



**GALLATIN COUNTY, STATE OF MONTANA**

**FINANCIAL REPORT**

**June 30, 2020**



**ANDERSON  
ZURMUEHLEN**

GALLATIN COUNTY, STATE OF MONTANA  
TABLE OF CONTENTS  
June 30, 2020

I. INTRODUCTORY SECTION

Table of Contents .....	1 through 3
Letter of Transmittal.....	5 through 9
Organizational Chart.....	10
List of Elected and Appointed Officials .....	11

II. FINANCIAL SECTION

Independent Auditor's Report .....	13 through 15
------------------------------------	---------------

A. MANAGEMENT'S DISCUSSION AND ANALYSIS.....	16 through 32
--	---------------

B. BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements	
Statement of Net Position .....	35
Statement of Activities.....	36

Fund Financial Statements

Governmental Fund Financial Statements	
Balance Sheet – Governmental Funds .....	38 through 39
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position .....	40
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds.....	41
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities.....	42

Proprietary Fund Financial Statements

Statement of Net Position – Proprietary Funds.....	43
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds.....	44
Statement of Cash Flows – Proprietary Funds .....	45 through 47

Fiduciary Fund Financial Statements

Statement of Net Position – Fiduciary Funds.....	48
--	----

Statement of Changes in Fiduciary Net Position – Fiduciary Funds .....	49
--	----

Notes to Financial Statements .....	50 through 105
-------------------------------------	----------------

GALLATIN COUNTY, STATE OF MONTANA  
TABLE OF CONTENTS (CONTINUED)  
June 30, 2020

II. FINANCIAL SECTION (CONTINUED)

C. REQUIRED SUPPLEMENTARY INFORMATION

Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – 1000 General Fund.....	107
Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – Major Special Revenue Funds.....	108 through 110
Schedule of Changes in Total OPEB Liability, Related Ratios and Notes.....	111
Schedules of Proportionate Share of Net Pension Liability and Schedules of Contributions.....	112 through 114
Notes to Required Supplementary Information.....	115 through 122

D. OTHER SUPPLEMENTARY INFORMATION

Combining and Individual Fund Statements and Schedules Nonmajor Special Revenue Funds.....	125 through 129
Combining Balance Sheet.....	130 through 139
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual Special Revenue Funds.....	140 through 188
Nonmajor Debt Service.....	190
Combining Balance Sheet.....	191
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual Debt Service Funds.....	192 through 195
Nonmajor Capital Projects Funds.....	197
Combining Balance Sheet.....	198 through 199
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual Capital Projects Funds.....	200 through 205
Internal Service Funds.....	207
Combining Statement of Net Position.....	208
Combining Statement of Revenues, Expenses, and Changes in Net Position.....	209
Combining Statement of Cash Flows.....	210

GALLATIN COUNTY, STATE OF MONTANA  
TABLE OF CONTENTS (CONTINUED)  
June 30, 2020

III. STATISTICS AND DIAGRAMS

General Statistical Information..... 212 through 230

IV. SINGLE AUDIT SECTION

Schedule of Expenditures of Federal Awards ..... 232 through 235  
Notes to Schedule of Expenditures of Federal Awards ..... 236 through 237  
Independent Auditor's Report on Internal Control over Financial  
Reporting and on Compliance and Other Matters ..... 238 through 239  
Independent Auditor's Report on Compliance for Each Major  
Program and Internal Control over Compliance ..... 240 through 242  
Schedule of Findings and Questioned Costs ..... 243 through 247  
County Response to Audit Findings..... 248 through 249  
Status of Prior Audit Findings ..... 250 through 251

## INTRODUCTORY SECTION



---

# *County of Gallatin*

---

311 W. Main, Courthouse • Bozeman, Montana 59715

December 1, 2022

To the Board of County Commissioners and the Citizens of Gallatin County, Montana:

State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. We hereby issue the annual financial report (AFR) of Gallatin County (hereafter referred to as County) for the fiscal year ended June 30, 2020.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, County management has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft, or misuse, to compile sufficient reliable information for the preparation of the County's financial statements and comply with laws and regulations in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the County designed our comprehensive framework of internal controls to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The financial statements of the County have been audited by Anderson ZurMuehlen and Company P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions over the County's basic financial statement opinion units, as listed in the accompanying table of contents for the fiscal year ended June 30, 2020. The independent auditor's report is presented at the front of the financial section of this report.

The independent audit of the financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also an opinion on the audited government's internal controls with legal requirements, with special emphasis on internal controls, and render an opinion on compliance involving the administration of major federal awards.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, as amended in 1996, and Title 2 of the United States Code of Federal Regulations part 200 (Uniform Guidance). Information related to this single audit, including the schedule of expenditures of federal awards (SEFA) and the auditor's reports on internal control over financial reporting and compliance with other matters under Government Auditing Standards and in accordance with Title 2 are included in the single audit section of this report.

Management is required to provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

### **Profile of Gallatin County**

The County, established as a commission form of government in 1863, is located in the southwestern part of the State of Montana. The County government is comprised of a three-member Commission. Commissioners are elected at-large and serve staggered six-year terms. There are twelve other elected officials, with nine serving four-year terms and three district court judges serving six-year terms. The County seat is located in Bozeman.

The County has a land area of approximately 2,632 square miles and an estimated population of 115,433. The population of the County is predominantly urban, with the majority of the residents living within a twenty-mile radius of Bozeman. The County is empowered to levy a property tax on both real and personal property located within its boundaries.

### **Government**

Gallatin County government provides a full range of services to its residents and visitors. General governmental functions include judicial and legal services, public records administration, election services, financial services, planning services and public and home school support. Public safety activities include law enforcement (Sheriff), fire protection, coroner, search and rescue, emergency services, dispatch and detention services. The County provides public works functions associated with transportation (road and bridge) maintenance, lighting districts, weed control, building maintenance, solid waste services and cemetery services. The public health activity supports the rest home, environmental health, human services, mental health, water quality, mosquito control and predatory animal control. Finally, the County supports recreational and other functions through agriculture extension agents (4-H), fair, senior programs, open space, parks, libraries and conservation services.

The annual budget serves as the foundation for the County's financial planning and control. The County begins the budget process by developing a 'Start-Up' budget that takes into consideration available resources and decisions made in prior years that obligate this year. The 'Start-Up' budget is sent to all agencies. Then elected officials, department heads and managers of the County are required to submit requests for appropriation to the Finance Department before June 10th of each year, or on a date designated by the County Commission. The County Finance Department uses these requests to identify changes requiring additional funding above the 'Start-Up' Budget. The County Commission holds all-day work sessions in mid-June to approve, amend, table, or deny requests. The Commission adopts, by resolution, the preliminary budget in early July and holds public hearings on the preliminary budget through July and into August. Upon receipt of the Certified Taxable Valuation and actual cash available, the Commission makes decisions on any requests received during the public hearings as well as on any items tabled during final work sessions. On the last Tuesday of August, the final operating and capital budget is adopted by resolution, along with the approval of the mills needed to fund the budget. Appropriated budgets are prepared by fund (General Fund), function (General Government) and department (Commission). The Commission approves any increase or decrease in the budget or a transfer of appropriation between personnel, operations, debt, and capital outlay.

The objective of the County's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County Commission. Activities of the general fund, all special revenue funds, debt service funds, capital project funds, enterprise and interdepartmental funds and trust and agency funds have budgets adopted annually. These budgets delineate the total amount of expenditures budgeted by fund total with the exception of the general, public health and public safety funds which include department totals. Budgetary comparisons are presented in fund and activity detail.

## **Factors Affecting Economic Condition**

The information presented in the financial statements is perhaps best understood when it is considered from a broader perspective of the specific environment in which the County operates.

In the last ten years, the County saw steady growth. Property tax revenues have grown at an average of 4.88 percent per year since 2011. The largest growth in property taxes occurred in FY 2011 with the beginning of the Detention Center bond, and the lowest change being -2.68 percent in FY 2016. The tax increase for FY 2020 is 8.95% compared to 9.01% the previous year.

The County has seen unemployment go from the low in 2006 of 1.9 percent to a high in 2009 of 7.9 percent, until June 2020 it increased to 12.3 percent. The County's unemployment rate is higher than the State's rate of 11.9 percent, and the national rate of 11.1 percent. Although Bozeman's economy is expanding due to growth at Montana State University, increased visitation to Yellowstone National Park, and recreational opportunities throughout the year for the area, there are still a high number of jobs that are not currently filled at the County.

## **Strategic Process**

The County continues to use planning processes (long-term, mid-term and short-term) to help guide the government and ensure decisions are made in the best interest of the organization as a whole and with an eye toward the future. Efforts ensure each planning component process is in alignment with one another. This creates a linkage that assures short-term decisions are consistent with the values of the County as identified in the mid-term and long-term plan adopted by the County.

The elements of the County's planning process have unique purposes and timeframes. The County's Mission, Vision Statements and Growth Policy are the most far reaching in nature (20 to 25 years). The Capital Improvement Program, Core Rolling Stock and Bridge Replacement programs along with the Five-Year Financial Forecast are mid-term in nature (5 to 10 years). The Annual Operating and Capital Budget have short-term (1 to 2 year) timeframe. The most important requisite is that each of these processes continue to be coordinated.

The three mid-term programs started with the creation of the Capital Improvement Plan (CIP). The Capital Improvement Plan Committee (CIPC) asks each department to identify and prioritize future needs along with identifying any potential funding for the request. The CIPC reviews, analyzes and rates the requests over a two-month period, and then presents their recommendation to the Commission in March of each year as part of the budget process. The CIP is an essential tool for managing future capital improvements and replacements. Since the CIP deals with large capital expenditures valued greater than \$50,000 and a useful life of 5 years or greater, staff identified several other major areas that needed to be considered. The first was the identification and funding of 'Core' vehicle replacement for sheriff vehicles, fire engines, road and bridge vehicles, etc. The County approved the 'Core Vehicle Replacement' program in 2010. The program identified vehicles that were needed to maintain County operations on an ongoing basis with a minimum value of \$25,000 inclusive of equipment and had a useful life of 5 years or greater. The plan currently funds up to \$695,500 per year from taxes. The next program, approved in 2012, was the Bridge Replacement Plan. This plan funds up to \$400,000 per year in taxes to replace bridges with a span of greater than 30 feet, or to support the Bridge Department's need to replace bridges in an emergency. The next need identified and funded with \$500,000 of taxes was a building account to support the upkeep, expansion or replacement of county buildings.

## **Finance / Budget**

Financial policies are guidelines for operational and strategic decision making related to financial matters, as they identify acceptable and unacceptable courses of action, establish parameters within which the government can operate and provide a standard against which the government's fiscal performance can be judged. The County's annual budget is developed in accordance with the policies and priorities set forth in the Commission's goals, identified needs of the County, and state and federal laws. Program/project priorities and service levels are established during the budget preparation and approval process.

In FY 2015, the County adopted a resolution approving a ‘Sustainable and Resilient’ budget policy. The County seeks to maintain a diversified and stable revenue base to protect itself from short-term fluctuations in any one revenue source. In addition, the Commission sets a goal of maintaining operating reserves at the same percentage as previous years for tax supported funds and encourage other funds to establish operating reserves.

The County aggressively collects real and personal property taxes throughout the year. The delinquent real property taxes for the 2019 tax year (collected in FY 2020) were 2.55 percent. The total of all delinquent real property taxes was 2.62 percent of the taxes billed in FY 2020. The County will aggressively pursue opportunities for private, federal and state grants for all activities, which assures citizens that the County is striving to obtain all funds. These grants may reduce the reliance on the local taxpayer in the short-term for the support of needed public services.

The County makes current expenditures from current revenues, avoiding procedures that balances current budgets by postponing needed expenditures, accruing future revenues or rolling over short-term debt. The County sets fees and rates at levels which fully recover the total direct and indirect costs, including personnel, operations, capital outlay and debt, as allowed within the law. The County recognizes that accounting principles generally accepted for local governments discourage “earmarking” of General Fund revenues, and accordingly, the County minimizes the practice of designating General Fund revenues for specific programs. This applies to the Public Safety fund as well.

Revenues are estimated in a conservative, but realistic manner based on historic changes and current department experiences. Revenue estimates minimize the adverse impact of revenue shortfalls and reduce the need for mid-year spending reductions.

The County ordinarily uses one-time revenues to fund capital assets or other one-time expenditures. In this context, one-time revenues include the appropriation of cash balances from the previous fiscal year, excluding operating reserves. Using one-time revenues to fund on-going expenditures may result in incurring future year expenditure obligations, which may be unfunded. Using one-time revenues to fund capital assets or other non-recurring expenditures adheres to the Commission’s goal and enables future Commissions to cope with financial problems when these revenue sources are discontinued, since these expenditures can more easily be delayed or eliminated.

The County operates an investment pool for idle cash belonging to the County, all school districts, all fire districts and other small local agencies. The Investment Pool is managed by the County Treasurer, with investment committee support. The County formally adopted an investment policy established by the Treasurer and Committee, which outlines investment goals and strategies. It is the intent of the County to add stability for the overall portfolio by creating a “laddering strategy” using repurchase agreements, State Investment Pool, treasury bills, agency notes and certificates of deposit.

Although the County has an expanding economic base, the increased demand for government services that accompanies development has exceeded the growth in revenues. Several decisions by the State have compounded the issue including the decision to remove motor vehicle fees, gaming revenues, and banking license tax from county revenue and replace them with ‘State Entitlement’. Senate Bill 176, in conjunction with HB 124 transferred the responsibility for District Court, Public Assistance, Youth Probation and Public Defenders to the State. For Gallatin County, which has seen significant growth in all areas, the effect has been a reduction in available revenues from what would have been received before House Bill 124. This is partially because entitlement share has been frozen in the past and only grows based on the legislature’s approval of a population and consumer price index adjustment.

In a positive move, the legislature recognized that the cost of health insurance for local governments was prohibitive in light of restrictions associated with 15-10-420 Montana Code Annotated (MCA) and authorized increasing mills to cover premium increases. The Gallatin County Commission has and will continue to use the Permissive Medical Levy to cover rising health insurance premiums.

## Debt Service

The Commission submitted two Open Space Bond issues and the Detention Center Bond issue to voters. The first Open Space Bond of \$10 Million was approved in November, 2000 with the second Open Space Bond of \$10 Million approved in November, 2004. The Open Space program allowed the County to purchase 100 acres for a regional park and authorized conservation easements throughout the County through the ability to leverage private and federal funds.

The \$32 Million Detention Center Bond was approved in November, 2008. This bond allowed the County to replace an aging facility with occupancy of 45-60, with a newly constructed facility with 160 beds and a capacity of 200 before additional construction is necessary. In addition, the voters approved an increase from 1.5 to 5 mills, plus growth allowed by state law, for the County libraries. This allows the County to adequately support the five city/town libraries in the County. The voters also approved the levying of 9 mills, plus growth allowed by state law, for Enhanced Dispatch activities. This allowed for ongoing funding from a reliable revenue source for dispatch operations, as well as funding for the dispatch center.

In November of 2016 the Commission submitted a bond issue of \$68.3 million for the construction of a new Law Enforcement Building and a new Justice Building for use by both the City of Bozeman and Gallatin County. Unfortunately, voters rejected the bond issue. After the City of Bozeman received approval for their own building, the County went back to voters for a \$59 million bond issue for a building with reduced scope. This proposal was also rejected and the County is looking for ways to further reduce the scope of the project while still meeting demands for space as we address services needed for our fast growing County.

## Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated services of the finance department staff. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Special thanks to Jill Therrien, Jay Bates, Michelle Bossert, Erin Cox, Brenda Statton and Kris Norby for their dedication towards the completion of this report. Credit must also be given to the Board of County Commissioners for their unflinching support for maintaining the highest standards of professionalism in the management of Gallatin County's finances.

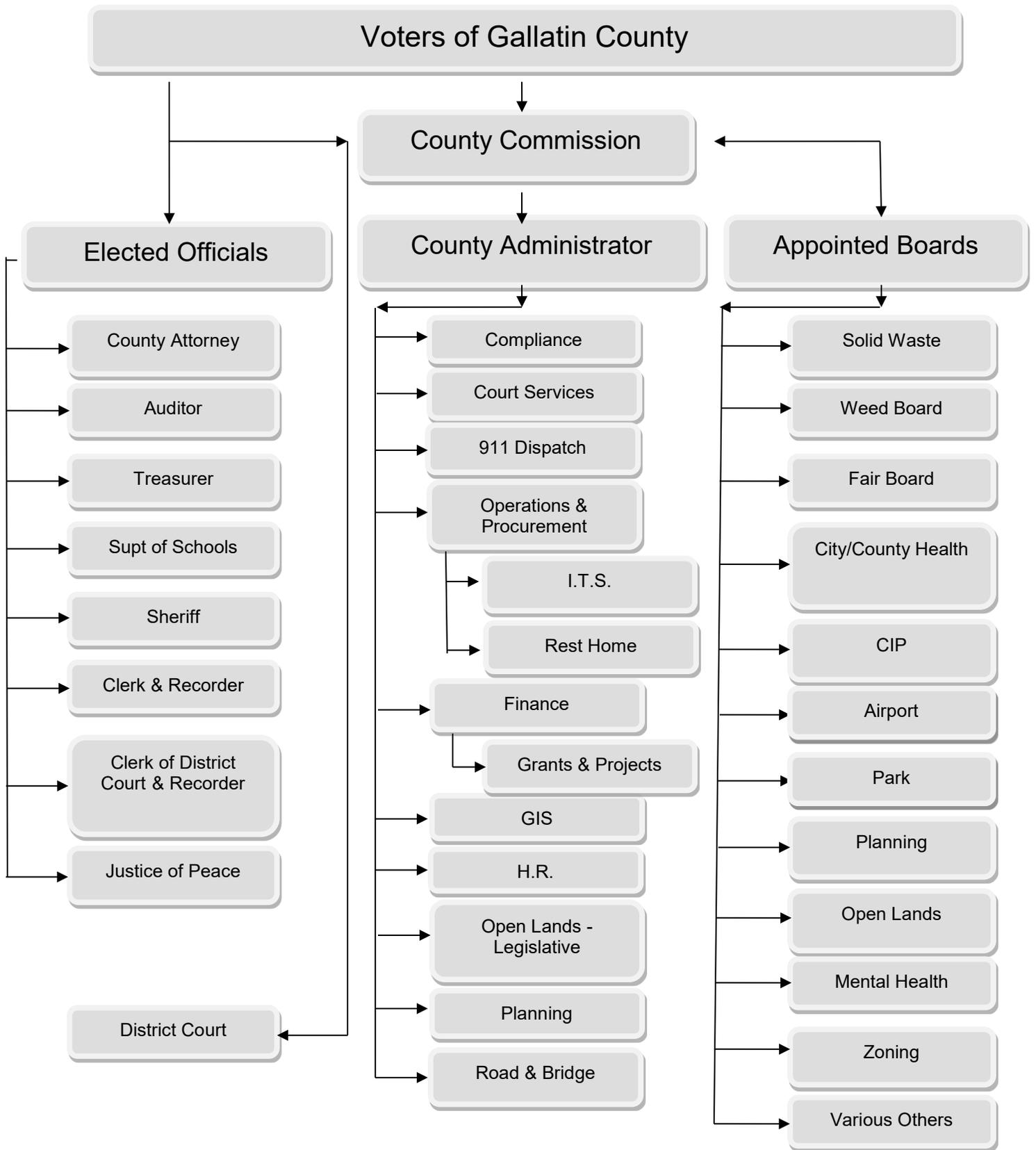
Respectfully submitted:

  
Eric Semerad  
Clerk and Recorder

  
James G. Doar  
County Administrator

  
Justine Swanson  
Chief Financial Officer

ORGANIZATIONAL CHART



COUNTY OF GALLATIN  
ELECTED OFFICIALS/OFFICERS

OFFICE	NAME OF COUNTY OFFICIALS/OFFICERS	DATE TERM EXPIRES
COMMISSIONER	SCOTT MACFARLANE	DEC. 2024
COMMISSIONER	JOE P. SKINNER	DEC. 2022
COMMISSIONER (CHAIRPERSON)	DON SEIFERT	DEC. 2020
ATTORNEY	MARTY LAMBERT	DEC. 2022
AUDITOR	ERIN COX	DEC. 2022
TREASURER/ASSESSOR	JENNIFER BLOSSOM	DEC. 2022
CLERK AND RECORDER/SURVEYOR	ERIC SEMERAD	DEC. 2022
CLERK OF DISTRICT COURT/PUBLIC ADMINISTRATOR	JENNIFER BRANDON	DEC. 2020
JUSTICE OF THE PEACE COURT 1	RICK WEST	DEC. 2022
JUSTICE OF THE PEACE COURT 2	BRYAN ADAMS	DEC. 2022
SUPERINTENDENT OF SCHOOLS	MATTHEW HENRY	DEC. 2022
SHERIFF/CORONER	BRIAN GOOTKIN	DEC. 2022
DISTRICT COURT JUDGE DEPT. 1	HOLLY BROWN	DEC. 2024
DISTRICT COURT JUDGE DEPT. 2	RIENNE H. MCELYEA	DEC. 2020
DISTRICT COURT JUDGE DEPT. 3	JOHN C. BROWN	DEC. 2024

In accordance with State law, I hereby transmit the County of GALLATIN  
Annual Financial Report for the fiscal year ended June 30, 2020.

