



Cascade County Fiscal Year 2015-2016

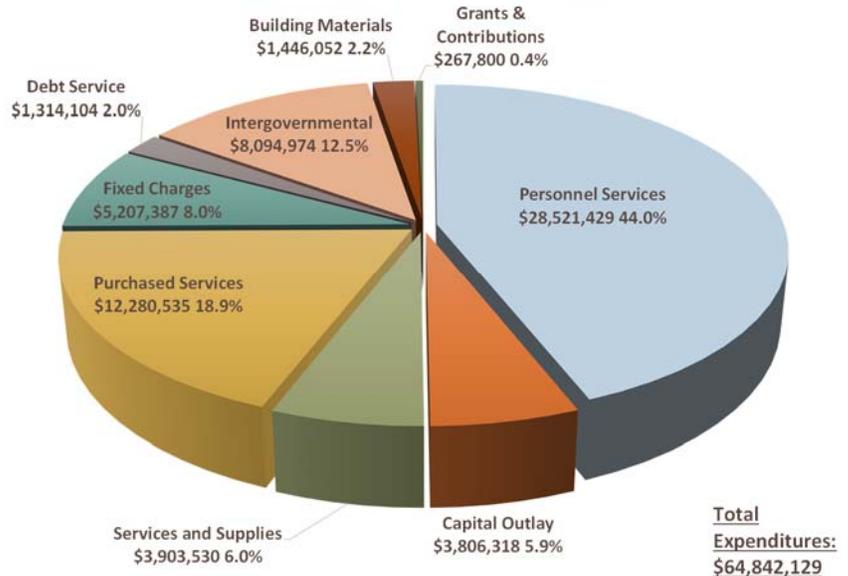
Annual Operating Budget and Capital Improvements Plan

The Fiscal Year (FY) 2015/16 Cascade County budget contains approximately \$64.8 million of expenditures across all funds. This constitutes an approximately 2.3% increase over the FY 2014/15 amended budget. The increase constitutes base increases of approximately \$400,000 and personnel services increases of approximately 3.3% over the previous year. In addition, the FY 2015/16 capital improvement program totals \$3.8 million.

Capital funding includes \$1.75 million of funding over two years for the Court-

house Roof Replacement and approximately \$460,000 for County office space upgrades and building improvements. Personnel services comprises \$28.5 million, or 44% of the total operating budget of the County. Purchased services is \$12.3 million, or 19% of the budget. Intergovernmental, fixed charges and debt service expenditures combined total nearly \$14.6 million, or around 23% of the total budget. Services and supplies comprise \$3.9 million. Smaller categories include building materials and outside entity grants and contributions.

FY 2016 Expenditures By Category



Cascade County Total Expenditures

	FY 2015 Amended Budget	FY 2016 Budget	% change
Personnel Services	\$27,617,035	\$28,521,429	3.3%
Capital Outlay	\$3,270,778	\$3,806,318	16.4%
Services and Supplies	\$3,999,321	\$3,903,530	-2.4%
Purchased Services	\$13,098,712	\$12,280,535	-6.2%
Fixed Charges	\$5,008,348	\$5,207,387	4.0%
Debt Service	\$1,298,574	\$1,314,104	1.2%
Intergovernmental	\$7,483,263	\$8,094,974	8.2%
Building Materials	\$1,351,321	\$1,446,052	7.0%
Grants & Contributions	\$268,400	\$267,800	-0.2%
Total Expenditures	\$63,395,752	\$64,842,129	2.3%

Cascade County Expenditures by Service

Cascade County provides a variety of services to its residents such as Public Health, Public Safety, Aging Services, Health Clinic, and Roads. County operations are broken down as follows:

