

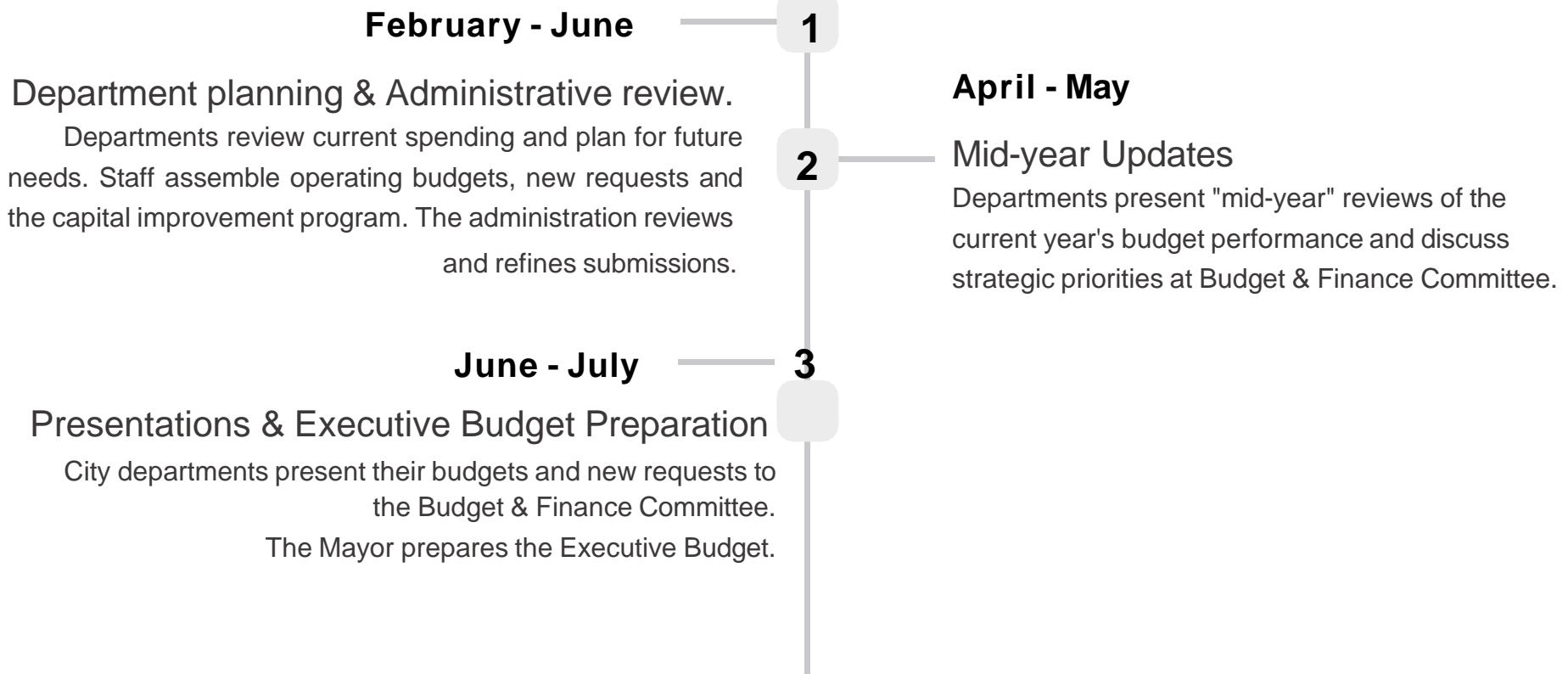


Municipal Budgeting: Powering City Priorities

The budget isn't just a document. It's a plan of action that empowers local government to deliver services, fund priorities, and remain accountable to the public.

**Budget & Finance
Committee May 21, 2025**

The Budget Process



Budget Approval

1 August

The Mayor presents the Executive Budget in accordance with the City charter. The City Council then deliberates on the budget.

