

# Annual Budget Report

FY 2018-2019

**CITY OF RED LODGE**

1 PLATT AVENUE SOUTH, P.O. BOX 9, RED LODGE, MONTANA 59068



# Table of Contents

Welcome Message	Page 3
History of Red Lodge	Page 4
Class of City	Page 5
Charter Form of Government	Page 6
Red Lodge City Charter	
City of Red Lodge Organizational Chart	Page 10
City of Red Lodge Council Committees	Page 11
City of Red Lodge Elected Officials & Staff Directory	Page 12
Budget Overview	Page 13
Purpose of an Annual Budget	
City & Town Budget	
Budget Process Flow Chart	
Budget Fund Structure	
Governmental Funds	Page 22
General Fund Revenues & Services	Page 23
Special Revenue Funds Revenues & Services	Page 29
Resort Tax	
Resort Tax Expenditure Apportionments 1991-2017	
Drug Forfeiture	
Building Code Enforcement	
Gas Tax	
Capital Projects Revenue Funds Revenues & Services	Page 42
Enterprise Fund	Page 43
Enterprise Fund Revenue & Services	Page 44
Water Fund	
Sewer Fund	
Water & Sewer Rate Increase Overview	
Solid Waste	
Fiduciary Fund	Page 52
Trust Fund Revenue & Services	Page 53
Agency Fund Revenue & Services	Page 54
Taxable Value	Page 56
Budget Resolution	Page 57
Definitions	Page 58

# CITY OF RED LODGE

1 PLATT AVENUE SOUTH, P.O. BOX 9, RED LODGE, MONTANA 59068



Council Members and Members of the community

Many thanks to city staff and department heads for their help and input in developing the 2018-2019 City of Red Lodge budget.

The department heads upgraded their strategic plans using the Strengths, Weakness, Opportunities, Threats method which made the plans shorter and to the point for the budget process. I was able to work with the city clerk in February crunching last year's numbers as a place to start. The department heads were given those numbers as a beginning point. Considering the COLA, Dental and Eye glass coverage, plus the raise in Health care insurance the department heads budgets came in surprising close to the 2017-2018 numbers.

Our new auditors informed us that the resort tax 15% tax relief was not being allocated properly and so for the first time in 19 years we are allocating that 15% directly to tax relief. Also, we have placed money in accounts for the Haggin water project and the swimming pool.

Moving forward, the city has met its target base rate for water and sewer and we are proceeding to secure funding for some major projects outlined in the CIP. At the same time we are working on a plan to upgrade our streets and storm sewer. If we use maintenance districts, it allows us to qualify for low interest loans and grants. We are also looking at refinancing some current loans at lower rates of interest to save the city money.

The city, its employees and department heads, treat this process as if it were their own household budget. The budget is expensed by line items and if there is a short fall, it needs to come from another line item in that department's budget.

This budget presentation was prepared by the city clerk's office and staff and is an upgrade to make the budget more understandable to the people of Red Lodge.



# History of Red Lodge and Red Lodge City Government

Discovery of coal to feed the Northern Pacific Railroad's coal hungry locomotives brought prosperity. Hundreds of Finnish, Scottish, Irish, Italian, Yugoslavian and Scandinavian miners came to share it. There were three Native Americans to every white man and four men to every woman around 1886. As Red Lodge grew, optimistic citizens had the town platted and incorporated. By 1892, the population reached 1,180, just 875 fewer than were counted in the 2010 census.

By 1896, as mining companies took control, Red Lodge had achieved a more orderly growth. It now had twenty saloons (presumably a grocery store or two) and lots of miners. It was a vibrant, sporting place, teeming with action, filled with strong-willed folks. In 1906, eight men died in the town's first mine disaster, but prosperity continued to smile on the population, which had grown to 4,000.

Large herds of cattle and sheep grazed the foothills of the Beartooth Mountains and crops grew in abundance. By 1910, Carbon County led Montana in coal production and by 1911, Red Lodge boasted a population of 5,000 souls.

Red Lodge suffered an economic blow with the closing of West Side Mine in 1924, and like every place else, suffered the Great Depression of the 1930's, which forced many more mines to close. To offset economic ills, illegal bootleg liquor, labeled "syrup" was made locally and marketed as far as Chicago and San Francisco.

Dr. J.C.F. Siefriedt saw the potential in the beauty of Red Lodge and dreamed of a "high road" connecting Red Lodge and Cooke City. In 1931, federal funds were secured and the Beartooth Highway officially opened in 1936. In 2002, the highway was named an All-American Scenic Byway.

In 1943, tragedy hit the Smith Mine near Bear Creek, the area's largest remaining mine. An explosion trapped and killed 74 miners, the worst coalmine disaster in Montana's history. The mines fell silent forever shortly thereafter.

The 2010 census showed 2,155 Red Lodge residents and data shows the City population had a decrease since the 2000 census. The form of government for the City has also changed on November 5, 2002. Prior to 2002, the City was a statutory mayor-council form of government, but the citizens of the City voted to adopt a charter, which gives the City self-governing powers. This has allowed the City more flexibility in managing its own affairs.

City government consists of a mayor and six council members. The mayor is elected at large every two years, while two council members are elected from each of the three separate wards for two year terms, which are staggered to allow continuity on the Council.

---

[City History courtesy of Carbon County Historical Society]



<b>CLASS OF CITY/TOWN.....</b>	<b>3rd Class</b>
COUNTY LOCATED IN.....	Carbon
YEAR ORGANIZED.....	1892
REGISTERED VOTERS.....	1609
AREA (SQ. MILES).....	15
POPULATION OF CITY/TOWN.....	2144
FORM OF GOVERNMENT.....	Charter
NUMBER OF EMPLOYEES (ELECTED).....	0
NUMBER OF EMPLOYEES (NON-ELECTED).....	24
MILES OF STREETS AND ALLEYS.....	32
<b>MUNICIPAL WATER</b>	
NUMBER OF CONSUMERS.....	1603
WATER BASE RATE .....	34.20
SEWER BASE RATE .....	45.67

# City Of Red Lodge Charter

- A charter is a document that spells out the powers, duties and structures of **government** and the rights of citizens. It is often compared to constitutions at the local level.
- Red Lodges' Charter
  - Strong Mayor Form of Government- Mayor is Executive Branch- Chief Administrative officer of the city. Chair of the Council
  - Alderman-2 from each ward (3 wards) -City Council – Legislative Branch
  - City Staff
  - Boards Review and make recommendations to council



## CHARTER OF THE CITY OF RED LODGE, CARBON COUNTY, MONTANA

### PREAMBLE

**WE, THE PEOPLE OF THE CITY OF RED LODGE, COUNTY OF CARBON, STATE OF MONTANA, in accordance with Article XI, Section 5 of the Constitution of Montana, do hereby adopt this Charter.**

### ARTICLE I

#### POWERS OF THE CITY

##### Section 1.01 Powers of the City

The City of Red Lodge shall have all powers not prohibited by the Constitution of Montana, the laws of Montana, or this Charter.

##### Section 1.02 Interpretation of Powers

The powers and authority of this self-government city shall be liberally construed. Every reasonable doubt as to the existence of a city power or authority shall be resolved in favor of the existence of that power or authority.

##### Section 1.03 Restrictions

The mill levy shall be limited to that of Montana municipal governments with general government powers, except with the prior approval of the electors voting on the question in a general or special municipal election.

No change in any city license fee, user fee, permit fee or utility charge shall be made without prior public hearings, as prescribed by law.

##### Section 1.04 Charter Supremacy

As provided by Article XI, Section 5 of the Constitution of Montana, charter provisions herein establishing executive, legislative and administrative structure and organization are superior to statutory provisions.

##### Section 1.05 Oath of Office

Before entering upon the duties of office, all elected city officials shall take and subscribe to the oath of office as prescribed in Article III, Section 3 of the Constitution of Montana.

## ARTICLE II CITY COUNCIL

### Section 2.01 Legislative Branch

The legislative branch and governing body shall be the city council.

### Section 2.02 Composition

The City of Red Lodge shall have a city council of six (6) members, three of whom shall be elected every two years.

The compensation of council members shall be set annually by ordinance.

### Section 2.03 Powers and Duties

The council shall be the legislative and policy determining body of the city. All powers of the City shall be vested in the city council except as otherwise provided by law or this Charter. The council may override the mayor's veto with a two-thirds vote of the entire council.

### Section 2.04 Term of Office

Members of the council shall be elected for two (2) year overlapping terms of office.

### Section 2.05 Election

The election of council members shall be conducted on a non-partisan basis. There shall be three wards apportioned by population following every federal decennial census, each of which shall be represented by two council members. Candidates for the city council must reside in the ward they seek to represent at the time of their election and during their entire term of office. One council member from each of the three wards shall be elected every two years.

### Section 2.06 Chairman of the Council

The council shall have a chairman who shall be elected by the members of the council from their own number for a term established by resolution. The chairman of the council shall preside when the mayor is absent.

### Section 2.07 Council Procedures

The council shall, by resolution adopt its own rules of procedure. A quorum of the council shall consist of four (4) council members physically present at a meeting of the council. No resolution or ordinance may be adopted without the affirmative vote of at least four (4) council members.

**ARTICLE III  
MAYOR**

**Section 3.01 The Executive Branch**

The mayor shall be the chief executive and chief administrative officer of the city.

**Section 3.02 Term of Office**

The mayor shall be elected for a two-year term of office.

**Section 3.03 Election**

The mayor, who must reside within the city limits, shall be nominated and elected at large on a non-partisan basis.

**Section 3.04 Powers and Duties**

The mayor shall:

enforce laws, ordinances, and resolutions;  
perform duties required of him by law, charter, ordinance or resolution;  
administer affairs of the local government;  
carry out policies established by the council;  
recommend measures to the council;  
report to the council on the affairs and financial condition of the city government;  
execute bonds, notes, contracts and written obligations of the council, subject to the approval of the council;  
report to the council as the council may require;  
chair council meetings and may take part in discussion;  
execute the budget adopted by the council;  
appoint, with the consent of the council, all members of boards, except the mayor may appoint without consent of the council temporary committees established by the mayor.

**Section 3.05 Administrative Duties**

The mayor may:

prepare the budget in consultation with the council and department heads;  
appoint one or more administrative assistants to assist him in the supervision and operation of the local government, and such administrative assistants shall be answerable solely to the mayor;  
appoint, with the consent of a majority of the council all department heads and may remove department heads without the consent of the council and appoint and remove all other city employees;  
exercise control and supervision of all departments and boards to the degree authorized by resolution of the council.

**Section 3.06 Legislative Authority**

The mayor shall decide all tie votes of the council, but shall have no other vote. The mayor may veto ordinances and resolutions, subject to override by a two-thirds vote of the entire council.

**Section 3.07 Compensation**

The compensation of the mayor shall be set by ordinance.

**Section 3.08 Absence of Mayor**

The mayor must receive the consent of the council for an absence from the city for ten (10) or more consecutive days.

**Section 3.09 Grounds for Removal**

The mayor may be removed from office by a finding of a majority of the entire council that, pursuant to law, there is a vacancy in the office of mayor.

**Section 3.10 City Attorney**

There shall be a legal officer of the city, appointed by the mayor, with the approval of the council, who shall serve as chief legal advisor to the council, the mayor, and all city departments, offices, and agencies. The chief legal advisor shall represent the city in all legal proceedings unless otherwise determined by council, and shall perform any other duties prescribed by ordinance. The chief legal officer, who may be called the city attorney, shall have the status of a department head, except that he or she may not be removed or suspended by the mayor without the consent of the council.

**ARTICLE IV  
JUDICIAL**

**Section 4.01 City Court**

There shall be a city court and a city judge as provided by law.

**ARTICLE V  
DEPARTMENT STRUCTURE**

**Section 5.01 Organization of Departments**

The organization of city departments shall be prescribed by ordinance.



**ARTICLE VI  
GENERAL PROVISIONS**

**Section 6.01 Amendment of Charter**

This Charter may be amended only as prescribed by state law.

**Section 6.02 Effective Date**

This Charter shall become effective on July 1, 2003.

**Section 6.03 Vacancy in Office**

An elected office under this Charter becomes vacant as prescribed by law. When any vacancy occurs in any elective office, this position shall be considered open and subject to nomination and election at the next general municipal election in the same manner as the election of any person holding the same office, except the term shall be limited to the unexpired term of the person who originally created the vacancy. Pending such election and qualification the council shall, by majority vote of the members, appoint a qualified person within 30 days of the vacancy to hold the office until the successor is elected and qualified. A person appointed to fill a vacant council position must reside in the ward wherein the vacancy occurred.

**Section 6.04 Severability**

If any provision of this Charter is held invalid, the other provisions of this Charter shall not be affected thereby. If the application of the Charter or any part of its provisions, to any person or circumstance is held invalid the application of the Charter and its provisions to other persons or circumstances shall not be affected thereby.

**ARTICLE VII  
TRANSITION PROVISIONS**

**Section 7.01 General Transition**

Transition to this charter form of government shall be as prescribed by state law. The council may provide for such transition by ordinance, rule or resolution not inconsistent with state law. The provisions of this transition article shall not be published as part of the Charter after July 1, 2004.

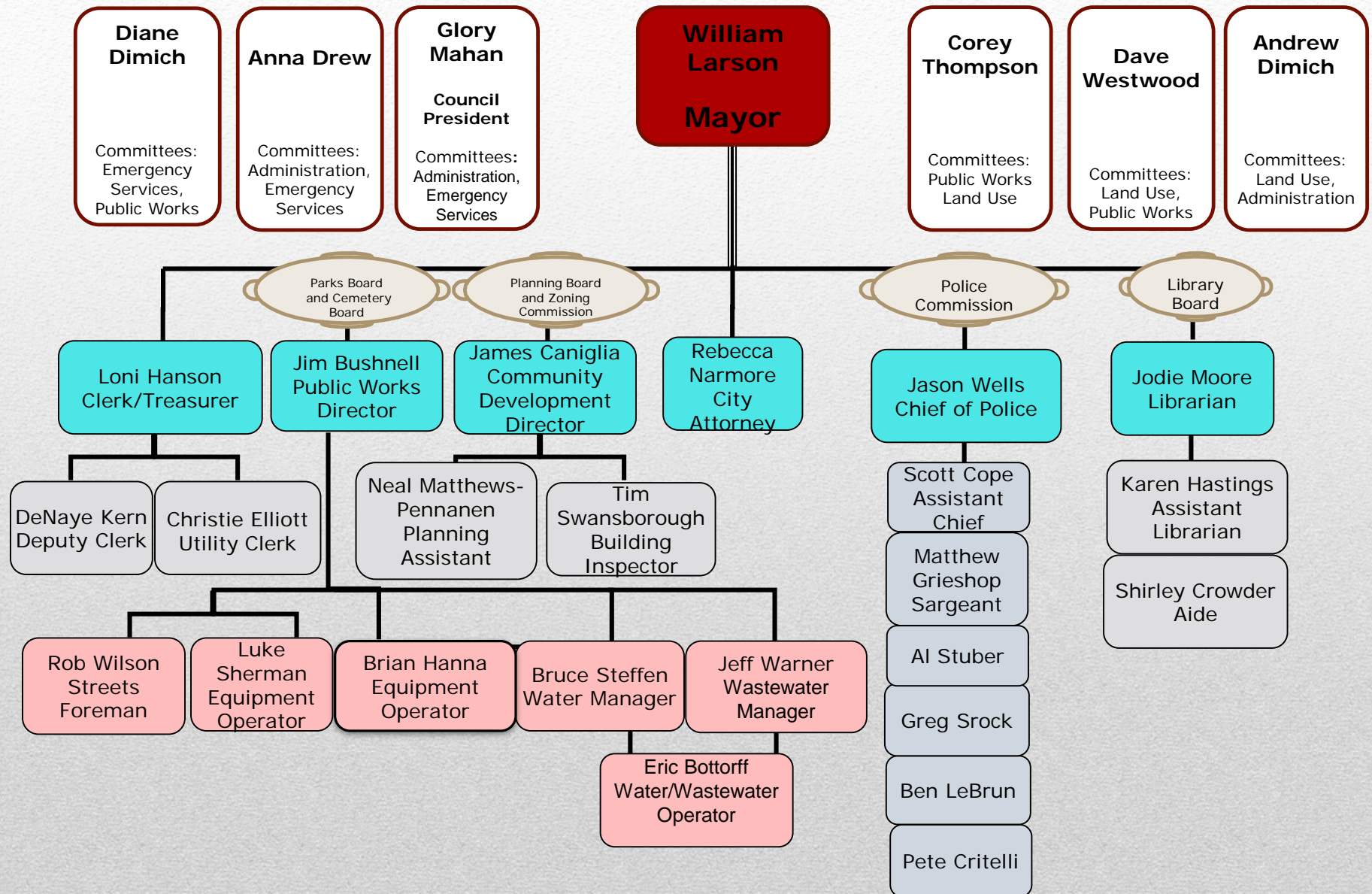
**Section 7.02 City Employee**

No city employee or elected official currently holding a city office will lose employment or elected position solely because of adoption of this Charter. Existing elected officials shall continue in office until the end of the term for which they were elected.