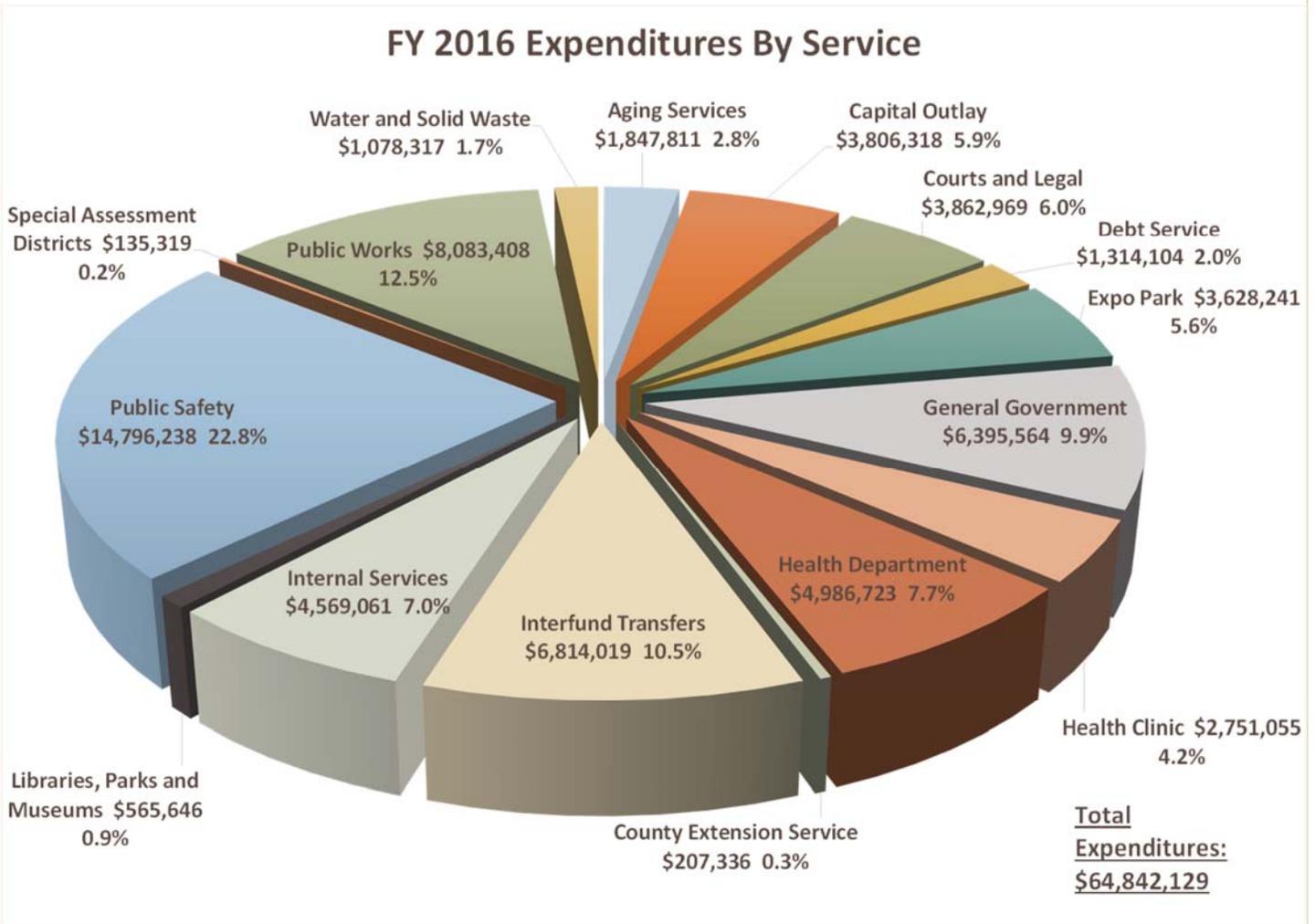
- General Government– Includes County Commission, Clerk/Recorder, Elections, Treasurer-Vehicle Registration, Superintendent of Schools, the Public Administrator and Soldier/Indigent Burial. This category also contains central services critical to County operations such as Human Resources, Finance & Accounting, Information Technology and Risk Management.
- Public Safety– Includes the Sheriff's Department, Adult Detention Center, County Constable, Juvenile Detention Center and Disaster and Emergency Services.
- Courts and Legal Services– Includes the Justice Court, the District Court and the County Attorney's office.
- Public Works– All road and bridge maintenance, construction, and engineering. The Planning Department and GIS are also under the department. Includes facilities maintenance for County buildings. Also includes maintenance for military corridors throughout the County. The department also administers the County's capital improvement and equipment program.
- City/County Health Department–Administers all health programs in the county including grant programs and the Women and Infant Child (WIC) program. The County's environmental health sanitarians are part of the department.
- Montana ExpoPark– Manages the fairgrounds and organizes and operates the annual Montana State Fair and all events and facility rentals on the property throughout the year.
- Cascade County Community Health Care Center (Clinic)–Operates a full service health clinic open to all County residents.
- Aging Services– Operates a wide range of aging programs throughout the County including senior transportation, meals on wheels, congregate meals and many other services. The department also provides support for five senior centers throughout the County.
- Water and Solid Waste Enterprises– The County provides eight solid waste sites throughout the County and three coin-operated water dispensing facilities.



