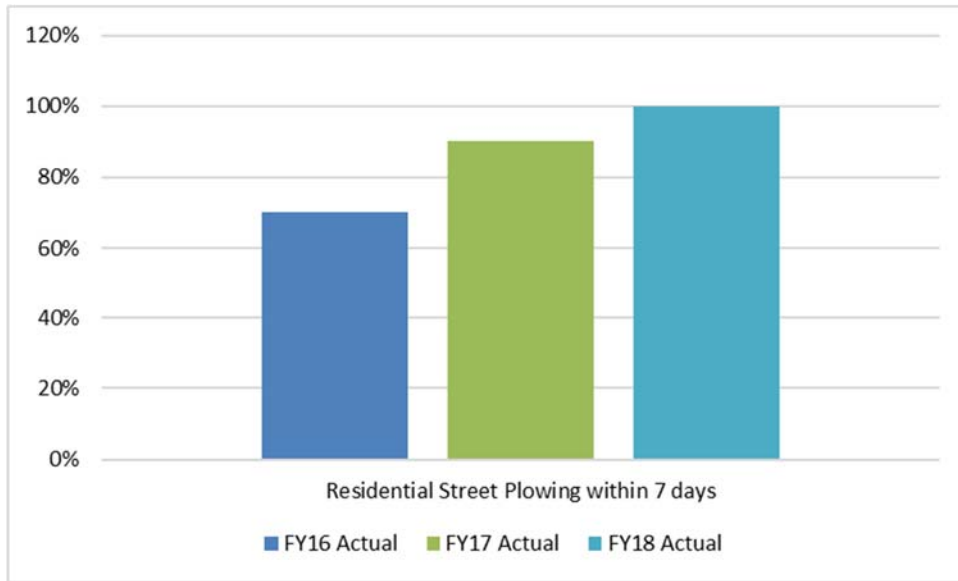
- Implement an efficient pavement management plan, in turn creating yearly maintenance programs for failing street infrastructure.
- Utilize pavement condition assessment for planning and scheduling our repairs from potholes to complete reconstruction
- Maintain streets and alley right-of-ways to allow traffic to move in a safe and prudent manner.
- Improve the quality of summer and winter street maintenance work and communicate to the citizens so that they may be better informed and plan for it.

Accomplishments

Anticipated for FY18:

- Complete all CIP improvements.
- Implement updated Transportation Plan.
- Facilitate street reconstruction projects identified in the adopted work plan.

Workload and Performance Indicators



Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
STREETS	010	General Fund	108,295	122,331	-
STREETS	108	Community Transportation Fund	59,889	-	-
STREETS	110	Gas Tax Fund	157,342	960,500	1,171,500
STREETS	111	Street Maintenance Fund	5,275,151	5,925,008	5,974,325
STREETS	114	Street Impact Fees	5,103,238	11,965,049	6,418,000
STREETS	146	Lighting Districts	444,059	441,133	472,517
STREETS	500	Construction Funds	2,714,575	2,178,375	284,011
STREETS	124	Bozeman Area Bike Board	19	-	-
STREETS	141	Street Arterial Construction	641,727	3,668,345	3,568,000
TOTALS			14,504,295	25,260,741	17,888,353

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
STREETS	Salaries & Benefits	1,370,643	1,563,694	1,629,339	4.2%
STREETS	Operating	3,894,929	2,448,271	2,864,918	17.0%
STREETS	Capital	8,427,824	20,221,669	12,351,511	-38.9%
STREETS	Debt Service	212,899	295,207	315,207	6.8%
STREETS	Transfers	598,000	731,900	727,378	-0.6%
TOTALS		14,504,295	25,260,741	17,888,353	-29.2%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
STREETS	4110	Street Operations	16,708,404	10,944,247	(5,764,157)	-34.5%
STREETS	4120	Street Maintenance	960,500	1,171,500	211,000	22.0%
STREETS	4130	Street Construction	6,680,396	4,681,165	(1,999,231)	-29.9%
STREETS	4150	Street Lighting	499,133	530,517	31,384	6.3%
STREETS	4171	Traffic Signs & Markers	412,308	560,924	148,616	36.0%
TOTALS			25,260,741	17,888,353	(7,372,388)	-29.2%

Stormwater

About:

The Stormwater Divisions has three primary objectives:



- 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 through educational initiatives, enforcement, and treatment infrastructure projects to safeguard the public, environment, and local waterways from pollution originating from the City's urban landscape, active construction sites, municipal operations, and illicit discharge events.
- Comply with MDEQ and USEPA environmental regulations through workflow development and strategic resource allocation to reduce the City's probability of enforcement penalties due to insufficient pollutant control programs and reduction measures.

The Division's activities are accounted for in an enterprise fund, the Stormwater Fund.

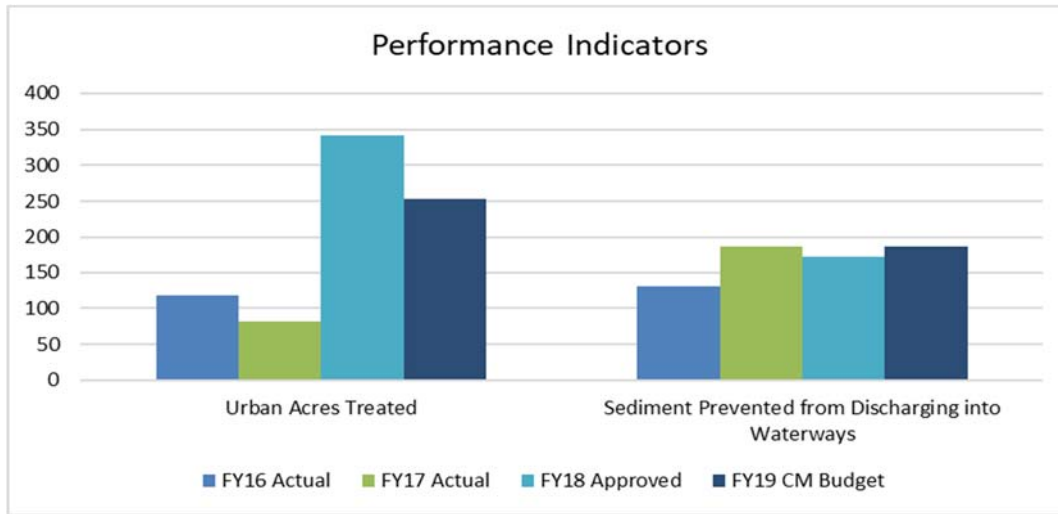
Major Objectives:

- Maintain 20% of the City's infrastructure network, including manholes, inlets, and underground pipes
- Inspect 20% of the City's active construction sites
- Collect and dispose of over 187 tons of sediment through the operation of the Division that would have otherwise dumped into local waterways;
- Inspect 20% of HOA and privately owned stormwater ponds
- Implement Stormwater Sampling and Evaluation Plan

Accomplishments

- (1) Maintain 20% of the City's infrastructure network, including manholes, inlets, and underground pipes;
- (2) Inspect 20% of the City's active construction sites;
- (3) Complete 100% of the Division's planned capital projects;
- (4) Collect and dispose of over 187 tons of sediment through the operation of the Division that would have otherwise dumped into local waterways;
- (5) Inspect 20% of HOA and privately owned stormwater ponds;
- (6) Respond to and resolve 100% of reported pollution events;
- (7) Implement Stormwater Sampling and Evaluation Plan; and
- (8) Generate a Programmatic Evaluation: Report Card grade that evaluates the Divisions' performance.

Workload and Performance Indicators



Budget Issues and Details

1) Four stormwater mechanical separation units, totaling \$350,000 (STRM39); (2) 200' of boulevard bio-retention stormwater treatment, totaling \$50,000 (STRM36); (3) Two pipe replacements, totaling \$100,000 (STRM51 and STRM13); (4) Numerous inlet replacements, totaling \$100,000 (STRM48); (5) Administrative Staff vehicle purchase, totaling \$35,000 (STRM54); and (6) Downtown Bozeman Creek Culvert Assessment, totaling \$15,000 (STRM57).

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
STORM WATER	670	Storm Water Fund	1,646,212	1,488,360	1,444,302

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
STORM WATER	Salaries & Benefits	365,482	451,548	408,583	-9.5%
STORM WATER	Operating	329,185	161,466	240,373	48.9%
STORM WATER	Capital	303,639	650,000	635,000	-2.3%
STORM WATER	Debt Service	193,906	225,346	160,346	-28.8%
STORM WATER	Transfers	454,000	-	-	0.0%
TOTALS		1,646,212	1,488,360	1,444,302	-3.0%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
STORM WATER	4520	Operations and Mtc	200,121	197,624	(2,497)	-1.2%
STORM WATER	4510	Admin, Enforc. + Mapping	708,239	646,678	(61,561)	-8.7%
STORM WATER	4530	Construction	580,000	600,000	20,000	3.4%
TOTALS			1,488,360	1,444,302	(44,058)	-3.0%

Water

About:

The operations of the City's water utility is made up of two division and all operation are accounted for in the enterprise fund, the Water Fund:

- The Water Treatment Plant (WTP) - budget unit accounts for the costs associated with maintaining a quality drinking water supply for the City of Bozeman. The City has two treatment plants: The 22 million gallon per day (MGD) Sourdough Plant and the 3.7 MGD Lyman Creek Plant. All plants are operated 24 hours per day, 365 days per year.
- The Water Operations- budget unit accounts for the costs associated with operating and maintaining the City's water transmission and distribution system. The Division is also responsible for: locating, maintaining, and repairing existing water lines and appurtenances; overseeing installation of new lines; installing water meters and reading all meters monthly. Water Operations is also responsible for maintaining the City's two water pump stations. The Division maintains the entire water distribution system, ever mindful of its integrity and serviceability, while maintaining potable water through this system.

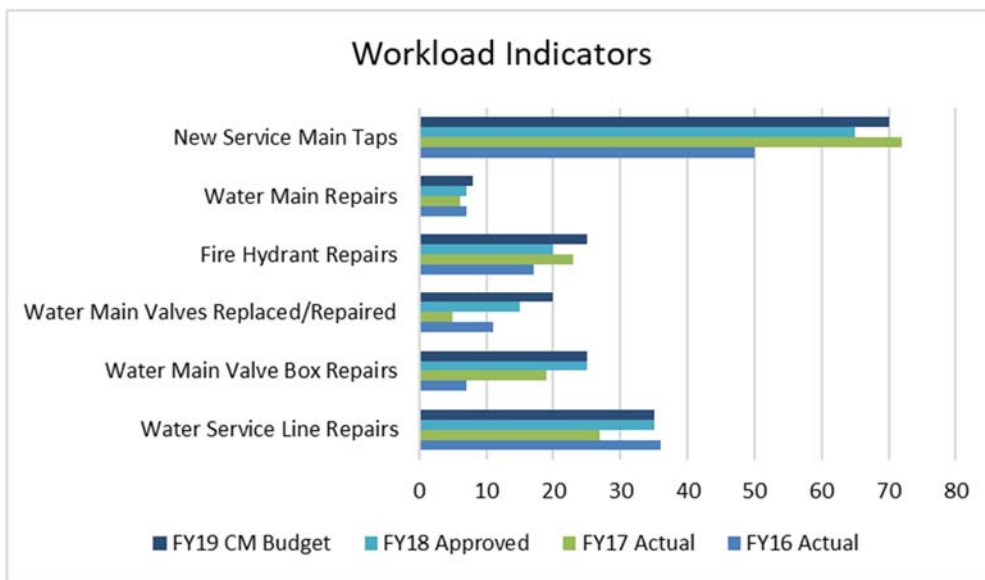
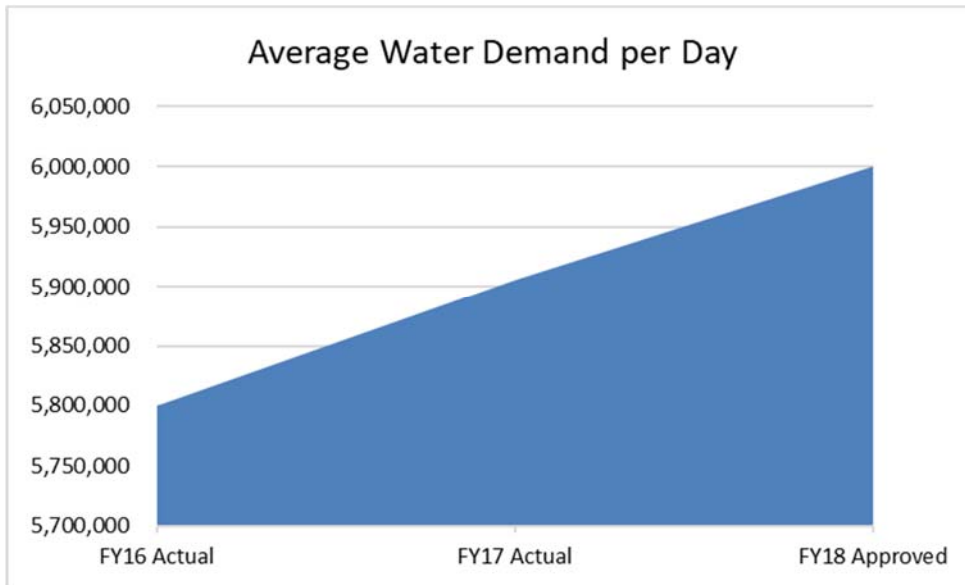
Major Objectives:

- The Water Treatment Plant (WTP) –
 - Protect the public health through optimization of the Sourdough Creek and Lyman Creek Water Treatment Plants.
 - Maintaining high-quality drinking water of low turbidity, void of contaminants and meeting the water supply demands of the City of Bozeman.
 - Monitoring and maintaining water treatment plant facilities to ensure current needs are met and to anticipate future water quality and quantity needs.
- The Water Operations-
 - Maintain and locate the City's water distribution system including mains, fire hydrants, valves, meters, raw water transmission mains, and pressure reducing valves and vaults. Repair and replace water infrastructure as needed: lead service lines, hydrants, mains, valves, etc.
 - Inspect all new infrastructure following installation prior to acceptance. Maintain a valve replacement program for leaky or inoperative valves.
 - Respond to water distribution problems 24 hours a day 7 days a week.
 - Develop and maintain a comprehensive and cost effective security system for our water distribution system

Accomplishments

Anticipated accomplishments for FY19: Completed construction the new 5.3 MG finished water storage tank. Cleaning of the Sourdough Intake and construction of a Log deck area for future watershed fuel reduction. Continued optimization of Both Plants. Continued Water Facility Plan and Water Conservation Program implementations. Continuing to Provide adequate quantity and quality water to our ratepayers with zero state or federal violations. Increased replacement of water distribution system pipes including lead service lines, which significantly enhances maintenance of the water distribution system.

