Fiscal Year 2026 Preliminary Budget

Department presentation Wrap-Up

Prepared by

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May 14, 2025

AGENDA

Recap of Budget Presentations
Rate Considerations
General Fund Cash Balances
Proposed General Capital
Proposed Parks Capital
Commission Community Contributions
Commission Allocations
Staff wage / benefit adjustments

Commission discussion and recommendations

Dept Budget Presentations

<u>April 2, 2025:</u>

General Fund Overview
Budget policies
New Internal Service Fund
Overview of Community donations
Strategic initiatives

Municipal Court Budget

<u>April 16, 2025:</u>

Mid-Year Report
City Clerk budget
City Attorney Budget
City Manager Budget
Finance Budget
Fire / Police Budgets
Community Development Budgets

<u>April 30, 2025:</u>

Human Resources Budget
Administrative Budgets
Community Facilities Budgets
Transportation Systems Budgets
Parks, Recreation, Open Lands Budgets

<u>May 6, 2025:</u>

Joint City / County budgets

<u>May 14, 2025:</u>

Public Works Budgets
Budget Presentation Wrap up

CITY OF HELENA Est. 1864

General Fund Cash Flow

GENERAL FUND CASH FLOW REVIEW	FY22 ACTUALS	FY23 ACTUALS	FY24 ACTUALS	FY25 ADOPTED BUDGET	FY25 REVISED BUDGET	FY25 PROJECTED	DRAFT FY26 PROPOSED
REVENUES:							
Taxes	12,334,496	13,140,821	15,207,988	15,528,000	15,528,000	15,881,000	16,428,000
License & Permits	572,460	548,793	563,093	563,000	563,000	589,601	582,750
Intergovernmental Revenues	5,213,154	5,285,922	5,530,736	5,756,588	5,756,588	5,720,632	5,966,964
Charges For Services	597,631	853,686	752,881	692,817	692,817	750,108	689,792
Intra-City Revenues	-	-	-	-	-	-	-
Fines & Forfeitures	397,311	445,380	474,016	438,500	438,500	438,800	443,800
Investment Earnings	17,607	442,254	579,180	500,000	500,000	500,000	400,000
Other Financing Sources / (Uses)	66,631	232,869	219,386	230,800	230,800	145,291	101,300
Subtotal - Other Operating Revenue	6,864,793	7,808,905	8,119,292	8,181,705	8,181,705	8,144,432	8,184,606
Internal Service Revenues	3,623,574	4,418,986	3,959,151	4,551,972	4,551,972	4,551,972	4,882,928
Interfund Transfers In	9,342,476	976,351	1,715,930	721,582	721,582	721,582	1,092,170
Subtotal - Internal Transactions	12,966,050	5,395,337	5,675,081	5,273,554	5,273,554	5,273,554	5,975,098
TOTAL REVENUE	**32,165,339**	**26,345,063**	**29,002,361**	**28,983,259**	**28,983,259**	**29,298,986**	**30,587,704**
EXPENSES:							
Personnel Services	17,543,885	19,136,247	20,513,410	22,047,652	22,086,736	20,998,016	22,412,289
Supplies & Materials	644,848	622,560	633,892	922,180	925,837	904,824	935,713
Purchased Services	2,334,788	2,124,285	2,477,273	3,072,721	3,348,320	3,148,992	3,490,521
Intra-City Charges	198,429	232,105	250,231	508,570	508,570	511,107	515,383
Fixed Charges	1,529,109	1,146,607	1,302,133	958,652	3,152,202	1,009,745	882,119
Subtotal - Maintinence and Operating	4,707,174	4,125,557	4,663,529	5,462,123	7,934,929	5,574,669	5,823,736
Internal Charges	763,718	917,623	922,530	775,772	775,772	775,773	887,747
Transfers Out	5,885,356	6,107,333	2,914,008	2,240,358	2,240,358	2,240,358	1,011,000
TOTAL EXPENSES	**28,900,134**	**30,286,760**	**29,013,477**	**30,525,905**	**33,037,795**	**29,588,816**	**30,134,772**
Revenues Over (Under Expenditures	3,265,205	(3,941,697)	(11,116)	(1,542,646)	(4,054,536)	(289,829)	452,932
BEGINNING CASH	12,732,685	15,798,276	11,875,565	11,864,448	11,864,448	11,864,448	11,574,619
Other Cash Sources/(Uses)	(199,614)	18,986					
ENDING CASH	**$ 15,798,276**	**$ 11,875,565**	**$ 11,864,448**	**$ 10,321,803**	**$ 7,809,913**	**$ 11,574,619**	**$ 12,027,551**

General Fund Cash Flow

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ENDING CASH	**$ 15,798,276**	**$ 11,875,565**	**$ 11,864,448**	**$ 10,321,803**	**$ 7,809,913**	**$ 11,574,619**	**$ 12,027,551**
Operating Reserve			(4,138,675)	(4,522,155)	(4,935,068)	(4,368,113)	(4,641,538)
Contingency Reserve			(2,576,938)	(2,576,938)	(2,576,938)	(2,541,938)	(2,541,938)
Commission Allocation Reserves*:							
Contingency-Homeless						(100,000)	(100,000)
Family Promise						(250,000)	(250,000)
Good Samaritan						(134,600)	(134,600)
Budgeted Balance for Capital			5,148,835	3,222,710		4,179,968	4,359,475