- Libraries, Parks and Museums– The County contributes tax funding to the City/County library as well as funding to the Belt Library and Wedsworth Library in Cascade. The County also provides tax funding to the Paris Gibson Square and the History Museum.

- County Extension– Provides a full range of agricultural services in the Community, partially funded and managed by Montana State University. Operates the Cascade County 4-H program.
- Special Assessment Districts– The County manages several property-owner approved special assessment districts throughout the county including road maintenance, street lighting and water/sewer improvements.

The following chart breaks down all County expenses for FY 2016:



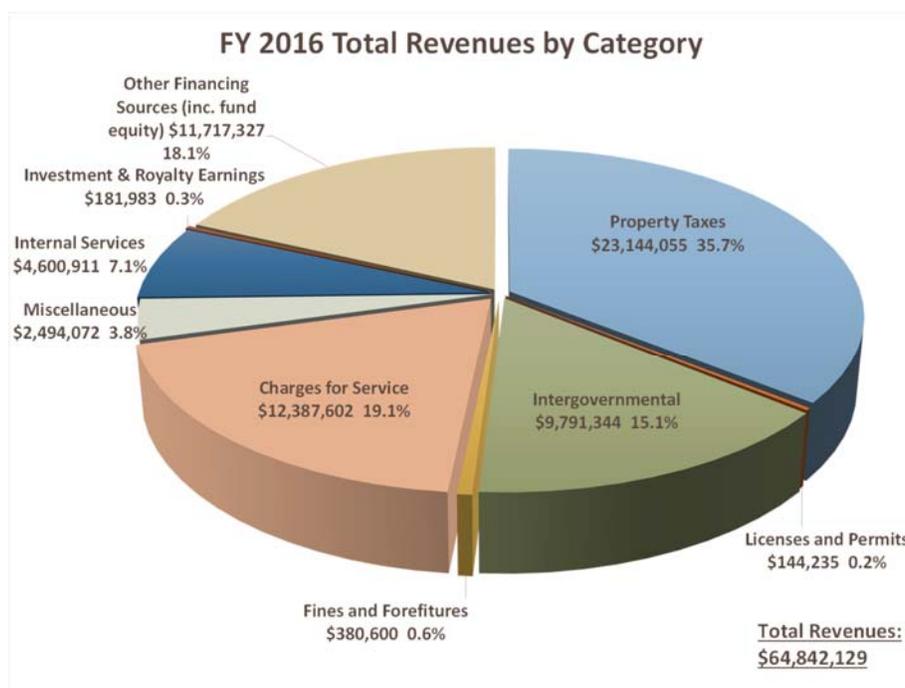
The largest expense is Public Safety at \$14.8 million or 23% of all County expenditures. This figure includes the operation of the Adult Detention Center which houses state and federal inmates that the County receives reimbursement for. Public Works is \$8.1 million plus \$3.8 million of Capital Projects or 18.4% of total expenditures. General Government plus Courts and Legal total \$10.2 million or 15.9% of the total budget. The Health Department and Health Clinic combine to total \$7.7 million in annual expenditures or 11.9% of the total budget. Interfund transfers, or transfers from one fund to another account for \$6.8 million or 10.5% of the total budget. Internal service funds including employee health insurance and fleet accounts for \$4.6 million or 7% of the total budget. The Montana Expo Park contains \$3.6 million of annual expenditures or 5.6% of the total budget. Aging Services accounts for \$1.8 million or 2.85% of the total budget.

Cascade County Revenues

Cascade County Revenues are grouped in the following categories:

- Property Taxes– Includes all real and personal property taxes that the County receives annually, including penalties and interest. Includes vehicle registration fees and state entitlement share money.
- Charges for Service– Includes all fees that the County collects including Health Clinic visits, state and federal inmate reimbursement at the Adult Detention Center,
- Intergovernmental– Includes all government revenues outside Cascade County including state and federal grants and reimbursements (excluding the Adult Detention Center).
- Fines and Forfeitures– Includes all County and Sherriff department fines and property seizures such as drugs.
- Licenses and Permits– Includes all fees collected by the County for building permits, health/sanitation licenses, alcohol licenses and all other permitting.
- Internal Services– Includes revenues for internal service funds including Fleet, health and property and casualty insurance and county printer.
- Miscellaneous– Includes donations, contributions and other revenues. For example, an estimated \$496,000 of revenue generated by the sale of the West Bank property within the County falls under this category.
- Other Financing Sources– Includes interfund transfers and appropriated “carry-over” fund balances from previous years.
- Investment and Royalty Earnings– All revenue generated by County investments, including interest payments on internal interfund loans.