Respectfully submitted:



County Clerk and Recorder

11/18/22

Dated



FINANCIAL SECTION

## INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners  
Gallatin County, State of Montana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Gallatin County, State of Montana (the County), as of and for the year ended June 30, 2020, and related notes to the financial statements which collectively comprise the County's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the schedule of changes in the net other postemployment healthcare benefits (OPEB) liability and related ratios, the schedule of proportionate share of net pension liability, and schedule of contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



The introductory section, other supplementary information, including combining fund statements, and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Anderson Zurmuehlen + Co, P.C.*

Billings, Montana  
December 1, 2022

GALLATIN COUNTY, STATE OF MONTANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
Fiscal Year Ended June 30, 2020

The Board of County Commissioners, with assistance from County Elected Officials, the County Administrator and their staffs, present the following Management Discussion and Analysis (MD&A). As management of Gallatin County, Montana, we have prepared Gallatin County's basic financial statements along with this comparative narrative overview and analysis of the financial activities of Gallatin County for the fiscal year ending June 30, 2020. We encourage readers to consider the information in this MD&A in conjunction with the rest of the annual report.

**FINANCIAL HIGHLIGHTS:**

The financial statements presented herein include all activities of Gallatin County, Montana, (the County) using the integrated approach as prescribed by the Government Accounting Standards Boards (GASB) Statement No. 34.

- As of June 30, 2020, Gallatin County's governmental funds reported combined ending fund balances of \$61,563,538, compared with \$53,751,324 at June 30, 2019. The fund balance for the General Fund is \$7,307,210, up \$490,296 from June 30, 2019. The increase is attributed to revenue increases associated with land use and planned use of working capital.
- Gallatin County continues to maintain a good financial standing because of positive growth in the property tax base, adoption of Growth Policy, setting aside most Newly Taxable Property for capital projects, adoption and full funding of 'Core Rolling Stock' Vehicle Replacement Program, Bridge Replacement Program and Building Replacement and Expansion Program.
- Gallatin County's primary government assets exceeded its liabilities at June 30, 2020 by \$178.8 million (net position), compared with \$164.1 million at June 30, 2019. Of this amount, \$39.0 million (21.8%) is unrestricted and may be used to meet the government's general obligations to citizens and creditors.
- The total net position increased by \$14.3 million. The increase is the result of charges for services coming in higher than estimated as well as expenses being below estimates.
- Revenues from Taxes/Assessment were \$43,462,011 for governmental funds, up \$2,414,752 from fiscal year 2019. This increase primarily comes from an increase in valuations associated with new construction and increases in mill levies as allowed by law.
- The County Health Insurance Fund saw continued positive financial position as represented by unreserved cash in FY 2020 of \$5,445,729 (Cash \$6,257,801 less current liabilities \$812,072), compared to \$4.4M in FY 2019.
- The County's debt (excluding OPEB and Pension liability) for Governmental Activity decreased by \$3,848,269 to \$39,811,024 with Business-Type Activity debt increasing \$367,686 to \$3,045,414 and total debt decreasing by \$3,480,584 during FY 2020, excluding changes in OPEB or Pension Liability.

**OVERVIEW OF THE ANNUAL REPORT:**

This discussion and analysis is intended to serve as an introduction to Gallatin County's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. These components are described below:

GALLATIN COUNTY, STATE OF MONTANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Fiscal Year Ended June 30, 2020

**OVERVIEW OF THE ANNUAL REPORT (CONTINUED):**

**Government-Wide Financial Statements:** The *government-wide financial statements* are designed to provide readers with a broad overview of Gallatin County's finances in a manner similar to a private-sector business. One of the most important questions asked about the County's finances is, "Is the County as a whole better off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities help answer this question. These statements include all assets and liabilities, including long-term debt, using the accrual basis of accounting which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Additionally, certain reductions have occurred as prescribed by the statements regarding inter-fund activity, payables and receivables.

These two statements report the County's net position and changes therein. The County's net position, the difference between assets and liabilities is one way to measure the financial position of the County. Over time, increases or decreases in the County's net position are an indicator of whether the financial health is improving or deteriorating. Non-financial factors such as changes in the County's property tax base or the condition of the County roads/bridges also need to be considered in assessing the financial position of the County.

The Statement of Net Position and the Statement of Activities distinguish between the following activities:

- **Governmental Activities** – most of the County's basic services are reported here, including general government, public safety, public works, public health and other governmental activities. Property taxes, state and federal grants and local option vehicle taxes finance most of these activities including internal services activities.
- **Business-type Activities** – the County charges a fee to customers to recover the cost of certain services. These activities include Gallatin County Solid Waste District, Gallatin County Rest Home and West Yellowstone/Hebgen Refuse District.
- **Component Units** - activity that the County supports and appoints a majority of the board (Airport Authority was previously a Component Unit). The County does not have any component units for FY 2020.

The government-wide statements are on pages 35 and 36 of this report (Annual Financial Report for Gallatin County).

**Fund Financial Statements:** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide detailed information about the most significant funds, not the County as a whole. Some funds are required by State law or by bond covenants. Also, the Board of County Commissioners establishes funds to control and manage money for particular purposes or to meet legal responsibilities for using certain taxes, grants, fees and other money. Examples include separate grant funds, Local Water Quality District and Rural Improvement District (RID) maintenance and bond funds.

The County maintains two types of funds, governmental and proprietary, which use different accounting approaches.

GALLATIN COUNTY, STATE OF MONTANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Fiscal Year Ended June 30, 2020

**OVERVIEW OF THE ANNUAL REPORT (CONTINUED):**

**Governmental Funds** are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. These funds focus on how money flows into and out of the funds and the balances left at year-end that are available for spending. These funds use the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services provided. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Gallatin County maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, the public safety fund, RID maintenance and bond compilation, which are considered major funds. Data from the other 84 non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the combining statements elsewhere in this report.

**Proprietary Funds** maintained by Gallatin County include two different types of funds; Enterprise funds and Internal Services funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the landfill, rest home and refuse district operations. *Internal Service funds* are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for motor pool, employee health insurance, facilities, copiers and liability/property insurance services. Because these services predominantly benefit governmental services rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities, but provide more detail and additional information, such as cash flows.

**Fiduciary Funds** are used to account for resources held for the benefit of parties outside County government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Gallatin County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the financial statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information** follows the basic financial statements. This is the supplementary information section. This section includes other information not included in the previous statements.

GALLATIN COUNTY, STATE OF MONTANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Fiscal Year Ended June 30, 2020

**THE COUNTY AS A WHOLE:**

The government-wide financial statements are found in the Basic Financial Statement Section of this report.

**Government Activities** – Most of Gallatin County's basic services are reported in this category, including:

**General Government:**

Elected Offices

County Attorney, Auditor, Clerk & Recorder/Surveyor, Commission, Justice of the Peace, Clerk of District Court/Public Administrator, and Treasurer/Assessor.

Departments

County Administrator, Compliance, Court Services, Finance, Human Resources, Information Technology, and Community/Development/ Planning.

**Public Safety:**

Elected Offices

County Sheriff, Coroner.

Departments

Emergency Management, Dispatch Services, Fire Marshal, Detention Services (Adult & Juvenile), Hazardous Materials Incident Services, Search & Rescue.

**Public Works:**

Departments

Airport at Three Forks, Bridge, Facilities/Procurement, Junk Vehicle, Noxious Weed Control, Road, Facilities, Rural Improvement Maintenance, and Refuse/Solid Waste.

**Public Health:**

Departments/Agencies –

Alcohol Rehabilitation, City/County Health (Administration, Human Services and Environmental Services), Mental Health, Senior Citizens, Cemetery Districts, Mosquito Control, and Water Quality.

**Economic Development:**

Economic Development, Extension Agents.

**Culture and Recreation:**

Library, Fair, and Parks.

**Conservation and Natural Resources:**

Open Lands Board, Open Space Bond, Open Space Bond Repayment.

**Debt Service:**

General Obligation Bonds, Loans Payable, Lease Purchases, Rural Special Improvement Bonds and Compensated Balances.

**Business Type Activities** – In this activity, fees charged to users are designed to cover all or most of the cost of the services provided. The County uses fees as the principle revenue source for landfill, refuse and rest home services.

GALLATIN COUNTY, STATE OF MONTANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Fiscal Year Ended June 30, 2020

**THE COUNTY AS A WHOLE (CONTINUED):**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Gallatin County's Net Position (assets exceed liabilities) is \$178,792,156 as of June 30, 2020.

Gallatin County, State of Montana Statement of Net Position June 30, 2020						
	Primary Government - FY 2020			Prior Years		
	Governmental Activities	Business - Type Activities	TOTAL	FY 19 Activities	FY 18 TOTAL	FY 17 TOTAL
<b>ASSETS</b>						
Cash & Cash Equivalents	69,327,160	21,741,324	91,068,484	84,218,291	80,074,701	73,893,776
Other Assets	16,349,406	1,655,593	18,004,999	10,258,177	12,681,147	12,720,784
Capital Assets (net)	<u>138,479,202</u>	<u>11,398,335</u>	<u>149,877,537</u>	<u>149,921,010</u>	<u>148,022,978</u>	<u>149,157,211</u>
Total Assets	224,155,768	34,795,252	258,951,020	244,397,478	240,778,826	235,771,771
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Total deferred outflows of resources	9,152,187	656,718	9,808,905	11,631,621	13,030,154	13,401,849
<b>LIABILITIES</b>						
Current Liabilities	11,666,172	1,102,000	12,768,172	10,976,577	10,513,890	8,237,377
Long-Term Liabilities	35,690,786	2,996,231	38,687,017	41,785,226	46,626,629	51,119,182
OPEB and Pension Liabilities	<u>27,417,141</u>	<u>4,106,847</u>	<u>31,523,988</u>	<u>29,835,702</u>	<u>32,581,612</u>	<u>36,173,313</u>
Total Liabilities	74,774,099	8,205,078	82,979,177	82,597,505	89,722,131	95,529,872
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Pension Deferrals	5,524,047	340,518	5,864,565	9,048,659	8,152,065	2,424,398
OPEB Health Benefit Assump. Chngs.	921,434	202,593	1,124,027	293,189	298,781	-
Rec in adv of payments	-	-	-	-	1,010,999	1,010,999
Total Deferred Inflows of Resources	<u>6,445,481</u>	<u>543,111</u>	<u>6,988,592</u>	<u>9,341,848</u>	<u>9,461,845</u>	<u>3,435,397</u>
<b>NET POSITION</b>						
Net Investment in Capital Assets	103,494,974	11,398,335	114,893,309	111,047,509	104,034,672	101,299,113
Restricted	21,961,986	2,908,434	24,870,420	21,975,018	21,567,423	18,713,455
Unrestricted	<u>26,631,415</u>	<u>12,397,012</u>	<u>39,028,427</u>	<u>31,067,219</u>	<u>29,022,909</u>	<u>30,195,783</u>
Total Net Position	152,088,375	26,703,781	178,792,156	164,089,746	154,625,004	150,208,351

The County provided condensed financial information for fiscal years 2017 through 2020. Comparative information is available for years 2017, 2018, 2019 and 2020 for Gallatin County. The analysis that follows focuses on the County's Net Position for governmental and business activities. Net Position– Unrestricted increased by \$8.0M. This indicator requires several years of comparative information to show trends and variances. For Gallatin County, the following table shows the net amount assets exceeded liabilities.

Fiscal Year 2011 (June 30, 2011)	\$157,349,141
Fiscal Year 2012 (June 30, 2012)	159,047,106
Fiscal Year 2013 (June 30, 2013)	158,232,971
Fiscal Year 2014 (June 30, 2014)	161,190,325
Fiscal Year 2015 (June 30, 2015)	141,050,471
Fiscal Year 2016 (June 30, 2016)	149,029,973
Fiscal Year 2017 (June 30, 2017)	150,208,351
Fiscal Year 2018 (June 30, 2018)	154,625,004
Fiscal Year 2019 (June 30, 2019)	164,464,953
Fiscal Year 2020 (June 30, 2020)	178,792,156

GALLATIN COUNTY, STATE OF MONTANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Fiscal Year Ended June 30, 2020

**THE COUNTY AS A WHOLE (CONTINUED):**

Net Position is separated 64% Invested in Capital Assets, 14% Restricted, and 22% Unrestricted Net Position. Unrestricted assets are used to meet the County's ongoing obligations. At the end of the current fiscal year Gallatin County is able to report positive balances in all three categories of net position, both for the government as a whole, and for its separate governmental and business-type activities.

The County's changes in net assets are shown in the following table. The report shows that primary governmental activities increased net position to \$152,088,375. The Business-Type Activities portion shows an increase in net position to \$26,703,781, an increase of \$2,009,400. A table comparing the County's Net Position from FY 2010-2020 follows.

Gallatin County, State of Montana Statement of Activities						
	For the Year Ended June 30, 2020 Net (Expenses) Revenues and Changes in Net Position			For the Year Ended June 30, 2019 Net (Expenses) Revenues and Changes in Net Position		
	Primary Government - FY 2020			Primary Government - FY 2019		
	Governmental Activities	Business - Type Activities	TOTAL	Governmental Activities	Business - Type Activities	TOTAL
<b>Primary government net revenues</b>	(36,563,098)	854,702	(35,708,396)	(37,678,622)	1,725,714	(35,952,908)
<b>General revenues</b>						
Property taxes for general purposes	\$ 44,044,481	\$ 1,043,584	\$ 45,088,065	\$ 40,551,650	\$ 295,827	\$ 40,847,477
Unrestricted grants and contributions	7,763	-	7,763	6,581	-	6,581
Investment Earnings	1,079,983	91,821	1,171,804	1,724,917	523,418	2,248,335
Miscellaneous	3,835,602	9,543	3,845,145	3,364,340	136,229	3,500,569
Gain (loss) on sale/disposal of fixed assets	(77,178)	-	(77,178)	(894,815)	(290,497)	(1,185,312)
Transfer - net:	(9,750)	9,750	-	(310,619)	310,619	-
<b>Total general revenues</b>	48,880,901	1,154,698	50,035,599	44,442,054	975,596	45,417,650
Change in net position	12,317,803	2,009,400	14,327,203	6,763,432	2,701,310	9,464,742
<b>Net position - beginning</b>	139,395,365	24,694,381	164,089,746	132,631,933	21,993,071	154,625,004
Restatement	375,207	-	375,207	-	-	-
<b>Net position - ending</b>	152,088,375	26,703,781	178,792,156	139,395,365	24,694,381	164,089,746

Fiscal Year	Net Position
2020	\$ 178,792,156
2019	164,086,150
2018	154,625,004
2017	150,208,351
2016	149,029,973
2015	141,050,471
2014	161,190,325
2013	158,232,971
2012	159,047,106
2011	157,349,141
2010	151,075,768

GALLATIN COUNTY, STATE OF MONTANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Government Activities**

Gallatin County spent \$63,691,630 for governmental activities in fiscal year 2020. Significant events affecting Governmental activities are as follows:

- Governmental Activity increased due to costs associated with General Government wage increases and Public Works completing upgrades to a number of road surfaces in FY 2020.
- Total Governmental expenses increased overall by 12.86% or \$7,258,025.

The following statement shows the amount paid by property taxpayers was \$44,044,481 or 69.15% of primary government activity expenses. The following table shows the changes in the percentage taxes are to governmental activity expenses:

**Governmental Activities**

<u>Year</u>	<u>Taxes</u>	<u>Expenses</u>	<u>Percentage</u>
2020	\$44,044,481	\$63,691,630	69.15%
2019	40,551,650	56,433,605	71.86%
2018	37,072,738	54,302,723	68.27%
2017	35,674,108	57,660,805	61.86%
2016	34,020,257	49,705,220	68.44%
2015	33,424,693	48,884,521	68.37%
2014	32,028,092	53,449,292	59.92%
2013	31,087,735	47,014,314	66.12%
2012	30,201,336	43,735,302	69.05%
2011	35,170,629	49,512,015	71.03%
2010	29,436,161	45,205,151	65.12%
2009	24,914,109	37,734,693	67.98%
2008	24,650,399	34,976,300	70.74%
2007	22,671,650	32,326,125	70.13%
2006	21,077,536	32,703,445	64.45%
2005	18,765,212	28,114,640	66.74%
2004	16,482,487	26,270,917	62.77%

Charges for Services accounted for \$8,263,861 (12.97%) of fiscal year 2020 Governmental Activity expenses. Operating Grants & Contributions and Capital Grants and Contributions (Intergovernmental Revenues) generated \$18,203,194, accounting for 28.58% of expenses. Other Revenue sources generated the balance of money needed.

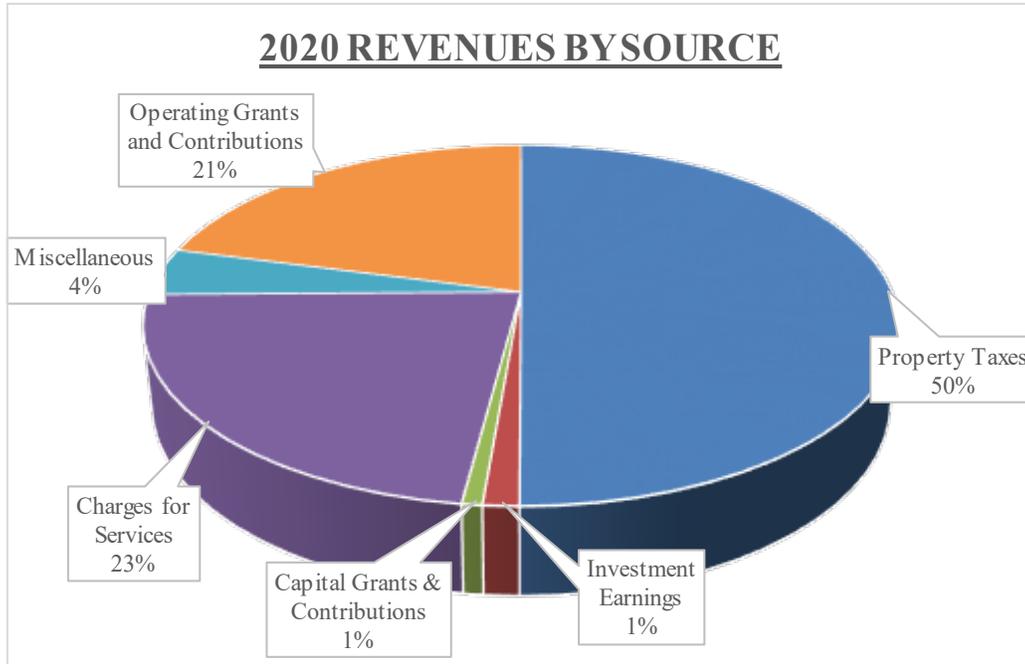
Overall, governmental program revenues, both primary government and business-type activity, generated \$20,441,589 from charges for services, while operating grants and contributions and capital grants and contributions equaled \$19,532,736 accounting for \$39,974,325 of revenues. Because total primary government expenses were \$75,682,721, Program Revenues were \$35,708,396 less than it cost to provide services. The balance is required to be funded from other sources (Taxes). Program revenues do not include taxes, investment earnings, entitlements or sale of fixed assets, but are restricted to revenue generated by the individual departments for services, fees, fines, grants, contributions or other direct revenue sources.