**Section 7.03 Review of Existing Ordinances**

All city ordinances, resolutions and rules of the City of Red Lodge shall remain in effect until reviewed, revised or repealed by the city council. The city council shall review and, where necessary, revise or repeal all city ordinances to provide for compliance and consistency with this Charter and state law no later than July 1, 2004.

# City of Red Lodge Organizational Chart



# City of Red Lodge Council Committees

Bold Indicates Committee Chairperson

**William  
Larson  
Mayor**

Public Works

D. Dimich, Westwood,  
**Thompson**

Sewer, Water, Streets,  
Alleys, Solid Waste,  
Parks, Cemetery, City  
Facilities

Land Use and Planning

Thompson, Westwood, **A.  
Dimich**

Leases, Sales and  
Exchanges,  
Subdivision, Zoning,  
Building Permits

Administration and Finance

Drew, A. Dimich, **Mahan**

Budget, Economic  
Development, Resort  
Tax, Contracts

Public Health and Safety

D. Dimich, Mahan, **Drew**

Police, Fire, Ambulance



# City of Red Lodge Elected Officials and Staff Directory

<b>NAME</b>	<b>POSITION</b>	<b>Term Expires</b>
William Larson	Mayor	12/31/2019
Anna Drew	Ward 1 Council Member	12/31/2018
Dave Westwood	Ward 1 Council Member	12/31/2019
Diane Dimich	Ward 2 Council Member	12/31/2019
Corey Thompson	Ward 2 Council Member	12/31/2018
Glory Mahan	Ward 3 Council Member	12/31/2019
Andrew Dimich	Ward 3 Council Member	12/31/2018

## **JUDICIAL**

Kevin Nichols	City Court Judge
Callie Allen	Court Clerk

## **ADMINISTRATIVE SERVICES DEPARTMENT**

Loni Hanson	City Clerk
DeNaye Kern	Deputy Clerk
Rebecca Narmore	City Attorney

## **COMMUNITY DEVELOPMENT DEPARTMENT**

James Caniglia	Community Development Director
Neal Matthews-Pennanen	Planning Assistant
Tim Swansborough	Building Inspector

## **POLICE DEPARTMENT**

Jason Wells	Chief of Police
Scott Cope	Assistant Chief
Matt Grieshop	Sargent
Al Stuber	Officer
Greg Srock	Officer
Malerie Cates	Officer
Ben LeBrun	Officer
Pete Critelli	Part-time Officer

## **PUBLIC WORKS**

Jim Bushnell	Public Works Director
Jeff Warner	Wastewater Supervisor
Bruce Steffen	Water Supervisor
Eric Bottorff	Water & Wastewater Operator
Rob Wilson	Streets
Brian Hanna	Equipment Operator
Luker Sherman	Equipment Operator
Christie Elliott	Utility Clerk



# 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 well-being needs of the city/town or county during a specific fiscal year.

# Purpose of an Annual Budget

- Fund the Programs and Projects that the Policy Making Body Determines should be Funded.
  - Indicates the priorities of the Government
- Forms the Basis of Taxes and Charges.
- Establishes Legal Spending Limits.
- Guides Staff Operations.
- Can Assist in Preventing Financial Crisis.

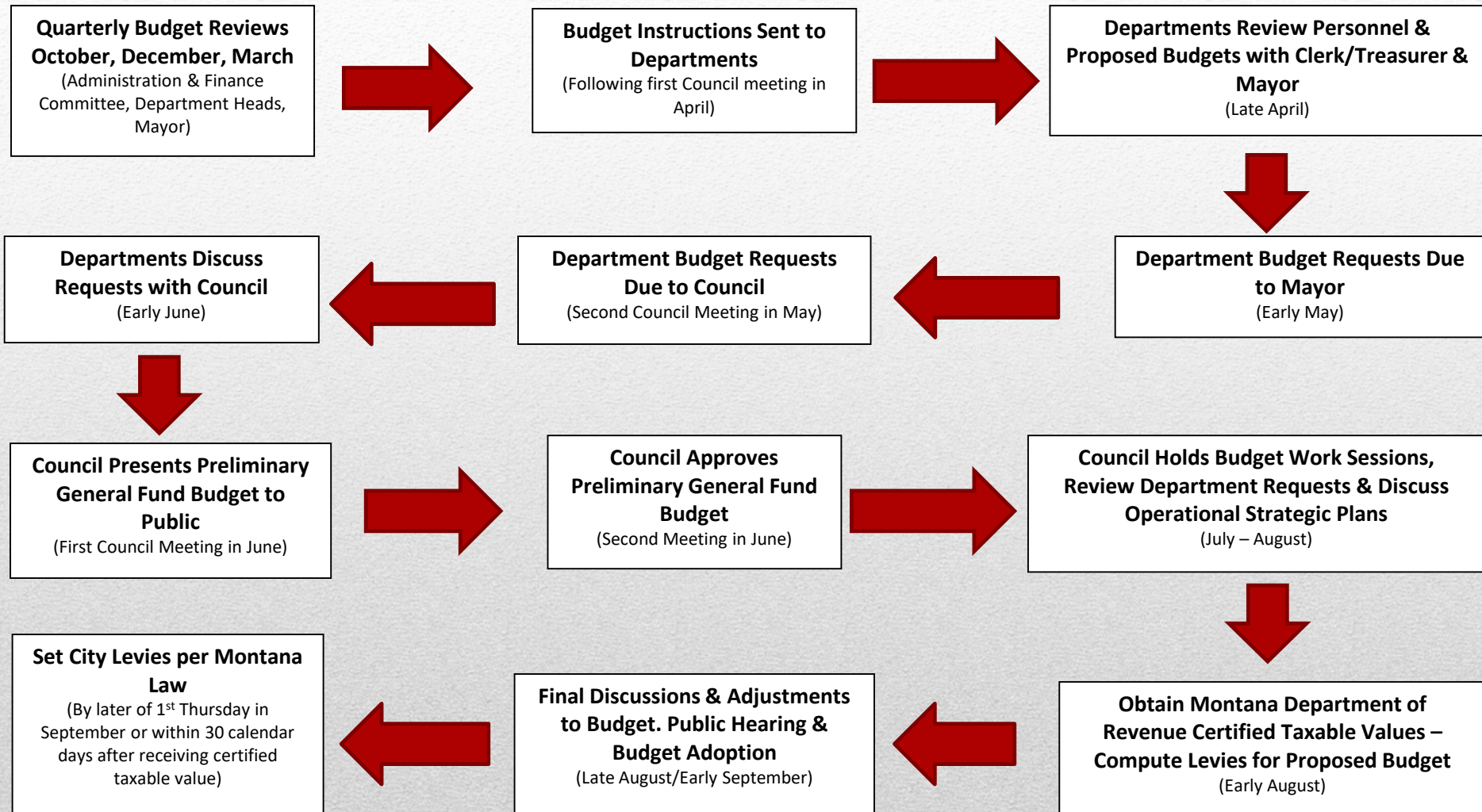


# City & Town Budgets

- 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)
    - Won't receive "taxable value" or "tax base" numbers from the State of Montana until 1<sup>st</sup> Monday in August.
    - RESULT: It will be 2 months into your Fiscal Year before the City Council makes Final Adoption of the Budget.

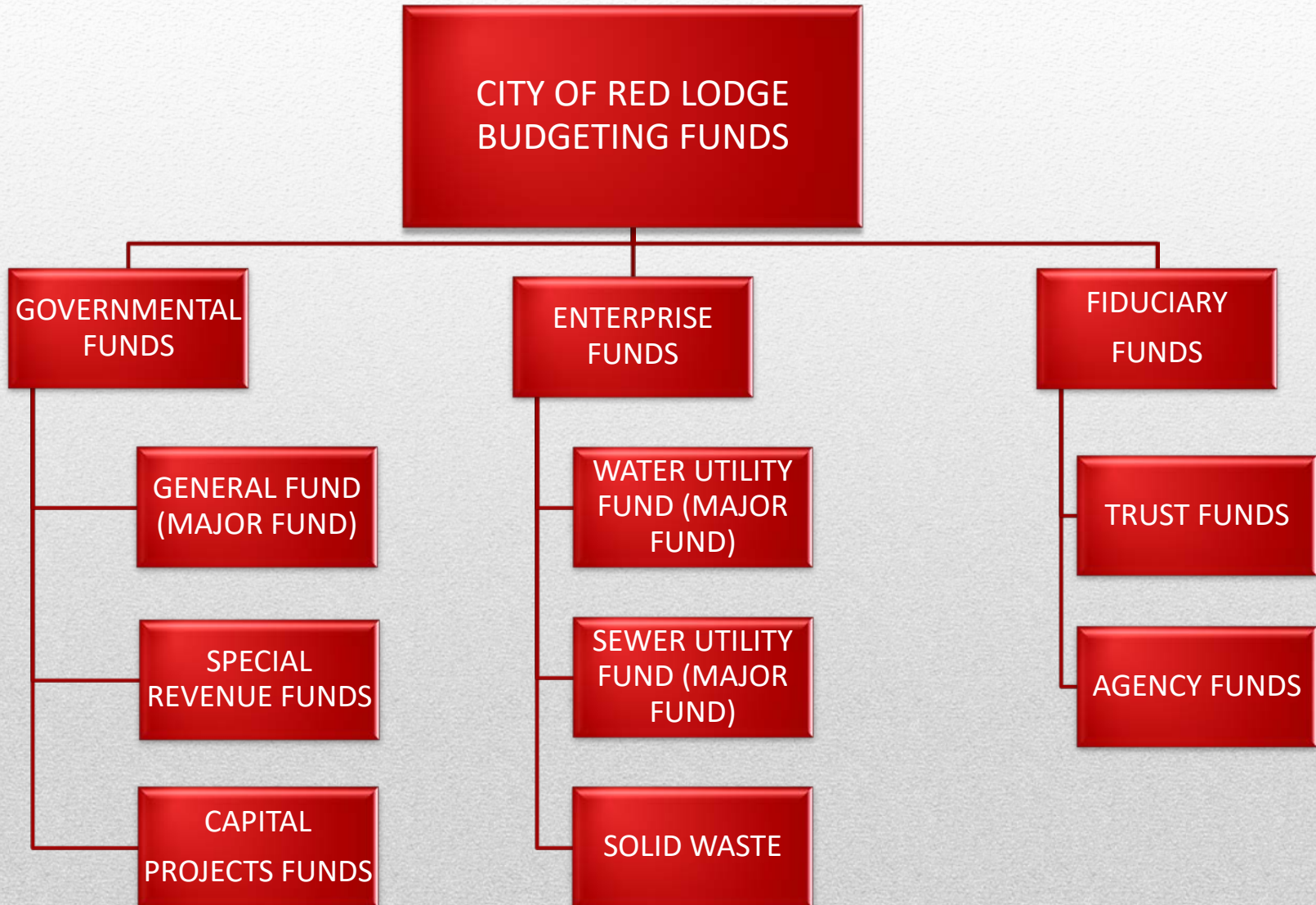
# Budget Process Flow Chart

The following flow chart provides an overview of the budget process for the City of Red Lodge and general time frames involved from initial department development through budget adoption and final budget distributions.



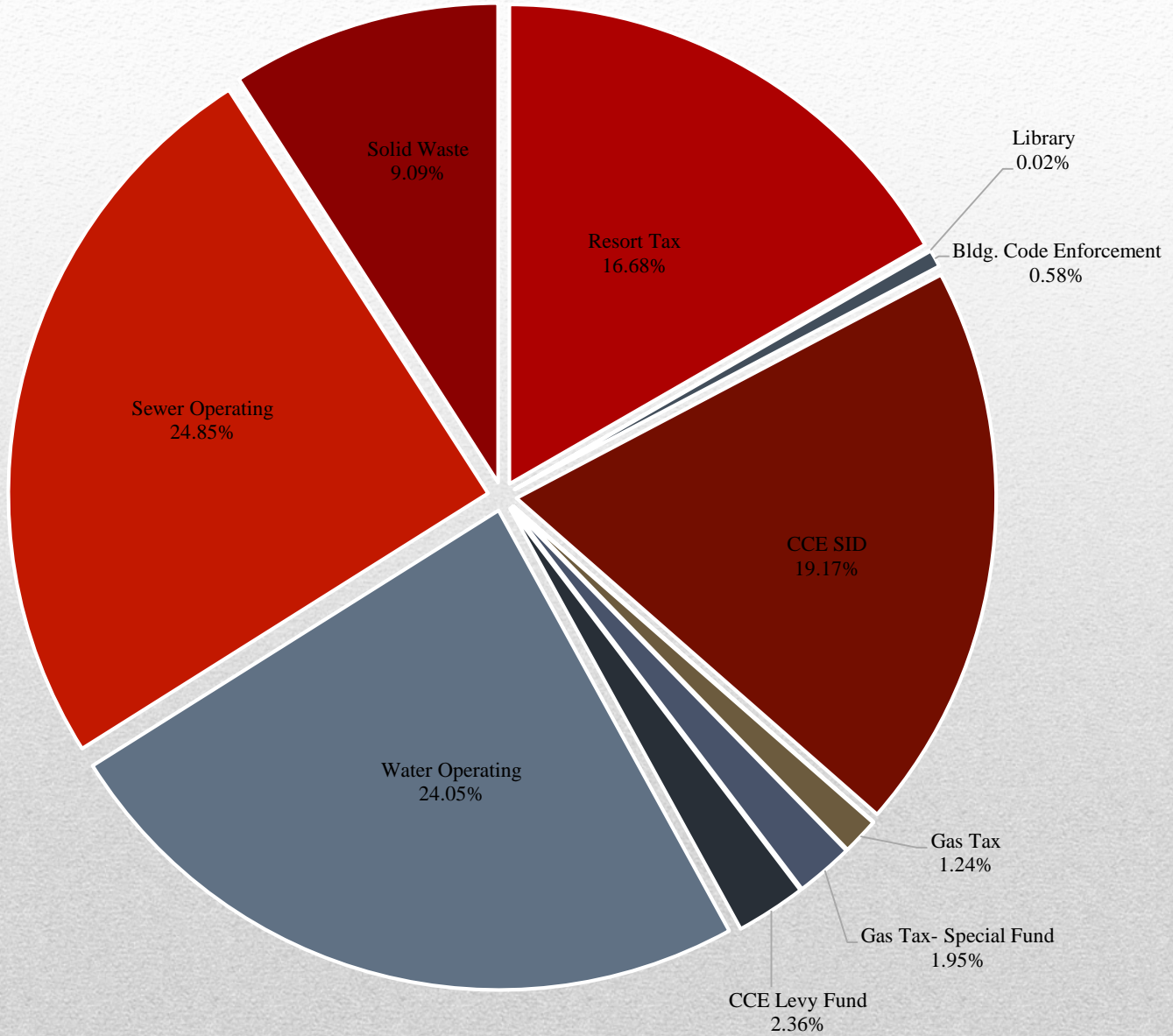


# Budget Fund Structure





# WHERE THE MONEY COMES FROM - FY 2019



## NON LEVIED FUNDS

2018-2019

8/21/2018

Fund #	Fund Name	Appropriation	Cash Reserve	Total Requirements	Cash Available	Non-Tax Revenue	Total Resources
2100	Resort Tax	\$978,831.00	\$ 20,000.00	\$998,831.00	\$197,831.00	\$801,000.00	\$998,831.00
2220	Library	\$145,066.00		\$145,066.00	\$143,866.00	\$1,200.00	\$145,066.00
2390	Drug Forfeiture	\$3,251.00		\$3,251.00	\$3,251.00		\$3,251.00
2390	Dept. of Justice	\$17,221.00		\$17,221.00	\$17,221.00		\$17,221.00
2394	Bldg. Code Enforcement	\$61,150.00		\$61,150.00	\$33,150.00	\$28,000.00	\$61,150.00
2500	CCE SID	\$920,550.00		\$920,550.00		\$920,550.00	\$920,550.00
2396	CDBG	\$1,180.00		\$1,180.00	\$1,168.00	\$12.00	\$1,180.00
2396	Home Local Source	\$94,147.00		\$94,147.00	\$94,147.00	\$0.00	\$94,147.00
2820	Gas Tax	\$62,959.00		\$62,959.00	\$3,439.00	\$59,520.00	\$62,959.00
2821	Gas Tax- Special Fund	\$93,618.00		\$93,618.00		\$93,618.00	\$93,618.00
3020	CCE Levy Fund	\$113,515.00		\$113,515.00		\$113,515.00	\$113,515.00
4030	Capt. Proj.- Gas Tax Equip	\$9,875.00		\$9,875.00	\$9,875.00		\$9,875.00
4030	Capt. Proj.- Spire Funds	\$43,182.00		\$43,182.00	\$43,182.00		\$43,182.00
4030	Capt. Proj.- Future Use	\$278,658.00		\$278,658.00	\$278,658.00		\$278,658.00
4030	Capt. Proj.- Parks	\$13,534.00		\$13,534.00	\$13,534.00		\$13,534.00
4031	Cemetery Capt. Improve	\$3,100.00		\$3,100.00	\$3,100.00		\$3,100.00
5210	Water Operating	\$1,466,877.00	\$ 174,300.00	\$1,641,177.00	\$486,427.00	\$1,154,750.00	\$1,641,177.00
5310	Sewer Operating	\$1,553,800.00	\$ 232,006.00	\$1,785,806.00	\$592,806.00	\$1,193,000.00	\$1,785,806.00
5410	Solid Waste	\$458,560.00	\$ 4,684.00	\$463,244.00	\$26,744.00	\$436,500.00	\$463,244.00
7010	Cemetery Trust	\$4,994.00		\$4,994.00	\$4,994.00		\$4,994.00
	Total	\$6,324,068.00		\$6,755,058.00	\$1,953,393.00	\$4,801,665.00	\$6,755,058.00