Workload and Performance Indicators



Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
WATER	600	Water Fund	10,995,317	12,067,455	12,202,143
WATER	610	Water Impact Fees	471,189	3,790,000	2,186,020
WATER	601	Water Plant Construction	2,148,219	-	-
WATER	602	Sourdough Tank Construction	1,937,242	-	-
TOTALS			15,551,967	15,857,455	14,388,163

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
WATER	Salaries & Benefits	3,418,375	3,079,228	2,085,584	-32.3%
WATER	Operating	4,328,424	4,766,817	4,068,372	-14.7%
WATER	Capital	6,491,658	5,998,400	6,468,577	7.8%
WATER	Debt Service	1,313,010	1,313,010	1,165,630	-11.2%
WATER	Transfers	500	600,000	600,000	0.0%
TOTALS		15,551,967	15,757,455	14,388,163	-8.7%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
WATER OPERATIONS	5060	Meter Reading	577,962	568,090	(9,872)	-1.7%
WATER OPERATIONS	5080	Water Valves	17,500	17,500	-	0.0%
WATER OPERATIONS	5040	Water Construction	4,584,973	4,069,009	(515,964)	-11.3%
WATER OPERATIONS	5090	Main Repairs	20,000	20,000	-	0.0%
WATER OPERATIONS	5070	Hydrants	80,000	80,000	-	0.0%
WATER OPERATIONS	5030	Water Services	45,000	35,000	(10,000)	-22.2%
WATER OPERATIONS	5020	Utility Locates	10,450	95,450	85,000	813.4%
WATER OPERATIONS	5010	Water Operations	4,957,671	2,611,990	(2,345,681)	-47.3%
WATER TREATMENT PLANT (WTP)	4610	Water Plant Operations	4,475,565	5,013,637	538,072	12.0%
WATER TREATMENT PLANT (WTP)	4620	Water Plant Construction	400,000	1,343,010	943,010	235.8%
WATER TREATMENT PLANT (WTP)	4640	Water Conservation	588,334	534,477	(53,857)	-9.2%
TOTALS			15,757,455	14,388,163	(1,369,292)	-8.7%

Wastewater

About:

The operations of the City's wastewater utility is made up of two division and all operation are accounted for in the enterprise fund, the Wastewater Fund:

- The Water Reclamation Facility (WRF) budget accounts for the costs associated with the treatment of the City's domestic, commercial, and industrial wastewater. The WRF is an award-winning plant that serves to protect and enhance the water quality of the East Gallatin River. Through its beneficial reuse program, the WRF also maintains compliance with EPA Part 503 Bio-solids regulations. All plant bio-solids are thoroughly digested and then dewatered with a screw press. The screw press cake is trucked to the county landfill where it is composted for top soil for use at the landfill.
- The Wastewater Operations budget unit accounts for the costs associated with providing and maintaining a wastewater collection system for the City. The Division maintains a program of inspecting, cleaning, root cutting, repairing sanitary sewer mains, manholes, and tapping for new wastewater stubs. Wastewater operations is also responsible for maintaining the City's seven sanitary sewer lift stations.

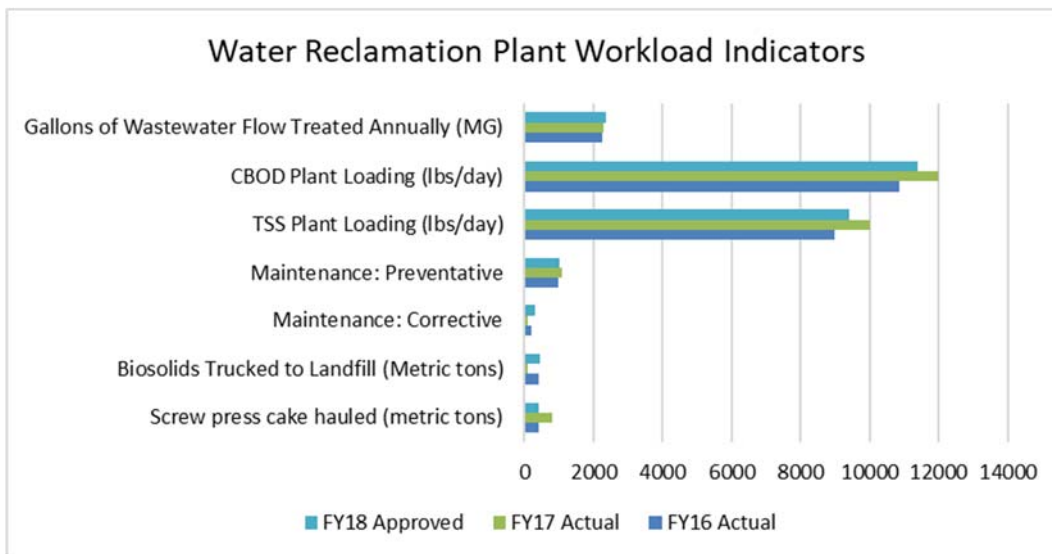
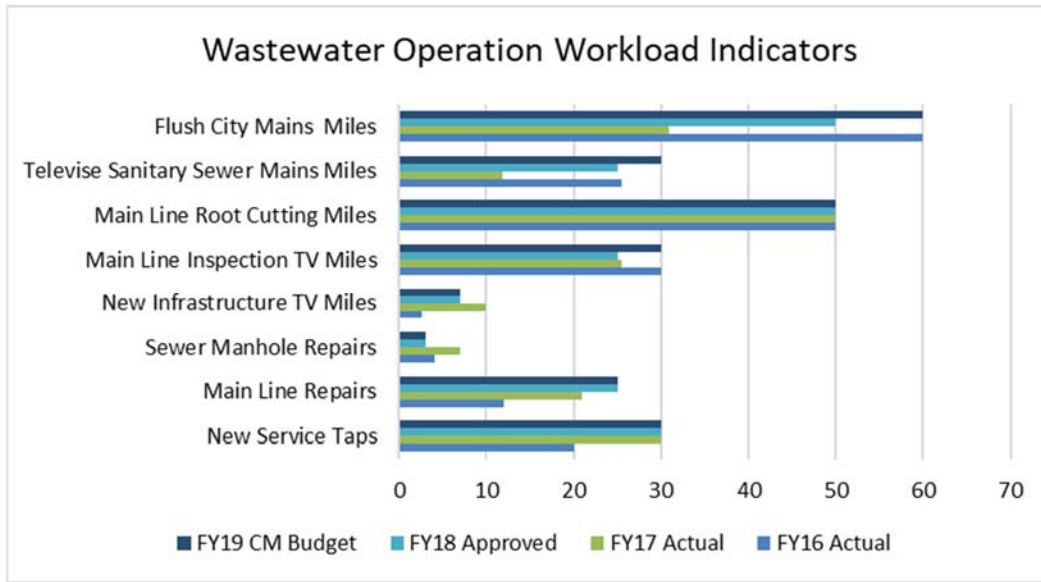
Major Objectives:

- The Water Reclamation Facility (WRF) –
 - Protect and enhance the water quality of the East Gallatin River.
 - Consistently achieve compliance with all aspects of the city's Montana Pollutant Discharge Elimination System (MPDES) permit administered by the Montana Department of Environmental Quality.
 - Maintain the mechanical reliability of the water reclamation facility to ensure uninterrupted operations.
 - Comply with all EPA 503 Bio-solids land application requirements and regulations. • Minimize unpleasant odors.
- The Wastewater Operations –
 - Adequately maintain and locate the City's wastewater system including manholes, wastewater collection and transmission systems, and lift stations.
 - Flush our entire collection system annually, minimizing stoppages.
 - Televisive the existing sewer infrastructure to determine problems and the overall condition of sewer mains, enabling repairs in a timely manner and prioritize renovation projects funded through CIP.
 - Control sewer main root intrusion with an aggressive root cutting.

Accomplishments

Anticipated for FY19: Increased replacement of wastewater collection system pipes, significantly enhancing maintenance of the wastewater collection system. Increased flow monitoring of the sewer collection system. Contracting of Locate services.

Workload and Performance Indicators



Budget Issues and Details

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
WASTEWATER	620	Wastewater Fund	9,384,490	9,314,281	10,815,672
WASTEWATER	630	Wastewater Impact Fees	287,350	1,440,000	8,625,000
WASTEWATER	621	Wastewater EPA Grant	373,644	-	-
WASTEWATER	622	Wastewater Reclamation Facility	2,589,634	-	-
WASTEWATER	621	EPA Grant	-	-	-
TOTALS			12,635,118	10,754,281	19,440,672

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
WASTEWATER	Salaries & Benefits	1,338,524	2,143,921	2,001,113	-6.7%
WASTEWATER	Operating	5,363,240	3,576,556	4,086,000	14.2%
WASTEWATER	Capital	4,313,521	1,436,519	11,977,500	733.8%
WASTEWATER	Debt Service	1,619,833	2,600,766	1,476,059	-43.2%
WASTEWATER	Transfers	-	896,519	-	-100.0%
TOTALS		12,635,118	10,654,281	19,540,672	83.4%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
WASTEWATER OPERATIONS	5250	Manholes	25,000	25,000	-	0.0%
WASTEWATER OPERATIONS	5210	Wastewater Operations	3,431,232	10,934,868	7,503,636	218.7%
WASTEWATER OPERATIONS	5220	Utility Locates	7,900	92,900	85,000	1075.9%
WASTEWATER OPERATIONS	5240	Wastewater Construction	1,022,500	1,022,500	-	0.0%
WASTEWATER OPERATIONS	5260	Televising	12,100	12,100	-	0.0%
WASTEWATER OPERATIONS	5280	Main Repairs	5,000	5,000	-	0.0%
WASTEWATER OPERATIONS	5230	Wastewater Services	5,000	5,000	-	0.0%
WATER RECLAMATION FACILITY	5620	Laboratory	496,716	487,490	(9,226)	-1.9%
WATER RECLAMATION FACILITY	5630	Sludge Injection	614,630	553,400	(61,230)	-10.0%
WATER RECLAMATION FACILITY	5640	Pretreatment	64,750	64,750	-	0.0%
WATER RECLAMATION FACILITY	5650	WRF Construction	1,704,247	1,476,059	(228,188)	-13.4%
WATER RECLAMATION FACILITY	5610	WRF Operations	3,265,206	4,861,605	1,596,399	48.9%
TOTALS			10,654,281	19,540,672	8,886,391	83.4%

Solid Waste & Recycling

About:

The Solid Waste Division provides services to the Citizens of Bozeman and protects public health by ensuring residential and commercial wastes are collected, transported, and disposed of in a safe and environmentally responsible manner. The Division encourages recycling by offering a "Pay as you Throw" collection system, which establishes a direct relationship between the amount a customer pays and the size container they have. The Solid Waste Division's recycling program encompasses a wide variety of services to the public for recycling opportunities thereby reducing the volume of solid waste being land filled.

These services include:

- Single-stream recycling of paper, cardboard, plastic, tin & aluminum cans
- Bulk curbside recycling opportunities within multi-family housing.
- Compost collection during summer months.
- Brush & pallet recycling, commercial cardboard collection, bulky item/appliance removal and recycling and recycling bins at community events.

The Division is accounted for as an enterprise fund.

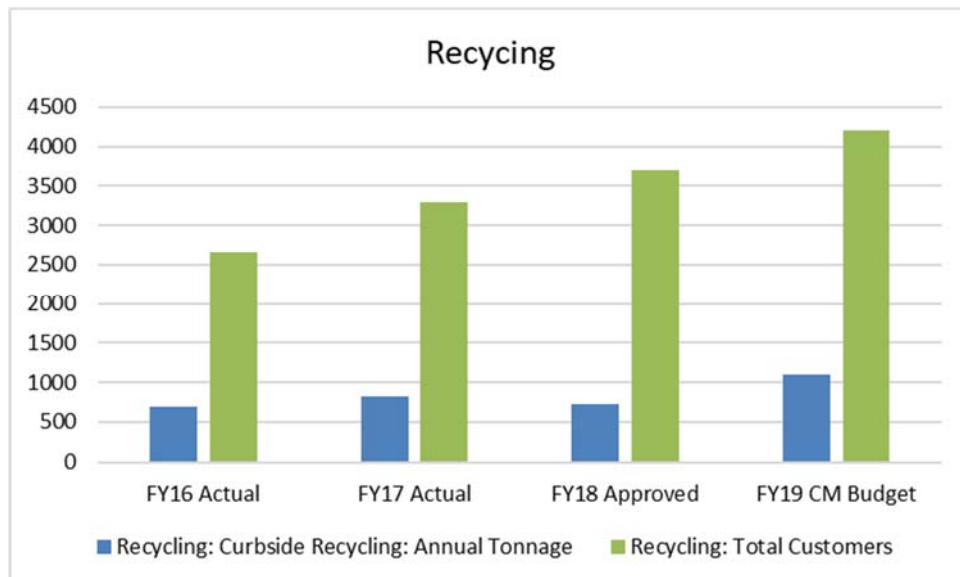
Major Objectives:

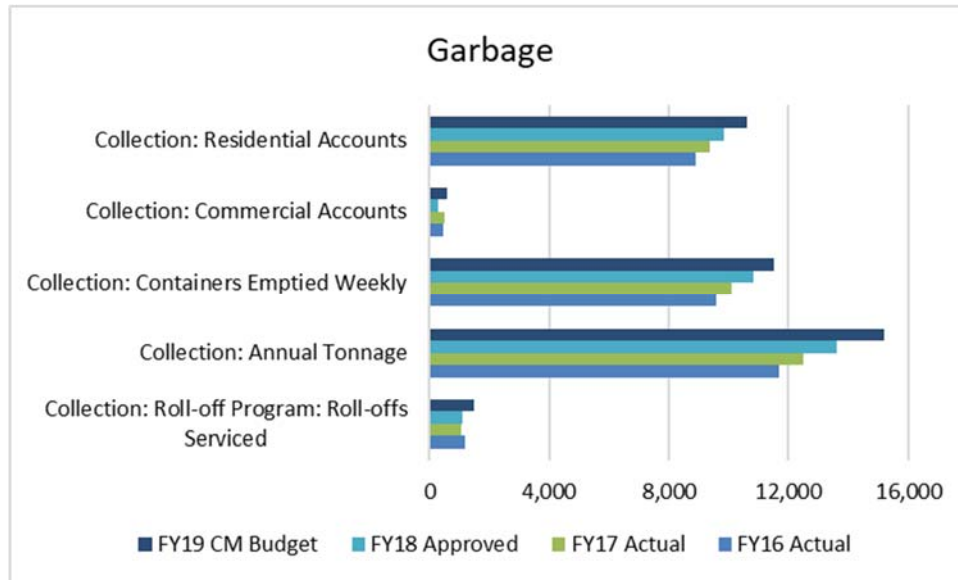
- Continue the highest quality service to the Citizens of Bozeman
- Promote waste reduction thru recycling efforts.
- To promote recycling opportunities available to the community.
- Minimize the amount of solid waste going to the landfill for disposal



Accomplishments

Workload and Performance Indicators





Budget Issues and Details

Decrease \$40,000 in road repairs, Increase of \$28,000 in fuel related expenses, Increase of \$10,000 in equipment maintenance, Increase of \$95,000 for garbage disposal costs, Purchase of \$190,000 in totes/dumpsters and roll-offs for new accounts, Recycling has an increase of \$5,000 in fuel related expenses, Increase in Recycling of \$100,000 for the purchase of compost containers. CIP - \$200,000 for grapple truck, reduced to \$100,000 with sharing with the Forestry department.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
SOLID WASTE & RECYCLING	640	Solid Waste Fund	5,742,286	3,742,257	3,764,084
SOLID WASTE & RECYCLING	641	Landfill Closure Costs	948,102	414,417	311,417
TOTALS			6,690,388	4,156,674	4,075,501

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
SOLID WASTE & RECYCLING	Salaries & Benefits	1,058,077	1,550,422	1,351,142	-12.9%
SOLID WASTE & RECYCLING	Operating	3,204,573	1,408,830	2,562,942	81.9%
SOLID WASTE & RECYCLING	Capital	859,419	1,197,422	161,417	-86.5%
SOLID WASTE & RECYCLING	Debt Service	-	-	-	0.0%
SOLID WASTE & RECYCLING	Transfers	1,568,319	-	-	0.0%
TOTALS		6,690,388	4,156,674	4,075,501	-2.0%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
SOLID WASTE & RECYCLING	5820	Recycling	190,770	297,646	106,876	56.0%
SOLID WASTE & RECYCLING	5810	Solid Waste Collection	3,551,487	3,466,438	(85,049)	-2.4%
SOLID WASTE & RECYCLING	5910	Operations	414,417	311,417	(103,000)	-24.9%
TOTALS			4,156,674	4,075,501	(81,173)	-2.0%

Vehicle Maintenance

About:

The Vehicle Maintenance budget unit accounts for the costs of repairing and maintaining vehicles of City departments. Vehicle Maintenance staff consists of four full-time mechanics responsible for keeping City vehicles in proper working condition, and one full-time waste oil disposal specialist. The budget unit operates under an internal service fund. Charges are assessed against departments, which have vehicles repaired, receipts are deposited in the Vehicle Maintenance fund and used to support salary and operating costs.