GALLATIN COUNTY, STATE OF MONTANA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
 Fiscal Year Ended June 30, 2020

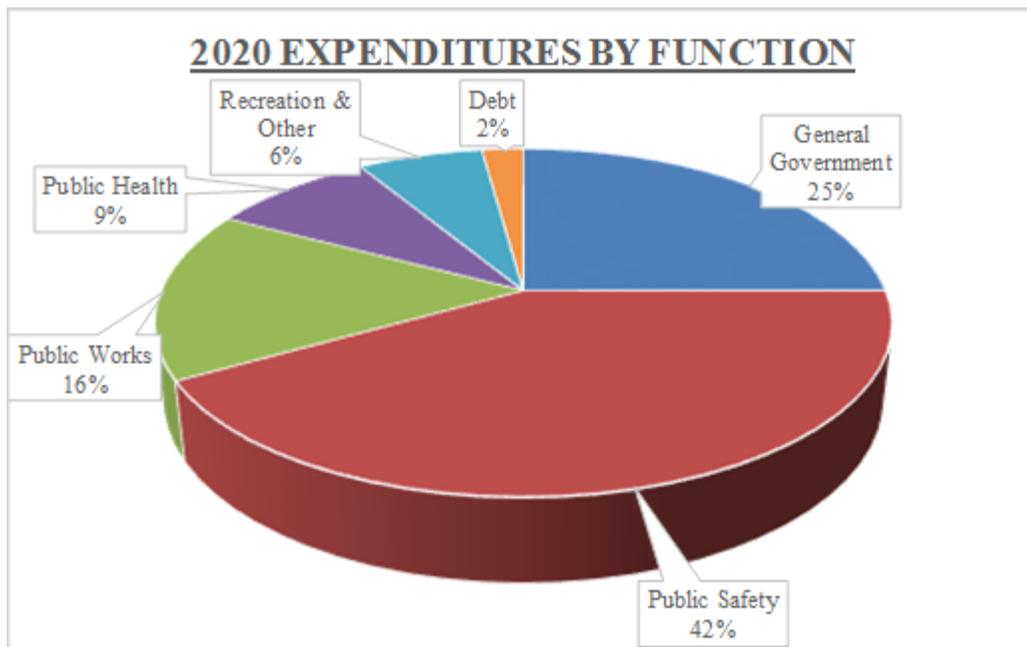
**Graph of Revenues by Source – Activities**

Gallatin County received \$90,087,102 in revenues to finance governmental operations. Total expenses for governmental activities were \$75,759,899 which resulted in a net position increase of \$14,327,203.

After all activities are considered, net position increased from \$164,089,746 to \$178,792,156 for governmental activities and business type activities. The graphs that follow show revenues by source and expenditures by activity for all activities.



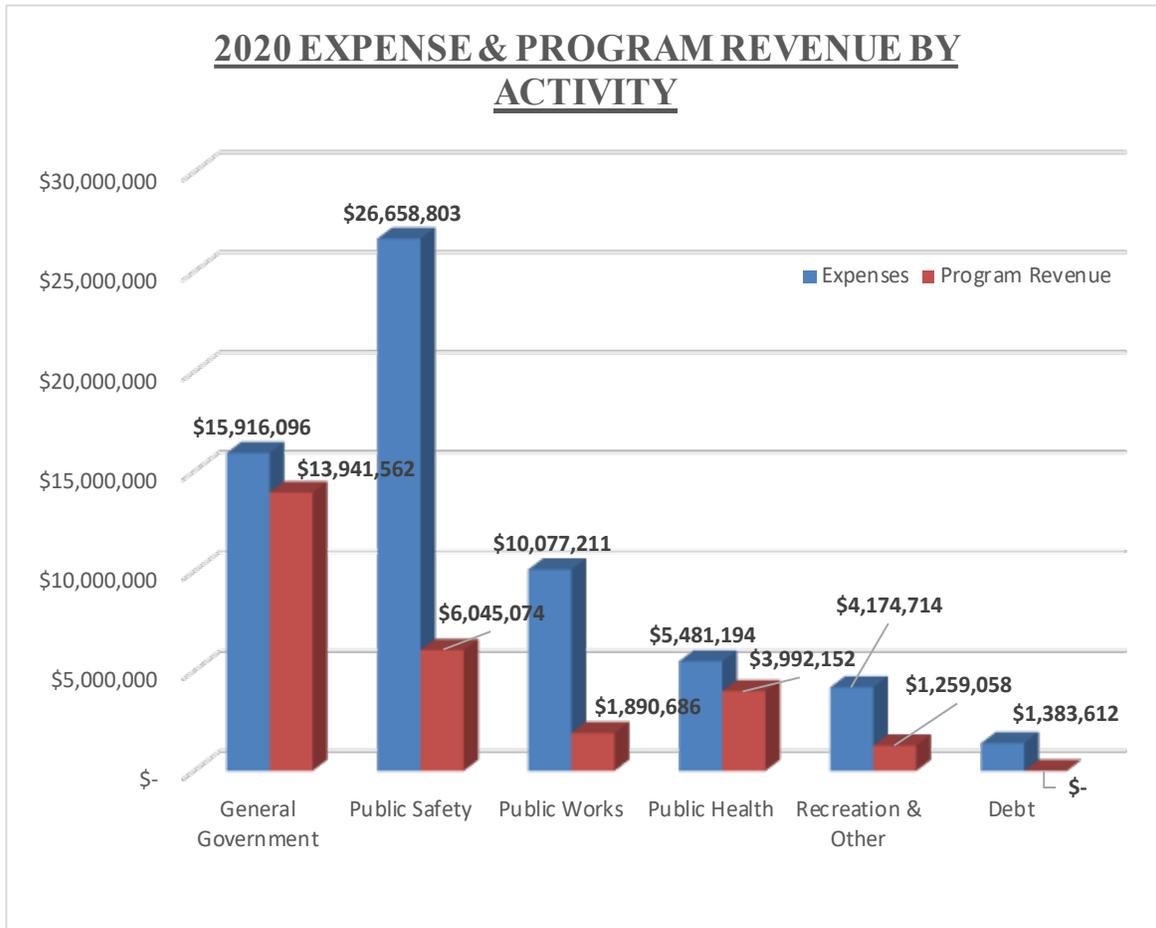
A list of departments included in each function section of the following pie chart is on page 125 of this document.



GALLATIN COUNTY, STATE OF MONTANA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
 Fiscal Year Ended June 30, 2020

**Graph of Revenues by Source – Activities (Continued)**

The next graph compares expenses to the revenues generated by each activity.



As this graph dramatically shows, the cost of providing services to residents and visitors of Gallatin County is not supported by the amount the state allows local governments to charge for providing services.

As a local government, Gallatin County uses tax revenues to support mandated services, as is the case with all county governments in Montana. To some extent, the County will need to increase tax levies from the inflationary mill to maintain service levels. To increase service levels, the following options are available:

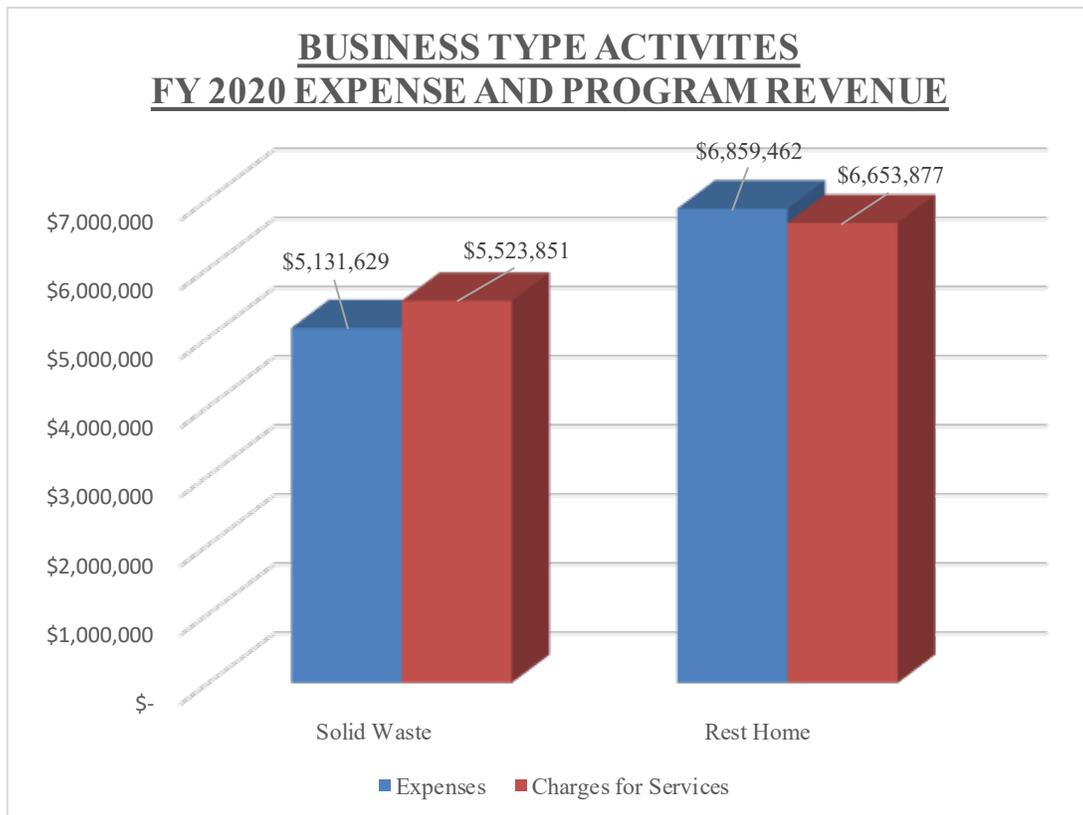
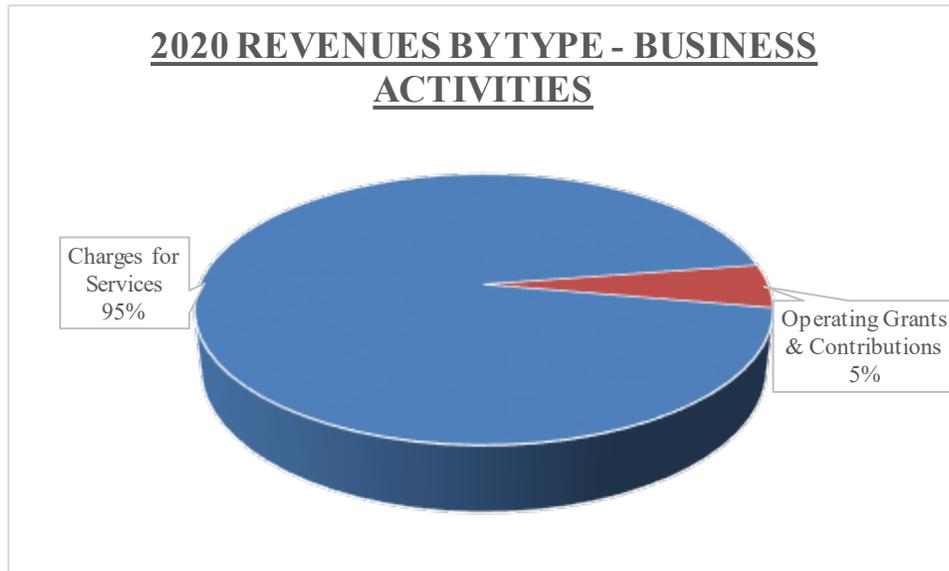
- 1) Receive authorization from the state legislature to increase local government's ability to charge the true cost of services, or authorize changes in current methods of funding local government (local option taxes).
- 2) Increase taxes - County Commission would need to use current taxing authority (inflationary mills / permissive medical levy), or request voter approval for an increase in taxes.
- 3) Or use a combination of these options.

GALLATIN COUNTY, STATE OF MONTANA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
 Fiscal Year Ended June 30, 2020

**Business Type Activities**

The cost (expenses) for all proprietary (business type) activities for FY 2020 was \$11,991,091. The amount paid by users of the Rest Home, Landfill and Refuse District was \$12,177,728.

Total resources for fiscal year 2020 to finance proprietary funds (business type) were \$12,845,793 (Charges for Services \$12,177,728 and Grants / Contributions \$668,065).



**GALLATIN COUNTY, STATE OF MONTANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Fiscal Year Ended June 30, 2020**

**Funds of the County**

The following is an analysis of balances in the County's major funds. The FY 2019 column is for comparison purposes only and shows prior year revenues and expenses.

**General Major Governmental Functions**

The information below compares revenues in FY 2020 to FY 2019:

Gallatin County, State of Montana  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2020

	GENERAL	PUBLIC SAFETY FUND	RID MAINTENANCE	COUNTY EMERGENCY	RID BOND DEBT SERVICE	CAPITAL PROJECTS	TOTAL NON MAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS	FY 2019 TOTAL
<b>REVENUES</b>									
Property Taxes	\$ 9,746,322	\$ 16,075,087	\$ -	\$ -	\$ -	\$ 1,989,792	\$ 15,650,810	\$ 43,462,011	\$ 41,047,259
Licenses & Permits	750	51,113	-	-	-	-	347,994	399,857	352,709
Intergovernmental Revenues	1,769,479	1,365,627	-	5,593,324	-	100,123	10,036,117	18,864,670	10,923,724
Charges for Services	3,130,444	2,247,495	-	-	-	93,655	1,706,273	7,177,867	6,793,599
Fines & Forfeitures	486,013	43,643	-	-	-	-	63,719	593,375	689,987
Miscellaneous	90,035	549,206	1,830,109	133,981	762,245	5,000	465,026	3,835,602	3,364,340
Investment Earnings (loss)	318,041	59,081	126,682	-	9,975	237,326	199,545	950,650	1,517,017
Contributions/Donations	-	-	-	-	-	-	7,763	7,763	6,581
<b>Total revenues</b>	<b>15,541,084</b>	<b>20,391,252</b>	<b>1,956,791</b>	<b>5,727,305</b>	<b>772,220</b>	<b>2,425,896</b>	<b>28,477,247</b>	<b>75,291,795</b>	<b>64,695,216</b>

The following table shows where the County spent the money received (the activity) for Major Funds as stated above.

	GENERAL	PUBLIC SAFETY FUND	RID MAINTENANCE	COUNTY EMERGENCY	RID BOND DEBT SERVICE	CAPITAL PROJECTS	TOTAL NON MAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS	FY 2019 TOTAL
<b>EXPENDITURES</b>									
Current:									
General Government	\$12,348,247	\$ -	\$ -	\$ -	\$ 2,100	\$ 88,811	\$ 1,363,047	\$ 13,802,205	12,048,204
Public Safety	1,442,390	16,030,505	-	5,467,654	-	7,026	1,613,880	24,561,455	20,286,262
Public Works	588,450	-	1,214,112	-	-	6,793	5,604,750	7,414,105	6,898,079
Public Health	-	-	-	-	-	-	5,169,740	5,169,740	5,684,509
Social & Economic Services	489,466	-	-	-	-	-	81,900	571,366	544,997
Culture & Recreation	-	-	-	-	-	134	2,857,819	2,857,953	2,620,934
Housing & Community Develk	-	-	-	-	-	-	184,174	184,174	536,239
Conservation of Natural Resor	-	-	-	-	-	-	273,006	273,006	102,301
Principal retirement	231,157	451,999	-	-	932,653	-	2,928,684	4,544,493	4,644,184
Interest	18,971	3,379	-	-	300,863	-	1,137,178	1,460,391	1,587,853
Capital Outlay	244,542	771,682	-	45,974	-	2,529,498	2,387,816	5,979,512	6,713,221
<b>Total expenditures</b>	<b>\$15,363,223</b>	<b>\$17,257,565</b>	<b>\$ 1,214,112</b>	<b>\$ 5,513,628</b>	<b>\$1,235,616</b>	<b>\$2,632,262</b>	<b>\$23,601,994</b>	<b>\$ 66,818,400</b>	<b>\$61,668,535</b>

The General Fund is always a 'Major Fund'. Public Safety, RID Maintenance and County Emergency Funds are 'Major Funds' because liabilities, revenues and expenditures are all greater than 10% of the Special Revenue Funds. The RID Bonds Fund is considered a 'Major Fund' because it has greater than 10% assets and also has greater than 10% of the Assets and Liabilities of debt service funds. The Capital Project Fund is considered a 'Major Fund' because it has greater than 10% assets and also has greater than 10% of the Assets and Liabilities of the Capital Project funds.

GALLATIN COUNTY, STATE OF MONTANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Proprietary Funds**

The County has four proprietary funds comprised of Internal Service Funds and three major Enterprise Funds: Rest Home, Gallatin County Solid Waste District (Logan Landfill) and Hebgen/West Yellowstone Refuse District. The following statement gives an overview of all business type proprietary funds. Internal Service Funds are part of Governmental Activities.

Gallatin County, State of Montana  
Summarized Comparative Schedule of Proprietary Funds  
For the Year Ended June 30, 2020

	For the Year Ended June 30, 2020				For the Year Ended June 30, 2019			
	Gallatin County Rest Home	Gallatin County Landfill	West Yellowstone Refuse District	Total Proprietary Funds	Gallatin County Rest Home	Gallatin County Landfill	West Yellowstone Refuse	Total Proprietary Funds
Operating Revenues	5,525,601	6,001,365	660,305	12,187,271	5,834,006	5,818,178	829,430	12,481,614
Operating Expenses	6,859,462	4,070,098	1,061,531	11,991,091	6,986,678	2,662,527	1,194,500	10,843,705
Operating income (loss)	(1,333,861)	1,931,267	(401,226)	196,180	(1,152,672)	3,155,651	(365,070)	1,637,909
Nonoperating revenues	1,673,155	104,630	25,685	1,803,470	541,034	147,604	64,144	752,782
Transfers In	-	9,750	-	9,750	285,869	14,750	10,000	310,619
Change in net position	339,294	2,045,647	(375,541)	2,009,400	(325,769)	3,318,005	(290,926)	2,701,310
Total net position -	(1,077,546)	22,105,469	3,666,458	24,694,381	(751,777)	18,787,464	3,957,384	21,993,071
Rstatement due to OPEB								
Total net position - ending	\$ (738,252)	\$24,151,116	\$ 3,290,917	\$26,703,781	\$(1,077,546)	\$22,105,469	\$3,666,458	\$24,694,381

The following table shows a comparison of net income to net position of business type activities since they have a focus on cost of service measurement or capital measurement.

	----- PRIOR YEARS -----				CURRENT
	FY 16	FY 17	FY 18	FY 19	FY 20
Total Assets	27,654,597	28,640,013	30,139,445	32,313,787	34,795,252
Net Position	19,900,465	21,180,262	21,993,071	24,694,381	26,703,781
<b>TOTAL LIABILITIES/DEFERS</b>	7,754,132	7,459,751	8,146,374	8,419,725	8,091,471
Change in Net Position – Business Activities	1,583,737	1,279,797	812,809	2,701,310	2,009,400
<b>(DIVIDED BY)</b>					
Ending Net Position	19,900,465	21,180,262	21,993,071	24,694,381	26,703,781
<b>(EQUALS)</b>					
<b>Return On Ending Net Position</b>	<b>7.96%</b>	<b>6.04%</b>	<b>3.70%</b>	<b>10.94%</b>	<b>7.52%</b>

GALLATIN COUNTY, STATE OF MONTANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Debt Administration**

Gallatin County maintained its bond rating from S&P Global Ratings at AA+, based on the 2016 General Obligation Bond, bonds, lease/purchase instruments and similar obligations of Gallatin County that are considered a liability of governmental activities. S&P withdrew their rating from Gallatin County in June of 2021 as a result of not receiving adequate and timely financial information.

