

# 2022 - 2023 Budget Preparation



Summary of Key Information & Important Dates  
Prepared for Red Lodge residents & City Council  
April 22, 2022

# Definition & Purpose of City Annual Budget

A **budget** is the plan of expenditures and revenues approved and authorized by the annual budget resolution of the governing body to meet the essential public safety, public health and public wellbeing needs of the city/town or county during a specific fiscal year. The budget is our clearest expression of community values and priorities

The **Purposes** of the Annual Budget are to:

- Fund the Programs and Projects that the Policy Making Body Determines should be Funded
  - Indicates the priorities of the Government
- Form the Basis of Taxes and Charges
- Establish Legal Spending Limits
- Guide Staff Operations
- Assist in Preventing Financial Crisis

# City & Town Budgets

Statutory Requirements- Local Government Budget Act (MCA 7-6 Part 40)

- Fiscal Year begins July 1 each year
- MUST have an annually adopted budget (MCA 7-6-4030)
- Receive “certified taxable value” from the State of Montana the 1st Monday in August
- **RESULT:** Red Lodge City Council will pass a preliminary budget in June, and will accept final adoption of the budget in late August, after receiving the “certified taxable value” from the state

# City & Town Budgets

Each year, our budget is set by the state using this basic formula:

This Year's Budget = Last Year's approved budget + half of the average rate of inflation for the previous three years (MCA 15-10-420)

What does this mean?

Crucially, our budget DOES NOT GROW at pace with inflation on its own

As a result =



# 11.5%

Red Lodge City General Fund buying power has decreased by 11.5% from 2015

Total inflation since 2015 = 23% (Bureau of Labor Statistics CPI)



# Only Two Avenues for Ensuring General Fund Budget Keeps up with Inflation & Meets the Needs of Residents

Ballot Initiative to Increase Mills

Resolution to Create Levy District

# Important (Estimated!) Dates for Public Participation

[www.cityofredlodge.net/administrativeservices/page/budget](http://www.cityofredlodge.net/administrativeservices/page/budget)

This presentation is available now

Date DRAFT Budget is available to public w/ link

May 10, 2022

Dates public can submit formal questions about drafted budget (range) & how to do that

May 10, 2022 - June 11, 2022  
submit questions via email to [jbattlesward1@gmail.com](mailto:jbattlesward1@gmail.com)  
& attend public workshops

Date(s) of public workshop(s): ask / answer questions, review budget in detail, voice concerns

Monday, May 23, 2022 / TBD June 2022

\*\* Community feedback analyzed 5/10 - 6/11\*\*

\*\*feedback between 5/10 & 6/11 may influence changes between DRAFT budget & PRELIMINARY budget\*\*

Dates drafted budget review is on Council Agenda, for passing PRELIMINARY budget

June 14, 2022 & June 28, 2022

Public hearing dates for final budget adoption

August 9, 2022 & August 23, 2022



# Department Heads will be invited to participate in Public Workshops to describe their services & needs for the coming year

Administrative Department (Council, Mayor, Clerk)

City Court

Planning Department

City Attorney

Police Department  
Streets, & City Hall)

Fire Department

City Library

Public Works (inc. Weeds,





# Questions or Comments?

This presentation is available on the city website: [www.cityofredlodge.net/administrative-services/page/budget](http://www.cityofredlodge.net/administrative-services/page/budget)

Audio recording of this presentation is available on the city website:  
[https://www.cityofredlodge.net/meetings?field\\_microsite\\_tid\\_1=27](https://www.cityofredlodge.net/meetings?field_microsite_tid_1=27)

Please send all questions and comments to City Council Representative Jenn Battles:

[jbattlesward1@gmail.com](mailto:jbattlesward1@gmail.com)

Your Comments & Questions will inform the public workshops on 05/23 & 06/TBD