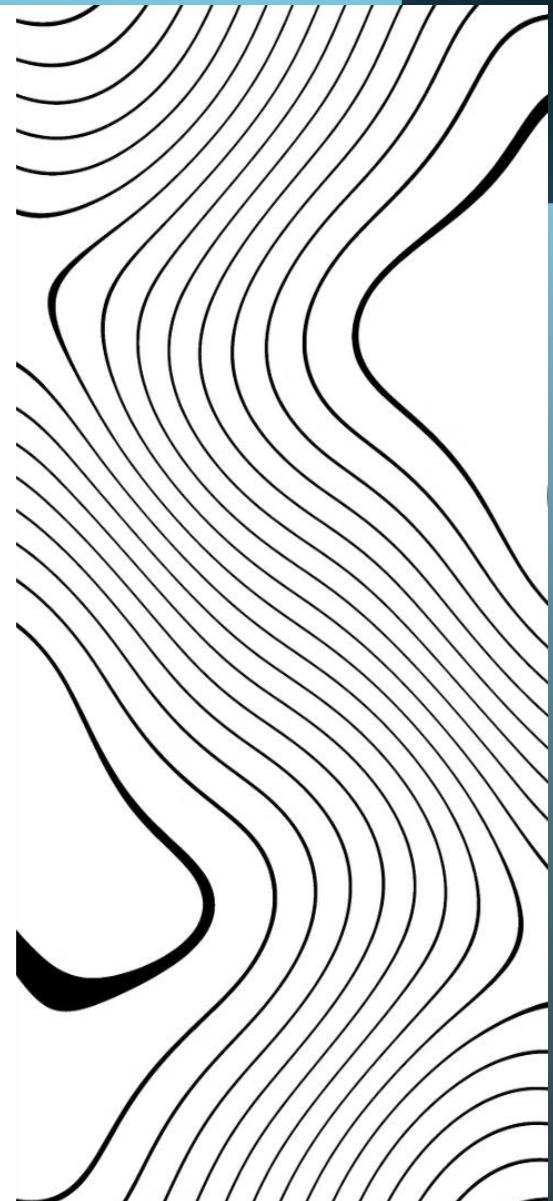
2 First Monday in August

The Department of Revenue releases the Taxable Value figures, allowing municipalities to set their tax levies.

City Council opens the public hearing on the budget and related items.

3 End of August

The City Council may amend the budget and approves the budget resolutions during the final public hearing.



Legal & Regulatory Framework

Montana Code Annotated
(§7-6-4000) Local Government Budget Act

GAAP Compliance

Follows GASB standards for transparent, comparable reporting.

GAAP = Generally Accepted Accounting Principles

GASB = Governmental Accounting Standards Board

IRS Code & Bond Covenants

Compliance ensures sound fiscal management and tax-exempt financing eligibility.

Fund Accounting

Following the Money

The City organizes finances using **fund accounting**, a system that separates money into self-balancing accounts based on legal or functional restrictions.



*Think of funds as labeled buckets.
Each one exists for a specific purpose and must
be used accordingly.*

Types of Funds

Governmental Funds

These funds finance most government functions.

[General Fund](#)

[Special Revenue Funds](#)

[Debt Service Funds](#)

[Capital Project Funds.](#)

Proprietary Funds

Enterprise Funds for business-like activities [Utility funds](#)

Internal Service Funds for interdepartmental services.

[Health benefits fund](#)

Component Units

Legally distinct but financially accountable to the City.

[Missoula Redevelopment Agency](#)

[Missoula Parking Commission](#)

[Business Improvement District](#)

[Tourism Business Improvement District.](#)

Fiduciary Funds

These funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations or other governments.

Municipal Revenue Sources



General Property Taxes

The amount of property tax revenue depends on the taxable value of property within the municipal jurisdiction and the annual mill levy set by the government.