As a whole, Governmental Activities debt decreased in fiscal year 2020 by \$3,848,269 because of regular payments on bonds, capital leases; and RID bonds. The cost per capita for governmental debt outstanding decreased to \$349 in fiscal year 2020 (\$39,811,024 divided by estimated population of 115,433). Governmental activity debt summary for fiscal year 2020 is presented below.

	----- PRIOR YEARS -----			CURRENT	
	FY 16	FY 17	FY 18	FY 19	FY 20
<b>DEBT PAYABLE ON (June 30)</b>					
<b>BEGINNING BALANCE</b>	<b>51,626,876</b>	<b>54,994,722</b>	<b>52,218,388</b>	<b>48,465,190</b>	<b>43,659,294</b>
<b>ADD:</b> InterCap Loan / Notes/Bonds	-0-	-0-	-0-	-0-	-0-
Special Assessment Bonds	107,000	363,000	-0-	-0-	732,000
G. O Bonds	24,960,000	-0-	-0-	-0-	-0-
Bond Premiums	3,727,204	-0-	-0-	-0-	-0-
Compensated Absences (INC)	70,155	132,946	200,475	205,289	407,840
Capital Lease Agreements	1,789,056	1,499,999	186,489	-0-	0
<b>LESS:</b> Loan/Lease Payments	1,448,357	792,762	394,173	1,219,489	631,841
Special Assessment Payments	299,375	812,845	487,734	4429,695	932,653
Compensated Absence (DEC)	-0-	-0-	-0-	-0-	157,955
G.O. Payment/Refinancing	25,417,100	2,791,250	2,891,250	2,995,000	2,980,000
Bond Premiums	120,737	375,421	367,004	367,002	285,661
<b>DEBT PAYABLE (June 30)</b>	<b>54,994,722</b>	<b>52,218,388</b>	<b>48,465,191</b>	<b>43,659,294</b>	<b>39,811,024</b>
<b>Cost Per Capita</b>	<b>\$545.91</b>	<b>\$504.60</b>	<b>\$449.50</b>	<b>\$391.87</b>	<b>\$344.88</b>

Debt includes compensated absences (amount due to employees for accrued leave, including 1/4 sick leave, all vacation and compensatory time) of \$2,935,744 up \$249,886 from FY 19. The increase represents a change of 9.30%, primarily from wage adjustments. Debt does not include Governmental Activities Other Post-Employment Benefits (OPEB) of \$2,862,785.

The County, by statute, can have debt of 2.50% of Assessed Valuation. For fiscal year 2020 this equals \$569,328,458. County debt of \$34,197,327 (\$39,811,024 less Special Assessment Bonds (RID) \$5,613,697) means the County has used 6.00% of its borrowing capacity through fiscal year 2020, with unused borrowing capacity being \$535,131,131. Special assessment bonds (RID Bonds) are not included when calculating debt limit. Debt from business-type activities does not affect the County's debt limit.

GALLATIN COUNTY, STATE OF MONTANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Capital Assets**

Capital assets (non-current assets) of the County are those assets used in the performance of the County's functions, including infrastructure assets.

	CAPITAL ASSETS					
	Governmental Activities		Business Type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Land</b>	\$ 4,233,880	\$ 4,233,880	\$ 1,661,552	\$ 1,661,552	\$ 5,895,432	\$ 5,895,432
<b>Buildings</b>	59,758,790	59,685,536	8,457,306	8,409,493	68,216,096	68,095,029
<b>Improvements other than buildings</b>	4,003,082	3,970,315	5,505,971	5,458,704	9,509,053	9,429,019
<b>Machinery and Equipment</b>	30,472,294	28,631,392	7,430,156	7,266,846	37,902,450	35,898,238
<b>Intangibles</b>	22,086,412	21,601,201	145,468	145,468	22,231,880	21,746,669
<b>Infrastructure</b>	149,960,492	149,737,387	-	-	149,960,492	149,737,387
<b>Construction in Progress</b>	5,884,486	3,326,413	610,360	169,978	6,494,846	3,496,391
<b>Less Accumulated Depreciation</b>	(137,920,234)	(132,790,929)	(12,412,478)	(11,586,226)	(150,332,712)	(144,377,155)
<b>Total Assets</b>	\$ 138,479,202	\$ 138,395,195	\$ 11,398,335	\$ 11,525,815	\$ 149,877,537	\$ 149,921,010

At the end of 2020 the County had invested in a broad range of capital assets, including law enforcement equipment, roads and road equipment, bridges, County facilities and other infrastructure. Major additions (deletions) during 2020 included:

	<u>Governmental</u>	<u>Business-</u> <u>Type</u>
Land	\$ -0-	\$ -0-
Building Improvements	73,253	47,813
Improvements Not Buildings	32,767	47,267
Intangibles	1,840,902	163,308
Infrastructure	350,586	(57,864)
Machinery & Equipment	223,106	-0-
Construction in Progress	2,558,074	440,383

As the previous table shows, Gallatin County is committed to the upkeep, maintenance and replacement/expansion of the County's assets.

**Budgets and Budgetary Accounting**

**County General and Public Safety Fund Budget Highlights and Variances**

The fiscal year 2020 adopted and final budgets for the General and Public Safety Funds totaled \$39,243,501. These budgets increased by \$797,627 during the year. Individual department budgets were amended throughout the year without affecting the total budget.

Original Budget	+	Continuing Appropriations	+	Encumbrances	=	Beg. Balance
\$ 39,243,501		\$ -0-		\$ -0-		\$ 39,243,501
Beg. Balance		+/- Supplemental Changes			=	Final Budget
\$39,243,501		+ \$797,627			=	\$ 40,041,128

The beginning to final budget shows an increase of 2.0% from budget amendments. Changes were caused by receipt of detention center inmate revenues from the state and other counties, land use revenues and changes associated with normal budget amendments for grants and increases in fee revenue.

GALLATIN COUNTY, STATE OF MONTANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Budget Changes – FY 2020 Compared to FY 2021**

The following information is provided to show the changes that have been made in the coming year's budget. The information is provided based on recommendations from the Governmental Accounting Standards Board.

No major changes in operational budgets occurred between fiscal year 2020 and fiscal year 2021 by the County Commission. Changes in staffing were:

<b>Office/Department</b>	<b>Staffing Changes (FTE)</b>	<b>Net Increase (Decrease)</b>
Attorney		0.25
Clerk & Recorder		-0.06
Commission		-0.02
Court Services		0.75
Detention Center		2.12
Extension		0.13
Finance - Grants		0.25
Health - Human Services		1.25
Miscellaneous - Temporary		-0.38
Noxious Weeds		0.25
Open Space		-0.40
Parks		-0.33
Search & Rescue		2.00
Sheriff		3.74
Treasurer		-0.29
<b>TOTAL COUNTY TAX SUPPORTED PERSONNEL</b>		9.26
Health Grants		1.38
Logan Landfill		2.50
Operations & Procurement		-0.02
Rest Home		1.60
Sheriff Grants		3.90
<b>TOTAL NON TAX SUPPORTED PERSONNEL</b>		9.36
<b>TOTAL CHANGES IN PERSONNEL</b>		18.62

GALLATIN COUNTY, STATE OF MONTANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Budget Changes – FY 2020 Compared to FY 2021 (Continued)**

The following Capital Outlay / Capital Projects table identifies estimated costs of projects and the amount budgeted for FY 2021. The table includes CIP Programs that are funded ongoing, a listing of Major CIP Projects over \$250,000 approved in the current budget, a summary of Minor CIP projects by capital type, and a listing of Reserves held throughout the County.

<b>CAPITAL OUTLAY / CAPITAL PROJECTS</b>		
<b>Summary of 2021 FINAL Capital Projects &amp; Outlay</b>		
<u>CIP Programs</u>	Annual Allocation	<u>FY 2021 BUDGET</u>
Core Rolling Stock Equipment (FY 2011)	704,944	1,789,211
Bridge Replacement (FY 2013)	400,000	1,800,000
Transportation Infrastructure (FY 2021)	600,000	600,000
Sub-total CIP Programs	1,704,944	4,189,211
<u>Major CIP Projects (+\$250K)</u>	<u>Project</u>	<u>FY 2021 BUDGET</u>
Land for Gravel Pit	850,000	850,000
Open Space Land Conservation Easements		1,282,542
Nixon Bridge	1,400,000	596,415
Meridian Bridge	2,400,000	1,192,202
Public Waste Disposal Area	4,000,000	4,000,000
Landfill Dozer	500,000	500,000
Landfill Wheel Loader	300,000	300,000
Sub-total Major CIP Projects	9,450,000	8,721,159
<u>Minor CIP Projects</u>	<u>Project</u>	<u>FY 2021 BUDGET</u>
Land		
Intangibles	134,616	134,616
Buildings	560,348	560,348
Improvements Other Than Buildings	910,000	910,000
Equipment	1,817,366	1,817,366
Sub-total Minor CIP Projects	3,422,330	3,422,330
<u>Reserves</u>		
Land	376,713	376,713
Intangibles	-	-
Buildings	417,704	417,704
Improvements Other Than Buildings	-	-
Equipment	80,444	80,444
Undesignated Fund Reserves	2,276,620	2,276,620
Road Department	2,079,428	2,079,428
Search & Rescue	465,632	465,632
Open Space Fund	2,621,000	2,621,000
911 Dispatch	603,780	603,780
Junk Vehicle	200,000	200,000
Logan Landfill	13,046,203	13,046,203
WY Compost	541,754	541,754
Copier Reserves	158,685	158,685
Sub-total Minor CIP Projects	22,867,963	22,867,963
<b>TOTAL</b>	<b>37,445,237</b>	<b>39,200,663</b>

Capital Projects in FY 2021 were estimated at \$39.2 million. This is a significant decrease over FY 2020 since the replacement law & justice building was denied by the voters. The previous table shows funding for all capital projects, capital outlay and capital reserves.

GALLATIN COUNTY, STATE OF MONTANA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
 Fiscal Year Ended June 30, 2020

**Summary**

The fiscal year 2021 budget sees increases in taxes for operations and debt service. A comparison of budgeted taxes and mill levies for fiscal year 2010 through fiscal year 2021 shows:

<b>Comparison of Budgeted Taxes</b>						
<b>Taxes Budgeted</b>	<b>FY 2010</b>	<b>FY 2015</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
County Operating Taxes	\$ 16,343,857	\$ 18,808,855	\$ 21,761,399	\$ 23,082,863	\$ 25,345,937	\$ 28,932,591
Road and Library Taxes	3,153,566	3,762,770	4,437,478	4,626,481	4,857,714	5,018,596
Open Space & Park Voted Levy	-	-	-	1,331,823	1,589,033	1,650,211
Debt Service / Insurance Taxes	3,941,648	5,077,427	5,867,951	6,202,096	6,606,316	6,647,028
<b>Mill Levies</b>						
County Operating Taxes	73.20	74.35	75.84	78.04	71.83	78.96
Road and Library Taxes	25.23	26.29	27.30	27.75	24.59	24.53
Open Space & Park Voted Levy	-	-	-	4.50	4.50	4.50
Debt Service / Insurance Taxes	17.80	20.15	20.52	21.02	18.74	18.16
<b>Taxable Valuations</b>						
County Operating Valuations	223,244	252,964	286,963	295,802	352,837	366,377
Open Space & Park Voted Levy	-	-	-	295,802	352,837	366,377
Road and Library Valuations	125,025	143,113	162,547	166,725	197,527	204,664

This table shows increase in the taxable valuation of property for FY 2021 of 3.84% due to growth. The County Commission did not maximize the number of mills levied for the Permissive Medical levy. However, they did increase the mills and taxes levied for this Levy. In addition, the Commission did not maximize taxes for county operating as authorized by state law. This results in the county not assessing taxes of \$3,274,519. The Commission may impose these taxes in future years if they deem it is in the best interest of the County.

**Contacting the County Financial Management**

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of Gallatin County's finances and the County's accountability for the money it receives. If you have any questions about this report or want additional information, contact the Finance Department - Accounting Office at 311 West Main Street, Bozeman, MT 59715, phone 406-451-1792 or e-mail [jill.therrien@gallatin.mt.gov](mailto:jill.therrien@gallatin.mt.gov).

Gallatin County, Montana  
 Board of County Commissioners

  
 Scott MacFarlane, Chairman

## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

GALLATIN COUNTY, STATE OF MONTANA  
STATEMENT OF NET POSITION  
June 30, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash, cash equivalents, and investments	\$ 69,327,321	\$ 18,832,890	\$ 88,160,211
Cash, cash equivalents, and investments, restricted	-	2,908,434	2,908,434
Property taxes receivable, net	7,891,660	32,614	7,924,274
Other receivables	8,492,549	1,422,979	9,915,528
Due from (to) other funds	(200,000)	200,000	-
Inventory	165,197	-	165,197
Capital assets, net	138,479,202	11,398,335	149,877,537
Total assets	<u>224,155,929</u>	<u>34,795,252</u>	<u>258,951,181</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Contribution to pension plans in current fiscal year	6,969,097	592,330	7,561,427
Other postemployment health benefits deferred contributions	292,038	64,388	356,426
Excess reacquisition costs due to bond refunding	1,891,052	-	1,891,052
Total deferred outflows of resources	<u>9,152,187</u>	<u>656,718</u>	<u>9,808,905</u>
<b>LIABILITIES</b>			
Accounts Payable	5,818,675	612,810	6,431,485
Accrued payroll and other liabilities	1,715,106	440,007	2,155,113
Deposits payable	12,234	-	12,234
Current portion of long term debt	4,120,238	49,183	4,169,421
Noncurrent liabilities			
Noncurrent portion of long term debt	35,690,786	442,784	36,133,570
Landfill closure/post closure costs	-	2,553,447	2,553,447
Other postemployment health benefits liability	2,873,606	704,289	3,577,895
Net pension liability	24,543,535	3,402,558	27,946,093
Total liabilities	<u>74,774,180</u>	<u>8,205,078</u>	<u>82,979,258</u>
<b>Deferred Inflows of Resources</b>			
Pension deferrals	5,524,047	340,518	5,864,565
Other postemployment health benefits assumption changes	921,434	202,593	1,124,027
Total deferred inflows of resources	<u>6,445,481</u>	<u>543,111</u>	<u>6,988,592</u>
<b>NET POSITION</b>			
Net investment in capital assets	103,494,974	11,398,335	114,893,309
Restricted	21,961,986	2,908,434	24,870,420
Unrestricted	26,631,495	12,397,012	39,028,507
Total net position	<u>\$ 152,088,455</u>	<u>\$ 26,703,781</u>	<u>\$ 178,792,236</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>							
<b>Governmental activities:</b>							
General Government	\$ 15,916,096	\$ 4,011,897	\$ 9,663,694	\$ 265,971	\$ (1,974,534)	\$ -	\$ (1,974,534)
Public Safety	26,658,723	2,446,345	3,598,729	-	(20,613,649)	-	(20,613,649)
Public Works	10,077,211	23,398	1,471,782	395,506	(8,186,525)	-	(8,186,525)
Public Health	5,481,194	950,567	3,041,585	-	(1,489,042)	-	(1,489,042)
Social & Economic Services	576,962	-	-	-	(576,962)	-	(576,962)
Culture & Recreation	3,103,932	745,272	136,776	-	(2,221,884)	-	(2,221,884)
Housing & Community Development	209,483	-	-	-	(209,483)	-	(209,483)
Conservation of Natural Resources	284,337	86,382	290,628	-	92,673	-	92,673
Debt Service Interest	1,383,612	-	-	-	(1,383,612)	-	(1,383,612)
<b>Total governmental activities</b>	<b>63,691,550</b>	<b>8,263,861</b>	<b>18,203,194</b>	<b>661,477</b>	<b>(36,563,018)</b>	<b>-</b>	<b>(36,563,018)</b>
<b>Business-type activities:</b>							
Gallatin County Rest Home	6,859,462	5,523,851	668,065	-	-	(667,546)	(667,546)
Gallatin County Landfill	4,070,098	5,995,197	-	-	-	1,925,099	1,925,099
West Yellowstone Refuse District	1,061,531	658,680	-	-	-	(402,851)	(402,851)
<b>Total business-type activities</b>	<b>11,991,091</b>	<b>12,177,728</b>	<b>668,065</b>	<b>-</b>	<b>-</b>	<b>854,702</b>	<b>854,702</b>
<b>Total primary government</b>	<b>\$ 75,682,641</b>	<b>\$ 20,441,589</b>	<b>\$ 18,871,259</b>	<b>\$ 661,477</b>	<b>\$ (36,563,018)</b>	<b>\$ 854,702</b>	<b>\$ (35,708,316)</b>
General revenues:							
Property Taxes for General Purposes					44,044,481	1,043,584	45,088,065
Unrestricted grants and contributions					7,763	-	7,763
Investment Earnings					1,079,983	91,821	1,171,804
Miscellaneous					3,835,602	9,543	3,845,145
Gain (loss) on sale/disposal of capital assets					(77,178)	-	(77,178)
Transfer in (out)					(9,750)	9,750	-
Total general revenues, special items, and transfers					<u>48,880,901</u>	<u>1,154,698</u>	<u>50,035,599</u>
Change in net position					<u>12,317,883</u>	<u>2,009,400</u>	<u>14,327,283</u>
Net position - beginning					139,395,365	24,694,381	164,089,746
Prior period adjustment					375,207	-	375,207
Net position - beginning, adjusted					<u>139,770,572</u>	<u>24,694,381</u>	<u>164,464,953</u>
Net position - ending					<u>\$ 152,088,455</u>	<u>\$ 26,703,781</u>	<u>\$ 178,792,236</u>

The notes to financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

GALLATIN COUNTY, STATE OF MONTANA  
BALANCE SHEET – GOVERNMENTAL FUNDS  
June 30, 2020

	General	Public Safety Fund	RID Maintenance	County Emergency	RID Bond Debt Service	Capital Projects	Total Non Major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>								
Cash & Investments	\$ 8,211,541	\$ 3,663,898	\$ 8,256,532	\$ 86,350	\$ 151,318	\$ 14,345,064	\$ 25,452,108	\$ 60,166,811
Real Estate Taxes Receivable	188,625	354,402	64,835	-	79,381	52,859	425,942	1,166,044
Personal Property Taxes Receivable	42,118	78,982	-	-	-	12,333	117,275	250,708
Penalties and Interest Taxes Receivable	12,880	24,736	10,887	-	5,954	4,047	26,770	85,274
Protested Taxes Receivable	2,584	5,060	-	-	-	855	3,405	11,904
Special Assessments Receivable	-	-	-	-	6,377,730	-	-	6,377,730
Accounts Receivable-Net	352,313	398,754	6,387	5,550,893	-	22,890	1,917,988	8,249,225
Due from other funds	322,305	4,238,765	-	-	-	-	88,124	4,649,194
Inventories	104,298	-	-	-	-	-	60,899	165,197
<b>Total assets</b>	<u>\$ 9,236,664</u>	<u>\$ 8,764,597</u>	<u>\$ 8,338,641</u>	<u>\$ 5,637,243</u>	<u>\$ 6,614,383</u>	<u>\$ 14,438,048</u>	<u>\$ 28,092,511</u>	<u>\$ 81,122,087</u>
<b>LIABILITIES</b>								
Accounts Payable	\$ 791,207	\$ 338,161	\$ 151,128	\$ 1,637,044	\$ -	\$ 489,763	\$ 1,504,904	\$ 4,912,207
Contracts/Loans Payable	-	-	12,234	-	-	-	-	12,234
Other Accrued Payables	685,557	598,180	4,998	1,252	-	-	396,704	1,686,691
Due To Other Funds	-	-	-	3,778,923	-	200,000	870,271	4,849,194
<b>Total liabilities</b>	<u>1,476,764</u>	<u>936,341</u>	<u>168,360</u>	<u>5,417,219</u>	<u>-</u>	<u>689,763</u>	<u>2,771,879</u>	<u>11,460,326</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable Revenue, Fines and Forfeitures, Fees	206,483	-	-	-	-	-	-	206,483
Unavailable Revenue, Property Taxes	246,207	463,180	75,722	-	6,463,065	70,094	573,392	7,891,660
<b>Total deferred inflows of resources</b>	<u>452,690</u>	<u>463,180</u>	<u>75,722</u>	<u>-</u>	<u>6,463,065</u>	<u>70,094</u>	<u>573,392</u>	<u>8,098,143</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)  
June 30, 2020