NON-VOTED LEVIES

2018-2019

8/21/2018

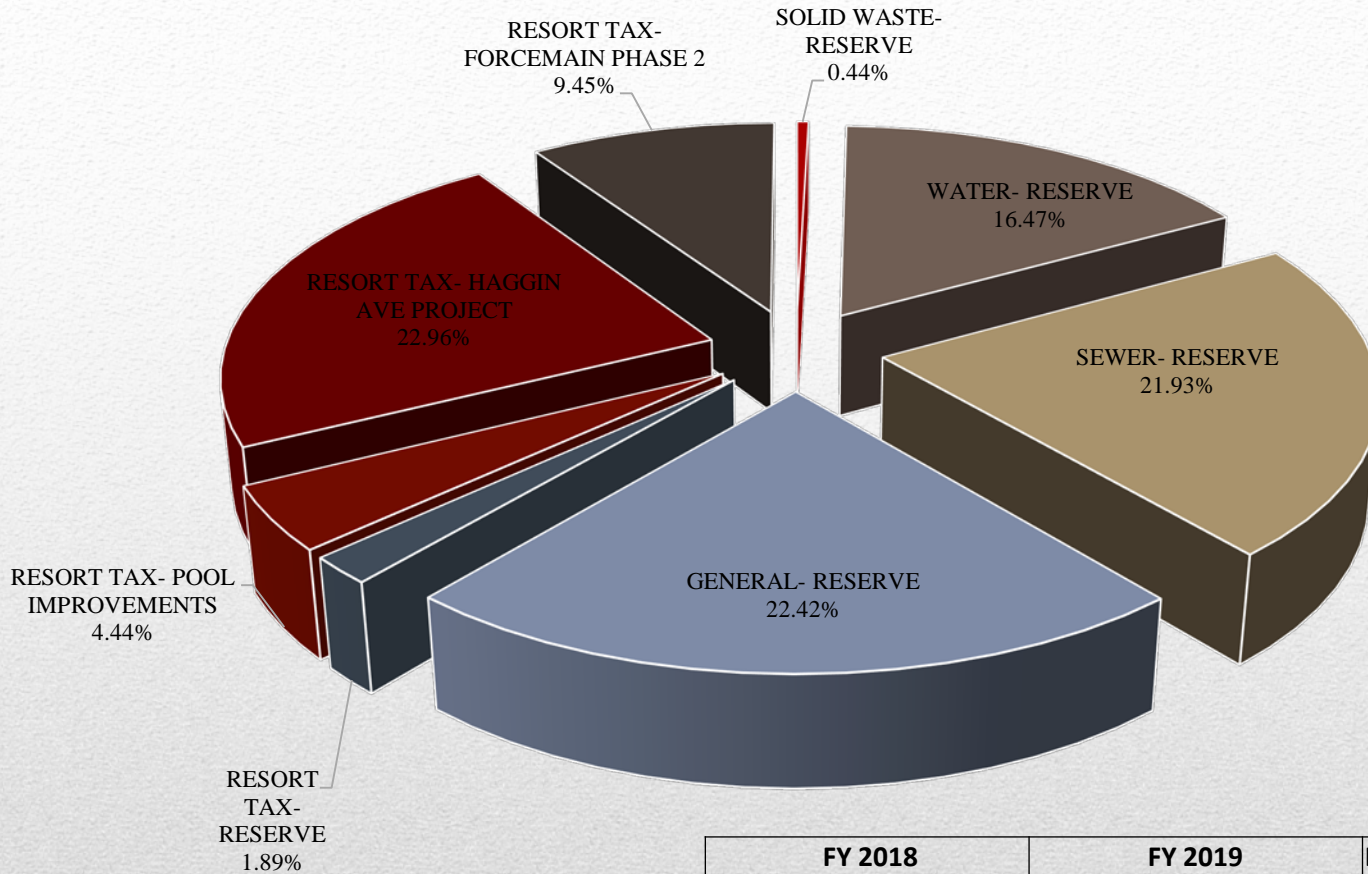
Taxable Valuation: \$7,078,483

1 Mill Levies: \$7,078.48

Fund #	Fund Name	Appropriation	Cash Reserve	Total Requirement	Cash Available	Non-Tax Revenue	Total Non-Tax Resources	Tax Revenues	Total Resources	Mill Levy
1000	General	\$1,715,978.00	\$237,226.00	\$1,953,204.00	\$384,030.00	\$880,297.00	\$1,264,327.00	\$688,877.00	\$1,953,204.00	97.32
2190	Comp. Ins.	\$70,901.00	\$4,000.00	\$74,901.00	\$1,261.00	\$66,562.00	\$67,823.00	\$7,078.00	\$74,901.00	1.00
2372	PERS	\$76,895.00	\$4,000.00	\$80,895.00	\$0.00	\$73,817.00	\$73,817.00	\$7,078.00	\$80,895.00	1.00
2375	Police Retire	\$54,000.00	\$4,000.00	\$58,000.00	\$23,611.00	\$27,311.00	\$50,922.00	\$7,078.00	\$58,000.00	1.00
2371	Group Health Ins.	\$95,533.00		\$95,533.00	\$2,093.00	\$500.00	\$2,593.00	\$92,940.00	\$95,533.00	13.13
	Totals	\$2,013,307.00	\$249,226.00	\$2,262,533.00	\$410,995.00	\$1,048,487.00	\$1,459,482.00	\$803,051.00	\$2,262,533.00	\$113.45



# PLANNING FOR THE FUTURE



	FY 2018 Budget	FY 2019 Budget	Budget Increase (Decr)
SOLID WASTE- RESERVE	\$ 606.00	\$ 4,684.00	\$ 4,078.00
WATER- RESERVE	\$ 107,126.00	\$ 174,300.00	\$ 67,174.00
SEWER- RESERVE	\$ 30,000.00	\$ 232,006.00	\$ 202,006.00
GENERAL- RESERVE	\$ 134,726.00	\$ 237,226.00	\$ 102,500.00
RESORT TAX- RESERVE	\$ 19,272.00	\$ 20,000.00	\$ 728.00
RESORT TAX- POOL IMPROVEMENTS	\$ -	\$ 47,000.00	\$ 47,000.00
RESORT TAX- HAGGIN AVE PROJECT	\$ 18,309.00	\$ 242,964.00	\$ 224,655.00
RESORT TAX- FORCEMAIN PHASE 2	\$ 9,500.00	\$ 100,000.00	\$ 90,500.00
<b>TOTAL FUTURE USE</b>	<b>\$ 319,539.00</b>	<b>\$ 1,058,180.00</b>	<b>\$ 738,641.00</b>

# Governmental Fund

- **General Fund**

- A fund used to account for the ordinary operations of a local government which are financed by property taxes and other non-tax, general revenues and not accounted for in another governmental fund.

- **Special Revenue Funds**

- A governmental fund type used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt services or capital projects.

- **Capital Projects Funds**

- Funds used to account for revenues received from bond or other long term general obligation debt issues, special assessment debt issues, grants, or shared revenues from other governments, transfers from other funds or other sources, and used to acquire and/or construct major, long lived capital facilities other than those financed by Enterprise Fund Revenue.
-



# General Fund

## Revenues

- Property Taxes
- Entitlement Share
- Court Fines
- Business Licenses
- Animal Licenses
- Charges for  
Park/Recreation/Library/Police  
Services

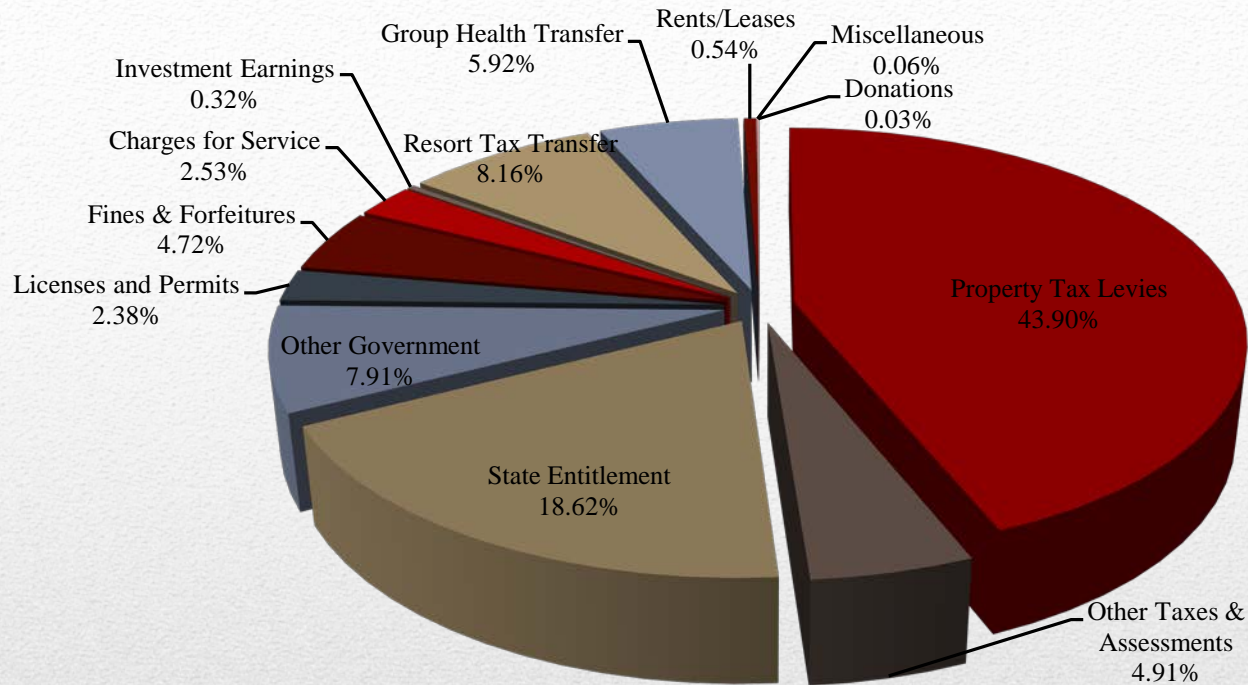
## Reserve

- Policy Decision. No Statutory Requirement

## Services Provided

- Public Safety
  - Law Enforcement
  - Fire Protection
- Public Works
  - Streets
- Parks and Recreation
- Libraries
- General Government

# WHERE THE MONEY COMES FROM - FY 2019



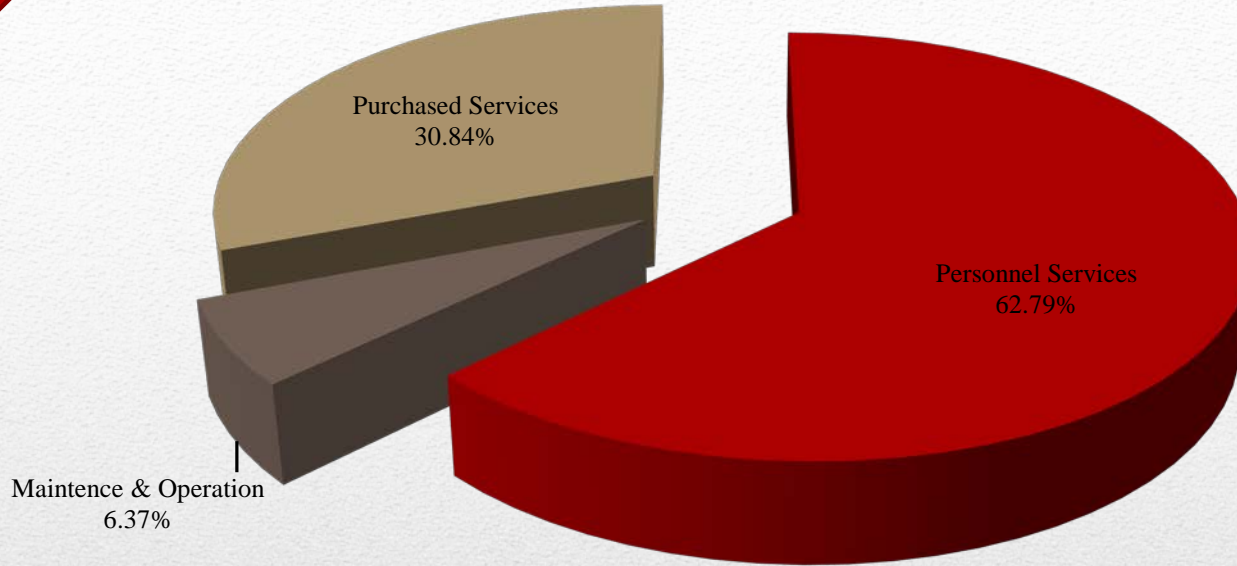
**General Fund**  
**Where the Money Comes From**

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	Budget Increase (Decr)
Property Tax Levies	\$ 738,040.61	\$ 778,160.30	\$ 688,877.00	\$ (89,283.30)
Other Taxes & Assessments	\$ 83,353.68	\$ 118,329.81	\$ 77,100.00	\$ (41,229.81)
State Entitlement	\$ 292,294.06	\$ 293,754.84	\$ 292,247.00	\$ (1,507.84)
Other Government	\$ 135,287.18	\$ 137,050.80	\$ 124,100.00	\$ (12,950.80)
Licenses and Permits	\$ 31,485.00	\$ 35,230.00	\$ 37,350.00	\$ 2,120.00
Fines & Forfeitures	\$ 93,475.24	\$ 75,018.29	\$ 74,000.00	\$ (1,018.29)
Charges for Service	\$ 45,961.98	\$ 41,300.15	\$ 39,660.00	\$ (1,640.15)
Investment Earnings	\$ 8,148.94	\$ 3,795.85	\$ 5,000.00	\$ 1,204.15
Resort Tax Transfer	\$ 122,054.78	\$ 187,169.43	\$ 128,000.00	\$ (59,169.43)
Group Health Transfer	\$ 84,501.00	\$ 87,000.00	\$ 92,940.00	\$ 5,940.00
TBID Transfer	\$ 1,206.48	\$ 1,188.12	\$ -	\$ (1,188.12)
Rents/Leases	\$ 8,486.74	\$ 8,486.74	\$ 8,400.00	\$ (86.74)
Miscellaneous	\$ 1,667.25	\$ 5,474.25	\$ 1,000.00	\$ (4,474.25)
Donations	\$ 303.25	\$ 809.25	\$ 500.00	\$ (309.25)
Sale of Assets	\$ 5,100.00	\$ -	\$ -	\$ -
<b>Total City Revenues for General Fund</b>	<b>\$ 1,651,366.19</b>	<b>\$ 1,772,767.83</b>	<b>\$ 1,569,174.00</b>	<b>\$ (203,593.83)</b>