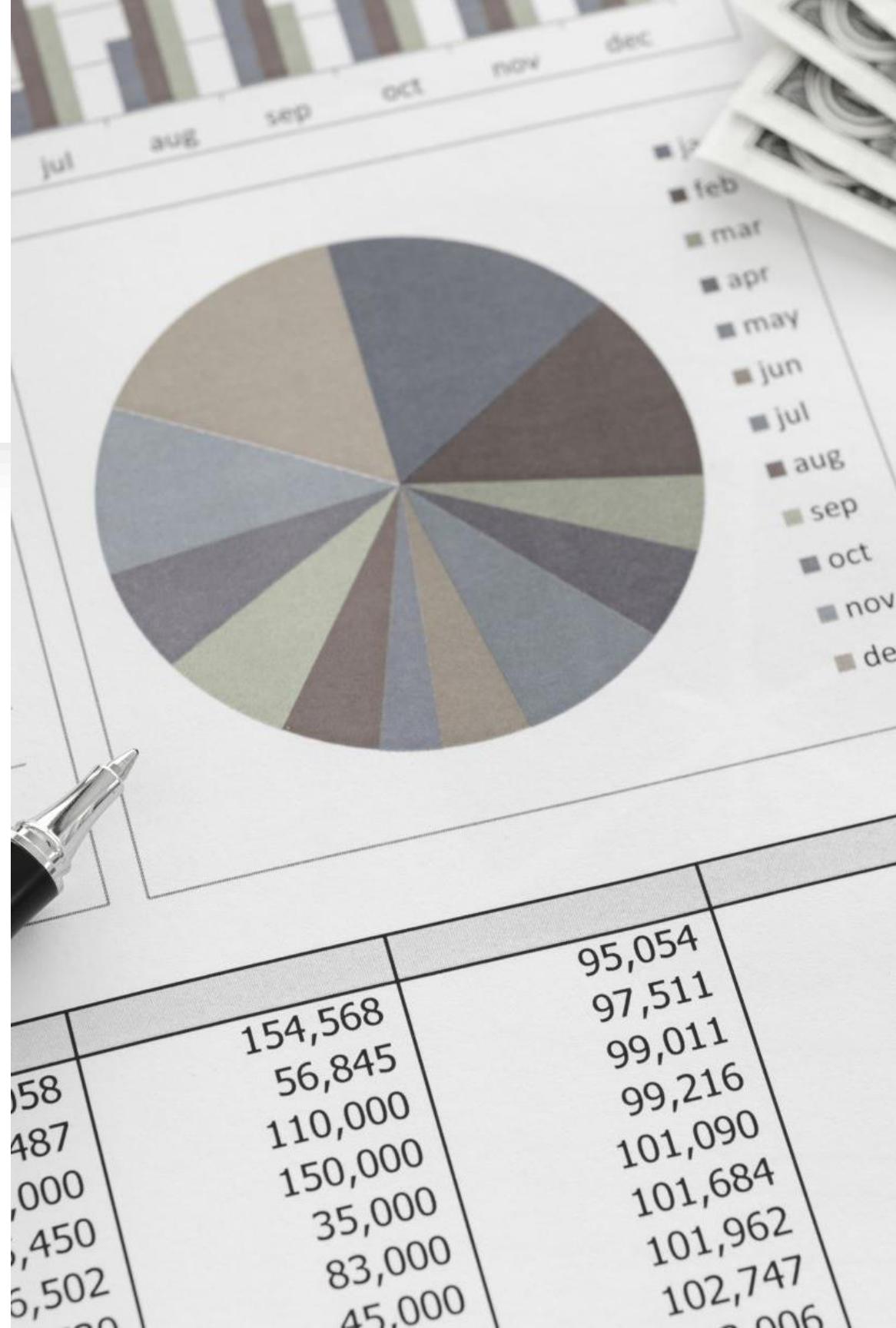


Non-Tax Revenues

Sources include licenses, permits, intergovernmental transfers, charges for services, fines, investments, debt proceeds, and transfers from other funds.

