

# FY2023 Budget Public Hearing



City Council Meeting  
August 15, 2022

## Mayor's Priorities

### **Invest in Our People**

The City needs to remain competitive in the market to retain and recruit a vibrant staff

### **Ensure Long Term Financial Sustainability**

Our ongoing needs match our revenues

### **Continuing Successful Programs**

This budget focuses on maintaining the current level of service rather than expansion or new programs

## Highlights of New Requests Included in the Mayor's Budget

### Achieve Organizational Excellence

#### **Invest in our People**

Implementation of the non-union market-based compensation study to keep our talented staff and avoiding the costs of recruiting and training

#### **Justice, Equity, Diversity and Inclusion Initiative**

Maintain the JEDI Coordinator position and provide \$100,000 in implementation funding

#### **Technology Investments**

Continue implementation of tools to improve our efficiency such as collaboration software, upgrading our GIS systems, and implementing a new job-applicant tracking system.

## Highlights of New Requests Included in the Mayor's Budget

### Access to Quality Housing

#### **Land Banking**

Partner with the private sector on innovative new development models, largely through MRA. Position the Sleepy Inn for redevelopment, provide the tools necessary to develop the Riverfront Triangle and plan for development of the Payne Block (the former public library).

#### **Affordable Housing Trust Fund**

Invest \$250,000 into the AHTF to continue to support housing projects throughout the community.

#### **Code Reform**

Massive overhaul of all the rules governing development in Missoula for \$547,000.

## Highlights of New Requests Included in the Mayor's Budget

### Invest in Community Safety and Wellness

#### **Mobile Support Team**

Continue MST through the Fire Department. Last year, MST responded to 1677 calls that involved in 398 diversions from the hospital Emergency Departments, an average cost savings of \$2,050 per visit, along with 52 diversions from jail when no crimes have been committed and there is a known mental health issue.

#### **Child Care**

Continue \$83,000 in funding so Parks & Recreation can continue to operate its Base Camp program

#### **Crisis Services**

Provide funding for the critical services started during the pandemic for programs such as Emergency Winter Shelter, Temporary Safe Outdoor Space, and Crisis Intervention Training.

# Highlights of New Requests Included in the Mayor's Budget

## Invest in our Built and Natural Environment

### **Water Infrastructure**

Maintaining our commitments to improving our water system

Investing \$19 million in the system in the coming year, thanks in large part to ARPA dollars made available to us because of municipal ownership.

### **BUILD Grant**

\$23 million infrastructure project to improve the transportation network and provide for housing opportunities in the Sxwtpqyen master plan area.

### **Wastewater**

\$10.3 million in capital projects, including the largest non-export solar project in the state at our Wastewater Treatment Plant as a step toward accomplishing our climate goals

### **Scott Street Housing**

Continue work on the largest affordable home ownership project in state history, including a \$479,000 loan to support architectural design and infrastructure construction by the Missoula Redevelopment Agency.

# American Rescue Plan Act aka “ARPA”

| Request  | ARPA Funded                                       |
|--|---|
| <u><b>Mayor</b></u><br>2023 Legislative Session Lobbying & Tracking  | 41,000  |
| <u><b>Central Services</b></u><br>Professional Development and Certification<br>Modernize technology to improve collaboration and results driven project management  | 4,500<br>280,000                                  |
| <u><b>Facility Maintenance</b></u><br>Continue additional staffing for building maintenance  | 63,997  |
| <u><b>Community Planning, Development, &amp; Innovation</b></u><br>Comprehensive Code Reform<br>Houseless Initiatives Staffing Capacity<br>Affordable Housing Trust Fund FY23 Allocation<br>FY23 Operation Shelter Projects<br>100% Clean Energy Statewide Advocacy and Coalition Building | 546,568<br>94,925<br>250,000<br>964,506<br>75,000 |
| <u><b>Attorney</b></u><br>Victim Witness Coordinator   | 61,439  |
| <u><b>Police</b></u><br>Officer Wellness - Subscription & Treatment<br>Crisis Intervention Team (CIT) Program  | 25,000<br>156,594                                 |
| <u><b>Fire</b></u><br>Mobile Support Team (MST) Program  | 542,400   |
| <u><b>Non-Department</b></u><br>UM Women's Business Development Center Contribution<br>Revenue Loss<br>City-Wide Diversity, Equity, Inclusion Program Specialist II<br>JEDI Supplies and Purchased Services  | 37,500<br>2,369,815<br>94,069<br>100,000          |
| <u><b>City-County Health Department</b></u><br>City Portion of COVID-19 Impact   | 579,032   |
| <b>Total ARPA Funded Requests</b>  | <b>6,286,345</b>                                  |