*RMDC application withdraw - $1.58 million back in general cash reserves

Proposed General Capital

Proposed General Capital *(Direction needed from Commission)*

PROJECT DESCRIPTION	DIVISION/DEPARTMENT	PROJECTED COST
Fire #2 - Restroom/Locker room Renovation	Facilities	488,000
Video Security: Court, Attorney, Civic Center	Facilities	36,000
City Attorney Door Installation	Facilities	10,500
Walker Mower H-27i (replacement for 530)	Parks Maintenance	20,000
CanAm ATV 570 with plow (replacement for 542)	Parks Maintenance	11,600
Northwest Park Playground (replacement)	Parks Maintenance	95,000
Beattie Locomotive Fencing Replacement	Parks Maintenance	20,000
Memorial Band Shell Repairs	Parks Maintenance	70,000
Memorial Park ADA sidewalk compliance	Parks Maintenance	20,000
ADA Chair Lift for pool acces	Swimming Pool	11,000
Civic Center Ballroom Video Upgrade	Civic Center	35,000
Civic Center HVAC	Civic Center	1,000,000
Patrol Vehicles (4/Year)	Police	325,000
Tasers: Taser10 model (53)	Police	50,000
Police: Getac Tablets	Police	20,000
Refurbish Police Dept Rifles	Police	25,000
Pickup/SUV (Replace #102)	Public Works Gen Fund	49,710
FY26 GENERAL CAPITAL IMPROVEMENT FUND REQUESTS		**2,286,810**
Funded by Cash Reserves in Capital Fund		(500,000)
Funded by Public Works		(49,710)
Funded by Historic Preservation Donation		(20,000)
Contribution from General Fund Cash Reserves:		**1,717,100**

Proposed General Capital

General Capital Cash Flow

GENERAL Capital Fund (4000) Cash Flow Statement	FY22 ACTUALS	FY23 ACTUALS	FY24 ACTUALS	FY25 ADOPTED BUDGET	FY25 REVISED BUDGET	FY25 PROJECTED	FY26 PROPOSED
REVENUES:							
Special Assessments	156	147	206	-	-	-	-
Franchise Fees	8,622	7,789	6,943	8,500	8,500	5,000	3,145
Contributions	-	-	130,113	-	15,000	15,000	-
Investment Earnings	11,211	172,011	244,790	125,000	125,000	125,000	75,000
Other Financing Sources	17,937	82,320	114,776	-	-	-	-
Interfund Transfr In	2,766,000	1,984,147	1,569,827	2,188,961	2,188,961	2,188,961	1,717,100
Total Revenue	**2,803,926**	**2,246,414**	**2,066,655**	**2,322,461**	**2,337,461**	**2,333,961**	**1,795,245**
EXPENDITURES:							
	-	-	-	-	-	-	-
Other Contracted Services	31,740	8,921	53,301	-	-	-	-
Total Operating	31,740	8,921	53,301	-	-	-	-
Transfer out to other Fund	-	-	-	-	-	-	-
Captial Expenditures	615,681	1,090,385	2,393,395	2,620,510	4,592,398	4,592,398	2,286,810
Total Transfers & Capital	615,681	1,090,385	2,393,395	2,620,510	4,592,398	4,592,398	2,286,810
Total Expenses	**647,422**	**1,099,306**	**2,446,696**	**2,620,510**	**4,592,398**	**4,592,398**	**2,286,810**
Revenues Over Under Expenditures	2,156,504	1,147,108	(380,041)	(298,049)	(2,254,937)	(2,258,437)	(491,565)
Beginning Cash	1,578,482	3,734,986	4,882,094	4,502,053	4,502,053	4,502,053	2,243,616
Ending Cash	**3,734,986**	**4,882,094**	**4,502,053**	**4,204,004**	**2,247,116**	**2,243,616**	**1,752,051**

Proposed Parks Capital

***Proposed Parks Capital** (Direction needed from Commission)*

PROJECT DESCRIPTION	DIVISION/DEPARTMENT	PROJECTED COST
Oven for MUNIS restaurant	Golf Course*	6,000
Golf Simulator Maintenance	Golf Course*	37,960
Replace Roof on Building at Lincoln Park	Parks Maintenance	20,000
Pool Entrance Steps Replacement	Swimming Pool	5,000
Lazy River Channel Pumps	Swimming Pool	55,600
Veterans Memorial	Parks Maintenance	10,000
* Funding from park use fees		
FY26 PARKS CAPITAL IMPROVEMENT FUND REQUESTS		**134,560**