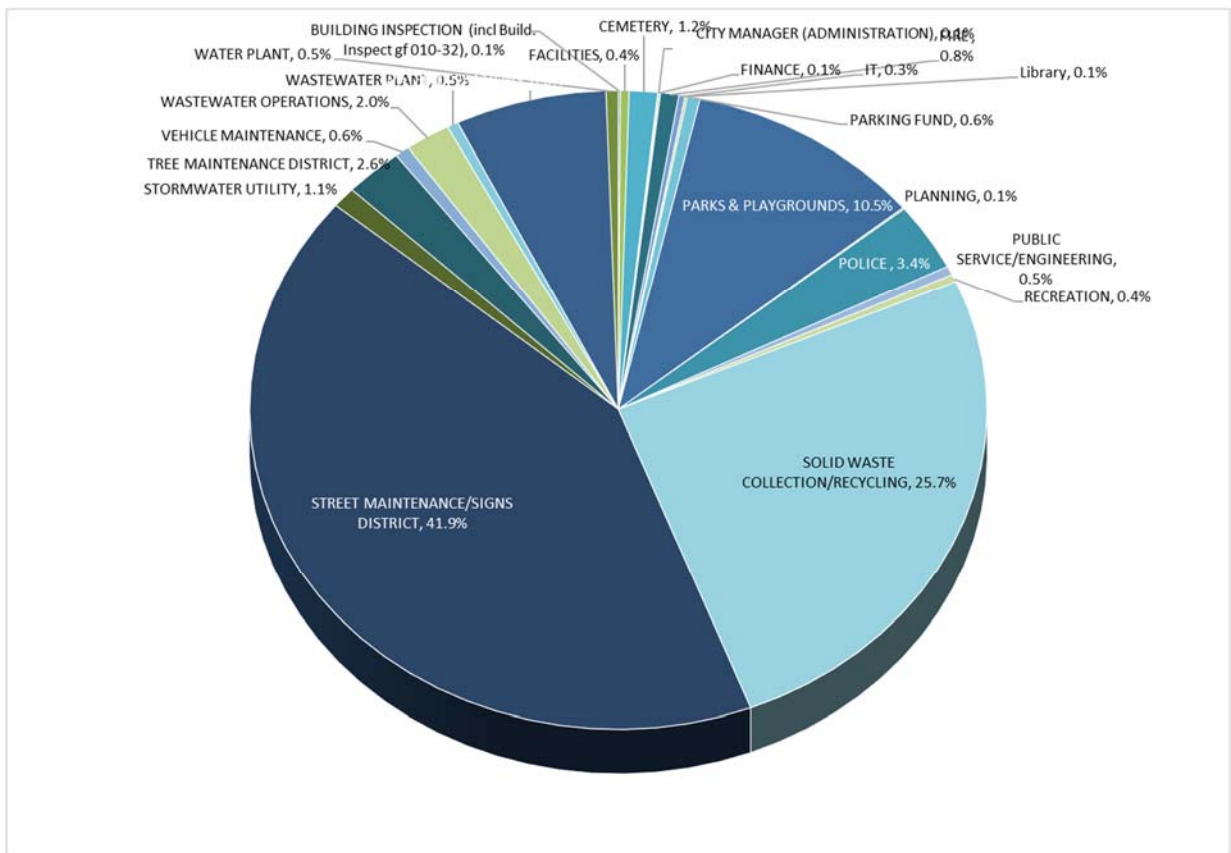
Major Objectives:

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

Accomplishments

Workload and Performance Indicators

The chart is the billable hours to each department:



Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
VEHICLE MAINTENANCE	710	Vehicle Maintenance Fund	1,249,449	1,238,044	1,259,462

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
VEHICLE MAINTENANCE	Salaries & Benefits	418,300	480,652	481,127	0.1%
VEHICLE MAINTENANCE	Operating	789,939	757,392	778,335	2.8%
VEHICLE MAINTENANCE	Capital	41,210	-	-	0.0%
VEHICLE MAINTENANCE	Debt Service	-	-	-	0.0%
VEHICLE MAINTENANCE	Transfers	-	-	-	0.0%
TOTALS		1,249,449	1,238,044	1,259,462	1.7%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
VEHICLE MAINTENANCE	6010	Vehicle Maintenance Shop	1,238,044	1,259,462	21,418	1.7%
TOTALS			27,410,226	20,239,256	(7,170,970)	-26.2%



Public Welfare

Parks and Recreation

About:

The Parks and Recreation Department is made up of four divisions that provide a broad range of programs, services, facilities, and park amenities within the City. The Department is accounted for in the General Fund with the exception of

Forestry, which is operated in a special revenue fund. The Division for the Department are below:

- **Cemetery-** 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. The cemetery currently contains over 16,000 burial sites with nine dedicated affiliation areas and room for expansion
- **Parks** - is responsible for the overall development and maintenance of 42 public parks, 52 miles of trails and associated sports fields and open space within the City limits.
- **Forestry-** 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.
- **Recreation** - provides opportunities for the entire community, encouraging both individuals and families to actively recreate. The Department works with the Recreation and Parks Advisory Board and other recreation groups in anticipating recreation demands. This division includes aquatics which oversees the Swim Center and Bogart Outdoor Pool



Major Objectives:

- **Cemetery-** Create new cemetery blocks and open lots up for sale as demand dictates. Inform the community through publications, press releases, and advertisements of current policies, procedures, and practices of the Sunset Hills Cemetery. Provide an easily accessible, safe, and serene setting for cemetery/gravesite visitation. Modernize and maintain an improved and accurate mapping and computerized grave registration system.
- **Parks-** Continue adding, upgrading, and maintaining safe and quality sports fields, trail corridors, community gathering areas, and playground equipment. Provide expanded maintenance to restrooms, litter control, pet waste disposal, turf care, and playground equipment. Improve, maintain, and expand the trail system. Oversee and coordinate volunteer, grant funded, and neighborhood park improvement projects. Continue to upgrade park signage for uniformity and less maintenance.
- **Forestry-** Provide systematic maintenance for Bozeman's 20,000 trees on street boulevards, in developed parks, on trails and open space, cemetery property and around public buildings. Remove or reduce the potential risk factors associated with publicly owned trees. Identify and correct encroachment problems including street and



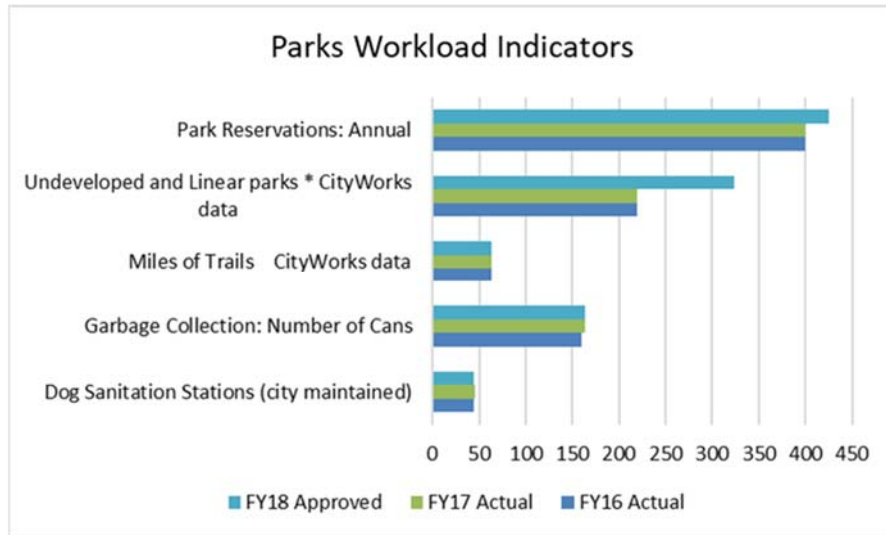
sidewalk clearance, and the obstruction of sight vision triangles and signs. Implement the city’s cost share tree program, voucher replacement program, and other planting projects to ensure a diversity in species and age distribution.

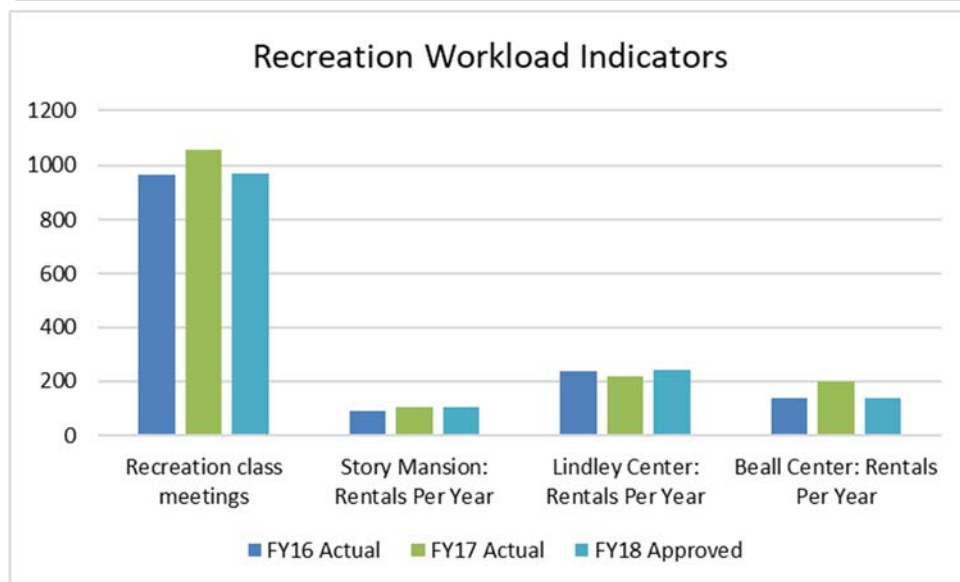
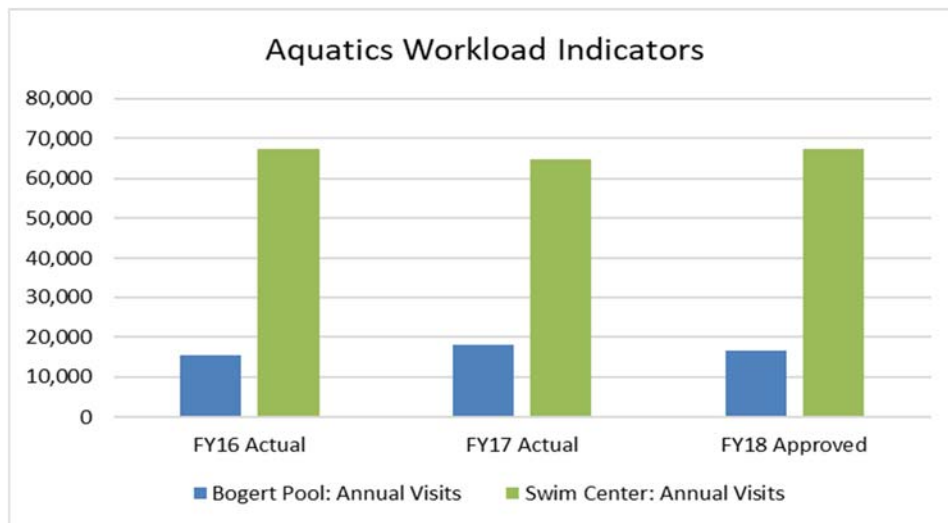
- **Recreation-** Improve quality of life and build community by offering recreation opportunities to people of all ages.

Accomplishments

Continued systematic maintenance of public trees on streets, in parks, cemetery, and around public buildings. Increased staff safety through partnerships, installed a removable bulkhead at the Swim Center increasing programming opportunities and safety. Story Mill Community Center renovation project completed, completion of the policy and fee schedule for facilities and programs, Assistant Recreation Manager CPRP certification, increase in partnerships for program implementation, curling club formed, pickleball program volunteer run, streamlined user group and special event application process. Anticipated FY19 Accomplishments: Story Mill Community Center open to the public, recreation division staff relocate to the center, program offerings expanded, exterior building repairs and interior upgrades to include a large multipurpose room that will be available to the public to rent for meetings and events. Full day camps added to program offerings, implementation of the policy and fee schedule for programs and facilities, EPACT software system added for better management of program participant medical information and emergencies, Beall Park Recreation Center wood floor replacement, Story Mansion sewer repair. Friends of Bogert Pool volunteer group formed and through their effort, the ceiling will be replaced in the bathhouse and the retaining wall painted. State high school swim meet will be held at the Swim Center, February 2019.

Workload and Performance Indicators





Budget Issues and Details

Fees for Parks and Recreation have been formalized into one policy document and raised to cover costs while still supplementing children and seniors. This will increase revenues for the General fund starting in FY19. Cemetery fees have also been increased starting FY19 and only 35% of revenues will go to the perpetual care fund instead of all plot sales. This will also contribute more revenue to the General Fund reducing the General fund supplement to Cemetery costs. All fee increases were approved by the City Commission April 16, 2018.

FY2018 saw the addition of Storymill Park and Community Center. The remodeling began in FY18 and will continue into FY19. This addition will enhance recreation programs and rental facilities the City has to offer. Coming online in fall of FY19 is the first phase of Sports Park with four fields and two fields. The turf fields have been made possible with a partnership with the Sports Park Foundation who will be managing the field rentals.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
PARKS & RECREATION	010	General Fund	3,651,333	4,562,064	4,784,492
PARKS & RECREATION	112	Tree Maintenance Fund	514,057	706,937	825,577
PARKS & RECREATION	128	FWP Management Areas	84	-	8,000
PARKS & RECREATION	184	Park Improvement Grants	130,706	-	-
PARKS & RECREATION	563-568	Parks & Open Space Bond	1,461,912	-	-
PARKS & RECREATION	189	Story Mansion Operating Fund	25,955	47,423	57,302
TOTALS			5,784,047	5,316,424	5,675,371

CEMETERY DIVISION BUDGET

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
CEMETERY	Salaries & Benefits	321,039	322,345	329,669	2.3%
CEMETERY	Operating	109,735	133,559	137,764	3.1%
CEMETERY	Capital	-	266,000	354,000	33.1%
CEMETERY	Debt Service	-	-	-	0.0%
CEMETERY	Transfers	-	-	-	0.0%
TOTALS		430,774	721,904	821,433	13.8%

FORESTRY DIVISION BUDGET

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
FORRESTRY	Salaries & Benefits	357,941	420,950	435,400	3.4%
FORRESTRY	Operating	122,868	228,987	244,177	6.6%
FORRESTRY	Capital	33,246	57,000	146,000	156.1%
FORRESTRY	Debt Service	-	-	-	0.0%
FORRESTRY	Transfers	-	-	-	0.0%
TOTALS		514,055	706,937	825,577	16.8%

PARKS DIVISION BUDGET

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
PARKS	Salaries & Benefits	829,141	848,051	1,079,632	27.3%
PARKS	Operating	652,688	735,183	861,989	17.2%
PARKS	Capital	177,027	445,246	326,000	-26.8%
PARKS	Debt Service	-	-	-	0.0%
PARKS	Transfers	100,000	-	-	0.0%
TOTALS		1,758,856	2,028,480	2,267,621	11.8%

RECREATION DIVISION BUDGET

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
RECREATION	Salaries & Benefits	916,943	1,011,496	1,059,330	4.7%
RECREATION	Operating	403,343	445,913	519,608	16.5%
RECREATION	Capital	33,375	-	116,500	100.0%
RECREATION	Debt Service	-	-	-	0.0%
RECREATION	Transfers	-	-	-	0.0%
TOTALS		1,353,661	1,457,409	1,695,438	16.3%

Library

About:

The Bozeman Public Library creates opportunities that inspire curiosity, exploration and connection. The Bozeman



Library shares the vision of the nation's founders that liberty and learning are inseparable and that a democratic people must have free, open and equal access to information. Bozeman Public Library welcomes all, especially the young, to share in the joy of exploring the world of information and the realms of our imagination. The Library budget unit accounts for the costs associated with operating and maintaining the City's Public Library. Approximately one-third of the Library's operating budget is offset by county funds and is accounted for in the General fund.