# WHERE THE MONEY GOES - FY 2019

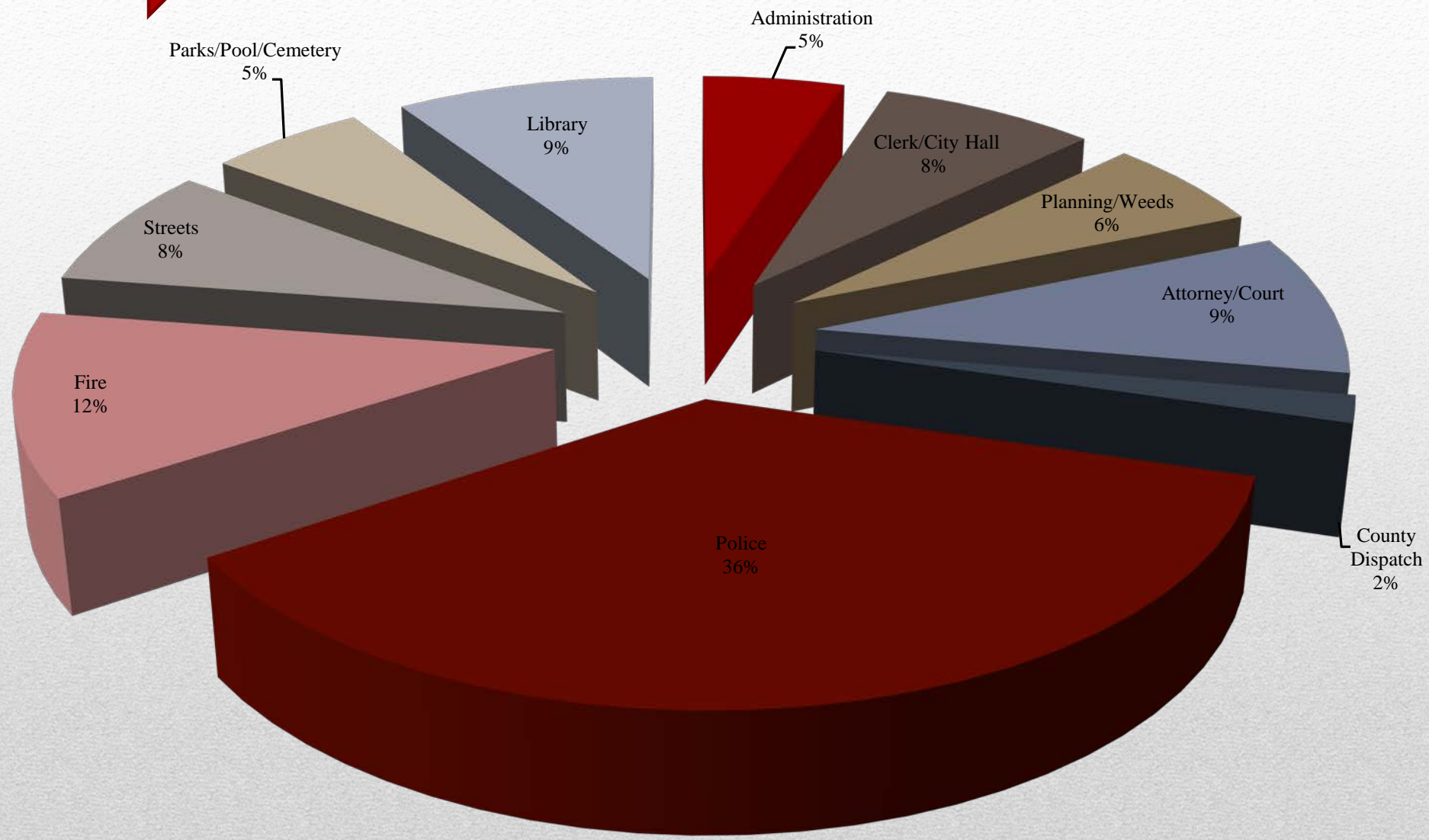


## General Fund Where the Money Goes

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	Budget Increase (Decr)
Personnel Services	\$ 1,029,645.80	\$ 1,061,816.65	\$ 1,074,344.00	\$ 12,527.35
Maintenance & Operation	\$ 91,187.85	\$ 74,303.19	\$ 108,960.00	\$ 34,656.81
Purchased Services	\$ 579,679.63	\$ 482,984.35	\$ 527,595.00	\$ 44,610.65
Capital Outlay	\$ 6,736.97	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
<b>Total City Expenditures</b>	<b>\$ 1,707,250.25</b>	<b>\$ 1,619,104.19</b>	<b>\$ 1,710,899.00</b>	<b>\$ 91,794.81</b>



# WHERE THE MONEY GOES BY DEPARTMENT FY 2019







# General Fund

	FY 2017	FY 2018	FY 2019	Budget
	Actual	Actual	Budget	Increase (Decr)
<b>Administration</b>				
Personnel Services	\$ 6,969.89	\$ 6,299.53	\$ 12,335.00	\$ 6,035.47
Maintenance & Operation	\$ 659.85	\$ 363.69	\$ 800.00	\$ 436.31
Purchased Services	\$ 194,000.51	\$ 73,815.03	\$ 73,670.00	\$ 660.52
Capital Outlay	\$ -			
<b>Total City Expenditures</b>	<b>\$ 201,630.25</b>	<b>\$ 80,478.25</b>	<b>\$ 86,805.00</b>	<b>\$ 7,132.30</b>
<b>Clerk/City Hall</b>				
Personnel Services	\$ 91,275.08	\$ 102,330.02	\$ 81,789.00	\$ (20,541.02)
Maintenance & Operation	\$ 4,621.74	\$ 5,940.94	\$ 4,510.00	\$ (1,430.94)
Purchased Services	\$ 35,605.34	\$ 34,592.83	\$ 45,700.00	\$ 35,654.25
Capital Outlay	\$ -	\$ -		\$ -
<b>Total City Expenditures</b>	<b>\$ 131,502.16</b>	<b>\$ 142,863.79</b>	<b>\$ 131,999.00</b>	<b>\$ 13,682.29</b>
<b>Planning/Weeds</b>				
Personnel Services	\$ 62,146.16	\$ 85,344.05	\$ 78,400.00	\$ (6,944.05)
Maintenance & Operation	\$ 2,888.17	\$ 771.45	\$ 1,200.00	\$ 428.55
Purchased Services	\$ 25,669.25	\$ 24,459.09	\$ 21,950.00	\$ (2,509.09)
Capital Outlay				
<b>Total City Expenditures</b>	<b>\$ 90,703.58</b>	<b>\$ 110,574.59</b>	<b>\$ 101,550.00</b>	<b>\$ (9,024.59)</b>
<b>Attorney/ City Court</b>				
Personnel Services	\$ 104,259.46	\$ 97,211.02	\$ 125,550.00	\$ 28,338.98
Maintenance & Operation	\$ 5,162.31	\$ 8,379.89	\$ 8,000.00	\$ (379.89)
Purchased Services	\$ 13,498.34	\$ 18,618.21	\$ 21,600.00	\$ 2,981.79
Capital Outlay		\$ -		\$ -
<b>Total City Expenditures</b>	<b>\$ 122,920.11</b>	<b>\$ 124,209.12</b>	<b>\$ 155,150.00</b>	<b>\$ 30,940.88</b>
<b>County Dispatch</b>				
Personnel Services	\$ -	\$ -	\$ -	\$ -
Maintenance & Operation	\$ -	\$ -	\$ -	\$ -
Purchased Services	\$ 25,505.50	\$ 32,632.22	\$ 29,610.00	\$ (3,022.22)
Capital Outlay	\$ -	\$ -	\$ -	\$ -
<b>Total City Expenditures</b>	<b>\$ 25,505.50</b>	<b>\$ 32,632.22</b>	<b>\$ 29,610.00</b>	<b>\$ (3,022.22)</b>

	FY 2017	FY 2018	FY 2019	Budget
	Actual	Actual	Budget	Increase (Decr)
<b>Police</b>				
Personnel Services	\$ 572,179.70	\$ 465,344.48	\$ 541,800.00	\$ 76,455.52
Maintenance & Operation	\$ 28,521.18	\$ 23,493.81	\$ 34,550.00	\$ 11,056.19
Purchased Services	\$ 58,409.74	\$ 33,444.75	\$ 43,220.00	\$ 9,775.25
Capital Outlay	\$ -	\$ -	\$ -	
<b>Total City Expenditures</b>	<b>\$ 659,110.62</b>	<b>\$ 522,283.04</b>	<b>\$ 619,570.00</b>	<b>\$ 97,286.96</b>
<b>Fire</b>				
Purchased Services	\$ 185,749.92	\$ 196,273.72	\$ 199,198.00	\$ 2,924.28
<b>Total City Expenditures</b>	<b>\$ 185,749.92</b>	<b>\$ 196,273.72</b>	<b>\$ 199,198.00</b>	<b>\$ 2,924.28</b>
<b>Streets</b>				
Personnel Services	\$ 40,254.93	\$ 44,954.45	\$ 87,870.00	\$ 42,915.55
Maintenance & Operation	\$ 20,896.34	\$ 10,256.70	\$ 30,500.00	\$ 20,243.30
Purchased Services	\$ 10,576.21	\$ 10,743.00	\$ 15,700.00	\$ 4,957.00
Capital Outlay	\$ -	\$ -	\$ -	
<b>Total City Expenditures</b>	<b>\$ 71,727.48</b>	<b>\$ 65,954.15</b>	<b>\$ 134,070.00</b>	<b>\$ 68,115.85</b>
<b>Parks/Pool/Cemetery</b>				
Personnel Services	\$ 43,927.33	\$ 25,875.50	\$ 31,900.00	\$ 6,024.50
Maintenance & Operation	\$ 13,347.09	\$ 12,984.39	\$ 17,400.00	\$ 4,415.61
Purchased Services	\$ 29,039.79	\$ 37,226.75	\$ 45,839.00	\$ 8,612.25
Capital Outlay	\$ 2,181.97	\$ -	\$ -	\$ -
<b>Total City Expenditures</b>	<b>\$ 88,496.18</b>	<b>\$ 76,086.64</b>	<b>\$ 95,139.00</b>	<b>\$ 19,052.36</b>
<b>Library</b>				
Personnel Services	\$ 108,633.25	\$ 110,028.60	\$ 114,700.00	\$ 4,671.40
Maintenance & Operation	\$ 15,097.17	\$ 12,112.32	\$ 12,000.00	\$ (112.32)
Purchased Services	\$ 27,124.53	\$ 21,606.75	\$ 31,108.00	\$ 9,501.25
Capital Outlay	\$ 4,555.00	\$ -	\$ -	\$ -
<b>Total City Expenditures</b>	<b>\$ 155,409.95</b>	<b>\$ 143,747.67</b>	<b>\$ 157,808.00</b>	<b>\$ 14,060.33</b>



# Special Revenue Funds

## Revenues

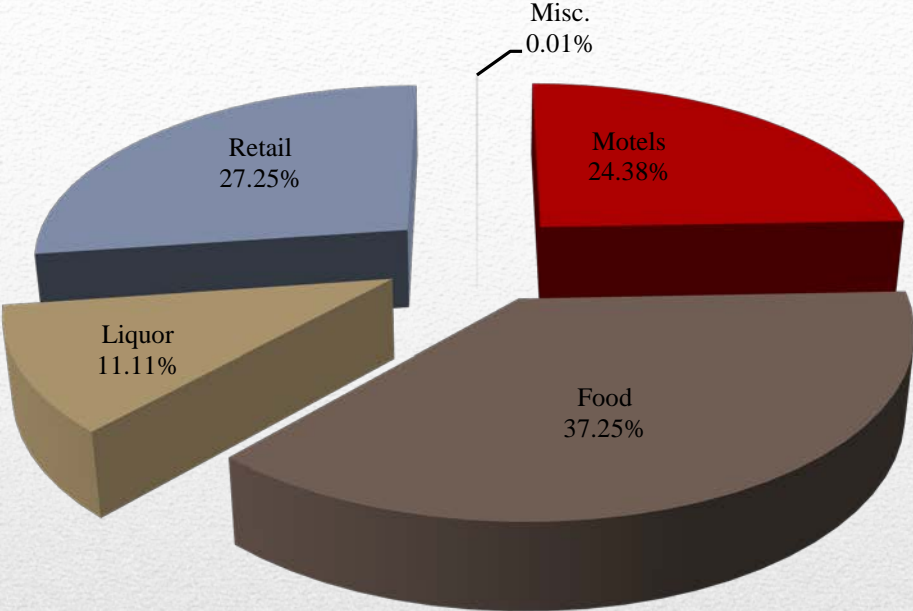
- Resort Tax
- Library Special Fund
- Drug Forfeiture
- Building Code Enforcement
- Community Development Block Grant (CDBG)
- Gas Apportionment Tax

## Services Provided

- Community Development
- Library
- Drug Enforcement
- Street Infrastructure
- Funds Capital Improvements



# WHERE THE MONEY COMES FROM - FY 2019



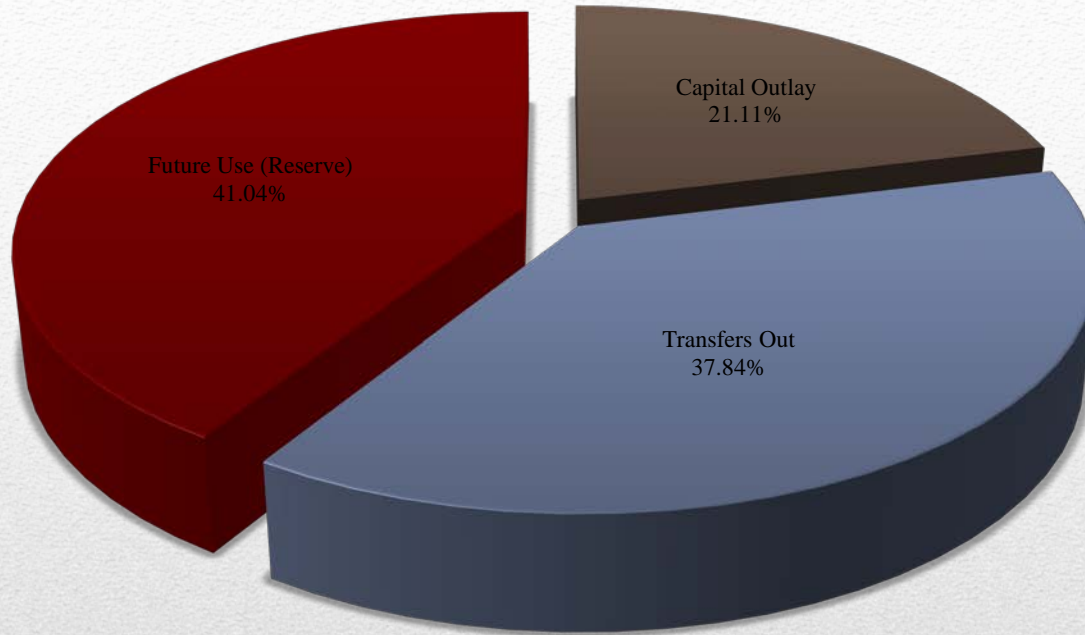
**Resort Tax**  
**Where the Money Comes From**

	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>Budget</b>
	Actual	Actual	Budget	Increase (Decr)
Motels	\$ 188,206.89	\$ 190,846.78	\$ 195,000.00	\$ 4,153.22
Food	\$ 284,623.20	\$ 293,565.29	\$ 298,000.00	\$ 4,434.71
Liquor	\$ 84,739.31	\$ 84,699.47	\$ 88,900.00	\$ 4,200.53
Retail	\$ 212,205.25	\$ 209,139.10	\$ 218,000.00	\$ 8,860.90
Misc.	\$ 76.17	\$ 57.63	\$ 100.00	\$ 42.37
<b>Total Resort Tax Revenues</b>	<b>\$ 769,850.82</b>	<b>\$ 778,308.27</b>	<b>\$ 800,000.00</b>	<b>\$ 21,691.73</b>