	General	Public Safety Fund	RID Maintenance	County Emergency	RID Bond Debt Service	Capital Projects	Total Non Major Governmental Funds	Total Governmental Funds
<b>FUND BALANCES:</b>								
<b>Nonspendable:</b>								
Inventories	104,298	-	-	-	-	-	60,899	165,197
<b>Restricted for:</b>								
Grants	-	-	-	-	-	479,795	10,086,279	10,566,074
Debt Service Obligations	-	-	-	-	-	-	1,324,635	1,324,635
RID Debt Services	-	-	-	-	151,318	-	-	151,318
Construction Projects	-	-	-	-	-	-	1,708,595	1,708,595
General Government	1,604,251	-	-	220,024	-	-	2,599	1,826,874
Public Safety	-	296,713	-	-	-	-	-	296,713
<b>Committed for:</b>								
Contractual Obligations	-	-	-	-	-	13,123,162	-	13,123,162
RID Maintenance	-	-	8,094,559	-	-	-	-	8,094,559
General Government	5,504,864	-	-	-	-	-	746,446	6,251,310
Public Safety	-	6,789,729	-	-	-	-	127,192	6,916,921
Public Works	-	-	-	-	-	-	5,438,489	5,438,489
Public Health	-	-	-	-	-	-	1,710,846	1,710,846
Culture & Recreation	-	-	-	-	-	-	1,367,277	1,367,277
Conservation Of Natural Resources	-	-	-	-	-	-	2,160,555	2,160,555
<b>Assigned for:</b>								
General Government	93,797	-	-	-	-	75,234	-	169,031
Public Safety	-	278,634	-	-	-	-	-	278,634
Public Works	-	-	-	-	-	-	13,428	13,428
<b>Total fund balances</b>	<u>7,307,210</u>	<u>7,365,076</u>	<u>8,094,559</u>	<u>220,024</u>	<u>151,318</u>	<u>13,678,191</u>	<u>24,747,240</u>	<u>61,563,618</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 9,236,664</u>	<u>\$ 8,764,597</u>	<u>\$ 8,338,641</u>	<u>\$ 5,637,243</u>	<u>\$ 6,614,383</u>	<u>\$ 14,438,048</u>	<u>\$ 28,092,511</u>	<u>\$ 81,122,087</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
June 30, 2020

Amounts reported for *governmental activities* in the statement of net position are different because:

**Total fund balances - governmental funds** \$ 61,563,618

Capital assets used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds. The cost of the assets is \$274,662,705 and the accumulated depreciation is \$136,671,805. Internal service fund assets of \$1,736,731 and accumulated depreciation of \$1,248,429 are included below. 137,990,900

Deferred inflows of resources (unavailable property taxes and unavailable fines and forfeitures and fees) are not available to pay for current period expenditures, and therefore, are deferred in the governmental funds. 8,098,143

The net pension and OPEB liabilities reported in the statement of net position do not require the use of current financial resources and are not reported as liabilities in government funds until actually due. (27,370,434)

Pension and OPEB related deferred inflows and outflows are not accounted for in the governmental funds. Excess reacquisition costs related to bond refunding are accounted for as deferred inflows of resources in the government-wide statements. The following number reports the net result of the current and long-term effect of these 2,718,227

Long-term liabilities, including bonds payable, compensated absences, capital leases and notes payable are not due and payable in the current period and therefore are not reported in the funds. (39,738,065)

Internal service funds are used by the County to charge the costs of employee health insurance. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position. 8,826,066

**Total net position - governmental activities** \$ 152,088,455

**GALLATIN COUNTY, STATE OF MONTANA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2020**

	General	Public Safety Fund	RID Maintenance	County Emergency	RID Bond Debt Service	Capital Projects	Total Non Major Governmental Funds	Total Governmental Funds
<b>REVENUES</b>								
Property Taxes	\$ 9,746,322	\$ 16,075,087	\$ -	\$ -	\$ -	\$ 1,989,792	\$ 15,650,810	\$ 43,462,011
Licenses & Permits	750	51,113	-	-	-	-	347,994	399,857
Intergovernmental Revenues	1,769,479	1,365,627	-	5,593,324	-	100,123	10,036,117	18,864,670
Charges for Services	3,130,444	2,247,495	-	-	-	93,655	1,706,273	7,177,867
Fines & Forfeitures	486,013	43,643	-	-	-	-	63,719	593,375
Miscellaneous	90,035	549,206	1,830,109	133,981	762,245	5,000	465,026	3,835,602
Investment Earnings (loss)	318,041	59,081	126,682	-	9,975	237,326	199,545	950,650
Contributions/Donations	-	-	-	-	-	-	7,763	7,763
Total revenues	<u>15,541,084</u>	<u>20,391,252</u>	<u>1,956,791</u>	<u>5,727,305</u>	<u>772,220</u>	<u>2,425,896</u>	<u>28,477,247</u>	<u>75,291,795</u>
<b>EXPENDITURES</b>								
Current:								
General Government	12,348,247	-	-	-	2,100	88,811	1,363,047	13,802,205
Public Safety	1,442,390	16,030,505	-	5,467,654	-	7,026	1,613,800	24,561,375
Public Works	588,450	-	1,214,112	-	-	6,793	5,604,750	7,414,105
Public Health	-	-	-	-	-	-	5,169,740	5,169,740
Social & Economic Services	489,466	-	-	-	-	-	81,900	571,366
Culture & Recreation	-	-	-	-	-	134	2,857,819	2,857,953
Housing & Community Development	-	-	-	-	-	-	184,174	184,174
Conservation of Natural Resources	-	-	-	-	-	-	273,006	273,006
Debt service:								
Principal retirement	231,157	451,999	-	-	932,653	-	2,928,684	4,544,493
Interest	18,971	3,379	-	-	300,863	-	1,137,178	1,460,391
Capital Outlay	244,542	771,682	-	45,974	-	2,529,498	2,387,816	5,979,512
Total expenditures	<u>15,363,223</u>	<u>17,257,565</u>	<u>1,214,112</u>	<u>5,513,628</u>	<u>1,235,616</u>	<u>2,632,262</u>	<u>23,601,914</u>	<u>66,818,320</u>
Excess (deficiency) of revenues over expenditures	<u>177,861</u>	<u>3,133,687</u>	<u>742,679</u>	<u>213,677</u>	<u>(463,396)</u>	<u>(206,366)</u>	<u>4,875,333</u>	<u>8,473,475</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers Out	(599,322)	(347,246)	-	-	-	(272,321)	(4,275,199)	(5,494,088)
Proceeds from Sale of Fixed Assets	-	2,400	-	-	-	10,700	53,775	66,875
Transfers In	911,757	264,819	-	-	-	417,781	2,064,468	3,658,825
Bond Proceeds	-	-	-	-	-	-	732,000	732,000
Total other financing sources (uses)	<u>312,435</u>	<u>(80,027)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>156,160</u>	<u>(1,424,956)</u>	<u>(1,036,388)</u>
Net change in fund balances	<u>490,296</u>	<u>3,053,660</u>	<u>742,679</u>	<u>213,677</u>	<u>(463,396)</u>	<u>(50,206)</u>	<u>3,450,377</u>	<u>7,437,087</u>
Fund balances - beginning	6,816,914	4,311,416	7,351,880	6,347	614,714	13,728,397	20,921,656	53,751,324
Prior year adjustment	-	-	-	-	-	-	375,207	375,207
Fund balances - beginning, adjusted	<u>6,816,914</u>	<u>4,311,416</u>	<u>7,351,880</u>	<u>6,347</u>	<u>614,714</u>	<u>13,728,397</u>	<u>21,296,863</u>	<u>54,126,531</u>
Fund balances - ending	<u>\$ 7,307,210</u>	<u>\$ 7,365,076</u>	<u>\$ 8,094,559</u>	<u>\$ 220,024</u>	<u>\$ 151,318</u>	<u>\$ 13,678,191</u>	<u>\$ 24,747,240</u>	<u>\$ 61,563,618</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT  
OF ACTIVITIES  
For the Year Ended June 30, 2020

Amounts reported for *governmental activities* in the statement of net position are different because:

**Net change in fund balances - total governmental funds** \$ 7,437,087

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$5,979,512) exceeds depreciation (\$5,588,163) in the current period (exclusive of internal service funds). 391,349

In the statement of activities, the loss or gain on the sale or disposal of capital assets is recognized. The governmental funds recognize only the proceeds (\$66,875) from the sale of these assets. (135,905)

Deferred inflows of resources in the governmental funds are reported on the full accrual method in the government-wide financial statements. 675,232

The current period net increase in compensated absences did not require the use of current financial resources. (246,913)

The net pension and Other Post Employment Benefits liabilities and related deferred inflows and outflows of the County are reported on the full accrual method and solely in the government-wide financial statements. (822,826)

The issuance of long-term debt provides current financial resources to governmental funds, which the repayment of the principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of bond premiums when the debt is first issued, whereas these amounts are deferred and amortized as a component of interest and fiscal charges in the statement of activities. If debt is refunded at a cost more than the carrying amount of the old debt, this excess acquisition cost is also amortized as a component of interest and fiscal charges in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt. 3,889,273

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with the governmental activities. 1,130,586

**Change in net position of governmental activities** \$ 12,317,883

The notes to financial statements are an integral part of this statement.

**GALLATIN COUNTY, STATE OF MONTANA**  
**STATEMENT OF NET POSITION – PROPRIETARY FUNDS**  
June 30, 2020

	Business-Type Activities-Enterprise Funds				Governmental Activities
	Gallatin County Rest Home	Gallatin County Landfill	West		Internal Service Funds
			Yellowstone Refuse District	Total Enterprise Funds	
<b>ASSETS</b>					
Current assets:					
Cash and investments	\$ 513,148	\$ 16,468,102	\$ 1,851,640	\$ 18,832,890	\$ 9,160,510
Cash and investments, restricted	-	2,908,434	-	2,908,434	-
Total current assets	<u>513,148</u>	<u>19,376,536</u>	<u>1,851,640</u>	<u>21,741,324</u>	<u>9,160,510</u>
Noncurrent assets:					
Real estate taxes receivable	23,579	-	2,300	25,879	-
Personal taxes receivable	4,789	-	-	4,789	-
Penalties and interest taxes receivable	1,719	-	-	1,719	-
Protested taxes receivable	227	-	-	227	-
Accounts receivable, net	681,428	671,130	70,421	1,422,979	243,324
Due from other funds	-	200,000	-	200,000	-
Capital assets, net	1,504,810	8,184,003	1,709,522	11,398,335	488,302
Total assets	<u>2,729,700</u>	<u>28,431,669</u>	<u>3,633,883</u>	<u>34,795,252</u>	<u>9,892,136</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Contribution to pension plans	382,491	170,934	38,905	592,330	-
Other postemployment health benefit contributions	49,438	12,522	2,428	64,388	5,216
Total deferred outflows of resources	<u>431,929</u>	<u>183,456</u>	<u>41,333</u>	<u>656,718</u>	<u>5,216</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	175,622	386,098	51,090	612,810	906,468
Other accrued payables	251,882	174,560	13,565	440,007	28,415
Compensated absences	33,612	11,159	4,412	49,183	7,296
Total current liabilities	<u>461,116</u>	<u>571,817</u>	<u>69,067</u>	<u>1,102,000</u>	<u>942,179</u>
Noncurrent liabilities:					
Other postemployment health benefits	564,535	117,796	21,958	704,289	46,707
Net pension liability	2,197,168	981,906	223,484	3,402,558	-
Closure/post closure costs	-	2,553,447	-	2,553,447	-
Compensated absences	302,503	100,741	39,540	442,784	65,663
Total noncurrent liabilities	<u>3,064,206</u>	<u>3,753,890</u>	<u>284,982</u>	<u>7,103,078</u>	<u>112,370</u>
Total liabilities	<u>3,525,322</u>	<u>4,325,707</u>	<u>354,049</u>	<u>8,205,078</u>	<u>1,054,549</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension deferrals	219,886	98,266	22,366	340,518	-
Other postemployment health benefits assumption changes	154,673	40,036	7,884	202,593	16,737
Total deferred inflows of resources	<u>374,559</u>	<u>138,302</u>	<u>30,250</u>	<u>543,111</u>	<u>16,737</u>
<b>NET POSITION</b>					
Net investment in capital assets	1,504,810	8,184,003	1,709,522	11,398,335	488,302
Restricted (expendable)	-	2,908,434	-	2,908,434	-
Unrestricted	(2,243,062)	13,058,679	1,581,395	12,397,012	8,337,764
Total net position	<u>\$ (738,252)</u>	<u>\$ 24,151,116</u>	<u>\$ 3,290,917</u>	<u>\$ 26,703,781</u>	<u>\$ 8,826,066</u>

The notes to financial statements are an integral part of this statement.

**GALLATIN COUNTY, STATE OF MONTANA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION –**  
**PROPRIETARY FUNDS**  
For the Year Ended June 30, 2020

	Business-Type Activities-Enterprise Funds				Governmental Activities
	Gallatin		West Yellowstone		Internal Service Funds
	County Rest Home	Gallatin County Landfill	Refuse District	Total Enterprise Funds	
<b>OPERATING REVENUES</b>					
Charges for Services	\$ 5,523,851	\$ 5,995,197	\$ 658,680	\$ 12,177,728	\$ 154,496
Miscellaneous	1,750	6,168	1,625	9,543	44,459
Internal Services	-	-	-	-	8,771,580
Total operating revenues	<u>5,525,601</u>	<u>6,001,365</u>	<u>660,305</u>	<u>12,187,271</u>	<u>8,970,535</u>
<b>OPERATING EXPENSES</b>					
Public Works Personnel Services	-	1,520,177	309,532	1,829,709	-
Public Works Operations	-	2,125,418	499,649	2,625,067	-
Public Works Depreciation	-	424,503	252,350	676,853	-
Public Health Personnel	4,365,704	-	-	4,365,704	-
Public Health Operations	2,344,359	-	-	2,344,359	-
Internal Service Personnel	-	-	-	-	649,294
Internal Service Supplies	-	-	-	-	158,196
Internal Service Purchased Services	-	-	-	-	1,170,785
Internal Service Fixed Charges	-	-	-	-	1,556,626
Internal Service Depreciation	-	-	-	-	182,696
Internal Service Benefit Payments	-	-	-	-	6,069,050
Public Health Depreciation	149,399	-	-	149,399	-
Total operating expenses	<u>6,859,462</u>	<u>4,070,098</u>	<u>1,061,531</u>	<u>11,991,091</u>	<u>9,786,647</u>
Operating income (loss)	<u>(1,333,861)</u>	<u>1,931,267</u>	<u>(401,226)</u>	<u>196,180</u>	<u>(816,112)</u>
<b>NONOPERATING REVENUES</b>					
<b>(EXPENSES)</b>					
Property Taxes	1,043,584	-	-	1,043,584	-
Intergovernmental Revenues	641,435	21,693	4,937	668,065	-
Investment Earnings (Loss)	(11,864)	82,937	20,748	91,821	129,333
Gain (Loss) on Sale of Fixed Assets (expenses)	-	-	-	-	(8,148)
	<u>1,673,155</u>	<u>104,630</u>	<u>25,685</u>	<u>1,803,470</u>	<u>121,185</u>
Income (loss) before contributions and transfers	339,294	2,035,897	(375,541)	1,999,650	(694,927)
Transfers In	-	9,750	-	9,750	1,825,513
Change in net position	339,294	2,045,647	(375,541)	2,009,400	1,130,586
Total net position - beginning	<u>(1,077,546)</u>	<u>22,105,469</u>	<u>3,666,458</u>	<u>24,694,381</u>	<u>7,695,480</u>
Total net position - ending	<u>\$ (738,252)</u>	<u>\$ 24,151,116</u>	<u>\$ 3,290,917</u>	<u>\$ 26,703,781</u>	<u>\$ 8,826,066</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS  
For the Year Ended June 30, 2020

	Business-Type Activities-Enterprise Funds				Governmental Activities
	Gallatin County Rest Home	Gallatin County Landfill	West Yellowstone Refuse District	Total Enterprise Funds	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash from interfund	\$ -	\$ -	\$ -	\$ -	\$ 8,826,573
Payments to interfund	-	-	-	-	(1,033,782)
Cash receipts from customer	5,427,431	5,966,496	706,274	12,100,201	(83,288)
Receipts from other funds	-	200,000	-	200,000	-
Payments to employees	(4,322,897)	(1,380,373)	(303,589)	(6,006,859)	(644,277)
Payments to suppliers	(2,300,562)	(1,810,074)	(575,279)	(4,685,915)	(8,132,035)
Net cash provided (used) by operating activities	(1,196,028)	2,976,049	(172,594)	1,607,427	(1,066,809)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Intergovernmental revenue	641,435	21,693	4,937	668,065	-
Subsidy from taxes	1,021,370	-	-	1,021,370	-
Transfers from (to) other funds	-	9,750	-	9,750	1,825,513
Net cash provided (used) by noncapital financing activities	1,662,805	31,443	4,937	1,699,185	1,825,513
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Interest paid on debt	-	-	-	-	-
Principal on debt	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Purchases/acquisition/const. of capital assets	(59,096)	(628,860)	(10,816)	(698,772)	(19,407)
Net cash provided (used) by capital and related financing activities	(59,096)	(628,860)	(10,816)	(698,772)	(19,407)

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)  
 For the Year Ended June 30, 2020

	Business-Type Activities-Enterprise Funds				Governmental Activities
	Gallatin County Rest Home	Gallatin County Landfill	West Yellowstone Refuse District	Total Enterprise Funds	Internal Service Funds
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest Earnings	(11,864)	82,937	20,748	91,821	129,333
Net cash provided (used) by investing activities	(11,864)	82,937	20,748	91,821	129,333
Net increase (decrease) in cash and cash equivalents	395,817	2,461,569	(157,725)	2,699,661	868,630
Balances - beginning of year	117,331	16,914,967	2,009,365	19,041,663	8,291,880
Balances - end of the year	<u>\$ 513,148</u>	<u>\$ 19,376,536</u>	<u>\$ 1,851,640</u>	<u>\$ 21,741,324</u>	<u>\$ 9,160,510</u>
Cash and investments consist of:					
Cash and investments	\$ 513,148	\$ 16,468,102	\$ 1,851,640	\$ 18,832,890	\$ 9,160,510
Restricted cash and investments	-	2,908,434	-	2,908,434	-
Total cash and investments	<u>\$ 513,148</u>	<u>\$ 19,376,536</u>	<u>\$ 1,851,640</u>	<u>\$ 21,741,324</u>	<u>\$ 9,160,510</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)  
For the Year Ended June 30, 2020

	Business-Type Activities-Enterprise Funds				Activities
	Gallatin County Rest Home	Gallatin County Landfill	West Yellowstone Refuse District	Total Enterprise Funds	Internal Service Funds
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating Income	\$ (1,333,861)	\$ 1,931,267	\$ (401,226)	\$ 196,180	\$ (816,112)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	149,399	424,503	252,350	826,252	182,696
Changes in assets and liabilities:					
Accounts receivable	(98,170)	(34,869)	45,969	(87,070)	(227,250)
Due from other funds	-	200,000	-	200,000	-
Prepaid expenses	-	-	-	-	-
Accounts payable	(52,951)	(13,246)	(75,630)	(141,827)	(215,711)
Other accrued payables	96,748	25,558	(94)	122,212	4,551
Closure/post closure costs	-	303,032	-	303,032	-
Compensated absences	53,574	9,322	1,758	64,654	2,973
Other postemployment health benefits and related deferred inflows and outflows	18,232	4,866	979	24,077	2,044
Net pension liability and related deferred inflows and outflows	(28,999)	125,616	3,300	99,917	-
Net cash provided (used) by operating activities	<u>\$ (1,196,028)</u>	<u>\$ 2,976,049</u>	<u>\$ (172,594)</u>	<u>\$ 1,607,427</u>	<u>\$ (1,066,809)</u>
<b>SCHEDULE OF NONCASH TRANSACTIONS</b>					
Noncash change in deferred outflows	\$ 123,162	\$ (110,428)	\$ 6,873	\$ 19,607	\$ (5,083)
Noncash change in net pension liability	(39,600)	132,511	2,746	95,657	-
Noncash change in other post- employment health benefits liability	(67,984)	(18,144)	(3,651)	(89,779)	(7,623)
Noncash change in deferred inflows	(15,578)	(3,939)	(5,968)	(25,485)	12,706
Total noncash transactions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS  
June 30, 2020

	Investment Trust Funds	Agency Funds
	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>		
Cash and investments	\$ 164,326,348	\$ 4,786,566
Tax/assessment receivable (net)	-	6,253,603
Accrued interest receivable	133,717	-
<b>Total Assets</b>	<u>164,460,065</u>	<u>11,040,169</u>
 <b>LIABILITIES</b>		
Accounts payable	-	(114,604)
Protested taxes payable	-	99,204
Due to other governments	-	11,055,569
<b>Total Liabilities</b>	<u>-</u>	<u>11,040,169</u>
 <b>NET ASSETS</b>		
Held in trust for investments and other purposes	<u>\$ 164,460,065</u>	<u>\$ -</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS  
 For the Year Ended June 30, 2020

	Investment Trust Funds
<b>ADDITIONS</b>	
Investment earnings	\$ 3,038,892
Contributions to investment trust	<u>795,490,480</u>
<b>Total Additions</b>	<u>798,529,372</u>
 <b>DEDUCTIONS</b>	
Distributions from investment trust fund	<u>805,087,514</u>
<b>Total Deductions</b>	<u>805,087,514</u>
 Change in net position	 (6,558,142)
Net position - beginning of year	<u>171,018,207</u>
Net position - end of year	<u><u>\$ 164,460,065</u></u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements of Gallatin County, State of Montana (the County) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB), the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The accompanying financial statements present the financial position of the County and the various funds and fund types, the results of operations of the County and various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2020, and for the year then ended. The significant policies of the County are described below.