Major Objectives:

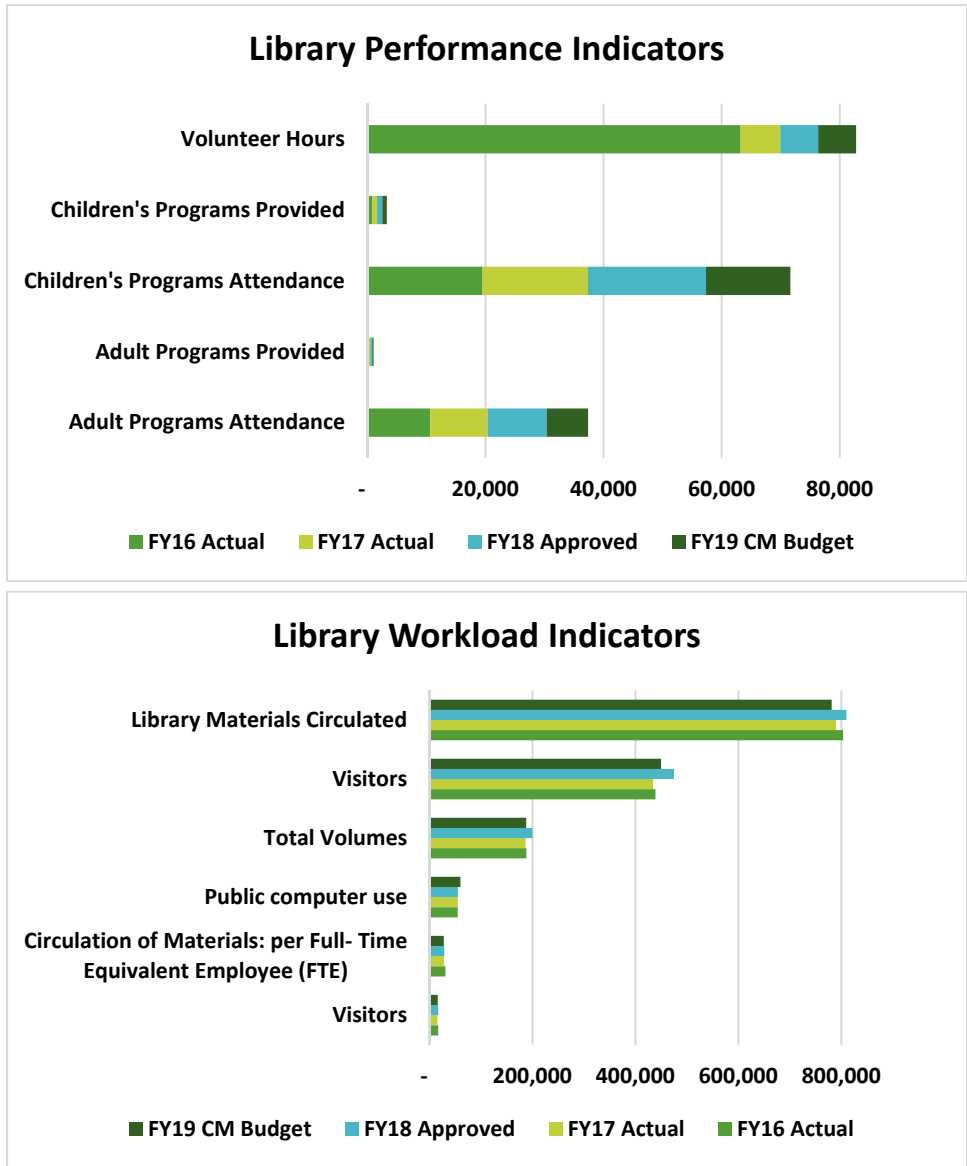
- Provide excellent customer service to Library patrons in a welcoming environment
- Provide efficient, effective and visionary operation of the Bozeman Public Library
- Provide a dynamic, relevant collection of materials in all formats to residents of the Library's service area
- Provide Library services, programming, and opportunities for lifelong learning for people of all ages
- Ensure that daily library operations are efficient, timely and provided in a courteous manner
- Provide excellent Library service by ensuring that the knowledge and skills of Library staff are kept up-to-date through training, workshops, conference attendance and other continuing education opportunities.

Accomplishments

Anticipated for FY19 - Begin implementation of the Library's new 2018-2021 Strategic Plan's four main goals:

- 1) SPACE: Design and implement an expansion process to ensure that the Library has adequate space to meet Bozeman's growing needs;
- 2) TECHNOLOGY: Use technology and digital resources to enhance the Library experience;
- 3) TARGETED PROGRAMMING; Provide unique programming to inform and enrich the lives of target audiences of Library users;
- 4) OUTREACH & ENGAGEMENT: Engage new and broader audiences in taking advantage of the Library's resources. Continue to review and update policies with Library Board of Trustees; • Complete pedestrian walkway project and Library parking lot improvements • Continue existing space reconfiguration project in Library building.

Workload and Performance Indicators



Budget Issues and Details

Increases in digital catalogs and services. Reclass of staffing to create a better structure according to the staffing plan.

Budget

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
LIBRARY	010	General Fund	1,960,413	1,993,372	2,181,510
LIBRARY	137	Library Special Revenue Fund	48,390	-	-
LIBRARY	561	Library Depreciation Fund	50,000	90,000	32,000
TOTALS			2,058,803	2,083,372	2,213,510

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
LIBRARY	Salaries & Benefits	1,415,406	1,485,448	1,606,758	8.2%
LIBRARY	Operating	404,887	527,924	606,752	14.9%
LIBRARY	Capital	98,391	70,000	-	-100.0%
LIBRARY	Debt Service	-	-	-	0.0%
LIBRARY	Transfers	140,119	-	-	0.0%
TOTALS		2,058,803	2,083,372	2,213,510	6.2%

Department Budget by Division

Department	Division #	Division Name	FY18 Budget	FY 19 Approved	\$ Change	% Change
LIBRARY	7840	Children's Services	204,568	157,009	(47,559)	-23.2%
LIBRARY	7850	Circulation Services	311,204	412,461	101,257	32.5%
LIBRARY	7830	Information Services	401,496	439,099	37,603	9.4%
LIBRARY	7820	Technical Services	281,495	310,913	29,418	10.5%
LIBRARY	7810	Library Operations	884,609	894,028	9,419	1.1%
TOTALS			2,083,372	2,213,510	130,138	6.2%

Community Services

About:

The Community Services Public Welfare grouping contains the Department of Economic Development, the Sustainability Program and the Workforce Housing fund that fund the Affordable Housing Program.

Economic Development Department: the City’s Economic Development Team to “assist in diversifying our local economy by creating sustainable, high paying jobs without sacrificing Bozeman’s quality of life.” It also manages the tax increment and improvement districts.

- **TAX INCREMENT FINANCING DISTRICT:** The Downtown Improvement District, the Northeast Improvement District, and the North 7th Improvement district account for the costs of the Improvement District Boards and their activities. More recently, a Technology Taxable Improvement District was approved.
- **BUSINESS IMPROVEMENT DISTRICTS:** The Downtown Business Improvement District is an organization of downtown property owners who voluntarily commit resources, identify, plan, and act on initiatives with the goal of ensuring long-term preservation of the City. The Bozeman Tourism Business Improvement District seeks to enhance the economic vitality of Bozeman by promoting tourism through sales and marketing strategies. Program income is derived from each occupied room night from hotels, motels, or other lodging facilities within the district.

Sustainability Program- Coordinates with city departments and community stakeholders to advance our Climate Action Plan and reduce greenhouse gas emissions. Focus areas include: energy efficiency and conservation, renewable energy, alternative transportation options, and climate resiliency.

Workforce Housing Program—This fund is for the Affordable Housing Program that is being developed and is a priority for FY19 Strategic plan.



Major Objectives:

Economic Development:

- Implement the Bozeman Fiber Master Plan by planning the expansion of a City-owned conduit system.
- Proactively manage the City’s tax increment finance districts.
- Partner on a unified marketing strategy for business expansion and recruitment with other economic development partners
- Expand and increase economic development outreach, activities, and programs to local, state, and national business communities.
- Attend and collaborate with local businesses on industry specific trade shows in order to promote Bozeman as a place to do business.
- Participate in local industry conferences.

Sustainability:

Implement, update, and track progress on the City’s Municipal and Community Climate Action Plans. Advance planning and preparedness for the anticipated impacts of climate change.

Accomplishments

Promote the photonics industry through the Montana Photonics Industry Alliance and participation in the Photonics West Conference. Continue support for TIF districts.

Sustainability updated our community-wide greenhouse gas emissions inventory, demonstrating a 5% reduction in greenhouse gas emissions since 2012. Neighborhoods has grown to serve about a third of the City's residential housing.

Program staff hired third quarter FY18 increased the Workforce Housing Fund with getting the program started.

Budget Issues and Details

A reclass of a position to oversee the TIFF Districts and increase in conduit to continue the fiber network.

Sustainability- Update our Climate Action Plan for the community and operations, including greenhouse gas emissions mitigation and climate resiliency-\$85,000, this is a Strategic plan item as well.

Budget

ECONOMIC DEVELOPMENT DEPARTMENT BUDGET

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
ECONOMIC DEVELOPMENT	010	General Fund	305,614	592,376	491,251
ECONOMIC DEVELOPMENT	116	Downtown TIF District	1,088,156	1,533,288	1,912,000
ECONOMIC DEVELOPMENT	119	Economic Development Loan	63,198	31,000	31,000
ECONOMIC DEVELOPMENT	118	Community Housing	-	-	-
ECONOMIC DEVELOPMENT	121	Housing Revolving Loans	718	-	-
ECONOMIC DEVELOPMENT	120	Community Housing Fund	284,400	124,400	-
ECONOMIC DEVELOPMENT	143	North 7th Corridor TIF District	1,027,000	36,000	716,000
ECONOMIC DEVELOPMENT	144	North East Urban Renewl TIF District	1,877,944	10,000	170,600
ECONOMIC DEVELOPMENT	145	Mandeville Farm TIF	-	-	4,000
ECONOMIC DEVELOPMENT	176	Downtown BID	140,800	132,200	156,251
ECONOMIC DEVELOPMENT	186	Development Impacts (Big Box)	-	-	-
ECONOMIC DEVELOPMENT	191	Tourism BID	1,100,000	1,100,000	1,200,000
ECONOMIC DEVELOPMENT	123	Big Sky Economic Development Grant	16,500	50,000	50,000
ECONOMIC DEVELOPMENT	192	TIFD South Bozeman Technology	-	-	-
ECONOMIC DEVELOPMENT	883	CMC Bozeman Site Remediation	-	-	-
TOTALS			5,904,330	3,609,264	4,731,102

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
ECONOMIC DEVELOPMENT	Salaries & Benefits	209,704	216,774	246,661	13.8%
ECONOMIC DEVELOPMENT	Operating	4,066,613	2,649,202	3,720,153	40.4%
ECONOMIC DEVELOPMENT	Capital	778,288	25,000	30,000	20.0%
ECONOMIC DEVELOPMENT	Debt Service	-	-	-	0.0%
ECONOMIC DEVELOPMENT	Transfers	849,725	718,288	734,288	2.2%
TOTALS		5,904,330	3,609,264	4,731,102	31.1%

SUSTAINABILITY PROGRAM BUDGET

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
SUSTAINABILITY	10	General Fund	161,218	169,912	245,726

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
SUSTAINABILITY	Salaries & Benefits	115,820	119,072	124,236	4.3%
SUSTAINABILITY	Operating	29,598	50,840	112,490	121.3%
SUSTAINABILITY	Capital	15,800	-	9,000	100.0%
SUSTAINABILITY	Debt Service	-	-	-	0.0%
SUSTAINABILITY	Transfers	-	-	-	0.0%
TOTALS		161,218	169,912	245,726	44.6%

WORKFORCE HOUSING PROGRAM BUDGET

Department Budget by Fund

Department	Fund #	Fund Name	FY17 Actual	FY18 Budget	FY19 Approved
WORKFORCE HOUSING	120	Workforce Housing Fund	284,400	324,400	371,858

Department Budget by Category

Department	Category	FY17 Actual	FY18 Budget	FY19 Approved	%Change
WORKFORCE HOUSING	Salaries & Benefits	-	-	78,708	100.0%
WORKFORCE HOUSING	Operating	284,400	324,400	293,150	-9.6%
WORKFORCE HOUSING	Capital	-	-	-	0.0%
WORKFORCE HOUSING	Debt Service	-	-	-	0.0%
WORKFORCE HOUSING	Transfers	-	-	-	0.0%
TOTALS		284,400	324,400	371,858	14.6%

Other

About:

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

Major Objectives:

To accurately budget and account for non-departmental costs.

Budget Issues and Details

- General fund allocation of liability & property insurance - \$498,182;
- General fund contribution to the band - \$10,440;
- Contingency appropriation - \$150,000; Payment to HRDC for Galavan - \$169,244; One time funding for Haven \$30,000; HRDC funding \$68,000; Park Maintenance District Protest vote \$10,000; Reserve for minimum wage increase \$20,000;
- Transfer to Police & Fire state share retirement (non-cash) - \$2,400,348;
- Transfer to Landfill Monitoring Fund - \$250,000; Transfer to Stormwater Fund for Landfill Loan payments - \$75,000; Transfer to Workforce housing fund \$166,188; and Debt repayment (see debt service fund summary)

Budget

General Items

Fund	Category	Division	FY17 Actual	FY18 Budget	FY19 Approved
10	Operating	Insurance	412,561	420,483	498,182
10	Operating	General	6,000	10,440	457,684
10	Operating	General (non-Cash)	-	2,430,560	2,400,348
10	Transfers	Transfers	582,000	747,084	491,188
			1,000,561	3,608,567	3,847,402
103	Transfers	Transfers to other funds	2,278,269	2,476,888	2,654,566
175	Operating	General	87,612	92,915	105,244
300	Transfers	Transfers to other funds	-	1,588,781	224,011
720	Operating	Insurance	4,715,591	4,820,912	4,820,912

Debt items followed by debt schedules

Fund	Category	Division	FY17 Actual	FY18 Budget	FY19 CM Recommended
303	Debt Service	BOND PRINCIPAL	250,000	255,000	260,000
303	Debt Service	INTEREST	26,500	21,000	16,900
			4,992,091	6,685,693	5,321,823
304	Debt Service	BOND PRINCIPAL	610,000	620,000	635,000
304	Debt Service	INTEREST	473,438	460,537	453,138
			1,083,438	1,080,537	1,088,138
305	Debt Service	BOND PRINCIPAL	205,000	210,000	220,000
305	Debt Service	INTEREST	220,838	212,288	203,673
			425,838	422,288	423,673
433	Debt Service	BOND PRINCIPAL	65,000	60,000	65,000
433	Debt Service	INTEREST	8,483	10,000	11,000
			73,483	70,000	76,000
435	Debt Service	BOND PRINCIPAL	70,000	70,000	70,000
435	Debt Service	INTEREST	8,995	26,000	26,000
			78,995	96,000	96,000
438	Debt Service	BOND PRINCIPAL	26,500	28,000	28,000
438	Debt Service	INTEREST	9,413	11,600	11,600
			35,913	39,600	39,600
439	Debt Service	BOND PRINCIPAL	-	70,000	70,000
439	Debt Service	INTEREST	-	35,000	35,000
			-	105,000	105,000
440	Debt Service	INTEREST	1,118	1,200	1,200
441	Debt Service	BOND PRINCIPAL	-	43,000	43,000
441	Debt Service	INTEREST	-	2,500	25,000
			-	45,500	68,000