\* Totals recognized when earned regardless of when cash was actually received



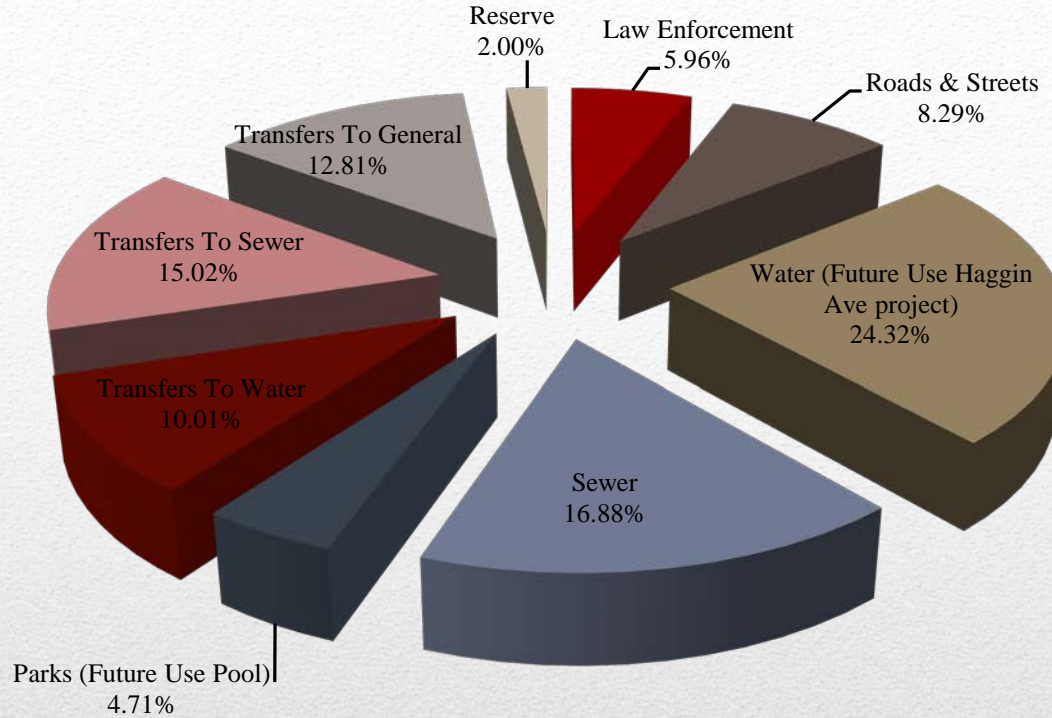
# WHERE THE MONEY GOES - FY 2019



**Resort Tax  
Where the Money Goes**

	FY 2017	FY 2018	FY 2019	Budget
	Actual	Actual	Budget	Increase (Decr)
Personnel Services	\$ 71,685.98	\$ 72,614.54	\$ -	\$ (72,614.54)
Maintenance & Operation	\$ 12,133.92	\$ 19,264.60	\$ -	\$ (19,264.60)
Purchased Services	\$ 74,449.06	\$ 68,178.81	\$ -	\$ (68,178.81)
Debt Services	\$ 176,990.24	\$ 124,463.97	\$ -	\$ (124,463.97)
Capital Outlay	\$ 73,480.94	\$ -	\$ 210,867.00	\$ 210,867.00
Transfers Out	\$ 376,575.08	\$ 446,921.48	\$ 378,000.00	\$ (68,921.48)
Future Use (Reserve)	\$ -	\$ -	\$ 409,964.00	\$ 409,964.00
<b>Total City Expenditures</b>	<b>\$ 785,315.22</b>	<b>\$ 731,443.40</b>	<b>\$ 998,831.00</b>	<b>\$ 267,387.60</b>

# WHERE THE MONEY GOES BY DEPARTMENT - FY 2019

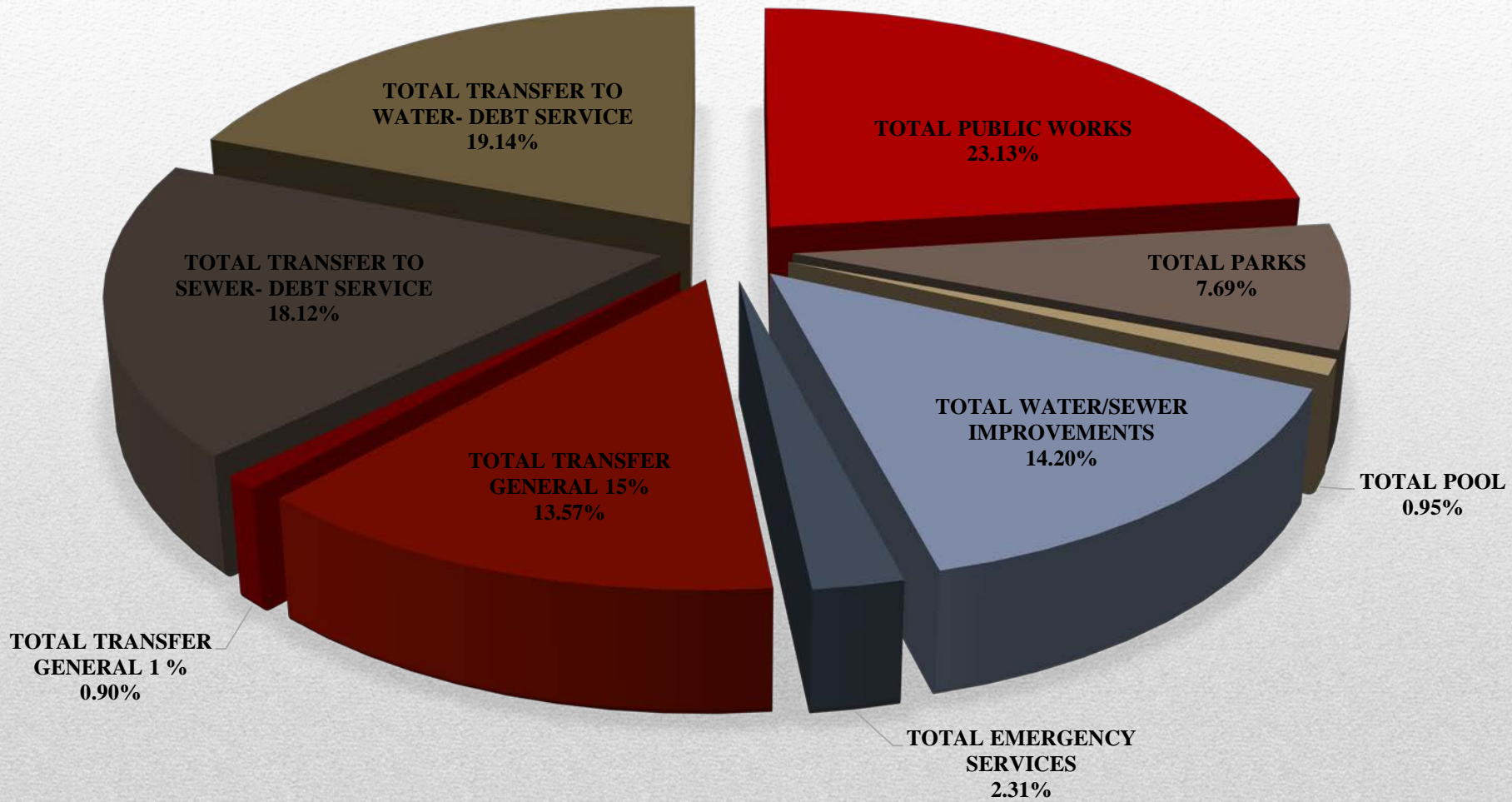


**Resort Tax**  
**Where Money Goes by Department**

	FY 2017	FY 2018	FY 2019	Budget
	Actual	Actual	Budget	Increase (Decr)
Law Enforcement	\$ 49,498.80	\$ 44,384.10	\$ 59,500.00	\$ 15,115.90
Roads & Streets	\$ 90,020.86	\$ 86,967.01	\$ 82,800.00	\$ (4,167.01)
Water (Future Use Haggin Ave project)			\$ 242,964.00	\$ 242,964.00
Sewer	\$ 1,183.76	\$ -	\$ 168,567.00	\$ 168,567.00
Parks (Future Use Pool)	\$ 91,046.48	\$ 64,373.94	\$ 47,000.00	\$ (17,373.94)
Transfers To Water	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ -
Transfers To Sewer	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ -
Transfers To General	\$ 122,054.78	\$ 124,048.25	\$ 128,000.00	\$ 3,951.75
Reserve	\$ -	\$ -	\$ 20,000.00	\$ 20,000.00
Transfer to Retirement	\$ 4,520.30	\$ 4,307.18	\$ -	\$ (4,307.18)
Debt Service	\$ 176,990.24	\$ 157,362.92	\$ -	\$ (157,362.92)
<b>Total City Expenditures</b>	<b>\$ 785,315.22</b>	<b>\$ 731,443.40</b>	<b>\$ 998,831.00</b>	<b>\$ 267,387.60</b>



# RESORT TAX EXPENDITURE APPORTIONMENTS 1991-2018



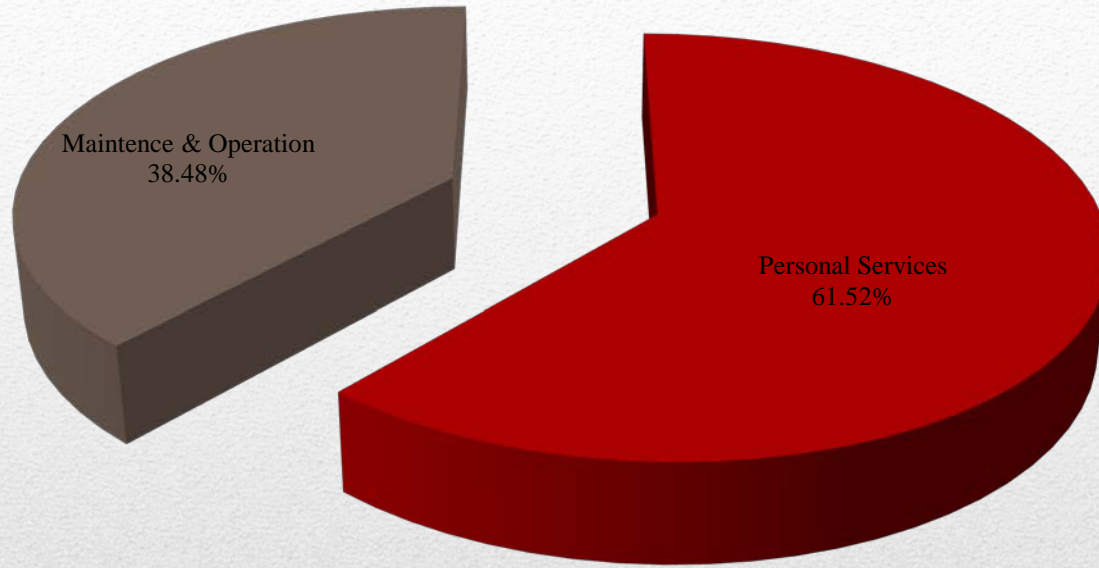
## RESORT TAX EXPENDITURE APPORTIONMENTS 1997-2018

<b>TOTAL PUBLIC WORKS</b>	<b>\$3,050,945.60</b>
<b>TOTAL PARKS</b>	<b>\$1,014,256.99</b>
<b>TOTAL POOL</b>	<b>\$125,373.34</b>
<b>TOTAL WATER/SEWER IMPROVEMENTS</b>	<b>\$1,873,068.09</b>
<b>TOTAL EMERGENCY SERVICES</b>	<b>\$304,127.33</b>
<b>TOTAL TRANSFER GENERAL 15%</b>	<b>\$1,790,426.18</b>
<b>TOTAL TRANSFER GENERAL 1 %</b>	<b>\$119,357.28</b>
<b>TOTAL TRANSFER TO SEWER</b>	<b>\$2,390,000.00</b>
<b>TOTAL TRANSFER TO WATER</b>	<b>\$2,525,229.41</b>
<b>TOTAL:</b>	<b>\$12,520,005.13</b>

---



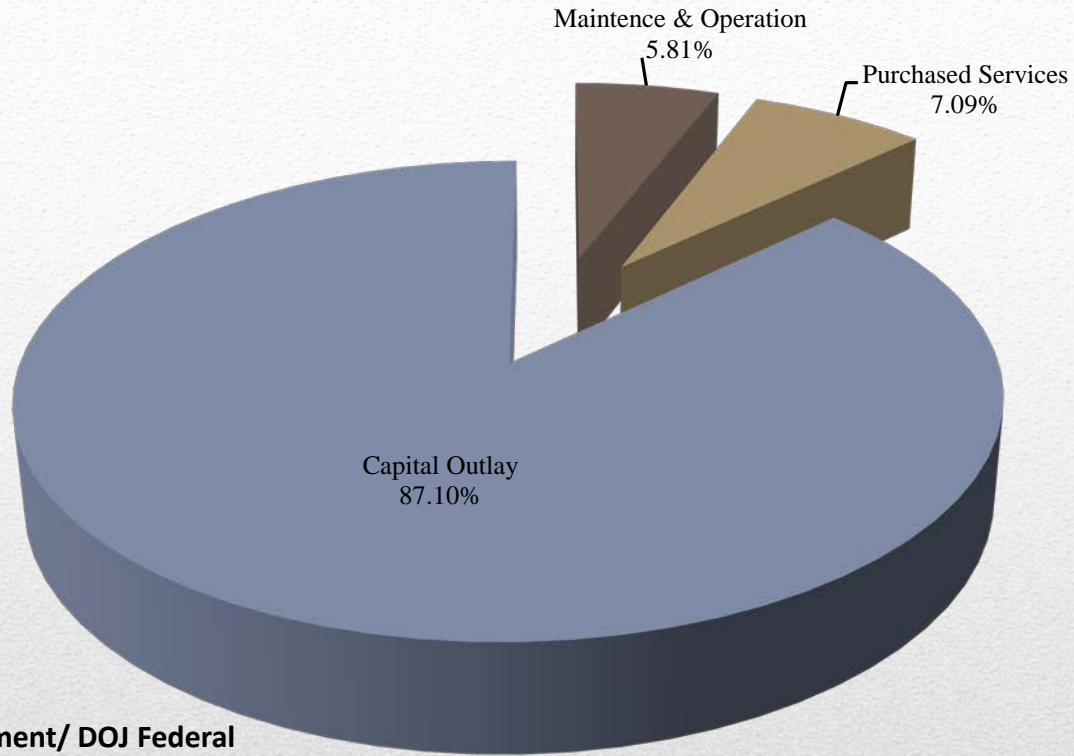
# WHERE THE MONEY GOES - FY 2019



## Special Restricted Law Enforcement/ Drug Forfeiture Where the Money Goes

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	Budget Increase (Decr)
Personal Services	\$ -	\$ 1,015.57	\$ 2,000.00	\$ 984.43
Maintenance & Operation	\$ 2,487.05	\$ 252.21	\$ 1,251.00	\$ 998.79
Purchased Services	\$ 1,345.53	\$ -	\$ -	\$ -
Capital Outlay	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures for Drug Forfeiture Fund</b>	<b>\$ 3,832.58</b>	<b>\$ 1,267.78</b>	<b>\$ 3,251.00</b>	<b>\$ 1,983.22</b>

# WHERE THE MONEY GOES - FY 2019



**Special Restricted Law Enforcement/ DOJ Federal Asset Program**  
**Where the Money Goes**

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	Budget Increase (Decr)
Personal Services	\$ -	\$ -	\$ -	\$ -
Maintenance & Operation	\$ -	\$ 700.00	\$ 1,000.00	\$ 300.00
Purchased Services	\$ -	\$ -	\$ 1,221.00	\$ 1,221.00
Capital Outlay	\$ -	\$ 11,178.50	\$ 15,000.00	\$ 3,821.50
<b>Total Expenditures for DOJ Federal Asset Program Fund</b>	<b>\$ -</b>	<b>\$ 11,878.50</b>	<b>\$ 17,221.00</b>	<b>\$ 5,342.50</b>



# Special Restricted Law Enforcement #2390

(Previously Police Department – Capital Outlay Fund)

## Where the funds came from

### **FY 1999-2000 Budget:**

Resolution 3109 – State of Montana, Crime Control Division, Grant #00-E03-80284 - \$9,000

Use of Funds: Purchase of Police Department Equipment

### **FY 2000-2001 Budget:**

Resolution 3122 – State of Montana, Crime Control Division, Grant #00-E03-80613 - \$9,936

Use of Funds: Purchase of Police Department Equipment

### **FY 2000-2001 Budget:**

Resolution 3125 – Montana Department of Transportation, Grant #01-01-03-63(154AL) - \$7,000

Use of Funds: Purchase of Police Department Two In-Car Video Camera Systems

### **FY 2002-2003 Budget:**

Resolution 3144 – State of Montana, Crime Control Division, Grant #02-E03-81294 - \$9,999

