



OFFICE OF THE MAYOR

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July 8, 2020

Council members, this letter conveys the City of Missoula's preliminary executive budget for Fiscal Year 2021, and, because of remarkably strange times in the world, nation, state and local government, this letter is light on numbers and heavy on ideas.

As I've repeated in these letters to the Council and the community over the years, our budget is a reflection of community values, distilled over time and in the moment. But that reflection is imperfect, flawed, subject to change as necessary, rigid in ways we'd prefer it weren't and a product of disparate opinions, varied experience and good intentions. It will be too much or too little, too traditional or too radical, too soon or too late. In the end, it will be a product of humans elected to do their best on behalf of the residents who hired them, and if it's all wrong, that will be reflected in who runs for office next time and who wins.

Today, we are the folks elected and responsible for balancing the interests we hear from, loud and clear, and the countless others who don't weigh in and trust us to do our jobs.

This budget is built on a few guiding principles:

1. Our strategic plan is the lens through which we scrutinize this budget. That plan is necessarily broad and includes the traditional work of city government and new work around housing, equity and opportunity. That plan is attached to this letter and informs our budget decisions.
2. A global pandemic has derailed the world economy, and the City of Missoula as well as the community are not insulated from that disruption. Temporary, and sometimes permanent, business closures, a spike in unemployment and general unpredictability in the face of an uncontrolled, contagious disease urge caution. We will not increase City property taxes to fund municipal operations in 2021.
3. Our work is incremental, and this budget makes incremental progress, which is not to say we're meek, slow or unintentional in what we're doing, but local government is about evolution, not revolution.
4. Our residents have high expectations, and we need to measure our work against those expectations. When we seek funding to do more or do things differently, we need to show the benefit to the community.
5. Our revenue projections are just that. We won't have a certified taxable value from the Montana Department of Revenue until the first week of August, and further reimbursements to local government through the CARES act remain a mystery we are pursuing with the Governor's Office. In light of those facts, our revenue guesses are educated and conservative.

So, a few numbers:

The City of Missoula's general fund budget will grow by about \$1.7 million as a function of paying our people, honoring contracts and meeting inflationary costs of doing the people's business. We project that our revenues will accommodate those baseline budget increases without raising City property taxes.

As a function of this preliminary budget, we've not made recommendations with regard to funding new requests, of which there are many and, if all were funded, would cost more than \$5 million.

My priorities for your consideration, once we understand our revenues, will be in the following areas, again based on our strategic vision:

1. The City is continuing to make investments in infrastructure through its Community Investment Program, formerly known as our Capital Improvement Plan. For FY21, we've retooled our processes for identifying

priority projects for CIP funding based on our strategic goals, social equity, safety and wellness. About \$2.8 million is dedicated in this budget to improve general transportation infrastructure. Another \$6.4 million is dedicated to the Mullan Road area as the implementation of the \$25 million BUILD grant project starts. We'll also invest about \$5.4 million for the water system in 2021, along with about \$3.3 million for Wastewater and Storm Water for projects such as the North Russell sewer main replacement and upgrades to lift stations on the west side. Parks & Recreation proposes to invest more than \$5 million on various public improvements, including completion of the Rattlesnake Dam restoration, Waterworks Hill trailhead improvements, Clark Fork River riparian restoration and the first phase of Westside Park construction.

2. Seed funding for the Missoula Housing Trust Fund of \$750,000, which will combine with a \$1 million annual commitment from the Missoula Redevelopment Agency for affordable housing and fulfill one of the goals of our housing policy.
3. \$75,000 to match a grant supporting a behavioral-health mobile crisis unit, which reflects our commitment to support vulnerable residents and relieve police officers and firefighters, to the degree possible, from serving as de facto behavioral health specialists.
4. Investing in meeting the goal of our fund-balance policy. We may have a full "rainy-day" fund, which allows for more responsive budgeting, potentially enhanced credit and the ability to meet community needs in times of crisis.
5. Investment in communication with the folks we serve. Communication has always been important, but more and more, there's demand and opportunity for enhanced, meaningful sharing of information and conversation with residents.
6. Additional investment in sustainability programs.
7. Despite calls for "de-funding" law enforcement, I propose we invest in the women and men who swore to protect and serve our community and who, despite tragic examples of abuse of power in other communities around the country, continue to serve with residents' best interests at heart. During my nearly 20 years in local government, my experience with the Missoula Police Department has been overwhelmingly positive. And while every department in the City, including the Mayor's Office and the Police Department, can improve, our officers function at a high level in a community that demands responsiveness and professionalism. I will advocate for a significant increase in support for training our officers, for protective equipment that we'd never consider extravagant for a firefighter, for the basic dignity of a place to change clothes and shower and for technology that protects the public and officers in the form of a robust body-worn video system.