General Obligation Refunding Bonds, Trails, Open Space & Parks, Series 2014

DEBT SERVICE SCHEDULE

Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2019	-		77,706.25	77,706.25	
7/1/2019	215,000.00	2.000%	77,706.25	292,706.25	4,360,000.00
1/1/2020	-		75,556.25	75,556.25	
7/1/2020	215,000.00	2.000%	75,556.25	290,556.25	4,145,000.00
1/1/2021	-		73,406.25	73,406.25	
7/1/2021	220,000.00	2.250%	73,406.25	293,406.25	3,925,000.00
1/1/2022	-		71,206.25	71,206.25	
7/1/2022	225,000.00	2.250%	71,206.25	296,206.25	3,700,000.00
1/1/2023	-		68,675.00	68,675.00	
7/1/2023	230,000.00	2.500%	68,675.00	298,675.00	3,470,000.00
1/1/2024	-		65,800.00	65,800.00	
7/1/2024	235,000.00	2.500%	65,800.00	300,800.00	3,235,000.00
1/1/2025	-		62,862.50	62,862.50	
7/1/2025	245,000.00	2.500%	62,862.50	307,862.50	2,990,000.00
1/1/2026	-		59,800.00	59,800.00	
7/1/2026	250,000.00	4.000%	59,800.00	309,800.00	2,740,000.00
1/1/2027	-		54,800.00	54,800.00	
7/1/2027	260,000.00	4.000%	54,800.00	314,800.00	2,480,000.00
1/1/2028	-		49,600.00	49,600.00	
7/1/2028	270,000.00	4.000%	49,600.00	319,600.00	2,210,000.00
1/1/2029	-		44,200.00	44,200.00	
7/1/2029	280,000.00	4.000%	44,200.00	324,200.00	1,930,000.00
1/1/2030	-		38,600.00	38,600.00	
7/1/2030	290,000.00	4.000%	38,600.00	328,600.00	1,640,000.00
1/1/2031	-		32,800.00	32,800.00	
7/1/2031	305,000.00	4.000%	32,800.00	337,800.00	1,335,000.00
1/1/2032	-		26,700.00	26,700.00	
7/1/2032	315,000.00	4.000%	26,700.00	341,700.00	1,020,000.00
1/1/2033	-		20,400.00	20,400.00	
7/1/2033	325,000.00	4.000%	20,400.00	345,400.00	695,000.00
1/1/2034	-		13,900.00	13,900.00	
7/1/2034	340,000.00	4.000%	13,900.00	353,900.00	355,000.00
1/1/2035	-		7,100.00	7,100.00	
7/1/2035	355,000.00	4.000%	7,100.00	362,100.00	-
TOTALS	5,100,000.00		2,266,840.63	7,366,840.63	

General Obligation Refunding Bonds, Trails, Open Space & Parks, Series 2013

DEBT SERVICE SCHEDULE

Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2019	-		146,362.50	146,362.50	
7/1/2019	420,000.00	2.000%	146,362.50	566,362.50	8,045,000.00
1/1/2020	-		142,162.50	142,162.50	
7/1/2020	430,000.00	2.250%	142,162.50	572,162.50	7,615,000.00
1/1/2021	-		137,325.00	137,325.00	
7/1/2021	435,000.00	2.500%	137,325.00	572,325.00	7,180,000.00
1/1/2022	-		131,887.50	131,887.50	
7/1/2022	450,000.00	2.750%	131,887.50	581,887.50	6,730,000.00
1/1/2023	-		125,700.00	125,700.00	
7/1/2023	460,000.00	3.000%	125,700.00	585,700.00	6,270,000.00
1/1/2024	-		118,800.00	118,800.00	
7/1/2024	475,000.00	2.800%	118,800.00	593,800.00	5,795,000.00
1/1/2025	-		112,150.00	112,150.00	
7/1/2025	490,000.00	3.250%	112,150.00	602,150.00	5,305,000.00
1/1/2026	-		104,187.50	104,187.50	
7/1/2026	505,000.00	3.500%	104,187.50	609,187.50	4,800,000.00
1/1/2027	-		95,350.00	95,350.00	
7/1/2027	520,000.00	3.750%	95,350.00	615,350.00	4,280,000.00
1/1/2028	-		85,600.00	85,600.00	
7/1/2028	540,000.00	4.000%	85,600.00	625,600.00	3,740,000.00
1/1/2029	-		74,800.00	74,800.00	
7/1/2029	565,000.00	4.000%	74,800.00	639,800.00	3,175,000.00
1/1/2030	-		63,500.00	63,500.00	
7/1/2030	585,000.00	4.000%	63,500.00	648,500.00	2,590,000.00
1/1/2031	-		51,800.00	51,800.00	
7/1/2031	610,000.00	4.000%	51,800.00	661,800.00	1,980,000.00
1/1/2032	-		39,600.00	39,600.00	
7/1/2032	635,000.00	4.000%	39,600.00	674,600.00	1,345,000.00
1/1/2033	-		26,900.00	26,900.00	
7/1/2033	660,000.00	4.000%	26,900.00	686,900.00	685,000.00
1/1/2034	-		13,700.00	13,700.00	
7/1/2034	685,000.00	4.000%	13,700.00	698,700.00	-
TOTALS	9,900,000.00		4,355,805.28	14,255,805.28	

General Obligation Refunding Bonds, Series 2012					
DEBT SERVICE SCHEDULE					
Payment Due	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2019	-		7,950.00	7,950.00	
7/1/2019	260,000.00	2.000%	7,950.00	267,950.00	535,000.00
1/1/2020	-		5,350.00	5,350.00	
7/1/2020	265,000.00	2.000%	5,350.00	270,350.00	270,000.00
1/1/2021	-		2,700.00	2,700.00	
7/1/2021	270,000.00	2.000%	2,700.00	272,700.00	-
TOTALS	3,080,000.00		250,394.38	3,330,394.38	

TAX INCREMENT URBAN RENEWAL REVENUE BONDS, SERIES 2007					
(DOWNTOWN BOZEMAN IMPROVEMENT DISTRICT)					
DEBT SERVICE SCHEDULE					
Payment Date	Principal Payment	Interest Rate	Interest Payment	Semi-Annual Payment	Principal Balance
1/1/2019	-	-	101,786.25	101,786.25	
7/1/2019	220,000.00	4.25	101,786.25	321,786.25	3,995,000.00
1/1/2020	-	-	97,111.25	97,111.25	
7/1/2020	230,000.00	4.40	97,111.25	327,111.25	3,765,000.00
1/1/2021	-	-	92,051.25	92,051.25	
7/1/2021	240,000.00	4.50	92,051.25	332,051.25	3,525,000.00
1/1/2022	-	-	86,651.25	86,651.25	
7/1/2022	250,000.00	4.60	86,651.25	336,651.25	3,275,000.00
1/1/2023	-	-	80,901.25	80,901.25	
7/1/2023	260,000.00	4.70	80,901.25	340,901.25	3,015,000.00
1/1/2024	-	-	74,791.25	74,791.25	
7/1/2024	275,000.00	4.80	74,791.25	349,791.25	2,740,000.00
1/1/2025	-	-	68,191.25	68,191.25	
7/1/2025	290,000.00	4.95	68,191.25	358,191.25	2,450,000.00
1/1/2026	-	-	61,013.75	61,013.75	
7/1/2026	300,000.00	4.95	61,013.75	361,013.75	2,150,000.00
1/1/2027	-	-	53,588.75	53,588.75	
7/1/2027	315,000.00	4.95	53,588.75	368,588.75	1,835,000.00
1/1/2028	-	-	45,792.50	45,792.50	
7/1/2028	330,000.00	4.95	45,792.50	375,792.50	1,505,000.00
1/1/2029	-	-	37,625.00	37,625.00	
7/1/2029	350,000.00	5.00	37,625.00	387,625.00	1,155,000.00
1/1/2030	-	-	28,875.00	28,875.00	
7/1/2030	365,000.00	5.00	28,875.00	393,875.00	790,000.00
1/1/2031	-	-	19,750.00	19,750.00	
7/1/2031	385,000.00	5.00	19,750.00	404,750.00	405,000.00
1/1/2032	-	-	10,125.00	10,125.00	
7/1/2032	405,000.00	5.00	10,125.00	415,125.00	-
TOTALS	4,215,000.00		1,716,507.50	5,931,507.50	



CAPITAL EXPENDITURES SUMMARY

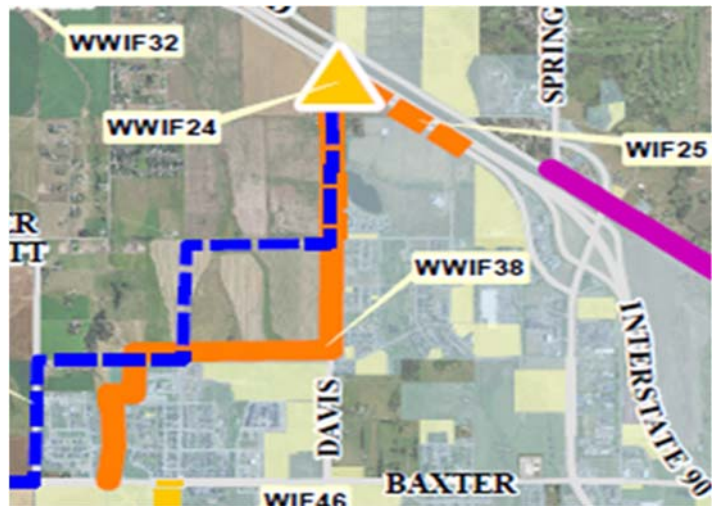
Capital Expenditure Summary

The CIP includes any planned expenditure of \$10,000 or greater, that results in the acquisition of an asset with a useful life of 3 years or more. There is a couple of “exceptions” or “extensions” of this definition that we have found helpful and necessary in past years:

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

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

Using this plan adopted in December the City incorporates the first year of the plan into the budget. The plan includes large sewer capacity projects that aid in the School District’s efforts in building a new High school. These infrastructure projects are the Davis Lift Station WWIF24 and the Front Street Interceptor WWIF11, and are scheduled in the Wastewater Impact Fee fund. Both projects will require financing in order to be completed for a total of just under \$8 million. With these two capacity efforts there are Street Impact Fee and Arterial Collector shared projects to fund the building of the roads surrounding the new high school. Beyond major projects, there is planned road maintenance, vehicle replacements and building improvement. Operational impacts are on the side of long term maintenance of infrastructure and maintenance of vehicles.



FY19 Capital Projects with Material Operational Impacts

Most capital projects have some sort of impact on ongoing operational costs. FY19 has some areas with operational cost:

- The larger infrastructure projects have an impact on our operational costs, which can include increased cost for maintenance, additional monitoring, and additional services such as more roads to plow with the street construction scheduled. The major wastewater projects discussed earlier will add maintenance time and monitoring. The streets that will be constructed will affect the Street Maintenance fund's operational budgets in FY20 with the additional snow plowing and into the future for repairs and maintenance.
- Expanding the vehicle fleet increases maintenance and gas expenditures. This budget year there are some vehicles and other mobile equipment replacements that will not have as big of impact as the new vehicles expanding the number in the fleet.
- We are not constructing any major building in this budget but there are some remodels but their operational impact is minimal since there is not additional need for cleaning and utilities. This includes the Professional building remodel and the City Commission room.

Included in the plan looking out towards the future:

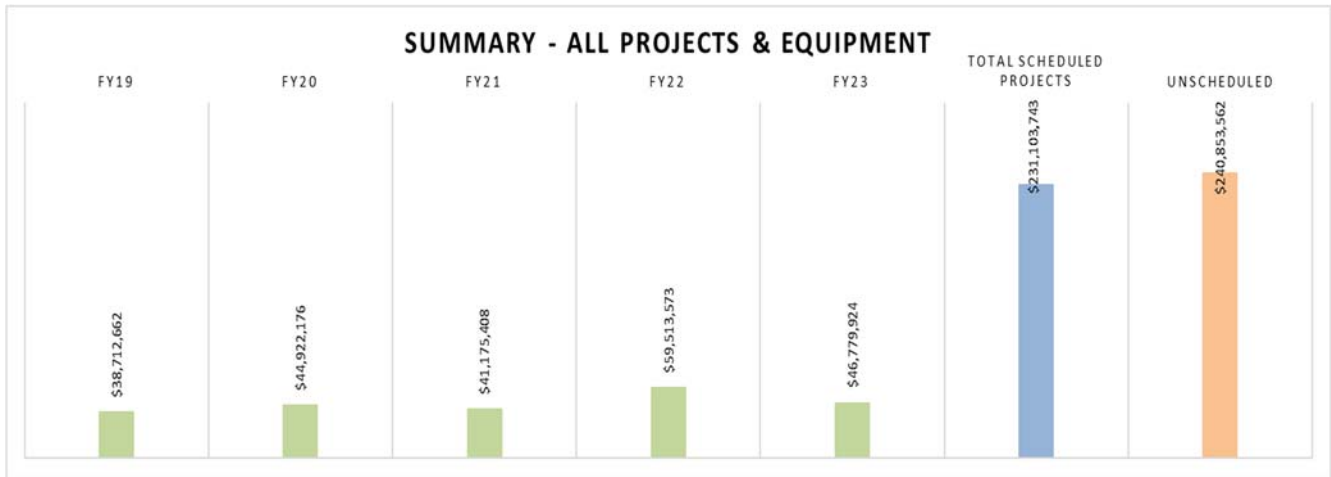
2020 - The outlook for the 2020 includes another sewer capacity-expanding project that is dependent on the Davis Lift Station being done in 2019. The Norton East Ranch Outfall Diversion WWIF38 is \$3,320,000 and will need financing at this point in the plan. There are again major roads funded through the Street Impact Fee Fund and Arterial Collector fund a good portion is for building of the roads surrounding the new high school. Fire Station 1 is planned in this year; this will be an expansion and relocation of the current station. Along with these major projects road maintenance, vehicle replacements and building improvements are in the plan as well.

2021 - This includes a water fund major project for the Lyman Tank and Transmission Main Construction W88, which will be funded through financing for \$10million. Griffin 7th to Rouse SIF113 funded by Street Impact Fees and Arterial collector funds is scheduled in FY21 for a project total of \$3.7 million. This is also the \$20 million portion of the Law Justice Center is scheduled.

2022 - The Indoor/Outdoor aquatics center is planned for FY22 and will be funded through bonds going to the citizens for a vote. The Water fund has an over \$6million projects, PRV Phase 2 - Automation and Instrumentation Upgrades W71 which will provide necessary water system maintenance work. Routine vehicle replacements, pipe replacements and road maintenance is planned.

2023 - Fowler connection (Huffine to Oak) SIF114 funded by Street Impact Fees and Arterial collector funds is scheduled in FY23 for a project total of \$7.5 million. Wastewater Impact Fees has a capacity project N Frontage Rd Interceptor WWIF20 scheduled for just under \$5.3 million. The relocation of Fire Station 2 is scheduled to align with service needs as outlined in the adopted master plan.