Proposed Parks Capital

Parks Capital Cash Flow

Parks Capital Fund (4001) Cash Flow Statement	FY22 ACTUALS	FY23 ACTUALS	FY24 ACTUALS	FY25 ADOPTED BUDGET	FY25 REVISED BUDGET	FY25 PROJECTED	FY26 PROPOSED
REVENUES:							
Park Use Fees	99,832	95,958	55,334	80,000	80,000	60,000	80,000
Cash In Lieu of Parkland	-	40,097	(8,860)	-	-	-	-
Restricted Contributions	9,528	207	6,178	700	175,134	175,134	700
Investment Earnings	1,183	17,048	26,935	7,500	7,500	19,000	7,500
Interfund Transfr In Gen Fund	-	-	129,000	-	-	-	-
Total Revenue	**110,543**	**153,311**	**208,588**	**88,200**	**262,634**	**254,134**	**88,200**
EXPENDITURES:							
Operating Supplies	-	10,844	-	-	-	-	-
Other Contracted Services	850	31,954	9,472	2,000	127,162	127,162	2,000
Total Operating	850	42,797	9,472	2,000	127,162	127,162	2,000
Transfer out to other Fund	-	-		120,000	120,000	120,000	-
Captial Expenditures	3,325	37,581	8,485	95,150	248,547	248,547	134,560
Total Transfers & Capital	3,325	37,581	8,485	215,150	368,547	368,547	134,560
Total Expenses	**4,175**	**80,378**	**17,957**	**217,150**	**495,709**	**495,709**	**136,560**
Revenues Over Under Expenditures	106,368	72,933	190,631	(128,950)	(233,075)	(241,575)	(48,360)
Beginning Cash	273,382	379,750	452,682	643,314	643,314	643,314	401,739
Ending Cash*	379,750	452,682	643,314	514,364	410,239	401,739	353,379

*Includes restricted donations

Commission Community Contributions

Recent History:

Community Contributions from Commission*

(All donations come from General Fund Cash Reserves-not considered regular operating costs)

	FY22	FY23	FY24	FY25	FY26
Big Sky Pride	1,000	-	1,000	1,000	-
MBAC	-	5,000	5,000	5,000	-
Sun Run	1,000	1,000	1,000	1,000	-
Symphony	5,000	5,000	5,000	5,000	-
Comm Srvc Program	7,000	7,000	7,000	7,000	-
HACF	20,000	20,000	20,000	20,000	-
Big Sky Rail				4,000	-
Helena Housing Authority**				25,000	-
Helena Airline Alliance**				20,000	-
	34,000	38,000	39,000	88,000	-

*Does not include one-time contributions from General Fund Savings

**Represents one-time donation

FY 2026 Direction needed from Commission

Commission Allocations (General Fund)

Recent History:

Program allocations from Commission

Not considered part of regular operating costs

	FY22	FY23	FY24	FY25	FY26*
Sidewalk			150,000	150,000	-
Renewable Energy	60,000	-	80,000	80,000	-
Sustainability	-	-	240,000	-	-
	60,000	-	470,000	230,000	-

*** Direction needed by Commission**

Other allocations from General Fund:

Incorporated into operating costs

	FY22	FY23	FY24	FY25	FY26
Transit	315,000	412,000	447,000	450,000	450,000
Affordable Housing Trust	225,000	100,000	100,000	100,000	100,000
Golf Course Debt Service	235,000	142,850	107,100	85,000	85,000
Public Arts Fund	12,000	12,000	13,000	13,000	13,000
	787,000	666,850	667,100	648,000	648,000

Staffing

FY26 Positions

Personnel Requests:

- **Increase Clerk/Commission by .50 FTE (General Fund)**
- **Increase Streets Operators by 2.0 FTE (Streets Fund)**
- **TBD: Reserve Officers for Municipal Court (General Fund)**

Staffing

FY26 Compensation Considerations:

Currently incorporated into preliminary budget:

- **4.5% Health Insurance Premium Increases – No increase to employees**
- **All Step Increases per current policy (5%) for eligible employees**

Future considerations:

Human Resources is finalizing its proposal for a new pay matrix and pay classification system.

Next Steps:

- **Present proposed pay matrix/reclassification structure to Commission**
- **Present cost impact of transition to new matrix/pay classification**
- **Communication to employees**
- **Adopt policy changes**
- **Determine implementation date**

Bargaining Unit Contracts

Staffing

FY26 Wage Adjustments

General Fund – Estimated Cash Available: $452,930

Cost of 2.0% Cola – General Fund*: $365,470

Cost of 2.0% Cola – All Funds*: $669,285

Cost of 2.5% Cola – General Fund*: $456,846

Cost of 2.5% Cola – All Funds*: $836,581

Note: CPI: Mountain Plains Region: Jan – Dec 2024: 2.1%

***Includes all staff, however, bargaining unit employees will be considered when contracts are finalized.**

Commission

Commission Discussion and Recommendations

What's next?

<u>May 28th</u>:

Tourism Business Improvement District proposed Budget and Workplan

Business Improvement District proposed Budget and Workplan

<u>June 2nd:</u>

City Manager's proposed budget presentation

HCC Budget Recommendations

<u>June 16th:</u>

Adoption of FY26 Preliminary Budget

<u>July / August:</u>

City Assessment Resolutions

Mill Levy

Adoption of FY26 FINAL budget

Questions?

CITY OF HELENA

Est. 1864