## FY2023 Fee & Permit Increases

1) Proposed 7% increases to the following fee schedules:

- Wastewater industrial interceptor variance permit fee set forth in 13.07.410 Missoula Municipal Code (MMC) and the waste hauler permit fee set forth in 13.17.210 MMC
- Fire inspection, plan checking, pyrotechnic display and police and special event fees
- Business Licensing and Land Use and Planning and Engineering services performed by Community Planning, Development and Innovation

2) Amending current Missoula City Cemetery fees as proposed by Missoula City Cemetery and Missoula City Cemetery Board of Trustees effective January 1, 2023

**CITY OF MISSOULA  
MILL LEVY COMPUTATION  
FY 2023**

|   | Prior Yr | Baseline      |                   |               |                |                |                | Funded           |              |               |                |                |       |
|---|----------|---------------|-------------------|---------------|----------------|----------------|----------------|------------------|--------------|---------------|----------------|----------------|-------|
|   |          | Mill          |                   | Tax %         | Total          | Mill           |                | Tax %            | Total        | Mill          |                | Tax %          | Total |
|   |          | Change        | Inc (dec)         | Tax %         |                | Add'l          | Change         | Inc (dec)        | Tax %        |               |                |                |       |
|   |          | FY22          |                   |               |                | Final          | Dollars        | Mills            | from '22     | By Fund       | Inc (dec)      | Dollars        | Mills |
|   |          |               |                   |               |                |                |                |                  |              |               |                |                |       |
| General Fund - All Purpose Levy                     |          | 181.72        | 25,719,893        | 158.73        | (22.99)        | (12.65)%       | (8.33)%        | 3,996,193        | 24.66        | 1.67          | 0.92 %         | 0.61 %         |       |
| Health Ins Levy (outside cap)                       |          | 42.30         | 7,397,097         | 45.65         | 3.35           | 7.92 %         | 1.21 %         | 195,141          | 1.20         | 4.55          | 10.76 %        | 1.65 %         |       |
| <b>Subtotal Property Taxes</b>                      |          | <b>224.02</b> | <b>33,116,989</b> | <b>204.38</b> | <b>(19.64)</b> | <b>(8.77)%</b> | <b>(0.88)%</b> | <b>4,191,334</b> | <b>25.86</b> | <b>6.22</b>   | <b>2.78 %</b>  | <b>2.25 %</b>  |       |
| Road District #1                                    |          | 32.74         | 6,602,790         | 37.11         | 4.37           | 13.35 %        | 1.58 %         | 255,030          | 1.43         | 5.80          | 17.72 %        | 2.10 %         |       |
| Park District #1                                    |          | 19.09         | 6,917,074         | 38.88         | 19.79          | 103.67 %       | 7.17 %         | 285,754          | 1.61         | 21.40         | 112.10 %       | 7.76 %         |       |
| <b>Subtotal District Assessments</b>                |          | <b>51.83</b>  | <b>13,519,865</b> | <b>75.99</b>  | <b>24.16</b>   | <b>46.61 %</b> | <b>8.76 %</b>  | <b>540,784</b>   | <b>3.04</b>  | <b>27.20</b>  | <b>52.48 %</b> | <b>9.86 %</b>  |       |
| <b>Total Mill Levies &amp; District Assessments</b> |          | <b>275.85</b> | <b>46,636,854</b> | <b>280.37</b> | <b>4.52</b>    | <b>1.64 %</b>  | <b>1.64 %</b>  | <b>4,732,118</b> | <b>28.90</b> | <b>33.42</b>  | <b>12.11%</b>  | <b>12.11%</b>  |       |
| <b>Voted Levies</b>                                 |          |               |                   |               |                |                |                |                  |              |               |                |                |       |
| Voted G.O. Bond debt (all)                          |          | 6.22          | 992,556           | 6.13          | (0.09)         | (1.45)%        | (0.88)%        | —                | —            | (0.09)        | (1.45)%        | (0.88)%        |       |
| Conservation Lands Maint Levy                       |          | 4.00          | 648,145           | 4.00          | —              | — %            | — %            | —                | —            | —             | — %            | — %            |       |
| <b>Total Voted Levies</b>                           |          | <b>10.22</b>  | <b>1,640,701</b>  | <b>10.13</b>  | <b>(0.09)</b>  | <b>(0.88)%</b> | <b>(0.88)%</b> | <b>—</b>         | <b>—</b>     | <b>(0.09)</b> | <b>(0.88)%</b> | <b>(0.88)%</b> |       |
| <b>Total All Assessments and Levies</b>             |          | <b>286.07</b> | <b>48,277,555</b> | <b>290.50</b> | <b>4.43</b>    | <b>1.55 %</b>  | <b>1.55 %</b>  | <b>4,732,118</b> | <b>28.90</b> | <b>33.33</b>  | <b>11.65 %</b> | <b>11.65 %</b> |       |