Use of Funds: Purchase of Police Department Patrol Vehicle

### **FY 2004-2005 Budget:**

Resolution 3169 – State of Montana, Crime Control Division, Grant #03-K07-81872 - \$4,203

Use of Funds: Purchase of Police Department Computer & Four Tasers

### **February 10, 2015:**

Resolution 3382 – Creation of a separate fund as a Drug Forfeiture Fund in accordance with MCA 2014 (44-12-206)

### **March 14, 2017:**

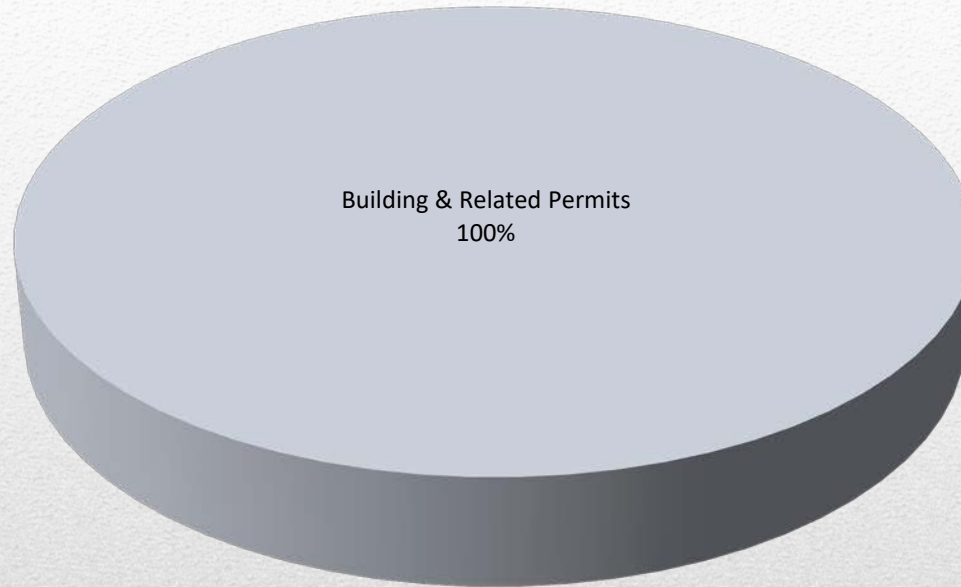
Resolution 3429 – Replace Resolution 3382 to create a separate fund known as a Drug Forfeiture Fund in accordance with MCA 2015 (44-12-213)

### **December 12, 2017:**

Resolution 3454 – Rename Drug Forfeiture Fund to Special Restricted Law Enforcement Fund with two budget accounts within it, Drug Forfeiture Account and DOJ Federal Asset Program Account.

## WHERE THE MONEY COMES FROM – FY 2019

**Building Code  
Enforcement**



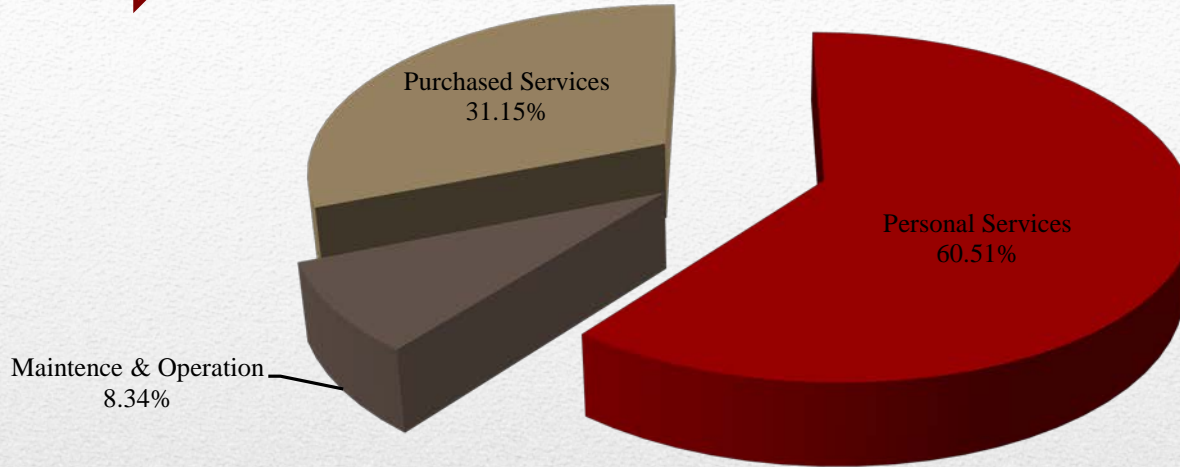
### Building Code Enforcement Where the Money Comes From

	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Increase (Decr)</b>
Building & Related Permits	\$ 28,554.70	\$ 27,518.00	\$ 28,000.00	\$ 482.00
<b>Total City Revenues for Building Fund</b>	<b>\$ 28,554.70</b>	<b>\$ 27,518.00</b>	<b>\$ 28,000.00</b>	<b>\$ 482.00</b>



**Building Code Enforcement**

**WHERE THE MONEY GOES - FY 2019**

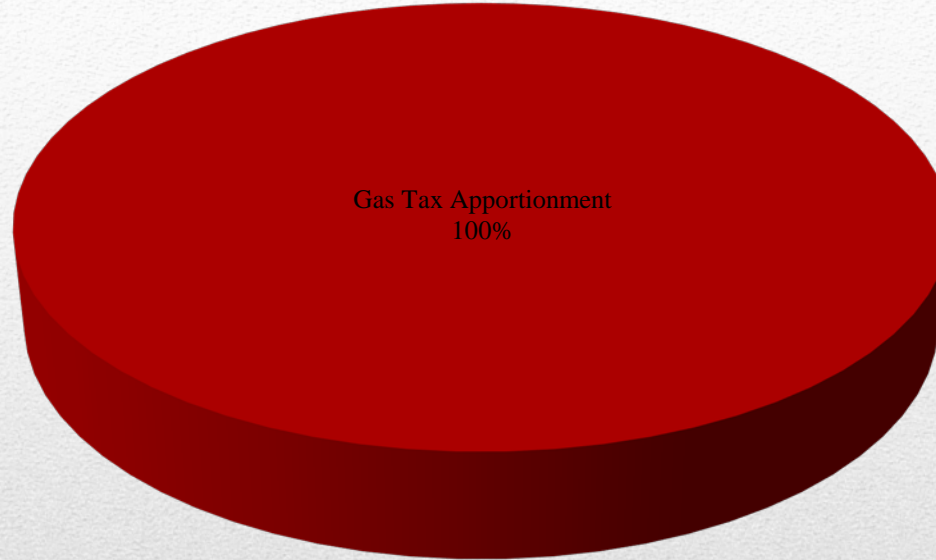


**Building Code Enforcement  
Where the Money Goes**

	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Increase (Decr)</b>
Personal Services	\$ 25,420.39	\$ 33,315.52	\$ 37,000.00	\$ 3,684.48
Maintenance & Operation	\$ 1,130.51	\$ 2,472.96	\$ 5,100.00	\$ 2,627.04
Purchased Services	\$ 11,630.70	\$ 7,426.82	\$ 19,050.00	\$ 11,623.18
Capital Outlay				\$ -
Transfers		\$ 224.67		\$ (224.67)
Debt Service				
<b>Total Expenditures for Building Fund</b>	<b>\$ 38,181.60</b>	<b>\$ 43,439.97</b>	<b>\$ 61,150.00</b>	<b>\$ 17,710.03</b>

Gas Tax

## WHERE THE MONEY COMES FROM - FY 2019



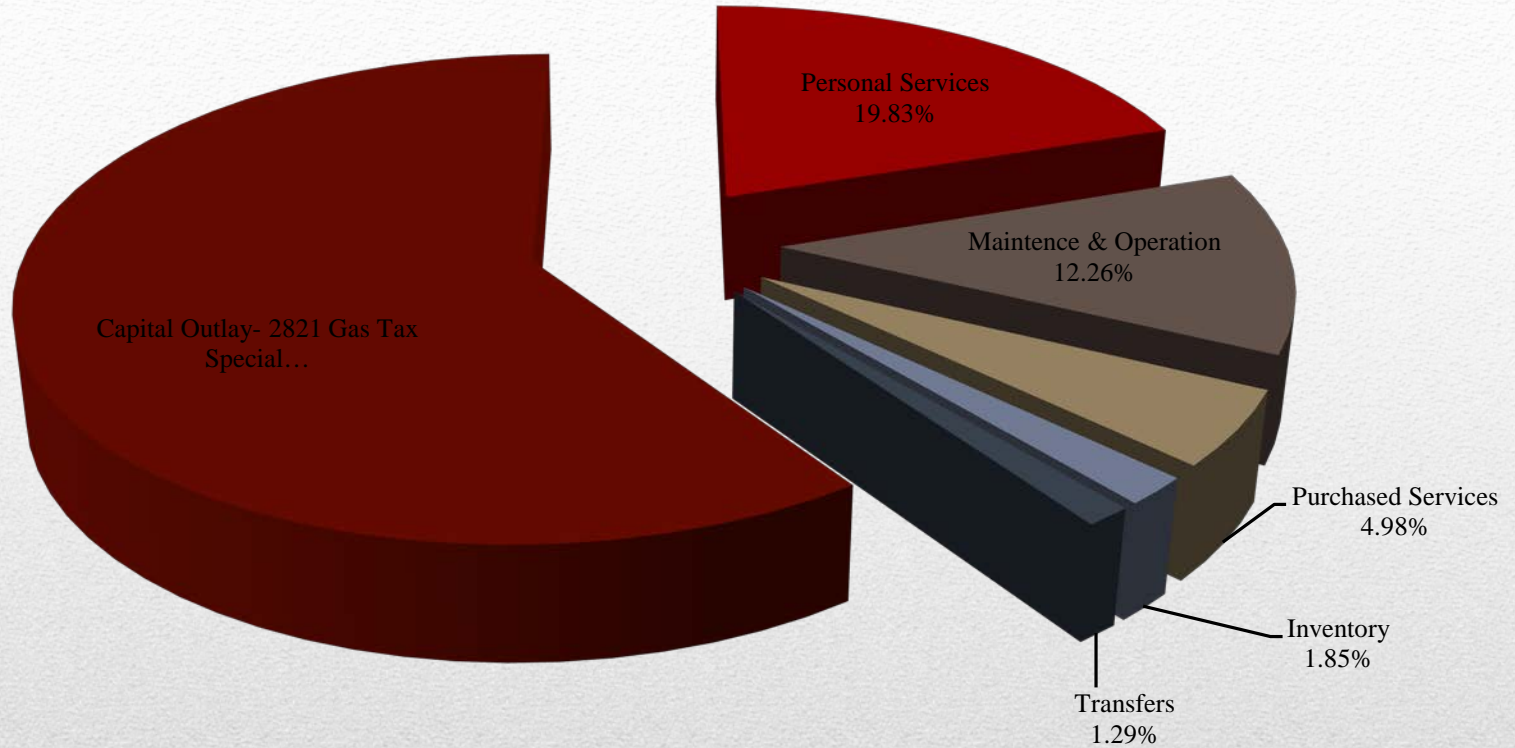
### Gas Tax Where the Money Comes From

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	Budget Increase (Decr)
Gas Tax Apportionment	\$ 59,382.47	\$ 59,539.13	\$ 59,520.00	\$ (19.13)
Misc.		\$ 4,788.84	\$ -	
<b>Total City Revenues for Gas Tax Fund</b>	<b>\$ 59,382.47</b>	<b>\$ 64,327.97</b>	<b>\$ 59,520.00</b>	<b>\$ (4,807.97)</b>



# WHERE THE MONEY GOES - FY 2019

Gas Tax



## Gas Tax Where the Money Goes

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	Budget Increase (Decr)
Personal Services	\$ 49,968.96	\$ 51,489.93	\$ 31,050.00	\$ (20,439.93)
Maintenance & Operation	\$ 18,203.59	\$ 15,386.53	\$ 19,200.00	\$ 3,813.47
Purchased Services	\$ 16,588.44	\$ 2,036.01	\$ 7,800.00	\$ 5,763.99
Inventory		\$ 155.36	\$ 2,889.00	\$ 2,733.64
Transfers	\$ 8,260.36	\$ 3,113.57	\$ 2,020.00	\$ (1,093.57)
Capital Outlay- 2821 Gas Tax Special			\$ 93,618.00	
<b>Total Expenditures for Gas Tax Fund</b>	<b>\$ 93,021.35</b>	<b>\$ 72,181.40</b>	<b>\$ 156,577.00</b>	<b>\$ 84,395.60</b>

# Capital Projects Funds

## Revenues

- Grants
- Transfers from other funds
- Sale of City Assets I.e.  
Land/buildings

## Services Provided

- Capital Improvements
- Equipment



# Enterprise Fund

An Enterprise Fund is a governmental fund type used to account for the revenues and expenses (including depreciation) of proprietary services provided by a local government on a “fee for service” basis, similar to private business enterprises, rather than on a tax supported basis. Water, wastewater (sewer) and solid waste (garbage) and ambulance services are typical examples of municipal enterprise activities.

# Enterprise Fund

## Revenues

- Utilities
  - Water
  - Sewer
  - Solid Waste

## Expenses

- Usually very CAPITAL heavy

## Reserve

- Operating and Capital.

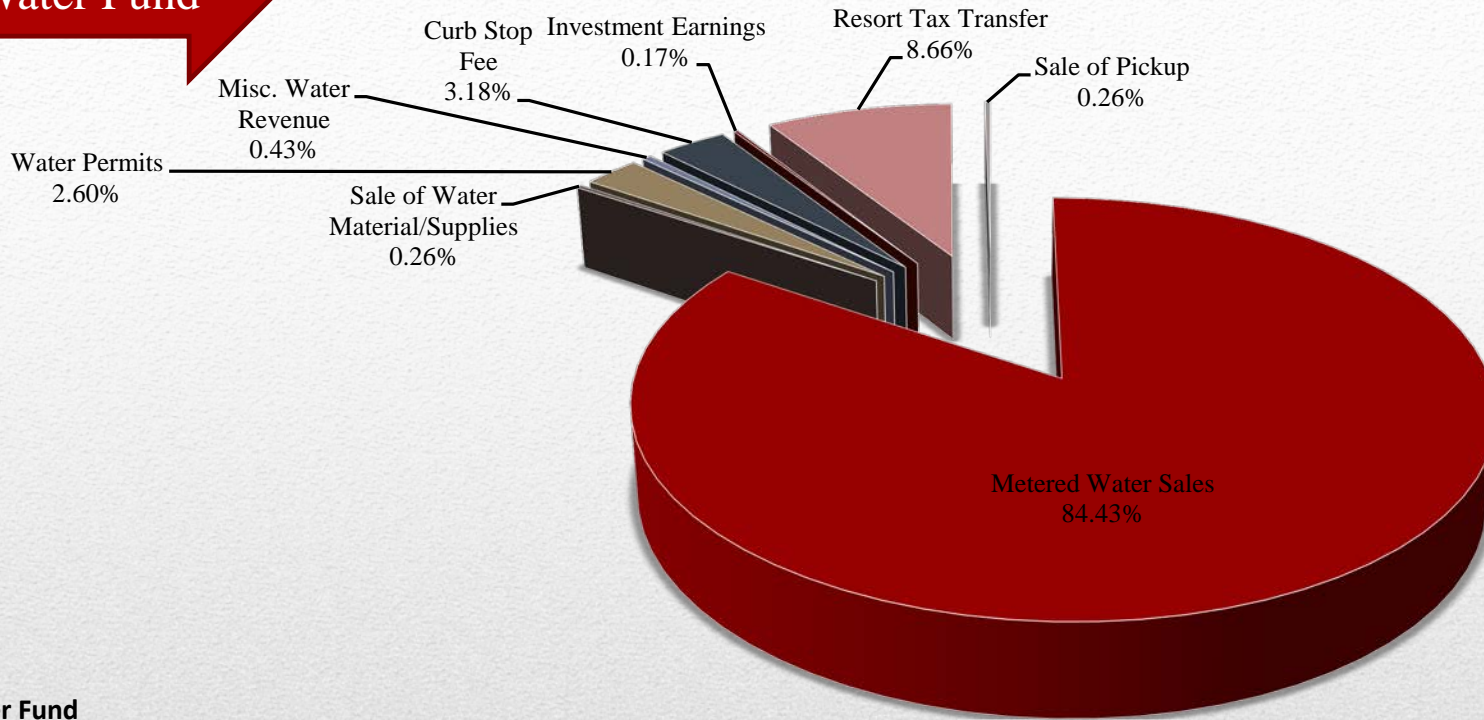
## Services Provided

- Clean water and Sanitary sewer services for property owners
- Collection and disposal of solid waste and recyclables
- Storm water collection