	Scheduled Projects					TOTAL SCHEDULED PROJECTS
	FY19	FY20	FY21	FY22	FY23	
	Arterial and Collector District	\$ 3,568,000	\$ 1,633,000	\$ 4,802,000	\$ -	
Building Inspection Fund	\$ 216,681	\$ -	\$ -	\$ -	\$ -	\$ 216,681
Community Development	\$ 301,218	\$ 301,218	\$ -	\$ 10,800	\$ -	\$ 613,236
Fire Equipment & Capital Replacement	\$ 530,500	\$ 606,000	\$ 423,000	\$ 170,500	\$ 176,750	\$ 1,906,750
Fire Impact Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Forestry	\$ 140,000	\$ 118,000	\$ -	\$ 145,000	\$ -	\$ 403,000
General Fund	\$ 12,656,576	\$ 12,656,576	\$ 8,522,277	\$ 21,669,560	\$ 19,154,300	\$ 74,659,289
Library Depreciation	\$ 70,000	\$ 32,000	\$ 75,000	\$ -	\$ -	\$ 177,000
Parking	\$ 112,031	\$ 112,031	\$ 330,000	\$ 310,000	\$ 30,000	\$ 894,062
Solid Waste Collection & Recycling	\$ 730,000	\$ 200,000	\$ 560,000	\$ 338,000	\$ 250,000	\$ 2,078,000
Storm Water Utility	\$ 650,000	\$ 650,000	\$ 650,000	\$ 650,000	\$ 650,000	\$ 3,250,000
Street & Curb Reconstructions	\$ 284,011	\$ 744,284	\$ 642,856	\$ 884,042	\$ 4,349,886	\$ 6,905,079
Street Impact Fee	\$ 7,701,245	\$ 6,373,000	\$ 6,876,000	\$ 5,700,000	\$ 250,000	\$ 26,900,245
Street Maintenance District	\$ 2,501,500	\$ 3,233,000	\$ 2,465,500	\$ 2,375,789	\$ 1,985,000	\$ 12,560,789
Vehicle Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wastewater Fund	\$ 1,812,500	\$ 3,412,500	\$ 2,022,500	\$ 1,732,500	\$ 1,652,500	\$ 10,632,500
Wastewater Impact Fee	\$ 1,440,000	\$ 8,625,000	\$ 4,424,797	\$ 721,757	\$ 721,757	\$ 15,933,311
Water Fund	\$ 2,808,400	\$ 4,882,557	\$ 3,435,749	\$ 15,550,625	\$ 10,404,731	\$ 37,082,062
Water Impact Fee	\$ 3,190,000	\$ 1,343,010	\$ 5,945,729	\$ 9,255,000	\$ 1,905,000	\$ 21,638,739
Total	\$ 38,712,662	\$ 44,922,176	\$ 41,175,408	\$ 59,513,573	\$ 46,779,924	\$ 231,103,743



FY19 Capital Project Listing

CIP PROJECT FUND	PROJECT NUMBER	PROJECT NAME	FY19
Arterial & Collector Streets	A&C004	Oak & 7th Restriping	\$60,000
Arterial & Collector Streets	SIF109	Oak (Rouse through Cannery District) - Construction*	\$133,000
Arterial & Collector Streets	SIF058	Oak & N 27th (Intersection Improvements) - Design & Construction	\$200,000
Arterial & Collector Streets	SIF108	S 3rd and Graf (Intersection Improvements) - Construction	\$300,000
Arterial & Collector Streets	SIF121	Baxter & Davis (Intersection Improvements) - Roundabout Construction	\$500,000
Arterial & Collector Streets	SIF062	Durston (Fowler to Ferguson) - Construction	\$760,000
Arterial & Collector Streets	SIF085	Baxter (7th to 19th) - Construction	\$1,500,000
Arterial & Collector Streets Total			\$3,453,000
Building Inspection	New	New Position Vehicle	\$35,000
Building Inspection	GF199	PROFESSIONAL BUILDING RECONFIGURATION - Phase 2	\$216,681
Building Inspection Total			\$251,681
Community Development	CD05	Copier Replacement	\$35,000
Community Development	GF199	PROFESSIONAL BUILDING RECONFIGURATION - Phase 2	\$266,218
Community Development Total			\$301,218
Fire Equip & Capital Replacement	FE12	Personal Protective Equipment	\$36,000
Fire Equip & Capital Replacement	FE14	Structural Collapse Equipment	\$70,000
Fire Equip & Capital Replacement	FE06	Radio Replacement Program	\$250,000
Fire Equip & Capital Replacement	FE13	Station Alerting System	\$250,000
Fire Equip & Capital Replacement Total			\$606,000
Gas Tax	STR75	Annual Pedestrian Ramp Replacement Program	\$25,000
Gas Tax		Curb, Gutter and Sidewalk replacement	\$50,000
Gas Tax		Thermoplastic Lane Marking Projects	\$25,000
Gas Tax	STR72-19	Street Improvements - Maintenance & Rehabilitation (Chip Seal) - FY19	\$827,000
Gas Tax Total			\$927,000
General Fund	New	M&E: Office Equipment & Furniture new positions(1530,2010)	\$7,000
General Fund	GF282	City Hall Vehcile lease Plug-in Electric Hybrid	\$9,000
General Fund	GF292	PATROL CAR AUXILIARY EQUIPMENT	\$15,000
General Fund	GF010	CEMETERY MOWER REPLACEMENTS	\$16,000
General Fund	GF298	SWIM CENTER – BARRIER WALL IN PUMP ROOM	\$22,000
General Fund	GF275	Fiber Optic Conduit and Vaults	\$30,000
General Fund	GF287	Learning Management System	\$25,000
General Fund	GF297	SWIM CENTER ROOF REPLACEMENT	\$26,000
General Fund	GF195	TURF SWEEPER	\$32,000
General Fund	GF199	PROFESSIONAL BUILDING RECONFIGURATION - Phase 2	\$37,031
General Fund	GF080	REMOTE CLOSET SWITCHES, ROUTER AND WIRELESS AP REPLACEMENT	\$45,000
General Fund	GF229	ISCSI STORAGE REPLACEMENT	\$45,000
General Fund	GF116	CEMETERY VEHICLE REPLACEMENTS	\$50,000
General Fund	GF241	Replacement of City Hall AC Condensing Unit – Roof Top	\$50,000
General Fund	GF115	PARK VEHICLE REPLACEMENTS	\$50,000
General Fund	GF270	Snow Plowing Vehicle	\$65,000
General Fund	GF295	SWIM CENTER UV SYSTEM REPLACEMENT	\$68,500
General Fund	GF283	Commission Room Technology Upgrade	\$80,000
General Fund	GF268	Southwest Montana Veteran's Cemetery	\$88,000

CIP PROJECT FUND	PROJECT NUMBER	PROJECT NAME	FY19
General Fund	GF034	LARGE DECK MOWER	\$70,000
General Fund	GF205	PROST PLAN UPDATE	\$109,000
General Fund	GF053	PATROL VEHICLE REPLACEMENT	\$62,000
General Fund	GF199	PROFESSIONAL BUILDING RECONFIGURATION - Phase 2	\$136,186
General Fund	GF166	PORTABLE AND MOBILE RADIO REPLACEMENTS	\$295,000
General Fund	GF304	City Hall Commission Room Expansion/Remodel	\$200,000
General Fund	GF231	CEMETERY IRRIGATION PROJECT	\$200,000
General Fund Total			\$1,832,717
Impact Fees Streets	SIF109	Oak (Rouse through Cannery District) - Construction	\$133,000
Impact Fees Streets	SIF139	Oak (Flanders Mill to Ryun Sun Way) - Design	\$150,000
Impact Fees Streets	SIF140	Oak (Cottonwood to Flanders Mill) - Design	\$180,000
Impact Fees Streets	SIF001	Annual Right Of Way Acquisition	\$250,000
Impact Fees Streets	SIF137	Cottonwood (Durstun to Oak) - Design	\$250,000
Impact Fees Streets	SIF141	Cottonwood Road, Oak to Baxter - Design	\$250,000
Impact Fees Streets	SIF133	Griffin (7th to Rouse) - Design	\$400,000
Impact Fees Streets	SIF062	Durstun (Fowler to Ferguson) - Construction	\$760,000
Impact Fees Streets	SIF058	Oak & N 27th (Intersection Improvements) - Design & Construction	\$800,000
Impact Fees Streets	SIF108	S 3rd and Graf (Intersection Improvements) - Construction	\$1,200,000
Impact Fees Streets	SIF121	Baxter & Davis (Intersection Improvements) - Roundabout Construction	\$2,000,000
Impact Fees Streets Total			\$6,373,000
Impact Fees Wastewater	WWIF36	Baxter Creek Basin - Cottonwood Road 18" Sanitary Sewer Extension	\$640,000
Impact Fees Wastewater	WWIF11	Front Street Interceptor	\$2,185,000
Impact Fees Wastewater	WWIF24	Davis Lane (Lift Station)	\$5,800,000
Impact Fees Wastewater Total			\$8,625,000
Impact Fees Water	WIF46	Water Main Oversizing, Oak St and Ryun Sun Way	\$107,000
Impact Fees Water	WIF21	S 11th 12" water main extension	\$136,010
Impact Fees Water	WIF33	Groundwater Well Field and Transmission Main Design	\$500,000
Impact Fees Water	WIF14	Loan Debt Service - WTP 5.3MG Concrete Water Storage Reservoir	\$600,000
Impact Fees Water	WIF21	11th and 12' water main extension	\$136,010
Impact Fees Water	WIF46	Water Main Oversizing- Oak	\$107,000
Impact Fees Water Total			\$1,586,020
Parking Fund	P020	Parking Vehicle Leases	\$10,000
Parking Fund	P004	Surface Parking Lot Hardware & Software Systems	\$15,000
Parking Fund	P014	Parking Garage Crack Maintenance and Repair	\$20,000
Parking Fund	P024	Electric Vehicle Charging Station	\$30,000
Parking Fund	GF199	PROFESSIONAL BUILDING RECONFIGURATION - Phase 2	\$37,031
Parking Fund Total			\$112,031
Public Works Admin	GIS06	GPS System Replacement	\$17,500
Public Works Admin	GIS08	Large Format Plotter - Replacement	\$20,000
Public Works Admin	GIS12	FME Server	\$20,000
Public Works Admin	GIS11	GIS Computer Replacments	\$49,048
Public Works Admin Total			\$106,548
Solid Waste Fund	SW46	Grapple Truck (Shared w/ Tree Maint)	\$100,000
Solid Waste Fund Total			\$100,000
Solid Waste/ Landfill Fund		Software maint.	\$61,417
Solid Waste/ Landfill Fund Total			\$61,417

CIP PROJECT FUND	PROJECT NUMBER	PROJECT NAME	FY19
Stormwater Fund	STRM54	Admin Staff Vehicle	\$35,000
Stormwater Fund	STRM13	Annual Pipe Rehabilitation and Drainage Projects	\$50,000
Stormwater Fund	STRM36	Boulevard Infiltration Structures - Downtown Stormwater Treatment Phase 2	\$50,000
Stormwater Fund	STRM51	Pipe Replacement – N. 4th (W. Cottonwood to W. Peach)	\$50,000
Stormwater Fund	STRM48	Annual Inlet Replacement Program	\$100,000
Stormwater Fund	STRM39	Mechanical Separation Units - Downtown Stormwater Treatment Phase 2	\$350,000
Stormwater Fund Total			\$635,000
Street & Curb Reconstruction Fund	SCR01	Annual Curb Replacement & Concrete Repair Program	\$60,000
Street & Curb Reconstruction Fund	SCR20	W Lincoln (Grand to Wilson) - Design and Construction	\$224,011
Street & Curb Reconstruction Fund Total			\$284,011
Street Maintenance Fund	STR50	Plows	\$12,000
Street Maintenance Fund	STR76	Downtown Bozeman Creek Culvert Assessment	\$15,000
Street Maintenance Fund	STR01	Replace #1539 - 2WD 1990 Ford Ranger	\$16,000
Street Maintenance Fund	PW05	Public Works Shops Master Plan	\$20,000
Street Maintenance Fund	STR20	Annual Bike Path Improvements	\$25,000
Street Maintenance Fund	STR49	Sanders	\$27,000
Street Maintenance Fund	STR83	N. 27th Median Landscaping and Irrigation from Oak to Baxter	\$40,000
Street Maintenance Fund	STR01	Replace #2749 - 1997 Ford 1 Ton Manual Transmission F350	\$45,000
Street Maintenance Fund	STR80	Utility Terrain Vehicle	\$55,000
Street Maintenance Fund	STR77	Oak and 7th Intersection Upgrade	\$60,000
Street Maintenance Fund	STR82	Lease Motor Grader (170,00 to 35K to lease)	\$35,000
Street Maintenance Fund	STR79	Sign Making Machine	\$60,000
Street Maintenance Fund	STR75	Annual Pedestrian Ramp Replacement Program	\$100,000
Street Maintenance Fund	STR89	Spray Patch Truck	\$250,000
Street Maintenance Fund	STR71-19	Street Improvements - Maintenance & Rehabilitation (Mill & Overlay) - FY19	\$554,500
Street Maintenance Fund			\$1,314,500
Tree Maintenance District	FOR11	LOG LOADER & TRUCK (Shared w/ Solid Waste)	\$120,000
Tree Maintenance District	FOR10	Stump Grinnder (\$24,000 from FY18)	\$26,000
Tree Maintenance District Total			\$146,000
Wastewater Fund	PW05	Public Works Shops Master Plan	\$20,000
Wastewater Fund	WW07	Annual Wastewater Pipe Replacement Program - Design	\$22,500
Wastewater Fund	WW86	Steerable sewer TV tractor	\$25,000
Wastewater Fund	WW87	Sewer Flow Meters	\$35,000
Wastewater Fund	WW70	WRF Facility Engineering & Optimization	\$50,000
Wastewater Fund	WW58	Chip Seal and Topcoat WRF Asphalt	\$55,000
Wastewater Fund	WW69	WRF Facility R&R	\$75,000
Wastewater Fund	WW89	HVAC heat loop optimization	\$250,000
Wastewater Fund	WW39	Resurface and Repaint Clarifiers	\$320,000
Wastewater Fund	WW08-19	Wastewater Pipe Replacement Program - Construction in 2019	\$1,000,000
Wastewater Fund	WW49	Roll-Off Storage Building Construction & Possible 2nd Screw Press Enclosure	\$1,500,000
Wastewater Fund Total			\$3,352,500

CIP PROJECT FUND	PROJECT NUMBER	PROJECT NAME	FY19
Water Fund	W66	Meters, Transducers & Communications (Replacement Scada Radio & Strap On Flow Meter)	\$10,000
Water Fund	W57	WTP Facility Engineering & Optimization	\$20,000
Water Fund	W03	Annual Water Pipe Replacement Program - Design	\$22,500
Water Fund	W86	Sourdough Diversion cleanout	\$25,000
Water Fund	WC02	Meter Software Subscription	\$36,000
Water Fund	WC03	Municipal Watershed Data Collection	\$50,000
Water Fund	W58	Module Replace Fund	\$50,000
Water Fund	W78	Hilltop Tank Inspection and Mixing System	\$130,000
Water Fund	W75	Lead Service Line Replacement	\$200,000
Water Fund	W85	South University District 12" Water Main	\$296,509
Water Fund	W87	Lyman Tank and Transmission Main Design	\$500,000
Water Fund	W04-19	Water Pipe Replacement Program - Construction in 2019	\$1,200,000
Water Fund	W72	PRV Phase 1 - Mechanical and Structural Upgrades	\$1,750,000
Water Fund	GIS15	GIS Field Vehicle Replacement	\$26,000
Water Fund Total			\$4,316,009
Total			\$34,383,652

Appendix A: Statistical Information

Statistical Information

Consumer Price Index

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

Source: Bureau of Labor Statistics, US Department of Labor

United State CPI		
Year Ending December,	CPI-U	% Change
2007	210	4.10%
2008	210.2	0.10%
2009	216	2.70%
2010	219.2	1.50%
2011	225.7	3.00%
2012	229.6	1.70%
2013	233	1.50%
2014	234.8	0.80%
2015	236.5	0.70%
2016	241.4	2.10%
2017	246.5	2.11%