## Property Tax Implications

**City Taxes per \$100,000 of  
Assessed Market Value**

**\$431.19**

**Change in City Taxes per \$100,000 of  
Assessed Market Value from Prior Year**

**\$ 44.99**

**Monthly Change in City Taxes per  
\$100,000 of Assessed Market Value  
from Prior Year**

**\$ 3.75**



Assessed  
Value is not  
Market  
Value



**Value Breakdown:**

| Year | Parcel Number | Class Code | Description                                | Market Value | Taxable Value |
|------|---------------|------------|--|--------------|---------------|
| 2021 |               | 2201       | Residential City/Town Lots                 | \$174,144    | \$2,351       |
| 2021 |               | 3501       | Improvements on Residential City/Town Lots | \$255,856    | \$3,454       |

Current Market Value: **\$430,000**  
Current Taxable Value: **\$5,805**

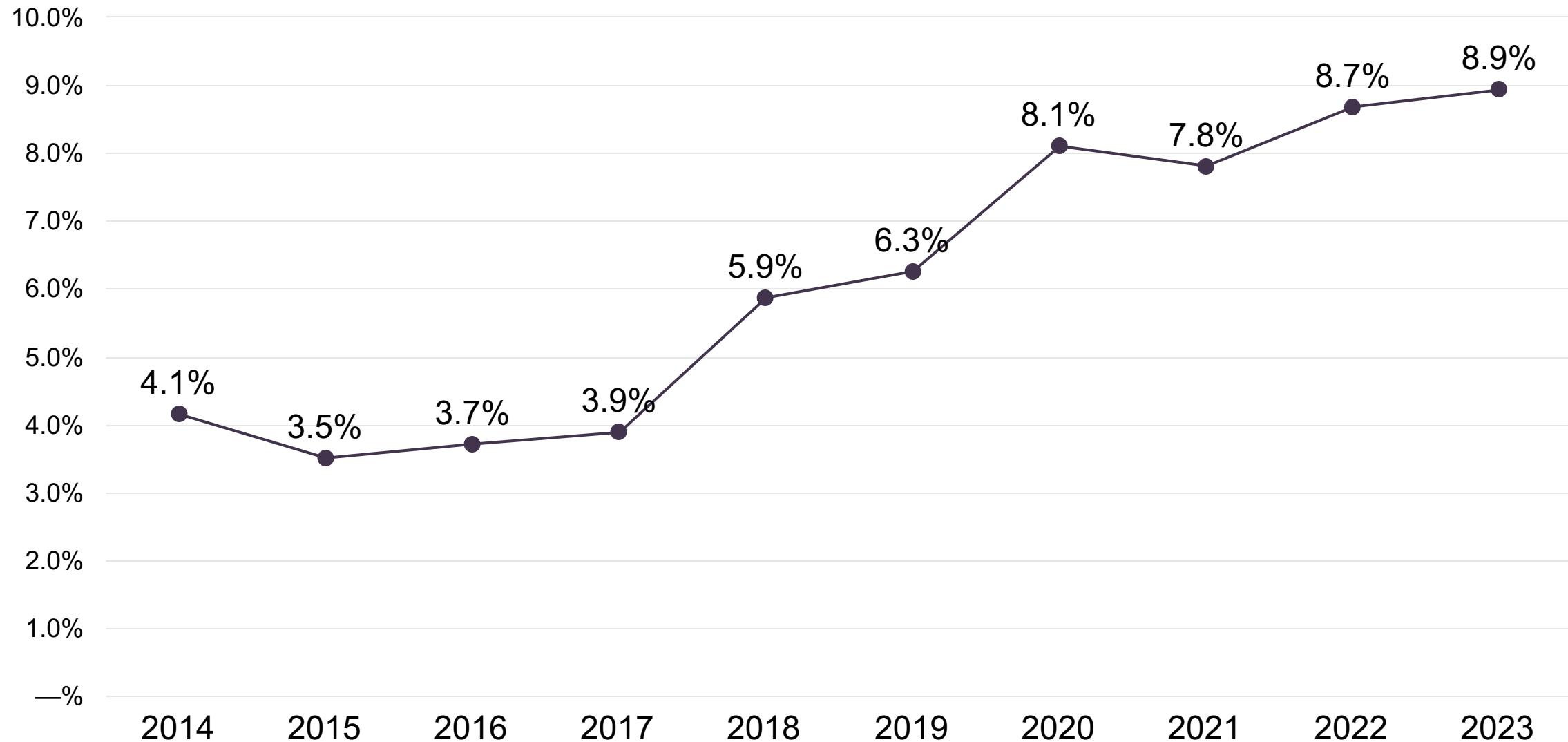


3 bd | 2 ba | 1,850 sqft

Missoula, MT 59801

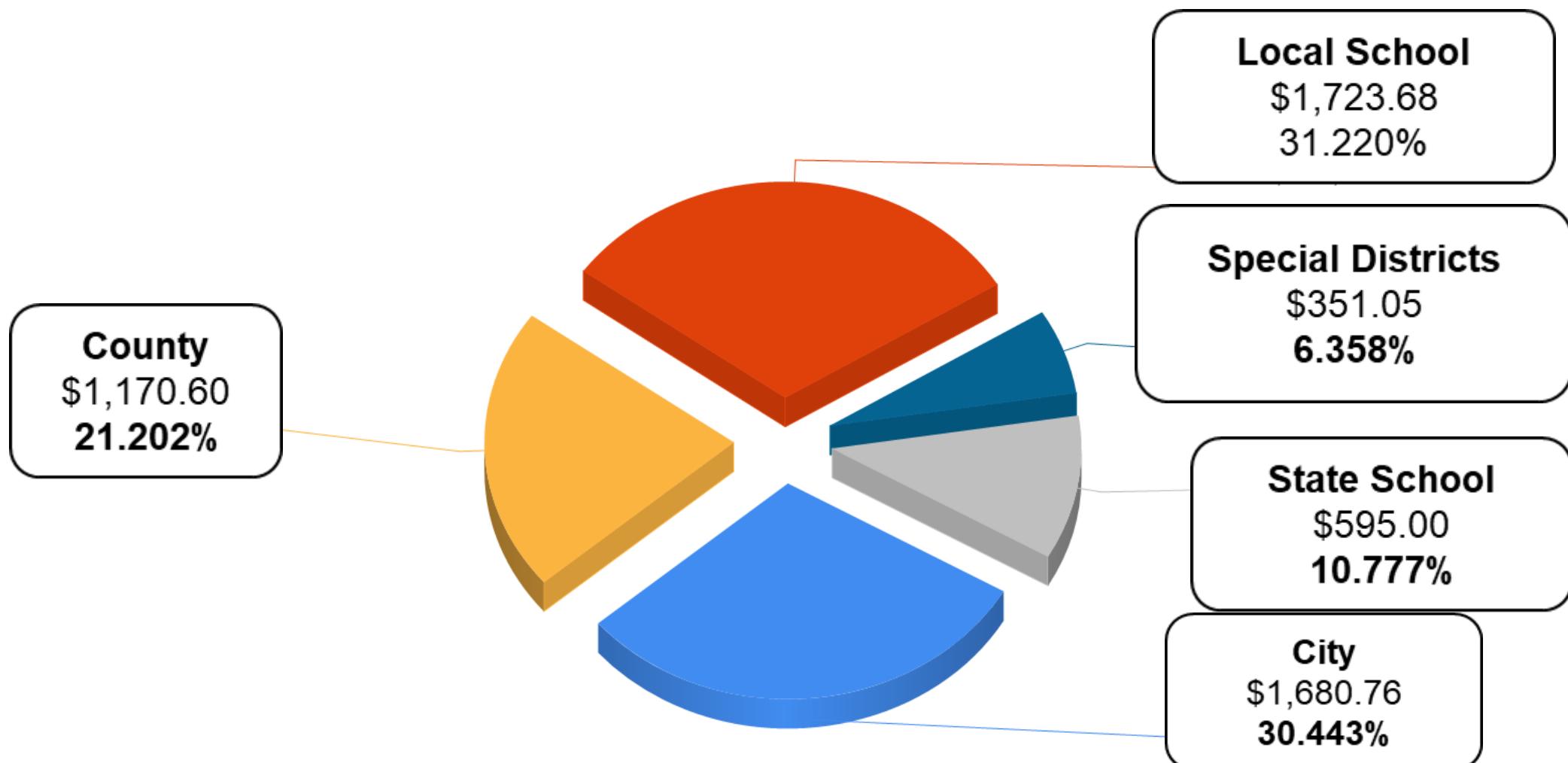
● **Off market** | Zestimate<sup>®</sup>: **\$635,300**