I am not tone deaf, nor are our police chief, command staff and officers. But in the storm of demonstrations and outrage, all justified based on a long history of injustice perpetrated on Black people, Indigenous people and others of color, along with the LGBTQ+ community, the poor, the mentally ill and others who live in the minority, some facts about Missoula have gone missing on social media, where everyone's opinion is unfortunately given the weight of fact.

Our officers responded to more than 60,000 calls for service in FY20. About 0.3% of those calls resulted in use-of-force incidents. And, of those, still fewer resulted in a complaint filed against the officer -- .04%. Most interactions between police officers and residents are in response to a call for help. Those calls range from disputes among neighbors to human tragedy including child abuse and neglect, domestic violence, grisly accidents, alcohol- and other drug-fueled crimes, thefts, threats, assaults, murders and so much more. Our officers respond to souls in crises of all ilk, and, rightly or wrongly, they are most often the first responders in cases of mental illness at the boiling point. We can and should and will continue to steer resources to appropriate responses to folks struggling with mental illness, homelessness, hunger, poverty, addiction and other afflictions most of us wouldn't wish on our worst enemies, but that doesn't happen overnight. In the meantime, I strongly believe that our continued, and enhanced, investment in training our officers in crisis intervention, racial equity, implicit bias, justice, de-escalation and use of force is the right thing for our community and our officers. I also believe a well-trained, well-equipped Police Department is not mutually exclusive to funding innovative programs to address issues that aren't criminal but require intervention. And until those programs are fully in place, our officers will be providing that intervention.

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I met with members of the Missoula Police Association last week for an hour of conversation and questions. Those officers, some with 30 years of experience and some very new to the profession, are suffering for the actions of a few in far-away places. The sincerity and commitment they bring to what they believe is a calling to serve and protect is palpable. The pain they feel because murdering bullies have sullied their profession is also palpable. They know, as we all do, that none of us is perfect, that we can grow and change and improve through experience and training, policies and procedures, and are willing to do so, with our help. I am proud of our department and our officers and grateful for the work they do, day in and day out.

We will bring you final recommendations upon receipt of our certified value in early August. In the coming weeks, you'll hear from our leadership team about their work, their requests and how all of that fits into our strategic vision. You'll have an opportunity to ask questions, opine and consider what you, as a legislative body with ultimate control of the budget, consider priorities. I look forward to those conversations and to hearing from the public as we do this important work.

And at the risk of belaboring a point, I'm compelled as the person accountable for and to our police officers, and all of our employees, to leave you with this, a message I received from a Missoula police officer in the wake of my meeting with his association last week:

"I love Missoula, and it is painful to see the divisiveness and the misunderstanding and of course the hurt and perceived injustice at the root of the recent protests.

"I too think MPD can grow and become better. It's one of the top reasons I chose law enforcement, to be continually challenged and put in environments and situations that personal growth was necessary for success.

"I remember what I thought of cops before I was one. I remember how much I did not know and understand, though I thought I did. Even now, coming up on being a two-year officer, there are many, many things that come new to me daily. I'm still very much a rookie. However, I do have a unique perspective, and if you need people to take part in conversations with the public I would be willing to help.

"I know people hate me and my profession. I didn't sign up because I thought I was going to be Mr. Popular. Even before George Floyd, cops were not well liked, and I get that. However, I do respect law enforcement, and I respect our community. I do not think racism has any part in our community.

"I believe we can use this time as an opportunity for transparency and growth and compassion as well as our commitment of service to the Missoula community. Let me know if I can help."

With that, I leave you to deliberate and thank you for your hard work on behalf of my hometown.

Sincerely,

A handwritten signature in black ink, appearing to read "John Engen". The signature is fluid and cursive, with a large loop at the end.

John Engen
Mayor