Program Inventories

- Introduced as part of FY 2025 budget development.
- Supplements line-item budgets with insight into current City activities.
- Each fund is comprised of one or more program activity codes.
- Budget process focuses on changes to the base; program inventories provide more information about ongoing programs, including those that are not changing.





Why program inventories?

- Adds Transparency to process by providing additional information about each program.
- Strengthens connection between budget and the City's strategic goals.
- First step towards a more formal priority budgeting process.

Program Inventories in FY26 Budget Process

Information on program activities available to assist with prioritization and decision making.

Articulates key attributes

- Budget
- Staffing
- Strategic objectives
- Mandated programs
- Risk assessment
- Reliance Interests
- Metrics and Performance Indicators

Accessing program inventory data collection

Click
Here

POLICE DEPARTMENT BUDGET		Administration, budget, payroll, grants, Office of Professional Standards				Inter-departmental (bi-weekly, weapon qualifications, etc.) and external training and travel expenses.			
		Administration		Personnel Training					
		420110		420130					
ACTIVITY NAME:	Grand Total	Grand Total	Baseline	Proposed	Baseline	Proposed	Changes	Changes	Changes
ACTIVITY CODE:	Baseline	Changes	Baseline	Changes	Baseline	Proposed	Changes	Changes	Changes
PERSONAL SERVICES									
110 Salaries and Wages	12,915,498	12,915,498	1,323,061		85,511				
115 Salaries/Health Insurance Benefit	1,805,722	1,805,722	118,408		14,801				
120 Overtime/Termination	543,729	543,729	107,834		1,705				
130 Other Contributions	130,080	130,080	10,746		1,968				
133 Education Compensation	66,359	66,359	7,276		800				
140 Employer Contributions	2,853,519	2,853,519	351,726		16,558				
141 State Retirement Contributions	3,683,320	3,683,320	317,477		27,603				
TOTAL PERSONAL SERVICES	21,998,227	21,998,227	2,236,528		148,946				
SUPPLIES									
220 Operating Supplies	208,632	208,632	57,268		49,775				
230 Repair/Maintenance	65,485	65,485	900		64,585				
231 Gasoline	378,830	378,830	10,678		368,152				
TOTAL SUPPLIES	652,947	652,947	68,846		432,737				
PURCHASED SERVICES									
310 Communications	38,054	38,054	7,196		—				
320 Printing & Duplicating	7,500	7,500	7,500		—				
330 Publicity,Subscriptions,Dues	16,563	16,563	16,563		—				

City of Missoula
Inventory of Programs
Fiscal Year 2024

Department: Police

Program Title: ADMINISTRATION
Requested Title Change: (optional)

Program Description:
The Administrative Division manages our Communications & Records Unit, Office of Professional Standards, Reserve Officers. This division retains and disseminates records, conducts recruitment, hiring, training and promotion processes and provides council and court security.

Is there more than one program within this activity code? If so, please list them here:

Budgetary Data:

General Ledger Account:	1000 290 420110	Cost Recovery %	5.334 %
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Program Summary Budget:

Personnel	2,261,311
O&M	474,993
Debt	—
Grant	4,000
Transfers	6,000
Capital	—
Total	2,746,304

Associated Revenues:

Revenue Description:	Fund	Account	
Catering permits	1000	342017	6,000
Outside Hire Overtime	1000	342015	110,000
Alarm Permits	1000	355000	17,500
Alarm Penalties	1000	323019	6,500
Compliance Checks	1000	342012	3,000
Promotions	1000	365001	3,500
State MPORS Cont.	1000	336021	323,851

Staffing Information:
(Your FY24 Payroll Template may be a helpful resource.)

FY24	
FTEs	12.00

Basic Program Attributes:

Mandate: Is there a third party requirement to provide this program (ie state or federal law, city charter)?
Yes Required by State Law

Please describe the mandate in more detail:
MCA 7-32-4101 - Police department authorized and required. There shall be in every city and town of this state a police department which shall be organized, managed, and controlled as provided in this part.

Municipal Budgeting

End