

City of Livingston

FY23 General Fund Budget

Overview & Proposal

Incorporated 1889



What Does the General Fund Pay For?

- City Commission (0.9%)
- City Court (2.3%)
- City Manager (5.8%)
- Finance (3.6%)
- Planning (2.7%)
- City Attorney (2.9%)
- Administrative Services (7.6%)
 - Recreation/Pool/HR
- Facilities (2.6%)
- Central Communications (0.6%)
- Central Stores (1.7%)
- Sanitarian (0.5%)
- Law Enforcement (32.7%)
 - Animal Control
- Fire (17.8%)
- Building (2.9%)
- Parks (9.4%)
 - Parks/Cemetery
- Dispatch (6.4%)

*68% of the General Fund Expenditures are for Personnel & Benefits





Where Does General Fund Revenue Come From?

- Property Taxes (42.5%)
- Licenses & Permits (4.6%)
- Intergovernmental Revenue (26.4%)
 - Grants, State Fee Shares, State Entitlement Funds
 - County Portion of Dispatch
- Charges for Services (1.6%)
 - Sale of Confiscated Items
 - Wrecker/Storage Fees
 - Grave Openings
 - Recreation
- Programs/Swimming Pool
- Fines & Forfeitures (1.5%)
- Miscellaneous (1.9%)
 - Building Rent/Parking Rent
 - Recreation Donations
- Other (6.5%)
 - Permissive Health Levy
- Transfers In (15.1%)
 - Administrative Cost Allocation

Significant General Fund Changes

- Addition of marijuana sales tax
 - \$1.3M in 1st Qtr
 - Approximately \$17,000 for City
 - 50% required to go to law enforcement





General Fund Revenue Constraints

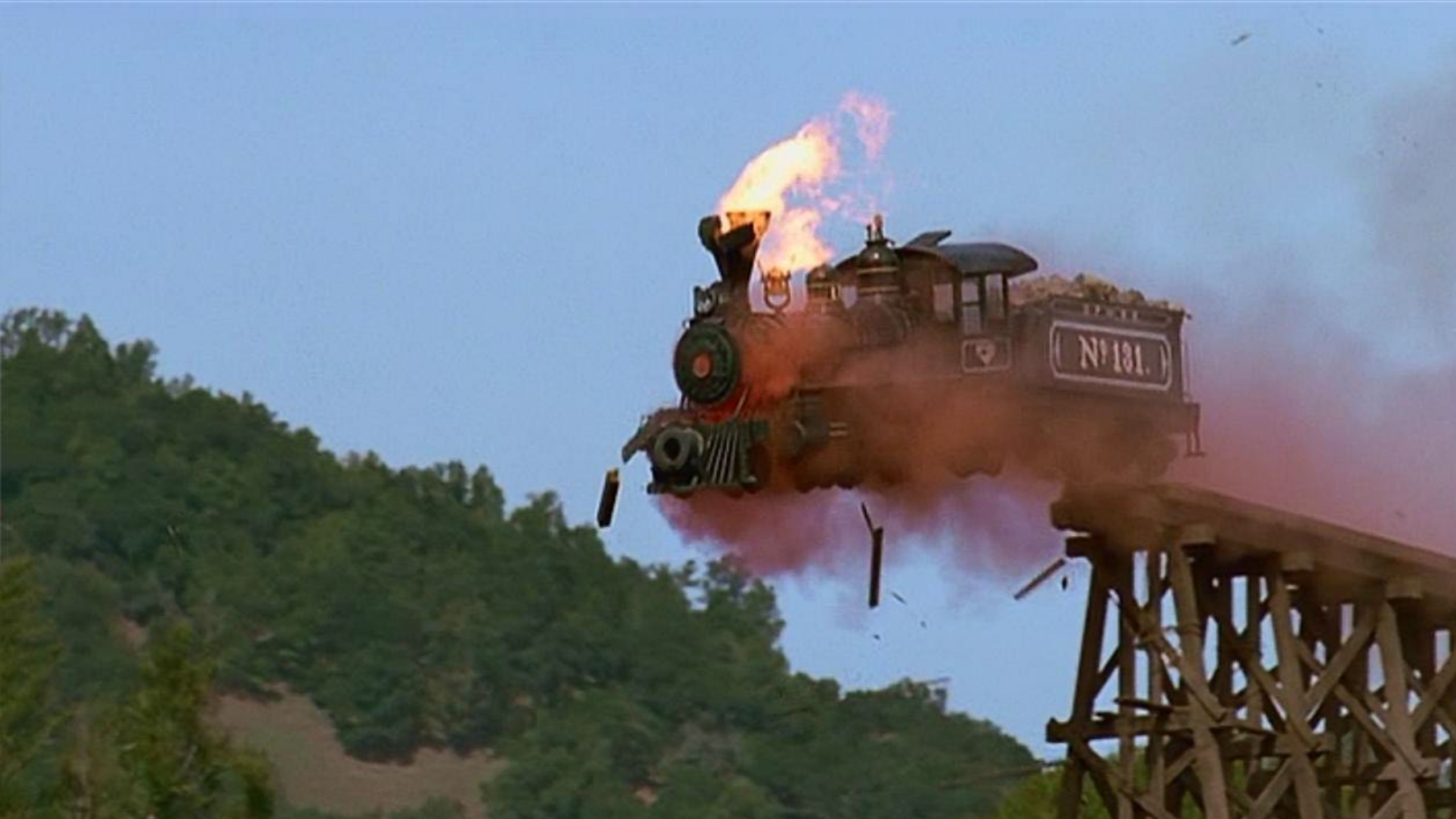
- State Restrictions on the Growth of Mill Levies
 - $\frac{1}{2}$ the average rate of inflation over the last three years
- Lack of a Sales Tax
- Prohibition on Larger Cities Having a Resort Tax
- Results from 2014 - 2019
 - 44% increase in Property Values in the City
 - 26% increase in City Tax Revenue
 - 31% increase in City Expenditures

The background of the slide is a photograph of a city street. On the left, there is a brick building with a green sign that says "The Stockman FINE FOODS". Above it, another sign partially shows the word "MAN". In the distance, there are mountains under a clear sky. The right side of the slide is a semi-transparent grey overlay containing text.

General Fund Health

- General Fund Goals
 - 16.67% operational reserve (2 months) – Commission Guidance
 - 33.33% operational reserve (6 months) – Strategic Plan
- FY22 Projections
 - \$2,785,486 ending balance
 - 49.6% operational reserve

****The City Budget is moving full speed ahead, but....**



Nº 131.



Increasing Demands on the General Fund

- Development significantly increased in FY21 & FY22 with no anticipated slowdown in FY23
- Recruitment has stagnated
 - Seasonal employees
 - Building Director
- Excess capacity/creative solutions are exhausted
- Increasing demand for City services
 - Increasing population
 - Higher level of services desired
- Staff cut \$330,595 from original budget proposals

****Would require approximately \$700k to staff needed positions**



Something Has to Give

- Moratorium on new parks and trails
- Reduced maintenance on current parks & trails
- Increase in the number and types of user fees
- Reduced City services
- Need for more Special Districts
- Increase in wait time for City services
- Limited ability to execute new projects



What's It All Mean?

- Operational reserve is healthy
- Many strategic goals are being met
- FY23 has a \$11,708 surplus
- Service requirements are outstripping available staff
- Three paths forward
 - Reduce services to match revenue
 - Encourage/subsidize growth to increase revenue to meet service levels
 - Pass one or a combination of mill levies to fund services with the current tax base