## TIF Districts as Percentage of Total Taxable Value



# Taxing Jurisdictions on the tax bill

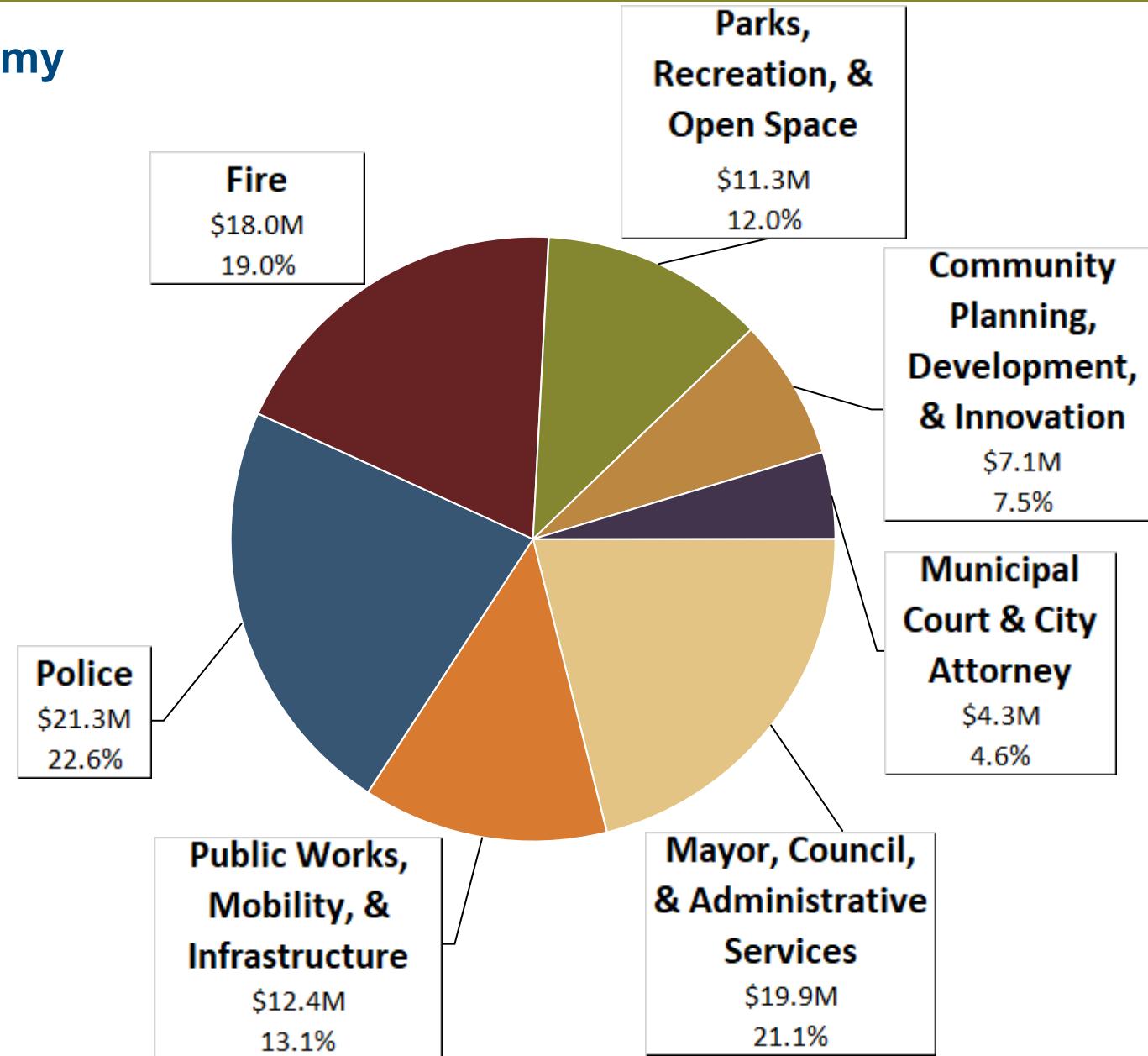
Tax Year: 2021, Parcel Number: 100-000-000-0000  
Total Tax Collection: \$5,521.09  
DISTRIBUTION SUMMARY