**Reporting Entity**

The County is a political subdivision of the State of Montana governed by a three-member Board of Commissioners duly elected by the registered voters of the County. The County utilizes the Commission form of government. The accompanying financial statements present the primary government.

Certain activities such as Fair, Library, Weed, and Planning have separate boards, but are included in the basic financial statements as special revenue funds because they are not legally separate or fiscally independent from the County and the County is financially accountable.

Other activities such as the Soil Conservation District, West Yellowstone TV District, Sewer and Water Districts, Fire Districts, Fire Service Areas, Cemetery Districts, Dyke Districts, Cities, and School Districts are reflected only in the fiduciary statement of net position as agency funds, since the County is responsible, by law, for the collection of taxes and/or maintenance cash funds for those entities. These entities are considered primary governments and are not a part of the County.

**Fund Accounting**

The County uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all financial activities of the general government not recorded in another fund.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Accounting (Continued)**

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds include all trust and agency funds which account for assets held by the County as a trustee or as an agent for individuals, other governmental units and/or other funds. The investment trust fund accounts for the external portion of the County's investment pool, which is invested for County school districts, special districts, and the protest tax fund. These districts have all agreed to voluntarily participate in the investment pool. Agency funds generally are used to account for funds being held on an interim basis on behalf of others as their agent. Such funds are custodial in nature since all assets are due to individuals or entities at some future time.

**Government-Wide and Fund Financial Statements**

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, which provide a more detailed level of financial information.

*Government-Wide Financial Statements* – The statement of net position and the statement of activities report information on all of the non-fiduciary activities of the primary government utilizing a full accrual basis of accounting. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position presents the financial condition of the governmental activities of the County at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities (and ultimately presents changes in net position). Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function.

Program revenues include 1) charges paid by the recipient of the goods or services provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Property taxes and other items not properly included among program revenues are reported instead of general revenues.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

*Fund Financial Statements* – Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Fund financial statements are designed to present financial information of the County at a more detailed level (and to demonstrate legal compliance). The focus of governmental fund financial statements is on major funds. Major funds are presented in separate columns. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of proprietary fund statements. The fiduciary funds are reported by type.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred as under accrual accounting. Principal and interest on long-term debt, as well as expenditures related to compensated absences, are recorded as fund liabilities when payment is due.

The County reports deferred inflows of resources on its governmental funds' balance sheets. Deferred inflows of resources arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows of resources also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures.

In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred inflows of resources is removed from the combined balance sheet and revenue is recognized. The County reports uncollected property tax revenues as deferred inflows of resources for governmental funds.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

Those revenues susceptible to accrual are interest revenue, grant revenues, and charges for services. Changes in the fair value of investments are recognized in revenue at the end of each year. Fines and permits are not susceptible to accrual because generally they are not measurable and available until received in cash.

The County reports the following major governmental funds:

General Fund – This is the government’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Public Safety Special Revenue Fund – This is the fund that accounts for all financial resources of the County’s Sheriff Department, Coroner, Disaster & Emergency Services / Hazardous Materials and County Rural Fire.

RID Maintenance Special Revenue Fund – This fund accounts for financial resources for the maintenance costs associated with the rural improvement districts.

County Emergency Special Revenue Fund – This fund accounts for the financial resources stemming from emergency situations, such as the COVID-19 pandemic.

Capital Projects Fund – This fund accounts for all of the County’s capital improvement activities.

RID Bonds Fund – This is the summary of funds that account for all financial resources for the debt service of all RID Bonds for the County.

The Government reports the following major proprietary funds:

Rest Home Fund – This fund is used to account for the operating and non-operating revenues and expenses of the Rest Home operated by the County. The fund is maintained on the full accrual basis of accounting.

County Landfill Fund – This fund is used to account for the operating and non-operating revenues and expenses of the landfill operated by the County. The fund is maintained on the full accrual basis of accounting.

West Yellowstone Refuse District Fund – This fund is used to account for the operating and non-operating revenues and expenses of the refuse facility operated by the County. The fund is maintained on the full accrual basis of accounting.

Additionally, the government reports the following fund types:

Internal Service Funds – These funds account for services provided by the government to its various departments or agencies or to other governments, on a cost recovery basis.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

Fiduciary Funds – These funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The County’s agency funds include cash and investments, property tax receivables, and surety bonds and performance deposits for county school districts and other county special districts.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are other charges between the governments’ enterprise functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the enterprise funds and the government’s internal service funds are charges to customers for services provided. Operating expenses for enterprise funds and internal service funds include the cost of providing such services and the depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Cash and Investments**

Except for certain, specific bank deposits and investments held separately on behalf of certain fiduciary funds, cash resources (to the extent available) of the individual funds are combined to form an investment pool. The pool is managed by the County Treasurer. The pool is not registered with the Securities and Exchange Commission as an investment company and is not subject to regulatory oversight. Investments of the pool, which are authorized by state law, consist primarily of repurchase agreements, the State of Montana’s Short Term Investment Pool (STIP), U.S. Treasury Bills, and securities of the U. S. Government, its agencies, or government sponsored entities. Investments, with limited exceptions, are reported at fair market value. Investments in nonparticipating certificates of deposit are reported at cost. Money market investments, including U.S. Treasury and Agency obligations that mature within one year of acquisition are reported at amortized cost. Bank deposits include demand deposits and overnight purchase agreements in County banks and are also reported at cost. Fair value is defined as the prices that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is determined annually, and requires the use of valuation techniques, a specific method or combination of methods using one more of three approaches: market, cost, or income approach.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash and Investments (Continued)**

The County maintains an investment pool consisting of funds belonging to the County and also of funds held by the County Treasurer belonging to legally separate entities such as school districts and special purpose districts. These districts can elect to participate in the County's investment pool, or can self-direct the investment of their funds in individual investment accounts. The portion of the investment pool belonging to the legally separate entities and any self-directed individual investment accounts are reported in the investment trust fund in the fiduciary fund financial statements.

The investment pool is managed by the County Treasurer in accordance with the County's stated investment policies as prescribed by the MCA. There is no external regulatory oversight for the investment pool, and the County has not provided or obtained any legally binding guarantees to support the value of the investments.

The method used to determine the values of the participants' equity withdrawn is based on the book value of the participants' percentage participation at the date of the withdrawal. Interest income earned as a result of pooling and changes in the fair value of investments are distributed to the appropriate funds as designated by state law utilizing a formula based on the applicable cash balance participation by each fund. The general fund receives interest revenue from those funds not specifically designated by state law to receive interest. Government sponsored entities include: Fannie Mae, Freddie Mac, Federal National Mortgage Association, Federal Home Loan Bank, Federal Home Loan Mortgage Company, and Federal Farm Credit Bank.

The County issues warrants in payment of its obligations. Cash balances are reported net of outstanding warrants.

For purposes of the statement of cash flows for the Enterprise and Internal Service Funds, the County considers all highly liquid debt instruments with an original maturity of three months or less, including restricted cash and demand investments, to be cash equivalents.

**Restricted Cash and Investments**

Certain assets of the proprietary funds are restricted for specific use as required by the bond indenture agreement covenants established with the issuance and sale of the revenue bonds. This represents a liability to the proprietary funds. These restricted assets represent cash and investments restricted for use to repay current debt, future debt, landfill closure/post closure liabilities, and replacement and depreciation for the purpose of replacing the system in the future. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

**Receivables and Payables**

Activity between funds that are representative of lending or borrowing arrangements outstanding at fiscal year-end are referred to as due from/to other funds.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Receivables and Payables (Continued)**

Accounts receivable represents amounts due from fines and forfeitures, charges for services, and intergovernmental revenues. These amounts are shown net of an allowance for uncollectible accounts. The allowance for bad debts for the Rest Home is 2% of aged accounts receivable. For the County Rest Home, the allowance for doubtful accounts at June 30, 2020 was \$12,802. The process for determining the allowance for bad debts for Justice Court is 30% of balances that are less than 5 years old and receivables that are 5 years or older are written off. For Justice Court the allowance for doubtful accounts at June 30, 2020 was \$77,431. All other receivables are considered fully collectible.

Property tax levies are set on the later of the first Thursday in September or within thirty calendar days after receiving certified taxable valuation (MCA 7-6-4036) in connection with the budget process. Real property (and certain attached personal property) taxes are billed within ten days after the third Monday in October and are due in equal installments on November 30 and the following May 31. After those dates, they become delinquent. These taxes attach as an enforceable lien immediately if not paid when due. A lien is placed upon the property and after three years, the County may exercise the lien and take title to the property.

Personal property taxes (other than those billed with real estate) are generally billed no later than the second Monday in July (normally in May or June), based on the prior November's levies. Personal property taxes, other than mobile homes, are due thirty days after billing. Mobile home taxes are billed in two halves. The first is due thirty days after billing; the second due November 30. The tax billings are considered past due after the respective due dates and are subject to penalty and interest charges. Personal property taxes attach as an enforceable lien immediately if not paid when due. Only amounts collected in the current year meet the criteria for revenue recognition. The remainder amounts are deferred until collected.

Special assessments are set based on a square foot, per lot or per utilization basis for each district created by the County Commission (RID Bond, RID Maintenance, Local Water Quality, Planning / Zoning, and Lighting Districts) on the later of the first Thursday in September or within thirty calendar days after receiving certified taxable valuation, in connection with the budget process. They are either billed in one installment due November 30 or two equal installments due November 30 and the following May 31. Only amounts due in the current year meet the criteria for revenue recognition. The remainder amounts are deferred until due.

An allowance for uncollectible accounts was not maintained for real and personal property taxes and special assessments receivable. The direct write off method is used for these accounts. This is an immaterial departure from GAAP.

The tax levies for the fiscal year ended June 30, 2020 were based upon the County Wide taxable valuation of \$361,529,488.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Receivables and Payables (Continued)**

All payables are reported in the government-wide financial statements with the proprietary funds payables also being presented on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as the obligation of the funds. However, compensated absences and other voluntary termination benefits are reported as a liability in the fund financial statements only to the extent that there are unpaid reimbursable balances for terminated employees at year-end.

**Inventories**

All inventories are valued at cost using the First-In First-Out (FIFO) method. Inventories are recorded as expenditures when purchased. Any material inventory remaining at year-end is included in the balance sheets of each fund at cost. The reported inventory is offset equally by a fund balance reserve, which indicates that it does not constitute available spendable resources even though it is included in net current assets.

**Prepaid Expenses**

Payments made to vendors for services that will benefit future periods are recorded as prepaid items in both the government-wide and fund financial statements. This current asset is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

**Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, curbs, etc.), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year, except for the Rest Home where assets with a value of \$500 or more are capitalized. Such assets are recorded at historical cost or capital estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets (Continued)**

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	15-40
Building improvements	10-20
Infrastructure:	
Road	20-60
Bridge	50-75
Vehicles	7
Equipment other than vehicles	5-20
Office equipment	5-20
Computer equipment	5
Intangibles:	
Software	7

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and governmental funds balance sheets will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position (or fund balance) that applies to a future period(s) so will not be recognized as an outflow of resources (expenses/expenditures) until then. The County has pension and other postemployment health benefits (OPEB) related deferred outflows of resources in the current fiscal year. In addition, the County reports deferred outflows for the excess reacquisition costs due to bond refunding.

In addition to liabilities, the statement of net position and governmental funds balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Within the County's governmental fund balance sheet, the County reports deferred inflows of resources comprised of unavailable revenue for property taxes and fines, forfeitures and fees. These amounts are reported as revenue in the government-wide financial statements in the period in which they were earned/levied and thus, these deferred inflows of resources were not reported on the government-wide financial statements. The government-wide and proprietary Statements of Net Position also report deferred inflows of resources for pension and OPEB related activities.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Compensated Absences Payable**

As required by State law, the County allows for employees to accumulate earned but unused vacation and sick leave benefits. Unused vacation leave benefits are 100 percent payable upon separation and 25 percent of unused sick leave benefits are payable upon separation. Employees are allowed to accumulate and carry over a maximum of two times their annual accumulation of vacation. Annual accumulations greater than this amount can be carried over, but no more than 90 days can be carried into the new calendar year. There is no restriction on the amount of sick leave that may be accumulated. The liability associated with governmental fund-type employees is reported in the general long-term debt account group, while the liability associated with proprietary fund-type employees is recorded in each respective fund. Expenditures for unpaid vacation and sick leave benefits are recorded when paid in the governmental funds on the modified accrual basis of accounting and expenses for vacation and sick leave benefits are recorded when accrued in the proprietary funds on the full accrual basis of accounting. The County also allows exempt employees to carry up to 20 hours in compensatory time. Only non-exempt employees are paid compensatory time at 100% upon termination.

**Net Pension Liability (NPL)**

The County must report its proportionate share of the collective net pension liability, pension expense, deferred inflows, and deferred outflows of resources associated with pension plans in which its employees are eligible to participate.

**Other Postemployment Benefits**

The County allows retirees that have just finished employment with the County to remain on the County health insurance plan. Another postemployment benefit arises from the difference in the County health insurance cost the retirees are incurring and what they would otherwise be paying on the open market for a similar plan. This benefit is reflected in the financials as a long-term liability following the guidance of GASB Statement No. 75.

**Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond issue using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balance**

The classifications for fund balance used for governmental funds are reported in two general classifications, nonspendable and spendable.

Nonspendable represents the portion of fund balance that is not in spendable form. Nonspendable fund balance includes items such as inventory or amounts legally or contractually required to remain intact. Spendable fund balance is further categorized as restricted, committed, assigned and unassigned.

Restricted fund balance classification includes amounts that can only be spent or used for specific purposes and the constraints placed on the use of the resources are either externally imposed by creditors, grantors, contributors, or laws and/or regulations of other governments, imposed by law through constitutional provisions, or imposed by enabling legislation that is legally enforceable by an external party.

Committed fund balance classification includes amounts that can only be used for specific purposes when constraints placed on the resources are either imposed by formal action of the governments highest level of decision making authority or amounts that are contractual obligations to the extent the existing resources in the fund have been specifically committed for uses in satisfying those contractual requirements. Committed fund balances will be authorized by the County Commission in a public meeting by resolution and according to policy.

Assigned fund balance classification includes amounts that are constrained by the government's intent to be used for a specific purpose and the intent to spend down fund balance to fund the next year's projected deficit spending if this exists or amounts that are neither nonspendable, restricted or committed. Assigned fund balance may be assigned by the County Commission informally after a fund balance review has been completed by the accounting department and reviewed and approved by the F.A.Ac.T. (Finance, Auditor, Accounting, Treasurer) Committee.

Unassigned fund balance represents spendable amounts that have not been Restricted, Committed or Assigned to a specific purpose within the general fund.

**Hierarchy of Spending**

The County has adopted a policy determining whether restricted, committed, assigned and unassigned amounts are considered to have been spent. In the General Fund and the Special Revenue Funds, the policy for assumed order of spending is restricted first, committed second, and assigned last unless there are legal documents/contracts that prohibit this approach.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Minimum General Fund-Fund Balance**

The County does not maintain a stabilization fund. The County has a formal minimum fund balance policy that requires maintaining a minimum 10% of expenses in the General Fund as Unrestricted Fund Balance. No specific circumstances in which this balance in the General Fund can be spent exist; it is determined in the budget process which is formally adopted by the County Commission and as circumstances arise and deemed necessary by the County Commission.

**Interfund Transactions**

Interfund transactions consisting of identified services performed for other funds or costs billed to other funds are treated as expenditures in the fund receiving the services and as revenue in the fund performing the services. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Advances between funds are accounted for in the appropriate interfund receivable and payable accounts.

**Net Position**

Net position represents assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position does not include either capitalized assets or the related debt for Rural Special Improvement Districts (RSIDs). Infrastructure improvements built and maintained through RSIDs are the financial responsibility of the benefited property owners and are not the responsibility of the County other than in a fiduciary capacity.

Net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations by other governments.

**NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgetary Information**

The County adopts an annual budget for all of its funds in accordance with Title 7, Chapter 6, Part 40 of the Montana Code Annotated. Statute requires the adoption of a preliminary budget, public hearings on the preliminary budget and the final adoption of the budget by the later of the first Thursday in September or within thirty calendar days after receiving certified taxable valuation from the Department of Revenue (County assessor). The County must also submit a copy of the final budget to the Department of Administration by the later of October 1 or 60 days after the receipt of taxable values from the Department of Revenue.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**Budgetary Information (Continued)**

State statute limits the making of expenditures or incurring of obligations to the amount of the final budget as adopted or as amended. Budget transfers and amendments are authorized by law, and in some instances, may require further public hearings. Any budget amendments providing for additional appropriations must identify the fund reserves, unanticipated revenue, or previously unbudgeted revenue that will fund the appropriations.

Appropriations are created by fund, function, and activity and may further be detailed by department. Per MCA 7-6-4004 expenditures are limited to appropriations and local government officials may not make a disbursement or expenditure or incur an obligation in excess of the total appropriations for a fund.

Purchase orders outstanding at year-end are reported as expenditures or liabilities because the commitments will not be expropriated or honored during the subsequent fiscal year.