The following chart breaks down the County revenues by Category:



Property taxes account for \$23.1 million or 35.7% of all County revenues. Charges for service accounts for \$12.3 million or 19.1% of total revenues. Other financing sources including transfers in, appropriated "carry-over" fund balances account for \$11.7 million or 18.1% of the total budget. Intergovernmental support counts for \$9.8 million or 15.1% of total revenues. Internal service revenue accounts for \$4.6 million or 7.1% of total revenues.

The following chart compares the FY 2016 budgeted revenues with the FY 2015 amended budget:

Cascade County Total Revenues			
	FY 2015 Amended Budget	FY 2016 Budget	% change
Property Taxes	\$22,206,420	\$23,144,055	4.2%
Licenses and Permits	\$130,802	\$144,235	10.3%
Intergovernmental	\$9,093,785	\$9,791,344	7.7%
Fines and Forfeitures	\$380,600	\$380,600	0.0%
Charges for Service	\$13,314,662	\$12,387,602	-7.0%
Miscellaneous	\$2,839,328	\$2,494,072	-12.2%
Internal Services	\$4,173,805	\$4,600,911	10.2%
Investment & Royalty Earnings	\$6,250	\$181,983	2811.7%
Other Financing Sources (inc. fund equity)	\$11,250,100	\$11,717,327	4.2%
Total Revenues	\$63,395,752	\$64,842,129	2.3%

Cascade County Employees

The following chart reflects employee counts by category for FY 2016 and includes part-time permanent positions:

Cascade County Total Employees	
Department	Total Employees
Aging Services	31
Clerk & Recorder	23
Commissioners's Office	9
County Attorney	27
County Extension	2
Courts	24
Disaster & Emergency Services	2
Expo Park	15
Health Clinic	43
Health Department	43
Human Resources	6
Information Technology	9
Juvenile Detention	25
Library	2
Public Works	73
Sheriff	142
Treasurer	18
Total	494
*Includes permanent part-time positions	

FY 2015/16 Mill Levies

2015 was a reappraisal year for Cascade County. Up to 2015, state law determined that reappraisal was conducted by the Montana Department of Revenue every six years. During the 2015 Legislative Session, changes were made to the reappraisal process, resulting in a two-year reappraisal cycle going forward, as well as a new formula for Counties when calculating inflation on annual mill levies. Re-appraisal does not equal tax increases, it equals a re-evaluation of the market value on property that determines the total taxable value.

During the 2015 reappraisal cycle, property owners experienced different changes on the market value of their property, meaning not all property saw an increase in the market value. One mill is equal to a formula based on the total taxable value of all properties in the County excluding properties contained in Tax Increment Finance districts. It is the role of the Cascade County commission to set the mill levies for the County to fund essential County operations in compliance with state statutes. In FY 2014/15, the Cascade County Commission decided to levy the maximum amount of mills permitted by state law. Due to the increase in overall taxable values of all property in Cascade County, the maximum mill levies for the FY 2015/16 budget was reduced compared to the previous year. The Commission has recommended not to levy the full amount of mills permitted by law.

The following chart is the Commission recommended countywide mill levies for FY 2015/16 compared to the previous year:

Cascade County Countywide Mill Levies

Mill Category	FY 2015 Total Mills	FY 2015 Revenue	FY 2016 Proposed Mills	FY 2016 Budget	Difference FY 2016 over 2015
General	26.7	\$3,522,533	26.22	\$3,908,196	\$385,663
Countywide Road	12.1	\$1,604,852	11.49	\$1,712,869	\$108,017
Weed	1.6	\$211,073	1.60	\$238,486	\$27,414
State Fair	7.0	\$931,143	6.67	\$993,815	\$62,672
District Court	6.8	\$903,756	4.30	\$640,932	-\$262,824
Comprehensive Insurance	3.3	\$432,707	3.10	\$461,832	\$29,124
Mosquito	2.5	\$325,900	2.33	\$347,835	\$21,935
Emergency Medical Services	0.7	\$86,268	0.62	\$92,074	\$5,806
Mental Health	0.7	\$87,637	0.63	\$93,536	\$5,899
Senior Cit	1.8	\$243,740	1.75	\$260,146	\$16,405
Co. Extension	1.6	\$205,399	1.47	\$219,224	\$13,825
Public Safety	39.6	\$5,234,938	35.5	\$5,288,616	\$53,677
Senior Transportation	1.0	\$128,717	1.10	\$163,959	\$35,243
Museums	1.9	\$246,479	1.76	\$263,069	\$16,590
Entitlement Clearing	13.8	\$1,825,313	13.07	\$1,948,169	\$122,856
Permissive Health Insurance	6.8	\$899,964	6.40	\$954,145	\$54,181
Adult Detention Center Bonds	5.5	\$725,121	3.58	\$533,613	-\$191,508
Total Countywide Mill Levies	133.3	\$17,615,540	121.57	\$18,120,515	\$504,976
		MAX MILLS	124.48		