Western States CPI		
ANNUAL	CPI-U Western	% Change
2007	212.2	3.20%
2008	219.6	3.50%
2009	218.8	-0.40%
2010	221.2	1.10%
2011	227.5	2.90%
2012	232.4	2.20%
2013	236.1	1.60%
2014	239.1	1.30%
2015	243.0	1.60%
2016	247.7	1.90%
2017	257.3	3.88%

Population

Bozeman's population has been growing steadily since 2000. The rate of population has shown an larger increase the last three years. The Bozeman Population has median age that has held steady at 27 and has a high percentage of residents holding a bachelor's degree or higher at 56%. Source: US Census Bureau:

People QuickFacts	Bozeman	Montana	Bozeman as % of Montana Data
Population: 2016 estimate	45,250	1,032,949	4.38%
Population: 2010 (April 1) estimates base	37,282	989,417	3.77%
Population: Percent change 4/01/10 to 7/01/16	21.40%	4.40%	
Population: 2010 census	37,280	989,415	3.77%

Fiscal Yr	Estimated Population	Bozeman's Estimated Annual % Change in Population	Accumulated % Growth Since 2007
2007	34,832	4.50%	0.00%
2008	35,944	3.19%	7.69%
2009	36,933	2.75%	10.44%
2010	37,280	0.94%	11.38%
2011	37,314	0.09%	11.47%
2012	38,116	2.15%	13.62%
2013	38,753	1.67%	15.30%
2014	38,860	0.28%	15.57%
2015	41,660	7.21%	22.78%
2016	43,405	4.19%	26.97%
2017	45,250	4.25%	31.22%

Year	% Change in Population	Per capita Income	Median Age	% Residents w/ Bachelors	K-12 enrollment	Unemployment rate
2007	4.5%	\$ 21,581	26.5	49.5%	5,356	2.2%
2008	3.1%	\$ 23,387	27.2	53.7%	5,432	2.7%
2009	2.7%	\$ 26,313	27.0	52.7%	5,463	4.6%
2010	0.9%	\$ 25,909	26.0	50.6%	5,509	5.8%
2011	0.1%	\$ 25,611	27.2	50.1%	5,679	5.6%
2012	2.1%	\$ 24,709	27.2	53.9%	5,810	5.2%
2013	1.6%	\$ 25,608	27.1	55.4%	5,994	4.3%
2014	0.3%	\$ 26,427	26.8	53.3%	6,216	3.5%
2015	6.7%	\$ 26,335	27.3	53.6%	6,294	2.9%
2016	4.0%	\$ 26,350	27.5	54.4%	6,533	2.8%
2017	4.1%	\$ 26,506	27.7	56.5%	6,770	2.8%

Business:

Private Employers: The Montana Department of Labor and Industry reports the following largest private employers within the City’s boundaries (2017 data).

Private Employers	Size
Bozeman Deaconess Hospital	1,000+ Employees
Oracle America	250 to 499 Employees
Town Pump Convenience Stores	251 to 499 Employees
Wal Mart	252 to 499 Employees
Albertson's	100 to 249 Employees
Barnard Construction	101 to 249 Employees
Best Western Gran Tree Inn	102 to 249 Employees
Bridger Bowl	103 to 249 Employees
Community Food Co-Op	104 to 249 Employees
Costco	105 to 249 Employees
First Student	106 to 249 Employees
JC Billion	107 to 249 Employees
Kenyon Noble Lumber & Hardware	108 to 249 Employees
Korman Marketing Group	109 to 249 Employees
Martel Construction	110 to 249 Employees
McDonalds	111 to 249 Employees
Murdoch's Ranch & Home Supply	112 to 249 Employees
Ressler Motor	113 to 249 Employees
Rosauers Super Markets	114 to 249 Employees
Target	115 to 249 Employees
Town & Country Foods	116 to 249 Employees
Zoot Enterprises	117 to 249 Employees

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

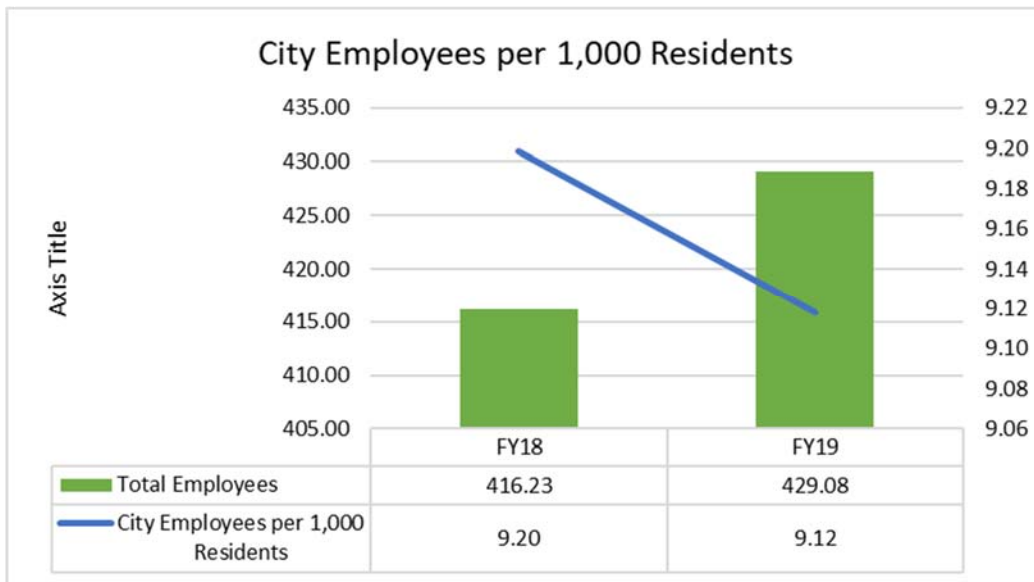
Public Employers	Size
Montana State University	1,000+ Employees
School District #7	1,000+ Employees
Belgrade School District	500 to 999 Employees
City of Bozeman	250 to 499 Employees
Department of Agriculture	251 to 499 Employees
Gallatin County	252 to 499 Employees

Principal Tax Payers:

The annual certified valuation of taxable real and personal property is completed by the Montana Department of Revenue and transmitted to the City each August. For fall of 2017, the top taxpayers within the City were as follows. These ten taxpayers comprised a total of 9.4% of our property tax base.

Tax Payer	Assessed Value	% of Total
Northwestern Energy - Transmission & Distribution	4,203,090	4.68%
Centurylink, Inc. (Qwest)	736,068	0.82%
Bresnan Communications	708,027	0.79%
Verizon Wireless	495,140	0.55%
Harry Daum - Gallatin Mall	444,051	0.49%
Stone Ridge Partners LLC	417,262	0.46%
Mitchell Development & Investment	386,775	0.43%
First Security Bank	361,858	0.40%
J & D Family Limited Partnership	345,613	0.39%
Bridger Peaks Holding LLC	343,028	0.38%

City Staffing Per Capita



City Water, Sewer and Stormwater rate history

Fiscal Year	Water Rates	Wastewater Rates	Storm Water Rates
1998	3.00%	3.00%	
1999	7.00%	28.00%	
2000	3.00%	-	
2001	7.00%	3.00%	
2003	6.00%	-	
2005	10.00%	15.00%	
2006	10.00%	10.00%	
2007	-	5.00%	
2008	-	9.00%	
2009	3.20%	10.20%	
2010	3.20%	10.20%	
2011	4.50%	6%	
2012	4.50%	6%	Utility Created
2013	3.00%	3.00%	4.00%
2014	0%	3.00%	4.00%
2015	0%	3.00%	Restructuring – 2015
2016	2.50%	3.00%	Restructuring – 2016
2017	2.50%	3.00%	-
2018	2.00%	2.00%	-
2019	TBD	TBD	-

Debt Limits

	Fiscal Years				
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt limit*	76,450,000	84,657,000	84,500,000	142,464,717	147,500,000
Total net debt applicable to limit	\$ (3,643,823)	\$(12,771,396)	\$(15,356,726)	\$ (16,454,841)	\$ (18,613,264)
Legal debt margin	<u>\$ 72,806,177</u>	<u>\$ 71,885,604</u>	<u>\$ 69,143,274</u>	<u>\$ 126,009,876</u>	<u>\$ 128,886,736</u>
Total net debt applicable to the limit as a percentage of debt limit	4.8%	15.1%	18.2%	11.6%	12.6%

Appendix B: Budget and Financial Policies

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

Budget Development & Administration

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Revenue Collection

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

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

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

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

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

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

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

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

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

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

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

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

Expenditures and Payments

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

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

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

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

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

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

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

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

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

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

6. Spending Policy:

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

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

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

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

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

Debt Administration

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

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

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

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

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

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

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

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

Reserves and Fund Balances

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

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

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

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

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

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

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

Financial Reporting & Accounting

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

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

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

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

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

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

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

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

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

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

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

basis. Debt service principal payments in the enterprise funds are accounted for as expenses for budget purposes, but are reported as reduction of long-term debt liability on the GAAP basis.

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

Appendix C: Long Range Financial Planning

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

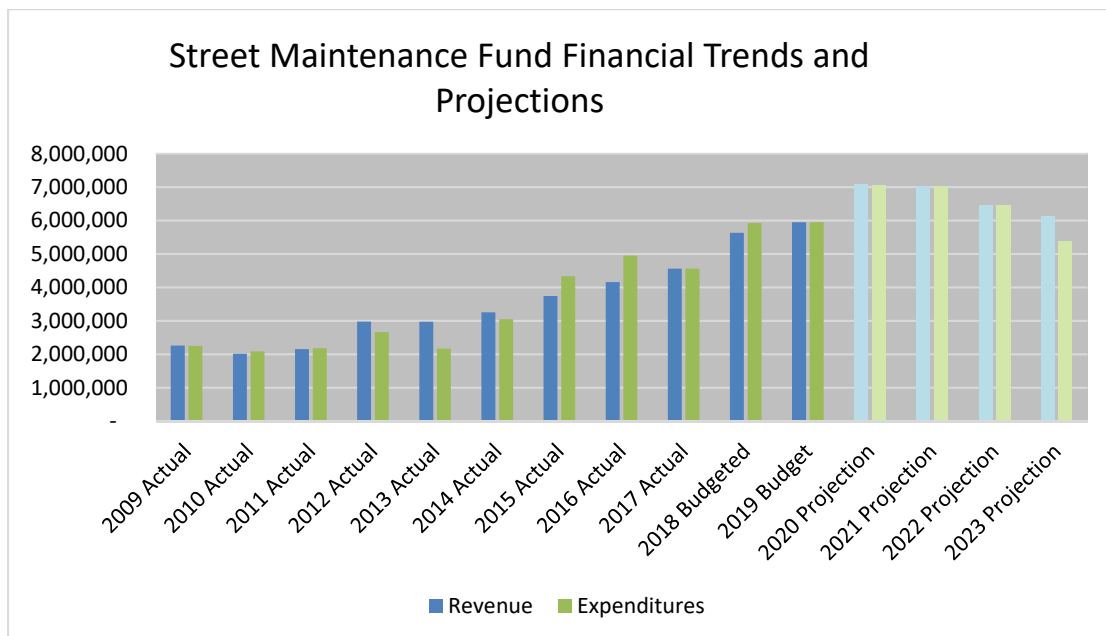
- Street Maintenance Fund
- Arterial & Collector Fund
- Tree Maintenance Fund
- Stormwater Fund
- Solid Waste Fund

In prior years the Water Fund and Wastewater fund were included in long range planning but for FY19 a rate study is being performed that will analyze the next five years of the fund to be presented in early fall for rates setting in October.

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

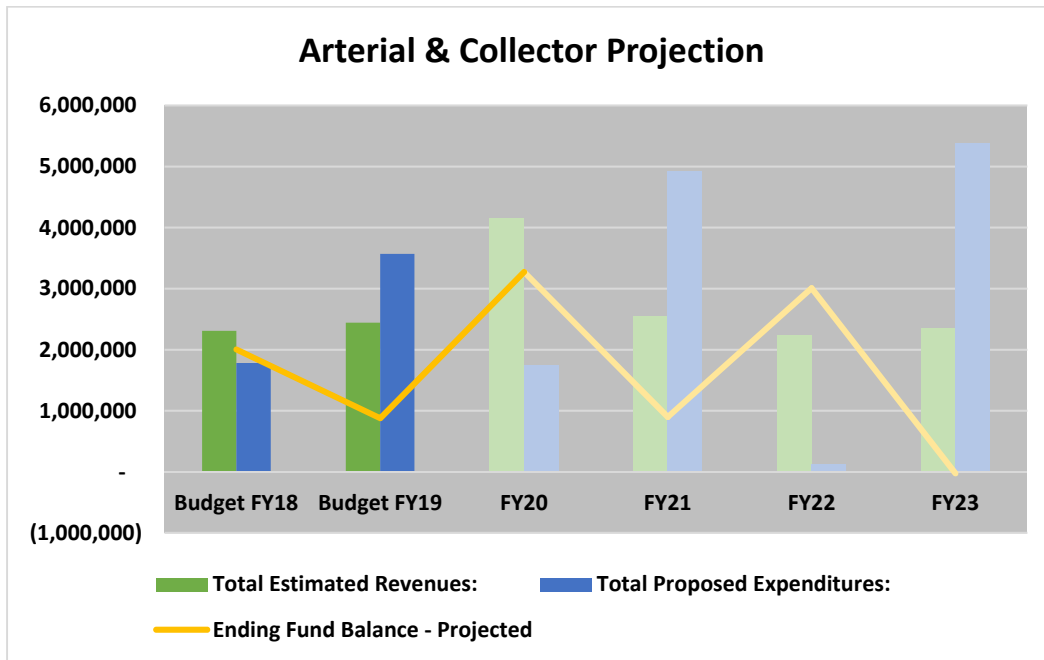
STREET MAINTENANCE:

The Street Maintenance long-term plan contuse to show increases in assessment to meet the needs of the capital plan.



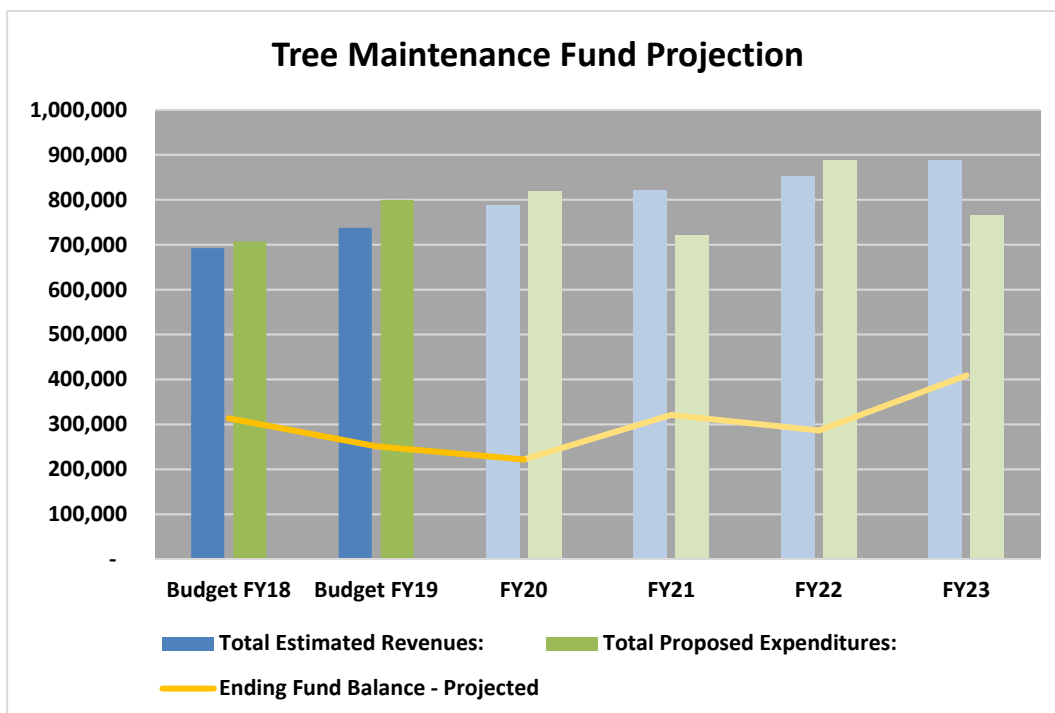
ARTERIAL AND COLLECTOR

The assessment is predicted to stay at the FY19 rate and need slight increases of 2% to fund the capital program. This fund also relies on the gas tax remaining at current levels as well.