**Excess of Expenditures over Appropriations**

There were no funds with significant excess of expenditures over appropriations for the fiscal year ended June 30, 2020.

**Deficit Fund Balances**

At June 30, 2020, deficit fund balances were reported in the following funds:

Fund	Description	Total Deficit
Fund 2915	Operation Freedom from Fear	\$ (4,828)
Fund 2917	Victim Witness	(5,825)
Fund 2918	Law Enforcement Block Grant	(528)
Fund 2927	Homeland Security Grant	(3,602)
Fund 2979	Federal Health Grant Fund	(2,791)
Fund 3040	Open Space Bond	(130,565)
Fund 4430	CDBG Grants	(562)
Fund 5120	Rest Home	(738,252)
Total		<u>\$ (886,953)</u>

**NOTE 3. CASH AND INVESTMENTS**

The County maintains a cash and investment pool for all funds under the control of the County Treasurer. The non-pooled investments represent those investments held for other individuals or districts to be utilized for a specific purpose or capital project. All investments meet collateral requirements specified by State Law. Income from pooled investments is allocated to the individual funds or external participants based on the fund or participant's month end cash balance in relation to total pool investments.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 3. CASH AND INVESTMENTS (CONTINUED)**

Montana statutes require that the County obtain securities for the uninsured portion of the deposits as follows: 1) securities equal to 50% of such deposits if the institution in which the deposits are made has a net worth to total assets ratio of 6% or more or 2) securities equal to 100% of the uninsured deposits, if the institution in which the deposits are made has a net worth to total assets ratio of less than 6%. State statutes do not specify in whose custody or name the collateral is to be held. The amount of collateral held for County deposits at June 30, 2020 equaled or exceeded the amount required by State statutes.

Along with limitations placed on investments by State law, the County minimizes interest rate risk and custodial risk by restrictions set forth by County policy. Custodial risk is the risk that in an event of a financial institution failure, the County investments may not be returned or the County will not be able to recover the collateral securities in the possession of the outside party.

Interest rate risk is defined as the risk that the fair value of investments could decrease in a rising interest rate environment. The County maintains a listing of financial institutions which are approved for investment purposes.

The County recognizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets (these assets are valued using matrix pricing); Level 2 inputs are significant other observable inputs (these investments are valued using matrix pricing); Level 3 inputs are significant observable inputs (these investments are valued using consensus pricing).

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 3. CASH AND INVESTMENTS (CONTINUED)**

At June 30, 2020, the County's pooled and non-pooled cash and investment balances were as follows:

<u>Pooled Cash and Investments</u>	<u>Maturities</u>	<u>Credit Risk Rating</u>	<u>Amount</u>	<u>Valuation Inputs</u>
Cash on hand and demand deposits	N/A	N/A	\$ 328,043	
Cash in overnight repurchase agreements	N/A	N/A	25,505,334	
Certificates of deposit	2020-2022	N/A	3,051,757	Level 2
U.S. Government bonds	2018-2023	S&P AA+	56,590,090	Level 1
State of Montana Short-Term Investment Pool (STIP)	N/A	N/A	<u>78,151,973</u>	
Total pooled cash and investments			<u>163,627,197</u>	
<u>Nonpooled Cash and Investments</u>	<u>Maturities</u>	<u>Credit Risk Rating</u>	<u>Amount</u>	<u>Valuation Inputs</u>
Cash on hand and demand deposits	N/A	N/A	386,974	
U.S. Government bonds	2018-2020	S&P AA+	6,220,632	Level 1
Mutual Funds	N/A	N/A	816,829	Level 1
Certificates of deposit	2019	N/A	3,668,191	Level 2
State of Montana Short-Term Investment Pool (STIP)	N/A	N/A	<u>85,461,575</u>	
Total nonpooled cash and investments			<u>96,554,201</u>	
Total cash and investments			<u>\$ 260,181,398</u>	

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Governmental activities	\$ 69,327,321	\$ -	\$ 69,327,321
Business-type activities	18,832,890	2,908,434	21,741,324
Fiduciary activities	<u>169,112,914</u>	<u>-</u>	<u>169,112,914</u>
Total cash and cash equivalents	<u>\$ 257,273,125</u>	<u>\$ 2,908,434</u>	<u>\$ 260,181,559</u>

Cash on hand and demand deposits – Cash on hand represents two types of cash items: petty cash and change funds on hand. Cash in demand deposits represents cash on deposit in local bank accounts.

Cash in overnight repurchase agreements – This represents cash invested on a daily basis by the County's primary bank. Invested funds represent the nightly balance of collected funds in the County's main depository bank account. The overnight repurchase agreement has the funds re-deposited into the County's main bank account the next business day. The invested funds are collateralized by permissible U.S. government securities. These funds are carried at cost.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 3. CASH AND INVESTMENTS (CONTINUED)**

Cash in State Treasurer's Investment Pool (STIP) – The County voluntarily participates in the STIP (Short-Term Investment Pool) administered by the Montana Board of Investments (MBOI). A local government's STIP ownership is represented by shares, the prices of which are fixed at \$1.00 per share, and participants may buy or sell shares with one business days' notice. STIP administrative expenses are charged daily against the STIP income, which is distributed on the first calendar day of each month. Shareholders have the option to automatically reinvest their distribution income in additional shares. STIP is not registered with the Securities and Exchange Commission (SEC). STIP is not FDIC insured or otherwise insured or guaranteed by the federal government, the State of Montana, the Montana Board of Investments, or any other entity against investment losses, and there is no guaranteed rate of return on funds invested in STIP shares. The Montana Board of Investments maintains a reserve fund to offset possible losses and limit fluctuations in STIP's valuation. The STIP investment portfolio consists of securities with maximum maturities of 2 years. Information on investments held in STIP can be found in the Annual Report on the Montana Board of Investments website at <http://investment.com/AnnualReportsAudits>.

The STIP portfolio includes, but is not limited to, "variable rate" and "asset-backed" securities to provide diversification and a competitive rate of return. Because of the pooled funds concept, cash held in STIP cannot be categorized as to custodial risk. These securities are described below:

Asset-Backed Securities are debt securities collateralized by a pool of mortgages and non-mortgage assets, such as trade and loan receivables, equipment leases, and credit cards, etc. pledged by the issuer. Asset-backed securities have one or more forms of credit enhancement to raise the quality of the security. Examples of credit enhancement include, but are not limited to, letter of credit, reserve fund, or senior/subordinate arrangements.

Variable Rate (Floating-Rate) Securities provide many advantages of short-term bonds because they are designed to minimize the investor's interest rate risk. As with variable rate loans issued by banks, the interest rate paid by the issuer of these securities is reset periodically depending on market conditions. The value of these securities will usually remain at or near par because their interest rates are reset to maintain a current market yield.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

**Interfund Transfers**

The principal purpose of the County's interfund transfers was indirect costs and administrative and grant fees. The following is an analysis of operating transfers in and out during the fiscal year ended June 30, 2020:

		<b>Transfers To</b>				
		Governmental Funds				
		General Fund	Public Safety	RID Bond Debt Service	Capital Projects	Other Governmental Funds
<b>Transfers From</b>	General Fund	\$ -	\$ 18,981	\$ -	\$ 17,781	\$ 562,560
	Public Safety	-	-	-	-	347,246
	Capital Projects	-	-	-	-	272,321
	Other Governmental Funds	911,757	245,838	-	400,000	882,341
	<b>Total</b>	<b>\$ 911,757</b>	<b>\$ 264,819</b>	<b>\$ -</b>	<b>\$ 417,781</b>	<b>\$ 2,064,468</b>

		<b>Transfers To</b>				
		Proprietary Funds				
		Internal Service Funds	Gallatin County Rest Home	Gallatin County Landfill	West Yellowstone Refuse District	Total
<b>Transfers From</b>	General Fund	\$ -	\$ -	\$ -	\$ -	\$ 599,322
	Public Safety	-	-	-	-	347,246
	Capital Projects	-	-	-	-	272,321
	Other Governmental Funds	1,825,513	-	9,750	-	4,275,199
	<b>Total</b>	<b>\$ 1,825,513</b>	<b>\$ -</b>	<b>\$ 9,750</b>	<b>\$ -</b>	<b>\$ 5,494,088</b>

**Interfund Receivables and Payables**

The composition of interfund receivable and payable balances as of June 30, 2020, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Other Governmental Funds	\$ 322,305
Public Safety	County Emergency Fund	3,778,923
Public Safety	Other Governmental Funds	459,842
Capital Projects	Other Governmental Funds	-
Other Governmental Funds	Other Governmental Funds	88,124
Gallatin County Landfill	Capital Projects Fund	200,000
		<b>\$ 4,849,194</b>

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 5. CAPITAL ASSETS**

A summary of changes in capital assets for the year ended June 30, 2020, is as follows:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 4,233,880	\$ -	\$ -	\$ 4,233,880
Construction in progress	3,326,413	2,598,948	(40,875)	5,884,486
Total capital assets, not being depreciated	<u>7,560,293</u>	<u>2,598,948</u>	<u>(40,875)</u>	<u>10,118,366</u>
Capital assets, being depreciated:				
Buildings	59,685,536	73,254	-	59,758,790
Intangibles	21,601,201	485,211	-	22,086,412
Improvements other than buildings	3,970,315	32,767	-	4,003,082
Machinery and equipment	28,631,392	2,566,285	(725,383)	30,472,294
Infrastructure	149,737,387	309,371	(86,266)	149,960,492
Total capital assets, being depreciated	<u>263,625,831</u>	<u>3,466,888</u>	<u>(811,649)</u>	<u>266,281,070</u>
Total capital assets	271,186,124	6,065,836	(852,524)	276,399,436
Less accumulated depreciation:	(132,790,929)	(5,796,901)	667,596	(137,920,234)
Governmental activities capital assets, net	<u>\$ 138,395,195</u>	<u>\$ 268,935</u>	<u>\$ (184,928)</u>	<u>\$ 138,479,202</u>
	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 1,661,552	\$ -	\$ -	\$ 1,661,552
Construction in progress	169,978	456,532	(16,150)	610,360
Total capital assets, not being depreciated	<u>1,831,530</u>	<u>456,532</u>	<u>(16,150)</u>	<u>2,271,912</u>
Capital assets, being depreciated:				
Buildings	8,409,493	47,813	-	8,457,306
Intangibles	145,468	-	-	145,468
Improvements other than buildings	5,458,704	47,267	-	5,505,971
Machinery and equipment	7,266,846	163,310	-	7,430,156
Total capital assets, being depreciated	<u>21,280,511</u>	<u>258,390</u>	<u>-</u>	<u>21,538,901</u>
Total capital assets	23,112,041	714,922	(16,150)	23,810,813
Less accumulated depreciation	(11,586,226)	(826,252)	-	(12,412,478)
Business-type activities capital assets, net	<u>\$ 11,525,815</u>	<u>\$ (111,330)</u>	<u>\$ (16,150)</u>	<u>\$ 11,398,335</u>

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 5. CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General Government	\$ 978,644
Public Safety	2,054,985
Public Works	2,456,185
Public Health	34,980
Social and Economic Services	2,969
Culture and Recreation	207,767
Housing and Community Development	24,493
Conservation of Natural Resources	10,433
Total depreciation expense - governmental activities	<u>\$ 5,770,456</u>

**NOTE 6. ACCRUED PAYROLL AND OTHER LIABILITIES**

Other accrued payables reported on the statement of net position include:

<u>Account</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Payroll Payable	\$ 1,529,122	\$ 333,239	\$ 1,862,361
Security Deposits Payable	-	106,768	106,768
Accrued Interest Payable	28,777	-	28,777
Abandon Property Payable	157,126	-	157,126
Total accrued payroll and other liabilities	<u>\$ 1,715,025</u>	<u>\$ 440,007</u>	<u>\$ 2,155,032</u>

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 7. LONG-TERM DEBT**

During the fiscal year ended June 30, 2020, the following changes in liabilities were reported in long-term debt:

	Balance 6/30/2019	Additions	Deletions	Balance 6/30/2020	Due Within One Year
<b>Governmental Activities:</b>					
General obligation bonds	\$ 30,275,000	\$ -	\$ (2,980,000)	\$ 27,295,000	\$ 3,120,000
Special assessment bonds	5,814,350	732,000	(932,653)	5,613,697	263,186
Bond premiums	3,100,512	-	(285,661)	2,814,851	285,661
Compensated absences	2,685,859	407,840	(157,955)	2,935,744	293,574
Capital leases	1,783,573	-	(631,841)	1,151,732	157,817
Total	<u>\$ 43,659,294</u>	<u>\$ 1,139,840</u>	<u>\$ (4,988,110)</u>	<u>\$ 39,811,024</u>	<u>\$ 4,120,238</u>
<b>Business-Type Activities:</b>					
Revenue bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Compensated absences	427,313	98,572	(33,918)	491,967	49,183
Closure/postclosure care costs	2,250,415	339,932	(36,900)	2,553,447	-
Total	<u>\$ 2,677,728</u>	<u>\$ 438,504</u>	<u>\$ (70,818)</u>	<u>\$ 3,045,414</u>	<u>\$ 49,183</u>

**General Obligation Bonds** – The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the County. General obligation bonds outstanding as of June 30, 2020 were as follows:

Purpose	Issue Date	Interest Rate	Years of Term	Final Maturity	Bonds Issued	Outstanding 6/30/2020	Annual Serial Payment
Detention Center	6/2/2016	3.00 - 5.00%	12	7/1/2029	\$ 19,130,000	\$ 17,655,000	Varies
Hope House	7/1/2010	2.00 - 4.00%	20	7/1/2030	1,000,000	585,000	Varies
Open Space	4/12/2011	2.30 - 3.25%	10	7/1/2021	2,300,000	265,000	Varies
Open Space	10/23/2012	2.00%	10	7/1/2023	2,450,000	770,000	Varies
Open Space	6/9/2013	1.00 - 3.00%	12	7/1/2026	3,390,000	2,070,000	Varies
Open Space	11/19/2015	2.00 - 4.00%	20	7/1/2036	5,830,000	4,505,000	Varies
I-90	12/27/2012	1.00 - 2.25%	10	7/1/2023	2,000,000	620,000	Varies
Ice Facility	8/6/2013	0.85 - 4.00%	20	7/1/2033	1,150,000	825,000	Varies
Total G.O. Bonds					<u>\$ 37,250,000</u>	<u>\$ 27,295,000</u>	

**Revenue Bonds** – The County also issues bonds where the County pledges income derived from the acquired or constructed assets to pay debt service. There were no revenue bonds outstanding at year-end.

**Special Assessment Debt** – Special assessment bonds are payable from the collection of special assessments levied against benefited property owners within defined special improvement districts. The bonds are issued with specific maturity dates, but must be called and repaid earlier, at par plus accrued interest, if the related special assessments are collected.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 7. LONG-TERM DEBT (CONTINUED)**

Special Assessment Debt outstanding at year-end was as follows:

Purpose	Issue Date	Interest Rate	Years of Term	Final Maturity	Bonds Issued	Outstanding 6/30/2020	Annual Serial Payment
#391	2006	2.00 - 5.25%	20	2026	\$ 395,000	\$ 90,000	Varies
#393	2007	4.20 - 5.50%	19	2027	900,000	210,000	Varies
#395	2010	2.00 - 6.00%	20	2030	1,765,000	810,000	Varies
#396	2010	2.50 - 6.00%	20	2030	4,715,000	2,905,000	Varies
#605-606	2015	0.04	20	2035	765,000	529,795	Varies
#607	2016	0.0355	16	2032	107,000	77,010	Varies
#608-610	2017	3.15%	15	2031	363,000	259,892	Varies
#612 & 615	2020	3.35%	15	2035	732,000	732,000	Varies
Total Special Assessment Bonds					<u>\$ 9,742,000</u>	<u>\$ 5,613,697</u>	

**Compensated Absences Payable**

Compensated absences payable as of June 30, 2020, which represents vacation and sick leave earned by employees and is payable upon separation, is as follows:

Proprietary Funds	\$ 491,967
General Governmental Activities	2,862,785
Internal Service Funds	<u>72,959</u>
Total	<u>\$ 3,427,711</u>

**Capital Leases**

The County has entered into several leases which meet the criteria of a capital lease as defined by GAAP. GAAP defines a lease generally as a lease which transfers benefits and risks of ownership to the lessee.

On October 7, 2015, the County entered into a lease for six motor graders. The lease term is six years payable in five annual installments of \$145,366 and one final installment of \$977,212 at 2.25%. The total amount capitalized of \$1,678,500 represents the present value of the future lease payments.

On October 10, 2015, the County entered into a lease for a Ballot Counter and Election Scanner. The lease term is five years payable in annual installments of \$31,686. The total amount capitalized of \$95,335 represents the present value of the future lease payments.

On January 1, 2017, the County entered into a lease for radios. The lease term is 3 years, payable in two installments, with the first payment of \$761,047 at 0% and the second payment of \$738,952 at 2.99%. The total amount capitalized of \$1,499,999 represents the present value of the future lease payments. The City of Bozeman and the County entered into a Memorandum of Understanding whereby the City will use the radios; however, the County will retain control over the radios until the radios are paid off. The City's portion of the debt was paid off as of June 30, 2019; therefore, the title of assets, amounting to \$1,010,999 was transferred to the City.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 7. LONG-TERM DEBT (CONTINUED)**

**Capital Leases (Continued)**

On October 3, 2017, the County entered into a lease for a 911 Phone and Radio System. The lease term is five years payable in annual installments of \$39,991. The total amount capitalized of \$204,461 represents the present value of the future lease payments.

Equipment under capital leases in capital assets as of June 30, 2020, includes the following:

Equipment	\$ 2,467,296
Less: accumulated depreciation	<u>(1,669,765)</u>
Total	<u>\$ 797,531</u>

Amortization of equipment under capital assets is included with depreciation expense.

**Requirements to Amortize Debt**

The annual requirements to amortize all long-term debt outstanding, except compensated absences and closure/post closure care costs, as of June 30, 2020 were as follows:

<u>For Fiscal Year Ended</u>	<u>G. O. Principal</u>	<u>G. O. Interest</u>
2021	\$ 3,120,000	\$ 1,014,020
2022	2,985,000	894,921
2023	3,110,000	786,332
2024	2,770,000	676,488
2025	2,900,000	556,530
2026-2030	10,965,000	1,185,940
2031-2035	1,225,000	185,000
2036-2037	220,000	8,800
Total	<u>\$ 27,295,000</u>	<u>\$ 5,308,031</u>

<u>For Fiscal Year Ended</u>	<u>Special Bonds Principal</u>	<u>Special Bonds Interest</u>	<u>Capital Lease Principal</u>	<u>Capital Lease Interest</u>	<u>Grand Total</u>
2021	\$ 263,186	\$ 293,319	\$ 157,817	\$ 27,540	\$ 3,541,003
2022	297,300	270,763	993,915	23,287	4,276,215
2023	320,269	272,674	-	-	3,430,269
2024	512,750	245,692	-	-	3,282,750
2025	586,658	216,834	-	-	3,486,658
2026-2030	3,045,700	603,160	-	-	14,010,700
2031-2035	587,834	57,313	-	-	1,812,834
2036-2037	-	-	-	-	220,000
Total	<u>\$ 5,613,697</u>	<u>\$ 1,959,755</u>	<u>\$ 1,151,732</u>	<u>\$ 50,827</u>	<u>\$ 34,060,429</u>

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS**

**Plan Description and Provisions**

All full-time County employees are covered under one of the following retirement plans: Montana Public Employees' Retirement System (PERS), Sheriffs' Retirement System (SRS), or Teachers' Retirement System (TRS). The plans are established by State law and administered by the State of Montana. The plans are cost-sharing, multi-employer defined benefit plans that provide retirement, disability, and death benefits to plan members and beneficiaries, with the amount determined by the state. The following table presents the County's (Employer) proportion of PERS, SRS, and TRS pension amounts.