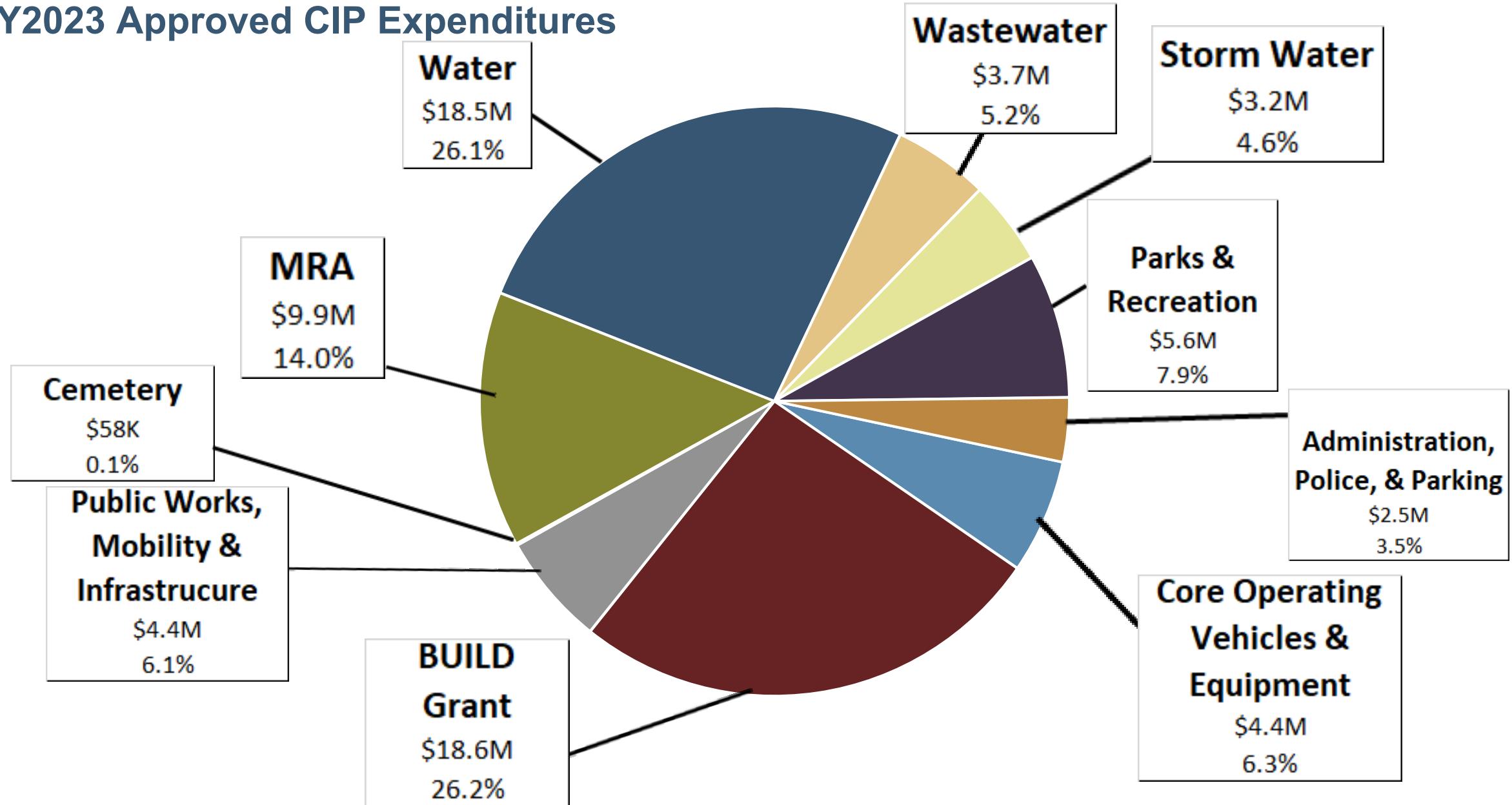
## Q: How does the City spend my taxes?