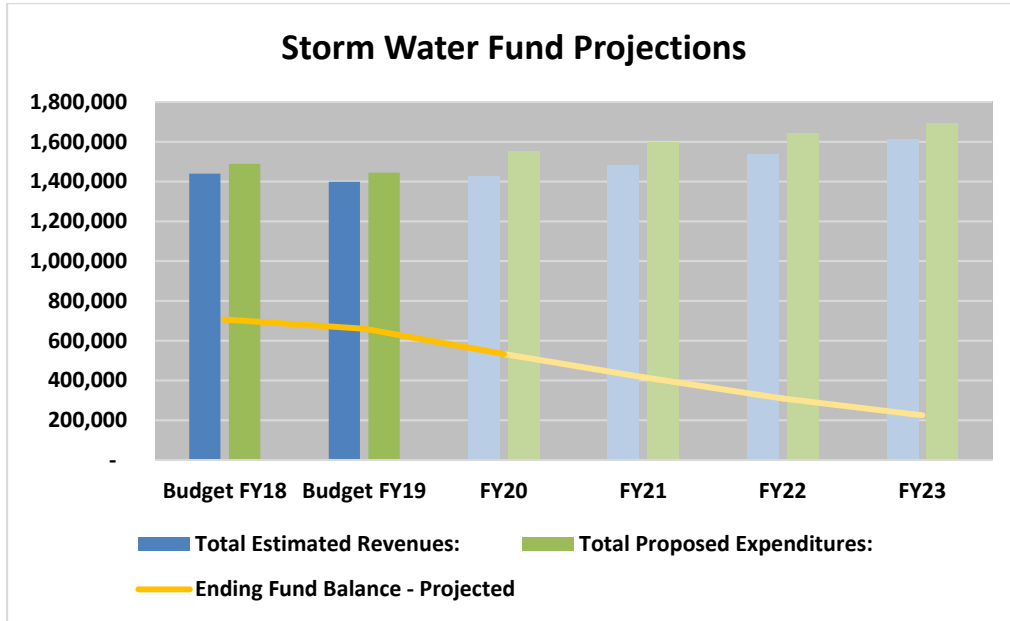
TREE MAINTENANCE FUND

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



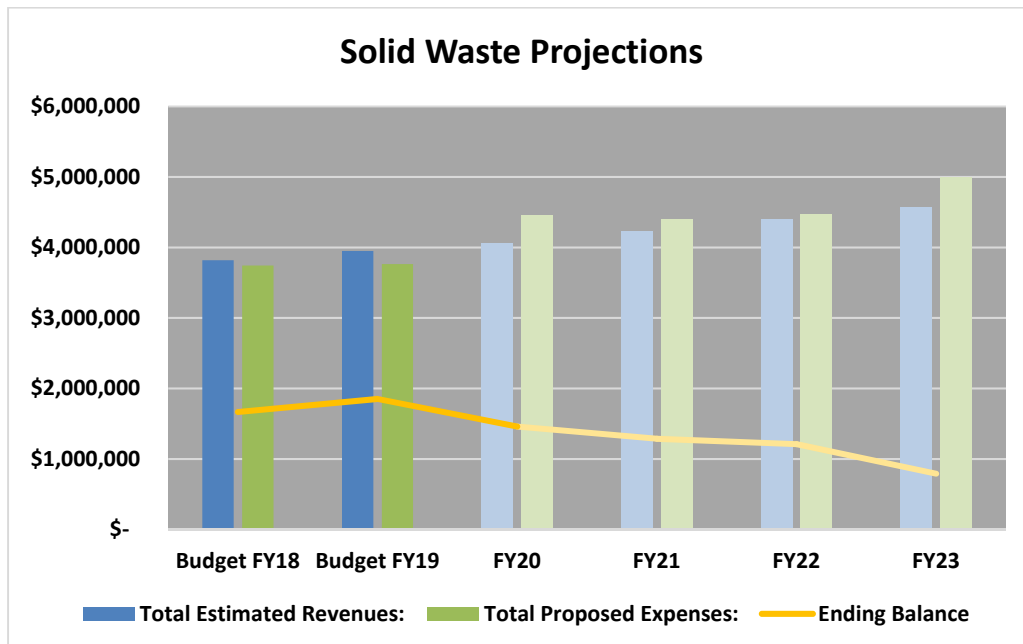
STORM WATER FUND

Projected with 2% growth assumption and increases in rates starting in FY21 with 2% and up to 3% in FY23



SOLID WASTE FUND

Solid Waste has competition so pricing needs to be able to adjust. Healthy fund balance is key to be able to respond to the market and to replace capital equipment. The Solid Waste fund is only looking at minimal rate increase but a rate study will be coming for FY20.



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.
AMERICAN RECOVERY & REINVESTMENT ACT (ARRA)	Federal legislation signed in early 2009. Commonly referred to as the “Stimulus Bill” or “stimulus.”
APPROPRIATION	Legal authorization granted by City Commission to make expenditures and incur obligations.
ARRA	See “American Recovery & Reinvestment Act”
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, Property values are established by the Montana Department of Revenue.)
ASSET	Resources owned or held by a government having monetary value.
AVAILABLE (UNDESIGNATED) FUND BALANCE.	Refers to the funds remaining from the prior years which are available for appropriation and expenditure in the current year
BALANCED BUDGET	Refers to a government budget with revenues equal to expenditures.
BOND	A written promise to pay a sum of money on a specific date at a specified interest rate. The most common types of bonds are general obligation, revenue, and special assessment district bonds. These are most frequently used for construction of large capital projects such as buildings, streets, and water and waste water lines.
BOND RATING	An evaluation of a bond issuer’s credit quality and perceived ability to pay the principal and interest on time and in full.
BOND REFINANCING	The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.
BUDGET	Plan of financial operation, embodying an estimate of proposed expenditures for a given period (City of Bozeman’s budget is for a fiscal year July 1—June 30) and the proposed means of financing them. Upon approval by Commission, the appropriation ordinance is the legal basis for incurring expenditures.
BUDGET AMENDMENT	A procedure to revise the appropriation ordinance through action by the City Commission.

BUDGET CALENDAR	The schedule of key dates or milestones which the City follows in the preparation, adoption, and administration of the budget.
BUDGET MESSAGE	The opening section of the budget which provides the City Commission and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and recommendations regarding the financial policy for the upcoming period.
BUDGETARY BASIS	This refers to the form of accounting utilized throughout the budget process. These generally take one of three forms: GAAP, Cash, and Modified Accrual.
BUDGETARY CONTROL	The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.
CAPITAL BUDGET	The Capital Budget comprises the capital improvements that are funded in the current budget year.
CAPITAL EXPENDITURE	The item has a unit cost over \$5,000, benefits future periods, has a normal useful life of 1 year or more, has an identity that does not change with use (i.e., retains its identity throughout its useful life), and is identifiable and can be separately accounted for. Improvements to existing assets must add life and value to be included as a capital item.
CAPITAL IMPROVEMENTS	Expenditures related to the acquisition, expansion, or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.
CAPITAL IMPROVEMENTS PROGRAM (CIP)	A plan for capital expenditures needed to maintain, replace, and expand the City's heavy equipment and public infrastructure (for example streets, parks, buildings, etc.) The CIP projects these capital equipment and infrastructure needs for a set number of years (5 years for City of Bozeman's Program) and is updated annually to reflect the latest priorities, cost estimates and changing financial estimates or strategies. The first year of the adopted CIP becomes the basis of the City's capital budget.
CAPITAL OUTLAY	Items that cost more than \$5,000 and have a useful life of one year or more.
CAPITAL PROJECT	New facility, technology system, land or equipment acquisition, or improvements to existing facilities beyond routine maintenance. Capital projects are included in the CIP and become fixed assets.
CASH BASIS	A basis of accounting in which transactions are recognized only when cash is increased or decreased.
CDBG	Community Development Block Grant.

CIP	See Capital Improvement Program.
CONTINGENCY	A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.
CONTRACTED SERVICES	Expenditures for services performed by firms, individuals, not other city departments.
DEBT LIMIT	The maximum amount of gross or net debt which is legally permitted.
DEBT RATIO	Ratios which provide a method of assessing debt load and the ability to repay debt which plays a part in the determination of credit ratings. They are also used to evaluate the City's debt position over time and against its own standards and policies.
DEBT SERVICE	Payment of principal and interest related to long term loans or bonds.
DEBT SERVICE FUND	A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
DEBT SERVICE FUND REQUIREMENT	The amounts of revenue which must be provided for a Debt Service Fund so that all principal and interest payments can be made in full on schedule.
DEFICIT	The excess of an entity's liabilities over its assets or the excess of expenditures over revenues during a single accounting period.
DEPARTMENT	A major administrative division of the City which indicates overall management responsibility for an operation or a group of related operations within a functional area.
DEPRECIATION	Expiration in the service life of fixed assets, attributable to wear and tear, deterioration, action of physical elements, inadequacy, and obsolescence.
DESTINGUISHED BUDGET PRESENTATION AWARDS PROGRAM	A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.
DIVISION	A group of homogenous cost centers within a department.
ENTERPRISE FUND	A fund established to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

ESTIMATE	The most recent prediction of current year revenue and expenditures. Estimates are based upon many months of actual expenditure and revenue information and are prepared to consider the impact of unanticipated costs or other economic changes.
ESTIMATED REVENUE	The amount of projected revenue to be collected during the fiscal year.
EXPENDITURES	Decreases in net financial resources.
FISCAL YEAR	The time period signifying the beginning and ending period for recording financial transactions. The City's fiscal year begins on July 1 and ends on June 30 of each year.
FIXED ASSETS	Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.
FTE	See Full Time Equivalent.
FULL FAITH AND CREDIT	A pledge of a government's taxing power to repay debt obligations.
FULL TIME EQUIVALENT	Also referred to as FTE. The yearly personnel hours worked by a position divided by the total available work hours for a full year (2080).
FUND	An accounting entity with a self-balancing set of accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.
FUND BALANCE	The excess of assets over liabilities. The beginning fund balance is the residual funds brought forward from the previous fiscal year. <i>Nonspendable fund balance</i> -- 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). <i>Restricted fund balance</i> -- Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation. <i>Committed fund balance</i> -- Amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned fund balance -- Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned fund balance -- Amounts that are available for any purpose; these amounts are reported only in the General Fund.

GAAP	See Generally Accepted Accounting Principles.
GENERAL FUND	The fund used to account for all of the City's financial resources except those required to be accounted for in another fund.
GENERAL OBLIGATION BONDS (G.O. Bonds)	Bonds for the payment of which the full faith and credit of the issuing government are pledged. These bonds usually require voter approval and finance a variety of public projects such as roads, buildings, parks and improvements.
GOAL	A statement of broad direction, purpose or intent based on the needs of the community.
G.O. BONDS	See General Obligation Bonds.
GOVERNMENTAL FUNDS	Funds generally used to account for tax-supported activities. Governmental funds include: general, special revenue, debt service, capital projects, and permanent funds.
GRANT	A contribution by one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function (e.g. public safety or drug enforcement,) but is sometimes for general purposes.
IMPROVEMENT DISTRICT	Special assessment districts formed by property owners who desire and are willing to pay for mutually enjoyed improvements such as lighting or street maintenance.
INFRASTRUCTURE	Facilities that support the daily life and growth of the city, for example, streets, public buildings, wastewater treatment, parks.
INTERGOVERNMENT REVENUE	Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

INTERNAL SERVICE FUND	A fund used to account for the financing of goods or services provided by one department or agency to other departments on a cost-reimbursement basis.
LEASE-PURCHASE AGREEMENT	Contractual agreements which are termed "leases", but which in substance amount to purchase contracts for equipment and machinery.
LEVY	(Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or service charges imposed by a government.
LINE-ITEM BUDGET	A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specific category.
LONG-TERM DEBT	Debt with a maturity of more than one year after the date of issuance.
MANDATE	Legislation passed by the state or federal government requiring action or provision of services and/or programs by the City. Examples include the Americans with Disabilities Act, which requires such actions as physical facility improvements and provision of specialized equipment for public recreation and transportation.
MILL LEVY	Rate applied to Assessed Valuation to determine property taxes. A mill is 1/10th of a penny or \$1.00 of tax for each \$1,000 of assessed valuation.
OBJECT	As used in expenditure classification, this term applies to the article purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples are personnel services, contracted services, and supplies and materials.
OBJECTIVE	Desired outcome-oriented accomplishments that can be measured and achieved within a given time frame, and advances the activity or organization toward a corresponding goal.
OPERATING BUDGET	The portion of the budget pertaining to daily operations that provides basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, and services.
ORDINANCE	A formal legislative enactment by the City Commission. If it is not in conflict with any higher form of law, such as state statute or constitutional provision, it has the full force and effect of law within the boundaries of the City.
OUTSTANDING BONDS	Bonds not yet retired through principal payment.

OVERLAPPING DEBT	The City's proportionate share of the debt of other local governmental units which either overlap it or underlie it. The debt is generally apportioned based on relative assessed value.
PAYMENT IN LIEU OF TAXES	Also referred to as PILT. Payments made in lieu of taxes from another government or entity.
PERFORMANCE BUDGET	A budget that focuses on departmental goals and objectives rather than line items, programs, or funds. Workload and unit cost data are collected in order to assess effectiveness and efficiency of services.
PERSONNEL SERVICES	Items of expenditures in the operating budget for salaries and wages paid for services performed by City employees, as well as the fringe benefit costs.
PROPERTY TAX	A levy upon each \$100 of assessed valuation of real and personal property within the City of Bozeman.
PROPRIETARY FUND	Funds that focus on the determination of operating income, changes in net position (or cost recovery) financial position, and cash flows. Proprietary funds include enterprise and internal service funds.
RESOLUTION	A special or temporary order of a legislative body (City Commission) requiring less legal formality than an ordinance or statute.
RESOURCES	Total amounts available for appropriation including estimated revenues, fund transfers, and beginning fund balances.
REVENUE	Funds that the government receives as income. It includes items such as tax payments, fees for specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.
REVENUE BONDS	Bonds sold for constructing a project that will produce revenue for the government. That revenue is pledged to pay the principal and interest of the bond.
RISK MANAGEMENT	An organized attempt to protect a government's assets against accidental loss in the most economical method.
SPECIAL IMPROVEMENT DISTRICT (SID)	An area defined and designated for improvements, often financed with bond proceeds that specifically benefit the property owners within the area of the district. Debt is repaid through annual assessments to property owners.

SPECIAL REVENUE FUND	A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or of major capital projects) that are legally restricted to expenditure for specified purposes.
STATE SHARED REVENUE	Revenues levied and collected by the state but shared with local governments as determined by state government. Entitlement funds received by the City from the state of Montana is the largest State Shared Revenue.
TAXES	Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not refer to specific charges made against particular property for current or permanent benefits, such as special assessments.
TIF	Tax Increment Financing. A method of using incremental increases in property tax values to fund the improvements or efforts of a designated area.
TRANSFERS IN/OUT	Amounts transferred from one fund to another to assist in financing the services from the recipient fund.
UNRESERVED FUND BALANCE	The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.
USER CHARGES OR FEES	The payment of a fee for direct receipt of a public service by the party benefiting from the service.
WORKING CAPITAL	The 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

BOZEMAN^{MT}