# Water Fund

## WHERE THE MONEY COMES FROM- FY 2019



### Water Fund Where the Money Comes From

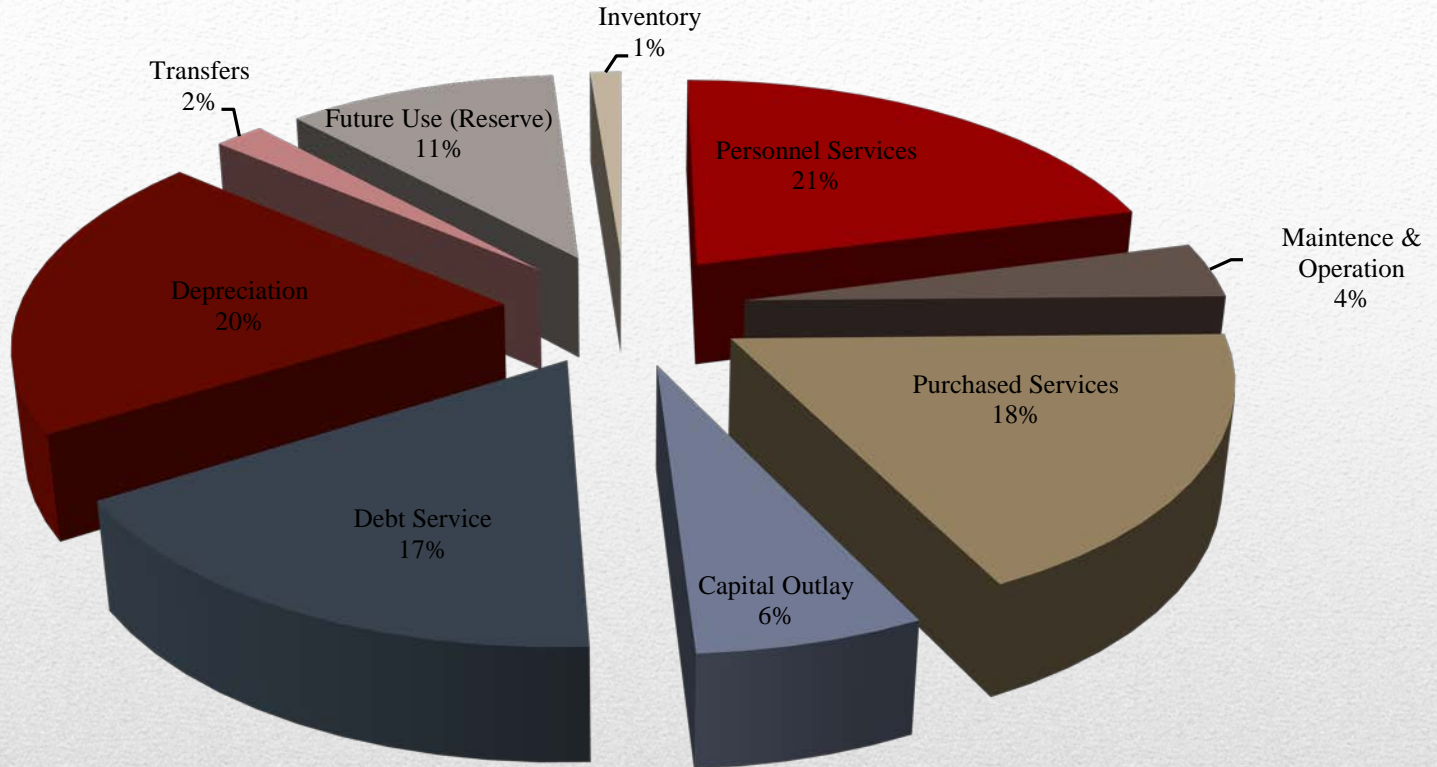
	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	Budget Increase (Decr)
Metered Water Sales	\$ 866,554.16	\$ 964,160.38	\$ 975,000.00	\$ 10,839.62
Sale of Water Material/Supplies	\$ 6,865.00	\$ 4,307.88	\$ 3,000.00	\$ (1,307.88)
Water Permits	\$ 39,350.00	\$ 23,450.00	\$ 30,000.00	\$ 6,550.00
Misc. Water Revenue	\$ 6,040.00	\$ 93,324.43	\$ 5,000.00	\$ (88,324.43)
Curb Stop Fee	\$ 36,851.93	\$ 37,515.31	\$ 36,750.00	\$ (765.31)
Investment Earnings	\$ 1,355.35	\$ 4,198.43	\$ 2,000.00	\$ (2,198.43)
Resort Tax Transfer	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ -
Sale of Pickup	\$ -	\$ -	\$ 3,000.00	\$ 3,000.00
<b>Total City Revenues for Water Fund</b>	<b>\$ 1,057,016.44</b>	<b>\$ 1,226,956.43</b>	<b>\$ 1,154,750.00</b>	<b>\$ (72,206.43)</b>

Note: Metered sales are based on the fiscal year starting July 1<sup>st</sup> through June 30<sup>th</sup>.





## Where the Money Goes - FY 2019



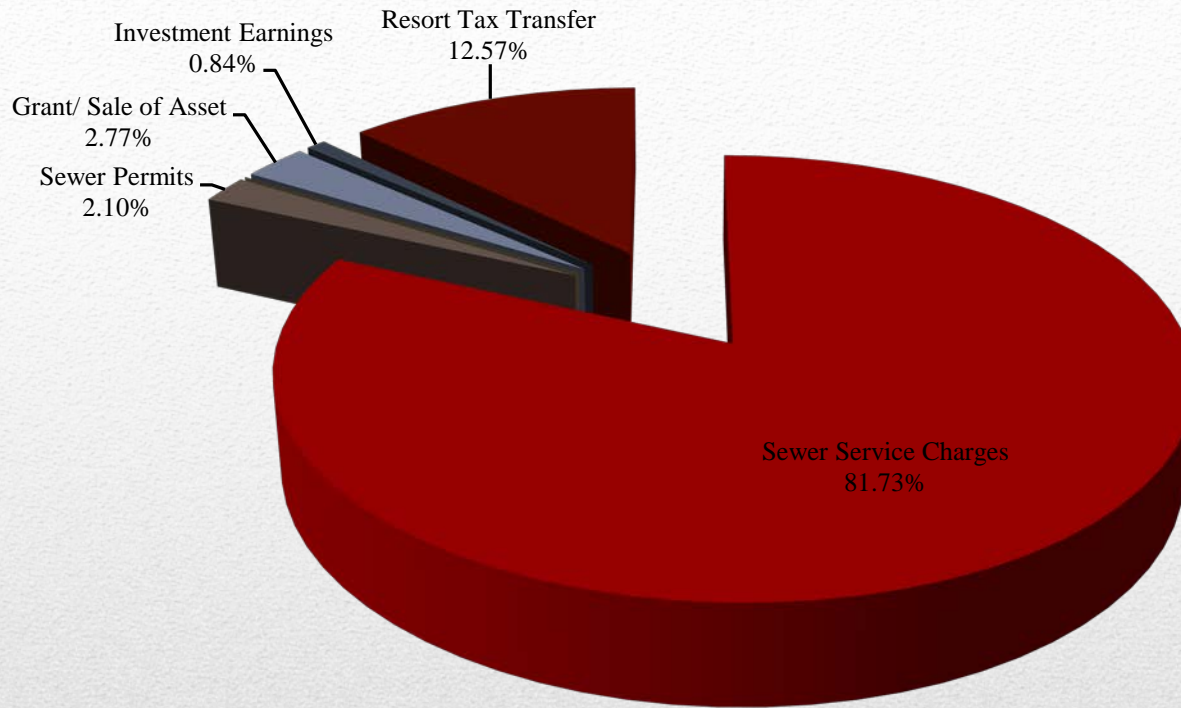
**Water Fund**  
**Where the Money Goes**

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	Budget Increase (Decr)
Personnel Services	\$ 262,160.34	\$ 280,722.36	\$ 341,782.00	\$ 61,059.64
Maintenance & Operation	\$ 38,229.87	\$ 42,772.29	\$ 63,600.00	\$ 20,827.71
Purchased Services	\$ 166,954.41	\$ 118,075.84	\$ 297,177.00	\$ 179,101.16
Capital Outlay	\$ 117,912.94	\$ -	\$ 103,500.00	\$ 103,500.00
Debt Service	\$ 230,599.72	\$ 224,047.20	\$ 278,000.00	\$ 53,952.80
Depreciation	\$ 319,418.56	\$ 323,659.00	\$ 331,000.00	\$ 7,341.00
Transfers	\$ 23,329.80	\$ 22,421.18	\$ 31,818.00	\$ 9,396.82
Future Use (Reserve)			\$ 174,300.00	
Inventory			\$ 20,000.00	
<b>Total Expenditures for Water Fund</b>	<b>\$ 1,158,605.64</b>	<b>\$ 1,011,697.87</b>	<b>\$ 1,641,177.00</b>	<b>\$ 629,479.13</b>



# WHERE THE MONEY COMES FROM - FY 2019

Sewer Fund



## Sewer Fund Where the Money Comes From

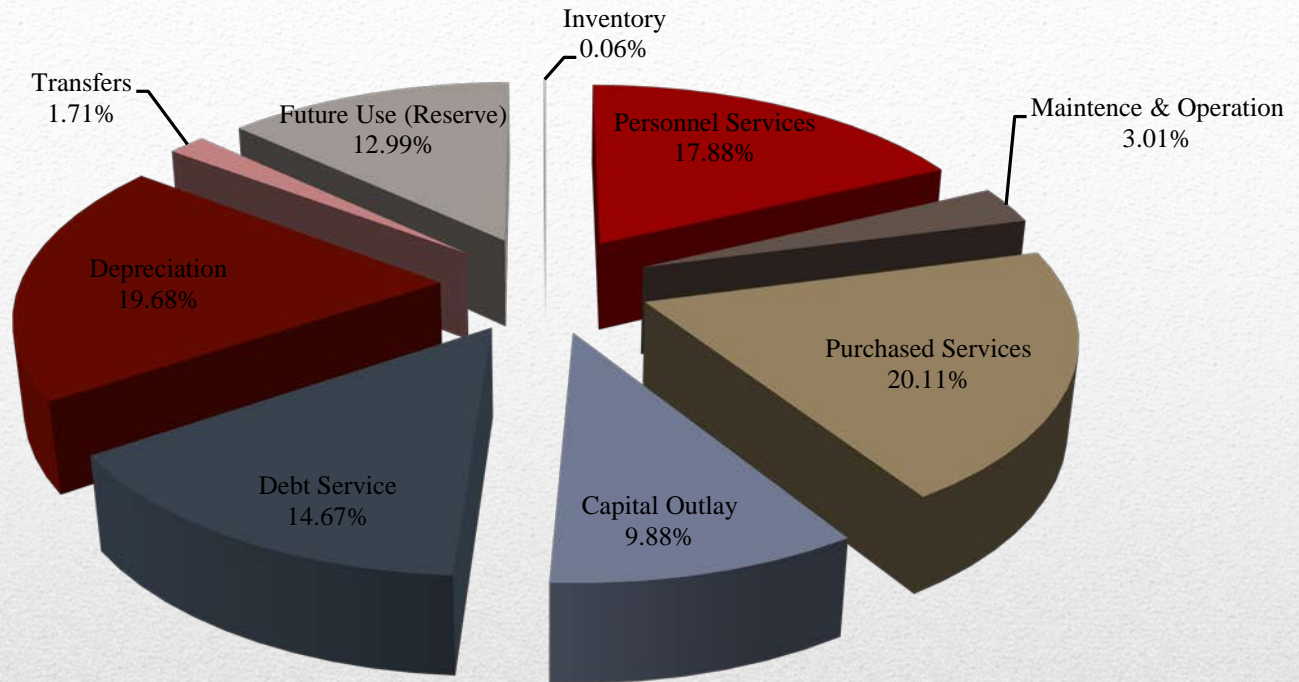
	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	Budget Increase (Decr)
Sewer Service Charges	\$ 933,121.70	\$ 1,037,445.51	\$ 975,000.00	\$ (62,445.51)
Sewer Permits	\$ 47,040.00	\$ 26,440.48	\$ 25,000.00	\$ (1,440.48)
Misc. Sewer Revenue	\$ 27,000.00	\$ -	\$ -	\$ -
Grant/ Sale of Asset	\$ 15,000.00	\$ 15,000.00	\$ 33,000.00	\$ 18,000.00
Investment Earnings	\$ 9,727.38	\$ 11,881.59	\$ 10,000.00	\$ (1,881.59)
Resort Tax Transfer	\$ 150,000.00	\$ 233,399.05	\$ 150,000.00	\$ (83,399.05)
<b>Total Revenues for Sewer Fund</b>	<b>\$ 1,181,889.08</b>	<b>\$ 1,324,166.63</b>	<b>\$ 1,193,000.00</b>	<b>\$ (131,166.63)</b>

Note: Sewer Service Charges are based on the fiscal year starting July 1<sup>st</sup> through June 30<sup>th</sup>.





# WHERE THE MONEY GOES- FY 2019



**Sewer Fund  
Where the Money Goes**

	FY 2017	FY 2018	FY 2019	Budget
	Actual	Actual	Budget	Increase (Decr)
Personnel Services	\$ 343,972.71	\$ 322,154.76	\$ 319,282.00	\$ (2,872.76)
Maintenance & Operation	\$ 35,525.47	\$ 26,366.49	\$ 53,800.00	\$ 27,433.51
Purchased Services	\$ 177,875.48	\$ 210,827.37	\$ 359,100.00	\$ 148,272.63
Capital Outlay	\$ 136,405.57	\$ -	\$ 176,500.00	\$ 176,500.00
Debt Service	\$ 126,652.43	\$ 129,180.07	\$ 262,000.00	\$ 132,819.93
Depreciation	\$ 300,000.00	\$ 294,724.00	\$ 351,500.00	\$ 56,776.00
Transfers	\$ 28,396.36	\$ 23,940.31	\$ 30,618.00	\$ 6,677.69
Future Use (Reserve)	\$ -	\$ -	\$ 232,006.00	\$ 232,006.00
Inventory			\$ 1,000.00	
<b>Total Sewer Expenditures</b>	<b>\$ 1,148,828.02</b>	<b>\$ 1,007,193.00</b>	<b>\$ 1,785,806.00</b>	<b>\$ 778,613.00</b>