The Commission recommended FY 2015/16 budget reflects a Countywide mill levy decrease of 11.73 mills from the previous year. This includes a decrease for the final year of the Adult Detention Center bond mill levy passed by voters in 1996. Per state statute, the Commission had the ability to levy an additional 2.91 mills, which they did not. The additional \$504K in revenue from taxes was due to the increase of the total taxable value of the County, primarily driven by recent industrial growth, as well as a slow-but gradual increase in real estate values over the past six years.

The following chart reflects the "rural" mill levies, which are only levied on properties outside the city limits of great falls. In addition, the Road and Road Materials levies are not levied on properties within the city limits of Belt, Neihart and Cascade:

Cascade County Rural Mill Levies

Mill Category	FY 2015 Total Mills	FY 2015 Revenue	FY 2016 Proposed Mills	FY 2016 Budget	Difference FY 2016 over 2015
Road	23.3	\$1,300,978	22.92	\$1,388,896	\$87,918
Road (Capital Reserve)	4.9	\$272,833	4.81	\$291,270	\$18,438
Library	4.3	\$243,639	4.19	\$259,861	\$16,222
Road Materials	2.9	\$165,120	3.84	\$238,426	\$73,306
Planning	4.1	\$232,092	2.99	\$185,649	-\$46,443
Health	6.6	\$375,850	6.46	\$400,875	\$25,025
Total Rural Mill Levies	46.0	\$2,590,511	45.2	\$2,764,977	\$174,466
		MAX MILLS	45.2		

The Commission decided to levy the maximum amount of mills for the rural levies. In the next fiscal year, the County will lose approximately \$377,000 of annual tax revenue generated by the Highwood Generating Station, which is being dismantled and moved in 2015. Since the plant is located in the unincorporated portion of the County, its removal will have a significant impact on the rural mill values for FY 2016/17.

Not all tax bills are the same. For example, a homeowner within the City of Great Falls who pays the County-wide mill levy whose market value increased from \$167,300 to \$191,700 during reappraisal would see an annual tax increase of approximately \$22. In contrast, a homeowner in unincorporated Cascade County who



pays both Countywide and Rural mills, whose valuation remained at \$161,300 after re-appraisal would see a property tax reduction of just over \$14.

FY 2015/16 Capital Improvement Plan

The Cascade County Commission set a target for Capital Projects. Not all Capital Projects recommended by Cascade County staff made it to the final budget due to funding constraints. The Commission determined that the first priority for Capital projects was to full fund the courthouse roof replacement and repair. The County will receive \$608,152 in grant funding from the state and federal CTEP program for engineering and design. The Commission appropriated \$1,750,000 to fund the construction and replacement, with the costs expected to be staggered between the next two fiscal years.



The following tables reflect Commission-approved Capital Projects, Heavy Equipment and Fleet Replacement for FY 2015/16:

Major Capital Projects FY 2015/16

Project	Total
Courthouse Roof	\$1,750,000
Executive Plaza Upgrades	\$425,000
Ferro Space Remodel	\$7,500
Larsen Office Space Purchase	\$275,000
Juvenile Detention Center Shower	\$7,000
Adult Detention Center Repairs	\$365,910
Expo-Four Seasons Flooring	\$100,000
Expo-Livestock Panels	\$24,000
Expo-Warm-up Arena	\$20,000
Expo-Bucking Chutes	\$43,000
Expo-Four Seasons Electrical Repairs	\$66,000
Total Capital Projects	\$3,083,410

for FY 2015/16:

Heavy Equipment Purchases FY 2015/16

Project	Total
Loader	\$180,000
Two (2) Motor Graders	\$380,000
Two (2) Tandem Dump Trucks	\$100,000
Belly Dump Trailer	\$41,000
Asphalt Roller	\$50,000
Total Heavy Equipment	\$751,000

Fleet Purchases

Project	Total
1-Ton Service Truck	\$28,000
SUV Service Vehicle	\$23,500
1-1/2 Ton Diesel Truck w/Dump	\$47,000
Six (6) Sheriff Vehicle Replacements	\$246,000
Total Fleet	\$344,500