A. The largest portion of City tax revenue is spent on public safety.

Here's where the City tax money goes:

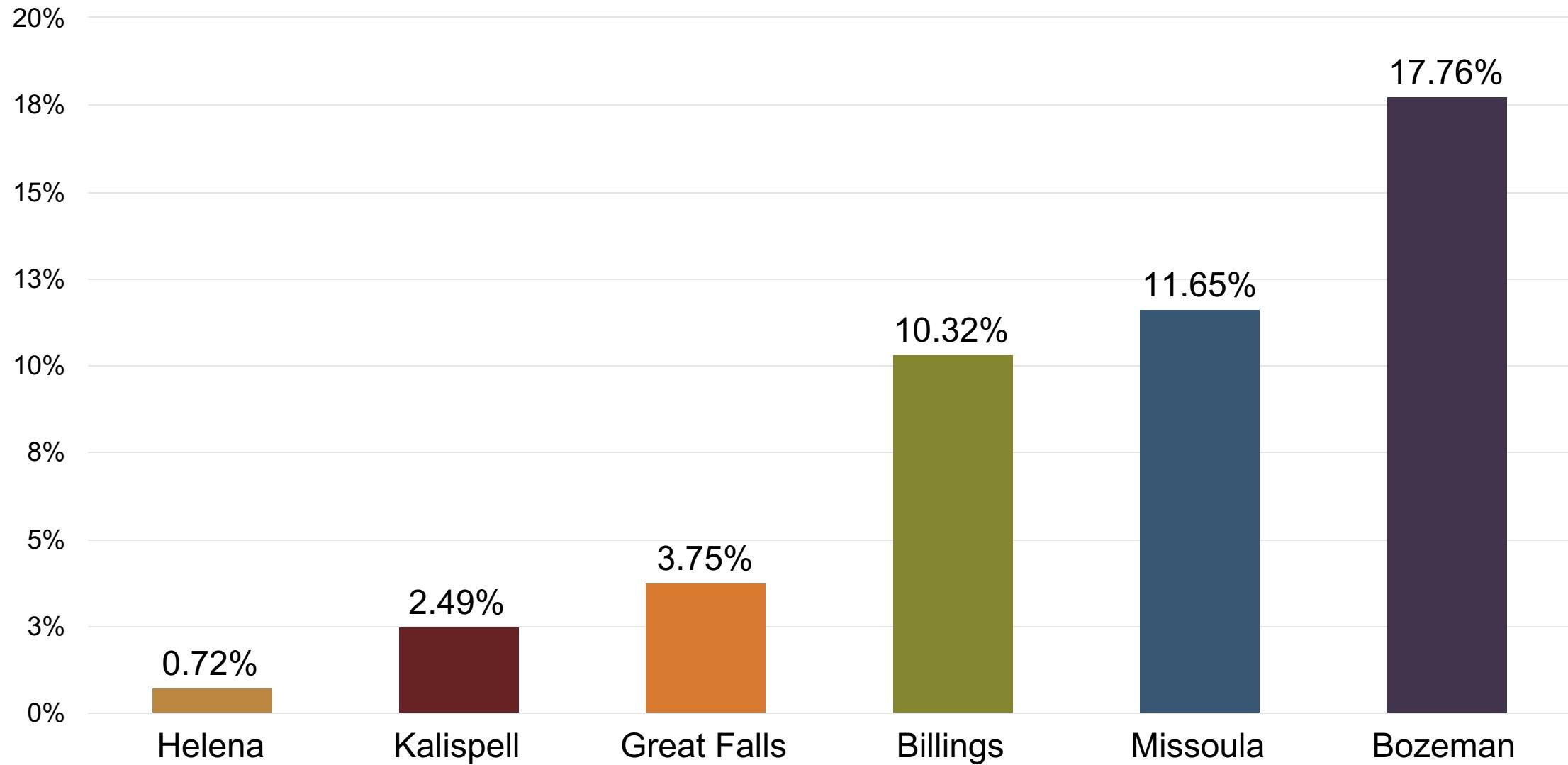


## FY2023 Approved CIP Expenditures



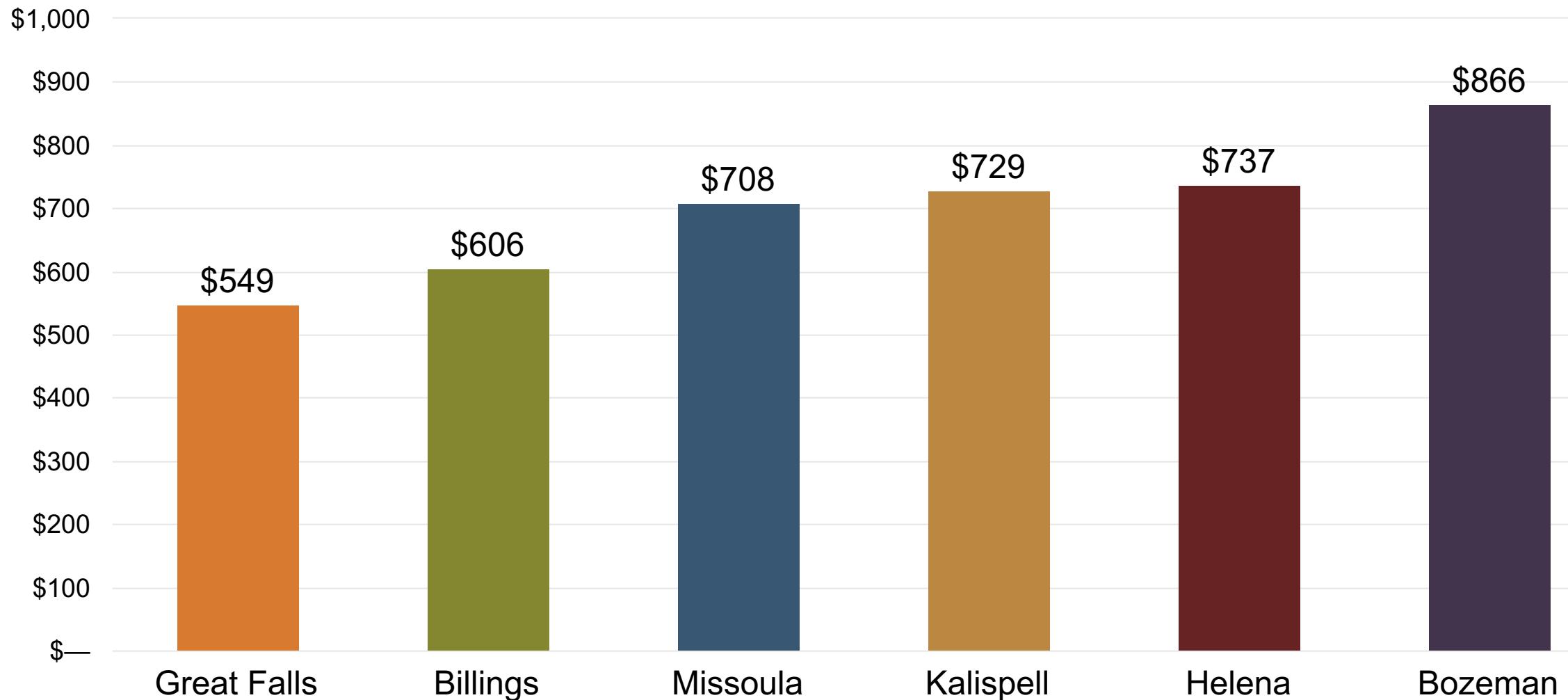
# Peer City Comparisons

## Change in Mills Assessed FY2022 to Preliminary FY2023



## Peer City Comparisons

### FY23 Preliminary Revenue Per Capita



# FY2023 Budget Approval Process

August 22,2022

## Budget Public Hearings:

*Montana State law requires noticed public hearings for these items.*

- Annual Appropriations
- Permissive Medical Levy
- Fee Increases
- Budget and Work Plans for:
  - Road District
  - Park District
  - Business Improvement District
  - Tourism Business Improvement District

August 22,2022

## Approve Resolutions

Fixing Appropriations & the CIP including Budget and Work Plans for:

- Road District
- Park District
- Business Improvement District
- Tourism Business Improvement District

Resolution Levying General and Special Taxes for municipal and administrative purposes

Fee Increases

*Resolutions levying taxes and assessments for BID, TBID, Road & Park district will be on the 8/29/2022 agenda.*

# Questions?