**Water**

**Sewer**

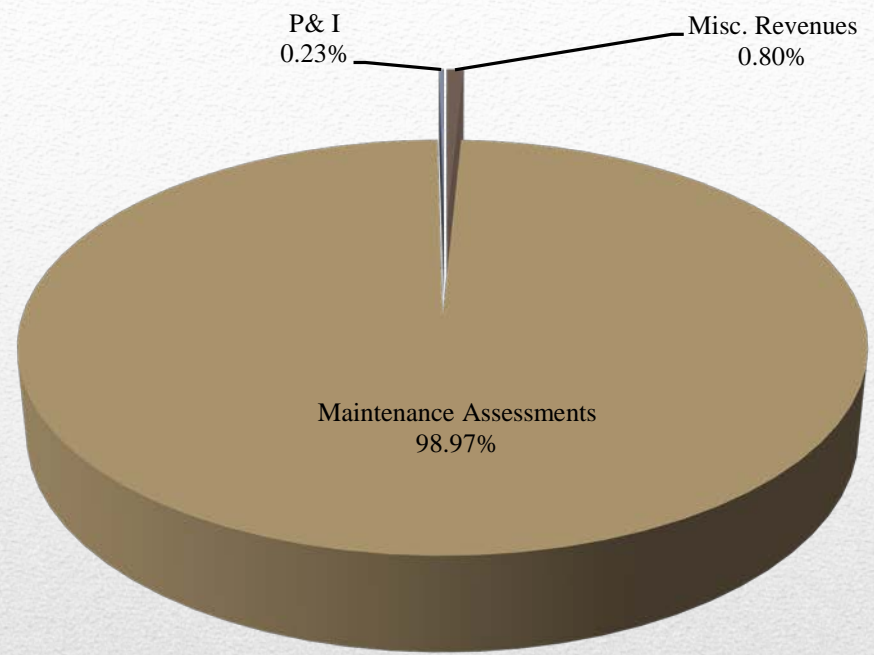
	2014/2015	2015/2016	2016/2017	2017/2018
	(pre-increase)	(with rate increase)		
August	\$95,108.21	\$94,034.82	\$110,506.90	\$111,065.77
September	\$109,058.72	\$98,451.62	\$119,580.38	\$116,316.87
October	\$71,202.03	\$96,457.68	\$94,629.99	\$105,498.97
November	\$57,922.44	\$64,785.16	\$66,106.16	\$73,711.45
December	\$62,223.29	\$54,891.20	\$62,224.23	\$68,422.03
January	\$53,657.18	\$54,259.23	\$59,878.45	\$69,102.28
February	\$54,620.33	\$57,195.58	\$63,618.96	\$105,754.75
March	\$54,237.52	\$63,035.86	\$62,914.06	\$79,119.16
April	\$54,750.29	\$56,067.17	\$58,662.01	\$63,701.35
May	\$52,456.34	\$50,741.80	\$62,396.39	\$74,080.17
June	\$55,371.93	\$60,286.05	\$65,396.21	\$64,482.33
July	\$64,508.90	\$64,662.01	\$79,670.91	\$81,319.78
<b>Total</b>	<b>\$785,117.18</b>	<b>\$814,868.18</b>	<b>\$905,584.65</b>	<b>\$1,012,574.91</b>
Change from 2014/2015 (YTD)		\$29,751.00	\$120,467.47	
% change from 2014/2015 (YTD)		3.80%	22.46%	
culmative change			\$150,218.47	
Projected annual collections:				
EDU FY 2015-2016 capital adjustment = \$20,496 x \$0 = \$0				
EDU FY 2016-2017 capital adjustment = \$20,496 x \$2.81 = \$57,593.76				
EDU FY 2017-2018 capital adjustment = \$20,496 x \$5.63 = \$115,392.48				
EDU FY 2018-2019 capital adjustment= \$20,496 x 9.85 = \$201,885.60				
EDU FY 2019-2020 capital adjustment= \$20,496 x 14.07 = \$288,378.72				

	2014/2015	2015/2016	2016/2017	2017/2018
	(pre-increase)	(with rate increase)		
August	\$45,990.80	\$76,855.63	\$86,680.32	\$89,928.82
September	\$42,442.47	\$77,622.92	\$88,204.71	\$92,356.56
October	\$44,008.55	\$78,840.11	\$82,312.81	\$88,626.80
November	\$41,201.09	\$66,007.96	\$70,300.91	\$77,550.17
December	\$47,470.08	\$65,893.92	\$71,063.74	\$75,971.00
January	\$44,408.61	\$63,313.47	\$68,920.77	\$78,181.47
February	\$45,034.34	\$66,690.85	\$69,853.67	\$88,637.39
March	\$45,082.91	\$63,904.90	\$71,390.82	\$85,420.03
April	\$43,985.93	\$65,277.21	\$67,761.09	\$66,699.71
May	\$44,565.65	\$61,446.64	\$71,228.84	\$86,068.31
June	\$43,809.16	\$69,621.64	\$73,588.06	\$71,093.18
July	\$41,802.04	\$60,713.29	\$75,586.98	\$84,781.51
<b>Total</b>	<b>\$529,801.63</b>	<b>\$816,188.54</b>	<b>\$896,892.72</b>	<b>\$985,314.95</b>
Change from 2014/2015 (YTD)		\$286,386.91	\$367,091.09	
% change from 2014/2015 (YTD)		54.06%	46.23%	
culmative change			\$653,478.00	
Projected annual collections:				
EDU FY 2015-2016 capital adjustment = \$21,132 x \$10.82 = \$228,648.24				
EDU FY 2016-2017 capital adjustment = \$21,132 x \$13.55 = \$286,338.60				
EDU FY 2017-2018 capital adjustment = \$21,132 x \$16.28 = \$344,028.96				
EDU FY 2018-2019 capital adjustment= \$21,132 x \$20.38 = \$430,670.16				
EDU FY 2018-2019 capital adjustment= \$21,132 x \$24.48 = \$517,311.36				

NOTES:  
 Collections for rate adjustment made on July 1, 2015 reported first in the August billing.  
 Total collections also include service/user charge fees in addition to the EDU capital adjustment.  
 A \$2 curb stop fee generates an additional \$2,800 - \$3,000 per month that is not reflected in the collections.  
 Source: Total Water Collections and Total Sewer Collections from monthly Clerk's report.  
 Source: EDU capital adjustments from the Water and Sewer Rate Study prepared by Great West Engineering.



## WHERE THE MONEY COMES FROM - FY 2019



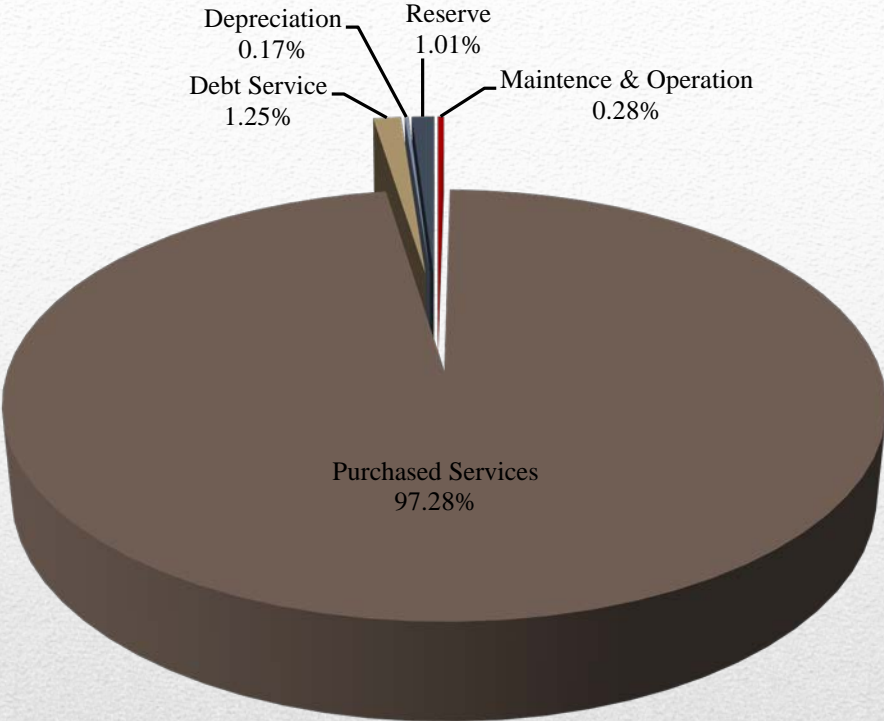
**Solid Waste  
Where the Money Comes From**

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	Budget Increase (Decr)
Garbage Collection	\$ 635.18	\$ -	\$ -	\$ -
Misc. Revenues	\$ 3,767.76	\$ 4,040.16	\$ 3,500.00	\$ (540.16)
Maintenance Assessments	\$ 422,944.68	\$ 432,025.66	\$ 432,000.00	\$ (25.66)
P&I	\$ 896.02	\$ 988.08	\$ 1,000.00	\$ 11.92
<b>Total City Revenues for Solid Waste Fund</b>	<b>\$ 428,243.64</b>	<b>\$ 437,053.90</b>	<b>\$ 436,500.00</b>	<b>\$ (553.90)</b>





# WHERE THE MONEY GOES - FY 2019



**Solid Waste  
Where the Money Goes**

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	Budget Increase (Decr)
Maintenance & Operation	\$ 406.99	\$ 833.45	\$ 1,300.00	\$ 466.55
Purchased Services	\$ 410,788.34	\$ 446,815.56	\$ 450,660.00	\$ 3,844.44
Debt Service	\$ 566.33	\$ 900.00	\$ 5,800.00	\$ 4,900.00
Depreciation	\$ 740.74	\$ 740.00	\$ 800.00	\$ 60.00
Reserve	\$ -	\$ -	\$ 4,684.00	\$ 4,684.00
<b>Total Expenditures for Solid Waste Fund</b>	<b>\$ 412,502.40</b>	<b>\$ 449,289.01</b>	<b>\$ 463,244.00</b>	<b>\$ 13,954.99</b>

# Fiduciary Funds

- Trust Funds are established to account for assets received and held for the government acting as a custodian. They are normally subject to complex administrative and financial provisions outlined in the trust agreement and may be in existence for a long period of time. Examples of Trust Funds are: public retirement funds, special deposit funds, and funds for gifts or bequests.
- Agency Funds are primarily clearing devices for cash collected for other governments or agencies and are distributed within a short period of time.



# Trust Fund

## Revenues

- Private Purpose Trust

## Services Provided

- Cemetery Trust

# Agency Fund

## Revenues

- Tourism Business Improvement District (TBID)

## Services Provided

- Promoting and marketing the City of Red Lodge and the businesses within



# Taxable Value

## What is a Mill?

- A mill is the traditional unit for expressing property tax rates. It is:
  - $1/10$  of a percent (10 mills = 1%)
  - one-thousandth ( $1/1000$ ) of a dollar
  - \$1 tax per \$1,000 of taxable valuation

# 2018 Certified Taxable Value from Montana Department of Revenue



MONTANA  
Form AB-72T  
Rev. 3-12

## 2018 Certified Taxable Valuation Information

(15-10-202, MCA)  
Carbon County  
City of Red Lodge

Certified values are now available online at [property.mt.gov/cov](http://property.mt.gov/cov)

1. 2018 Total Market Value <sup>1</sup> .....	\$	451,458,151
2. 2018 Total Taxable Value <sup>2</sup> .....	\$	7,078,483
3. 2018 Taxable Value of Newly Taxable Property.....	\$	162,724
4. 2018 Taxable Value less Incremental Taxable Value <sup>3</sup> .....	\$	7,078,483
5. 2018 Taxable Value of Net and Gross Proceeds <sup>4</sup> (Class 1 and Class 2).....	\$	-

6. TIF Districts

Tax Increment District Name	Current Taxable Value <sup>2</sup>	Base Taxable Value	Incremental Value

Total Incremental Value \$ \_\_\_\_\_ -

Preparer TAMMY BOWLING

Date 8/1/2018

<sup>1</sup>Market value does not include class 1 and class 2 value

<sup>2</sup>Taxable value is calculated after abatements have been applied

<sup>3</sup>This value is the taxable value less total incremental value of all tax increment financing districts

<sup>4</sup>The taxable value of class 1 and class 2 is included in the taxable value totals

**For Information Purposes Only**

2018 taxable value of centrally assessed property having a market value of \$1 million or more, which has transferred to a different ownership in compliance with 15-10-202(2), MCA.

I. Value Included in "newly taxable" property	\$ _____ -
II. Total value exclusive of "newly taxable" property	\$ _____ -



# Budget Resolution

**RESOLUTION NO. 3492**

**A RESOLUTION OF THE CITY OF RED LODGE, MONTANA APPROVING AND ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2018-2019, AS PROPOSED BY THE RED LODGE CITY COUNCIL ON AUGUST 28, 2018.**

**WHEREAS**, the Carbon County Assessor reported that the taxable valuation of the City of Red Lodge for Fiscal Year 2018-2019 is \$7,078,483 and

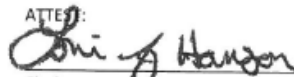
**WHEREAS**, the City Council adopted the Final Budget for Fiscal Year 2018-2019 and a public hearing was held on August 28, 2018 at 6:00 p.m. and written protests were reviewed.

**NOW THEREFORE, BE IT RESOLVED** that the following Final Budget for Fiscal Year 2018-2019 is hereby adopted and the total mill levy set at 113.45.

Fund Name	Total Requirement	Non-Tax Resources	Property Tax Revenue	Mills
1000 General	1,953,204	1,264,327	688,877	97.32
2190 Comp. Ins.	74,901	67,823	7,078	1.00
2371 Health Ins.	95,533	2,593	92,940	13.13
2372 PERS	80,895	73,817	7,078	1.00
2375 Police Retire	58,000	50,922	7,078	1.00
2100 Resort Tax	998,831	998,831		
2220 Library	145,066	145,066		
2390 Spec. Rest. Law Enf	20,472	20,472		
2394 Bldg. Code Enf.	61,150	61,150		
2396 CDBG/HOME	94,798	94,798		
2500 CCE SID	920,550	920,550		
2820 Gas Tax	62,959	62,959		
3020 CCE Levy Fund	113,515	113,515		
4030 Capt. Proj.	345,279	345,279		
4031 Ceme.Cpt.Imp.	3,100	3,100		
5210 Water Opert.	1,641,177	1,641,177		
5310 Sewer Opert.	1,785,806	1,785,806		
5410 Solid Waste	463,244	463,244		
7010 Ceme. Trust	4,994	4,994		
<b>Total</b>	<b>9,017,591</b>	<b>6,261,147</b>	<b>803,051</b>	<b>113.45</b>

PASSED and APPROVED by the City Council and approved by the Mayor on this 28th day of August, 2018.

  
Mayor

ATTEST:  
  
Clerk

# Definitions

**Appropriation-** An authorization by the governing body enabling local government departments to make expenditures or to incur financial obligations for a specific public purpose. The expenditure authorization for each fund is limited to the fiscal year of the approved budget and may not be exceeded except by lawful amendment of the budget by the governing body.

**Budget-** 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 well-being needs of the city/town or county during a specific fiscal year. A “line item budget” is formatted by object code to document the source of revenues as well as the departmental origin and purpose of expenditures. A “program/performance budget” includes the necessary accounting detail but is expanded to provide documentation of the funded program objectives and the associated performance measures that will be used to evaluate the outcomes and public benefits to be derived from the budgeted expenditures.

**Capital Improvement Program (CIP)-** A method provided by law (7-6-616, MCA) for funding the replacement, improvement or acquisition of local government property, facilities and equipment that costs in excess of \$5,000 and has a life expectancy of five years or more.

**Capital Outlay -** A basic classification of expenditure by object, applicable to outlays which result in the acquisition of right to, or addition to, fixed assets, including cost incidental hereto such as legal, appraisal and brokerage fees, land preparation and demolishing building, fixtures, and delivery costs.

**Debt Service-** A basic classification of expenditure by object representing outlays for the repayment of debt or for related charges.

**Depreciation-** The systematic allocation of the depreciable amount of an asset over its useful life.

**Enterprise Fund-** A governmental fund type used to account for the revenues and expenses (including depreciation) of proprietary services provided by a local government on a “fee for service” basis, similar to private business enterprises, rather than on a tax supported basis. Water, wastewater (sewer), solid waste (garbage) and ambulance services are typical examples of municipal enterprise activities.



# Definitions

**General Fund-** A fund used to account for the ordinary operations of a local government, which is financed by property taxes and other non-tax, general revenues and not accounted for in another governmental fund.

**Grants, Contributions, Indemnities & Other-** A basic classification of expenditure by object for payments made to institutions or civic organization.

**Property Tax Mill-** One thousandth of the total property tax valuation of a taxing jurisdiction. The mill is used to apportion the costs of providing government services in proportion to the taxable value of property owned by the taxpayer. Thus, if the total taxable valuation of a city is \$2,000,000, a one mill levy would yield \$2,000 in property tax revenue ( $\$2,000,000 \div 1,000$ ). By the same token, if a residence has a taxable value of \$5,000, a one mill levy on the property would yield \$5.00 in property tax revenue. If the mill levy required to balance the city/town budget is 100 mills, the municipal property tax on that same residence would be  $100 \times \$5.00$ , or \$500.00, which would be added to the county, school and state mill levies.

**Purchased Services-** A basic classification by object for services other than personal services which are required by the governmental unit in the administration of its assigned functions or which are legally or orally obligatory on the government unit.

**Taxable Valuation-** The portion (percentage) of the “appraised value” of any property that is subject to a property tax mill levy. Both the “appraised value” and the resulting “taxable value” are determined by periodic appraisals conducted by the Montana Department of Revenue applying a “tax rate” enacted by the legislature and furnished to all units of local government as annual, certified “taxable values” lying within the local government’s jurisdiction. The taxable value is the basis for the local government’s mill value which, as noted above, is the taxable value of the jurisdiction divided by 1,000.

**Unreserved Fund Balance-** For governmental funds, the fiscal year end cash, less outstanding liabilities (column 11 Estimated Ending Cash Balance). For Enterprise Funds, the fund balance is designated the Unreserved Retained Earnings. This is an important trend indicator of the financial soundness of a governmental fund or unit of government