

RESOLUTION 23-11141

A RESOLUTION ADOPTING **FISCAL YEAR 2023**
ADJUSTMENTS TO APPROPRIATIONS PURSUANT TO
M.C.A. 7-6-4006 AS AMENDED, AND PROVIDING
TRANSFERS AND REVISIONS WITHIN THE GENERAL
CLASS OF SALARIES AND WAGES, MAINTENANCE AND
SUPPORT AND CAPITAL OUTLAY.

WHEREAS, Sec. 7-6-4006, MCA, provides that the City Council, upon proper resolution, adopted by said Council at a regular meeting and entered into its Minutes, may transfer or revise appropriations within the general class of salaries and wages, maintenance and support, and capital outlay, and

WHEREAS, based upon a Budget Review (**FY 2023**), it is necessary to alter and change said appropriations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA:

That the attached transfers or revisions are hereby adopted.

(SEE EXHIBIT A)

PASSED AND APPROVED by the City Council, this 24th day of July, 2023



CITY OF BILLINGS:

BY: William A. Cole
William A. Cole, Mayor

ATTEST:

BY: Denise R. Bohlman
Denise R. Bohlman, City Clerk

EXHIBIT A

Revenue Expenditure

Equipment Replacement, Parks Programs, American Rescue Plan, Police Programs transfer to City Hall Construction

On 12/19/2022 City Council approved funding options for the new city hall construction project. These funds were identified at that time, but budget authority to transfer the funds into the construction fund is needed. This amendment will establish the FY23 budget authority consistent with prior council approval. This budget amendment will be funded through accumulated fund balance within these funds.

Equipment Replacement	500,000	Transfer Out
Parks Programs	225,000	Transfer Out
American Rescue Plan	165,753	Transfer Out
Police Programs	500,000	Transfer Out

City Hall Construction Fund

On 5/22/2023 City Council approved the Bid Package #2 contract amendment for City Hall construction. This contract was higher than what was originally budgeted in FY23, but in-line with the estimated construction costs that were identified in the December 2022 funding options. The budget amendment for \$8,300,000 will increase the authority in the City Hall Construction Fund, which will be funded with transfers in from other resources that were identified at the 12/19/2022 Council Meeting.

City Hall Construction Fund	8,300,000	Capital Outlay
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Fleet Services

Budget authority is needed in the Fleet Services Fund to cover the costs for paying out Sick and Vacation accruals for retirees. These payments were not anticipated in the FY23 budget, and were therefore not included. Fund balance in the Fleet Services Fund exists to cover the increase in budget authority of \$107,000.

Fleet Services	107,000	Sick and Vacation Payoff
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Property and Liability Insurance

Property and liability insurance premiums have been increasing at rates greater than what was anticipated in FY23. In FY23 the premiums increased approximately 33% over the prior year, but were only budgeted at a 20% increase. As such a budget amendment is needed for the additional increases in premium at \$466,183. Fund balance in the Property and Liability Fund will be used to cover the additional costs, but will ultimately be allocated to departments in future years budgets.

Property & Liability Insurance	466,183	Insurance Premiums
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EXHIBIT A Continued

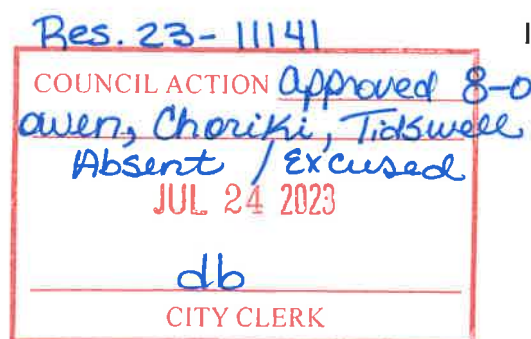
East Tax Increment Fund

The East Tax Increment fund is requesting budget authority for development incentives paid in FY23. The original FY23 budget included \$150,000 for development incentives. Actual payments for projects were \$229,752 to Yellowstone Ice and Water and Stir LLC. Additional budget authority for annual debt administration is requested in the amount of \$550 for a total budget amendment of \$80,286. These will be paid for through accumulated tax increment from this fund.

East Tax Increment Fund	80,286	Development Incentives
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City Council Regular

Date: 07/24/2023
Title: FY2023 Budget Amendments
Presented by: Andy Zoeller, Finance Director
Department: Finance
Presentation: Yes
Legal Review: Not Applicable
Project Number: N/A

**RECOMMENDATION**

The City Council Budget and Finance Committee and Staff recommend City Council hold a public hearing and approve the FY2023 budget amendments

BACKGROUND (Consistency with Adopted Plans and Policies, if applicable)**City Hall Construction Funding**

On 12/19/2022 City Council approved funding options for the new city hall construction project. These funds were identified at that time, but budget authority to transfer the funds into the construction fund is needed. This amendment will establish the FY23 budget authority consistent with prior council approval.

Fund	Amount	Description
Equipment Replacement Plan	\$500,000	Fund balance accumulated from contributions
Parks Programs	\$225,000	Fund balance accumulated from cell tower leases
American Rescue Plan	\$165,753	Interest income earned on ARPA funds
Police Programs	\$500,000	Transfer of drug forfeiture funds for Police Department expenses
	\$1,390,753	Funds transferred to City Hall Construction Fund

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ALTERNATIVES

City Council may:

- Approve; or,
- Not Approve

FISCAL EFFECTS

The FY23 budget amendments will increase the FY23 amended budget by \$10,344,222

Fund	Requested Budget Increase
Various Transfers to City Hall Construction (see above)	\$1,390,753
City Hall Construction Fund	8,300,000
Fleet Services	107,000
Property & Liability Insurance Fund	466,183
East Tax Increment Fund	80,286
Total increase in FY23 Budget Authority	\$10,344,222

Attachments

Budget Amendment Resolution