	Gallatin County's proportionate share associated with PERS	Gallatin County's proportionate share associated with SRS	Gallatin County's proportionate share associated with TRS	Gallatin County's total pension amounts
Net pension liability	\$ 20,881,008	\$ 6,961,359	\$ 103,726	\$ 27,946,093
Deferred outflows of resources	3,635,043	3,900,788	25,596	7,561,427
Deferred inflows of resources	2,089,710	3,767,160	7,695	5,864,565
Pension expense	2,818,949	425,467	13,318	3,257,734

***Public Employees' Retirement System (PERS)***

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers and the non-employer contributing entity are required to recognize and report certain amounts associated with participation in the Public Employees' Retirement System Defined Benefit Retirement Plan (the Plan). This includes the proportionate share of the collective Net Pension Liability; Pension Expense; and Deferred Outflows and Deferred Inflows of Resources associated with pensions. Employers are provided guidance in GASB Statement 68, paragraph 74, where pension amounts must be combined as a total or aggregate for reporting, whether provided through cost-sharing, single-employer, or agent plans. This report provides information for employers who are using a June 30, 2019 measurement date for the 2020 reporting. If an employer's fiscal year end is after June 30th, the employer will not use the measurements shown in this report but will need to wait for the measurement date as of June 30, 2020.

**Net Pension Liability**

GASB Statement 68 allows a measurement date of up to 12 months before the employer's fiscal year-end can be utilized to determine the Plan's TPL. The basis for the TPL as of June 30, 2019, was determined by taking the results of the June 30, 2018, actuarial valuation and applying standard roll forward procedures. The roll forward procedure uses a calculation that adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year, and then applies the expected investment rate of return for the year. The roll forward procedure will include the effects of any assumption changes and legislative changes. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Public Employees' Retirement System (PERS) (Continued)***

**Net Pension Liability (Continued)**

The Total Pension Liability (TPL) minus the Fiduciary Net Position equals the Net Pension Liability (NPL). The proportionate shares of the employer's and the state of Montana's NPL for June 30, 2020, and 2019, are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. The state's proportionate share for a particular employer equals the ratio of the contributions for the particular employer to the total state contributions paid. The employer recorded a liability of \$20,881,008 and the employer's proportionate share was 0.9989 percent.

	Net Pension Liability as of 6/30/2020	Net Pension Liability as of 6/30/2019	Percent of Collective NPL as of 6/30/2020	Percent of Collective NPL as of 6/30/2019*	Change in Percent of Collective NPL
Gallatin County Proportionate Share	\$ 20,881,008	\$ 19,540,174	0.9989%	0.9362%	0.0627%
State of Montana Proportionate Share associated with Gallatin County	<u>6,795,037</u>	<u>6,539,744</u>	<u>0.3251%</u>	<u>0.3133%</u>	<u>0.0117%</u>
Total	<u>\$ 27,676,045</u>	<u>\$ 26,079,918</u>	<u>1.3240%</u>	<u>1.2496%</u>	<u>0.0745%</u>

\* To be consistent with this year's calculation of the *State of Montana Proportionate Share Associated with Employer Percent of Collective NPL*, the June 30, 2019 percentage has been recalculated using the actual State percentage presented on the allocation calculation instead of the 100% displayed last year. This does not change the dollar amount of the NPL as of June 30, 2019, just the percentage.

*Changes in actuarial assumptions and methods:* There were no changes in assumptions or other inputs that affected the measurement of the TPL.

*Changes in benefit terms:* There have been no changes in benefit terms since the previous measurement date.

*Changes in proportionate share:* There were no changes between the measurement date of the collective NPL and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL.

**Pension Expense**

At June 30, 2020, the employer recognized \$2,818,949 for its proportionate share of the Plan's pension expense and recognized grant revenue of \$17,031 for the state of Montana proportionate share of the pension expense associated with the employer. Additionally, the employer recognized grant revenue of \$444,280 from the State Statutory Appropriation from the General Fund.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Public Employees' Retirement System (PERS) (Continued)***

**Pension Expense (Continued)**

	Pension Expense as of <u>6/30/2020</u>
Gallatin County Proportionate Share	\$ 2,818,949
Grant Revenue - State of Montana Proportionate Share for Gallatin County	17,031
Grant Revenue - State of Montana State Appropriation for Gallatin County	<u>444,280</u>
Total	<u>\$ 3,280,260</u>

**Recognition of Deferred Inflows and Outflows**

At June 30, 2020, the employer reported its proportionate share of the Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Expected vs. actual experience	\$ 990,130	\$ 982,535
Projected investment earnings vs. actual investment earnings	253,176	-
Changes in assumptions	886,462	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	1,107,175
Employer contributions subsequent to the measurement date	<u>1,505,275</u>	<u>-</u>
Total	<u>\$ 3,635,043</u>	<u>\$ 2,089,710</u>

\$1,505,275 reported as deferred outflows of resources related to pensions resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions are recognized in the employer's pension expense as follows:

For the Measurement Year ended <u>June 30:</u>	Recognition of Deferred Outflows and Deferred Inflows in future years as an increase or (decrease) to Pension Expense
2021	\$ 646,509
2022	(927,858)
2023	94,182
2024	227,225
2025	-
Thereafter	-

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Public Employees' Retirement System (PERS) (Continued)***

**General Information about the Pension Plan**

**Plan Description**

PERS-Defined Benefit Retirement Plan (DBRP), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan provides retirement benefits to covered employees of the State, and local governments, and certain employees of the Montana University System, and school districts. Benefits are established by state law and can only be amended by the Legislature.

All new members are initially members of the PERS-DBRP and have a 12-month window during which they choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the defined benefit plan and defined contribution retirement plans. All new members from the universities also have a third option to join the university system's Montana University System Retirement Program (MUS-RP).

**Benefits Provided**

The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and highest average compensation (HAC). Member rights are vested after five years of service.

**Service Retirement:**

- Hired prior to July 1, 2011: Age 60, 5 years of membership service; Age 65, regardless of membership service; or Any age, 30 years of membership service.
- Hired on or after July 1, 2011: Age 65, 5 years of membership service; Age 70, regardless of membership service.

**Early Retirement:**

- Hired prior to July 1, 2011: Age 50, 5 years of membership service; or Any age, 25 years of membership service
- Hired on or after July 1, 2011: Age 55, 5 years of membership service.

**Second Retirement** (requires returning to PERS-covered employer or PERS service):

- 1) Retired before January 1, 2016 and accumulate less than 2 years additional service credit or retire on or after January 1, 2016 and accumulate less than 5 years additional service credit:
  - a. A refund of member's contributions plus return interest (currently 2.02% effective July 1, 2018).
  - b. No service credit for second employment;
  - c. Start the same benefit amount the month following termination; and
  - d. Guaranteed Annual Benefit Adjustment (GABA) starts again in the January immediately following the second retirement.

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Public Employees' Retirement System (PERS) (Continued)***

**Benefits Provided (Continued)**

**Second Retirement (Continued)**

- 2) Retired before January 1, 2016 and accumulate at least 2 years of additional service credit;
  - a. A recalculated retirement benefit based on provisions in effect after the initial retirement; and
  - b. GABA starts on the recalculated benefit in the January after receiving the new benefit for 12 months.
- 3) Retire on or after January 1, 2016 and accumulate 5 or more years of service credit:
  - a. The same retirement as prior to the return to service;
  - b. A second retirement benefit as prior to the second period of service based on laws in effect upon the rehire date; and
  - c. GABA starts on both benefits in the January after receiving the original and the new benefit for 12 months.

**Member's Highest Average Compensation (HAC)**

- Hired prior to July 1, 2011 - highest average compensation during any consecutive 36 months
- Hired on or after July 1, 2011 - highest average compensation during any consecutive 60 months

**Compensation Cap**

- Hired on or after July 1, 2013 - 110% annual cap on compensation considered as a part of a member's highest average compensation

**Monthly benefit formula**

- 1) Members hired prior to July 1, 2011:
  - a. Less than 25 years of membership service - 1.785% of HAC per year of service credit
  - b. 25 years of membership service or more - 2% of HAC per year of service credit
- 2) Members hired on or after July 1, 2011:
  - a. Less than 10 years of membership service - 1.5% of HAC per year of service credit
  - b. 10 years or more, but less than 30 years of membership service - 1.785% of HAC per year of service credit
  - c. 30 years or more of membership service - 2% of HAC per year of service credit.

**Guaranteed Annual Benefit Adjustment (GABA)**

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, **inclusive** of other adjustments to the member's benefit.

- 3% for members hired prior to July 1, 2007

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Public Employees' Retirement System (PERS) (Continued)***

**Benefits Provided (Continued)**

**Guaranteed Annual Benefit Adjustment (GABA) (Continued)**

- 1.5% for members hired between July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013:
  - a. 1.5% for each year PERS is funded at or above 90%
  - b. 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%
  - c. 0% whenever the amortization period for PERS is 40 years or more

**Overview of Contributions**

*Contributions:* The state Legislature has the authority to establish and amend contribution rates. Member and employer contribution rates are specified by Montana Statute and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers.

*Special Funding:* The state of Montana, as the non-employer contributing entity, paid to the Plan, additional contributions that qualify as *special funding*. Those employers who received *special funding* are all participating employers.

*Not Special Funding:* Per Montana law, state agencies and universities paid their own additional contributions. The employer paid contributions are *not* accounted for as special funding for state agencies and universities but are reported as employer contributions.

Member and employer contribution rates are shown in the table below.

Fiscal Year	Member		State & Universities	Local Government		School Districts	
	Hired <07/01/11	Hired >07/01/11	Employer	Employer	State	Employer	State
	2020	7.9000%	7.9000%	8.770%	8.670%	0.100%	8.400%
2019	7.9000%	7.9000%	8.670%	8.570%	0.100%	8.300%	0.370%
2018	7.9000%	7.9000%	8.570%	8.470%	0.100%	8.200%	0.370%
2017	7.9000%	7.9000%	8.470%	8.370%	0.100%	8.100%	0.370%
2016	7.9000%	7.9000%	8.370%	8.270%	0.100%	8.000%	0.370%
2015	7.9000%	7.9000%	8.270%	8.170%	0.100%	7.900%	0.370%
2014	7.9000%	7.9000%	8.170%	8.070%	0.100%	7.800%	0.370%
2012-2013	6.9000%	7.9000%	7.170%	7.070%	0.100%	6.800%	0.370%
2010-2011	6.9000%		7.170%	7.070%	0.100%	6.800%	0.370%
2008-2009	6.9000%		7.035%	6.935%	0.100%	6.800%	0.235%
2000-2007	6.9000%		6.900%	6.800%	0.100%	6.800%	0.100%

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Public Employees' Retirement System (PERS) (Continued)***

**Overview of Contributions (Continued)**

1. Member contributions to the system of 7.9% are temporary and will be decreased to 6.9% on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below 25 years following the reduction of both the additional employer and additional member contribution rates.
2. Employer contributions to the system:
  - a. Effective July 1, 2014, following the 2013 Legislative session, PERS-employer contributions increase an additional 0.1% a year and will continue over 10 years through 2024. The additional employer contributions including the 0.27% added in 2007 and 2009, will terminate on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below the 25 years following the reduction of both the additional employer and additional member contributions rates.
  - b. Effective July 1, 2013, employers are required to make contributions on working retirees' compensation. Member contributions for working retirees are not required.
  - c. The portion of employer contributions allocated to the Plan Choice Rate (PCR) are included in the employers reporting. The PCR was paid off effective March 2016 and the contributions previously directed to the PCR are now directed to member accounts.
3. Non Employer Contributions
  - a) Special Funding
    - i. The State contributes 0.1% of members' compensation on behalf of local government entities.
    - ii. The State contributes 0.37% of members' compensation on behalf of school district entities.
    - iii. The State contributed a Statutory Appropriation from the General Fund of \$33,615,000.

**Stand-Alone Statements**

The financial statements of the Montana Public Employees Retirement Board (PERB) *Annual Comprehensive Financial Report* (ACFR) and the GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena MT 59620-0131, (406) 444-3154 or the MPERA website at <http://mpera.mt.gov/index.shtml>.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Public Employees' Retirement System (PERS) (Continued)***

**Actuarial Assumptions**

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions.

- |  |                |
|--|----------------|
| • Investment Return (net of admin expense) | 7.65%          |
| • Admin Expense as % of Payroll            | 0.26%          |
| • General Wage Growth*                     | 3.50%          |
| *includes Inflation at                     | 2.75%          |
| • Merit Increases                          | 0.00% to 6.30% |
| • Postretirement Benefit Increases:        |                |

○ **Guaranteed Annual Benefit Adjustment (GABA) each January**

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage each January, inclusive of other adjustments to the member's benefit.

- 3% for members hired prior to July 1, 2007
  - 1.5% for members hired between July 1, 2007 and June 30, 2013
  - Members hired on or after July 1, 2013:
    - 1.5% for each year PERS is funded at or above 90%
    - 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%
  - 0% whenever the amortization period for PERS is 40 years or more
- Mortality:
- Mortality assumptions among contributing members, service retired members and beneficiaries were based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2020 with scale BB, males set back 1 year.
  - Mortality assumptions among disabled members were based on RP 2000 Combined Mortality Tables with no projections.

**Discount Rate**

The discount rate used to measure the TPL was 7.65%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under Montana Code Annotated. The State contributes 0.10% of salaries for local governments and 0.37% for school districts. In addition, the State contributes coal severance tax and interest money from the general fund. The interest was contributed monthly and the severance tax was contributed quarterly. Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2121. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Public Employees' Retirement System (PERS) (Continued)***

**Target Allocations**

The most recent experience study, performed for the period covering fiscal years 2011 through 2016, is outlined in a report dated May 5, 2017 and can be located on the MPERA website. The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the Plan. Several factors are considered in evaluating the long-term rate of return assumption including historical rates of return, rate of return assumptions adopted by similar public-sector systems, and by using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2020, are summarized in the table below:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Cash equivalents	3.00%	4.09%
Domestic equity	36.00%	6.05%
Foreign equity	18.00%	7.01%
Fixed income	23.00%	2.17%
Private equity	12.00%	10.53%
Real estate	8.00%	5.65%
Total	100.00%	

**Sensitivity of the Proportionate Share of the NPL to Changes in the Discount Rate**

The following presents the employer's sensitivity of the NPL to the discount rate in the table below. A small change in the discount rate can create a significant change in the liability. The NPL was calculated using the discount rate of 7.65%, as well as what the NPL would be if it were calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

	1.0% Decrease (6.65%)	Current Discount Rate	1.0% Increase (8.65%)
Gallatin County proportion of Net Pension Liability	\$ 30,000,062	\$ 20,881,008	\$ 13,217,599

**Summary of Significant Accounting Policies**

MPERA prepared financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of determining the Net Pension Liability (NPL); Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions; Pension Expense; the Fiduciary Net Position; and, Additions to or Deductions from Fiduciary Net Position. Member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions.

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Public Employees' Retirement System (PERS) (Continued)***

**Summary of Significant Accounting Policies (Continued)**

Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period in which they are due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA adhered to all accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

**PERS Disclosure for the Defined Contribution Plan**

The County contributed to the state of Montana Public Employee Retirement System Defined Contribution Retirement Plan (PERS-DCRP) for employees that have elected the DCRP. The PERS-DCRP is administered by the PERB and is reported as a multiple-employer plan established July 1, 2002, and governed by Title 19, chapters 2 & 3, MCA.

All new PERS members are initially members of the PERS-DBRP and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the *defined benefit* and *defined contribution* retirement plans. Member and employer contribution rates are specified by state law and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers. The state Legislature has the authority to establish and amend contribution rates.

Benefits are dependent upon eligibility and individual account balances. Participants are vested immediately in their own contributions and attributable income. Participants are vested after 5 years of membership service for the employer's contributions to individual accounts and the attributable income. Non-vested contributions are forfeited upon termination of employment per 19-3-2117(5), MCA. Such forfeitures are used to cover the administrative expenses of the PERS-DCRP.

At the plan level for the measurement period ended June 30, 2020, the PERS-DCRP employer did not recognize any net pension liability or pension expense for the defined contribution plan. Plan level non-vested forfeitures for the 320 employers that have participants in the PERS-DCRP totaled \$714,024.

***Sheriffs' Retirement System (SRS)***

In accordance with GASB Statement 68, *Accounting and Financial Reporting for Pensions*, employers and the non-employer contributing entity are required to recognize and report certain amounts associated with participation in the Sheriffs' Retirement System Defined Benefit Retirement System (the Plan). Employers are required to record and report their proportionate share of the collective Net Pension Liability; Pension Expense; and Deferred Outflows and Deferred Inflows of Resources associated with pensions. This report provides information for employers who are using a June 30, 2019 measurement date for 2020 reporting.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Sheriffs' Retirement System (SRS) (Continued)***

**Net Pension Liability**

GASB Statement 68 allows a measurement date of up to 12 months before the employer's fiscal year-end can be utilized to determine the Plan's TPL. The basis for the TPL as of June 30, 2020, was determined by taking the results of the June 30, 2018, actuarial valuation and applying standard roll forward procedures. The roll forward procedure uses a calculation that adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year, and then applies the expected investment rate of return for the year. The roll forward procedure will include the effects of any assumption changes and legislative changes. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

The Total Pension Liability (TPL) minus the Fiduciary Net Position equals the Net Pension Liability (NPL). The proportionate shares of the employer's NPL for June 30, 2020, and 2019, are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer contributions during the measurement period. The employer recorded a liability of \$6,961,359 and the employer's proportionate share was 8.3472 percent.

	Net Pension Liability as of 6/30/2020	Net Pension Liability as of 6/30/2019	Percent of Collective NPL as of 6/30/2020	Percent of Collective NPL as of 6/30/2019	Change in Percent of Collective NPL
Gallatin County Proportionate Share	<u>\$ 6,961,359</u>	<u>\$ 6,137,260</u>	<u>8.3472%</u>	<u>8.1643%</u>	<u>0.1829%</u>
Total	<u>\$ 6,961,359</u>	<u>\$ 6,137,260</u>	<u>8.3472%</u>	<u>8.1643%</u>	<u>0.0459%</u>

*Changes in actuarial assumptions and methods:* There were no changes in assumptions or other inputs that affected the measurement of the TPL.

*Changes in benefit terms:* There have been no changes in benefit terms since the previous measurement date.

*Changes in proportionate share:* There were no changes between the measurement date of the collective NPL and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL.

**Pension Expense**

At June 30, 2020 measurement date, the employer recognized its proportionate share of the Plan's pension expense.

Gallatin County Proportionate Share	<u>\$ 425,467</u>
Total	<u>\$ 425,467</u>

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Sheriffs' Retirement System (SRS) (Continued)***

**Recognition of Deferred Inflows and Outflows**

At June 30, 2020, the employer reported its proportionate share of the Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. actual experience	\$ 448,387	\$ 8,415
Projected investment earnings vs. actual investment earnings	134,562	-
Changes in assumptions	2,179,103	3,758,745
Changes in proportion and differences between employer contributions and proportionate share of contributions	217,718	-
Employer contributions subsequent to the measurement date	921,018	-
Total	<u>\$ 3,900,788</u>	<u>\$ 3,767,160</u>

\$921,018 reported as deferred outflows of resources related to pensions resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions are recognized in the employer's pension expense as follows:

For the Measurement Year ended June 30:	Recognition of Deferred Outflows and Deferred Inflows in future years as an increase or (decrease) to Pension Expense
2021	\$ (471,107)
2022	(774,163)
2023	256,338
2024	201,542
2025	-
Thereafter	-

**General Information about the Pension Plan**

**Plan Description**

The Sheriffs' Retirement System (SRS), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing defined benefit plan established July 1, 1974, and governed by Title 19, chapters 2 & 7, Montana Code Annotated (MCA). This plan provides retirement benefits to all Department of Justice criminal and gambling investigators hired after July 1, 1993, all detention officers hired after July 1, 2005, and all Montana sheriffs. Benefits are established by state law and can only be amended by Legislature.

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Sheriffs' Retirement System (SRS) (Continued)***

**General Information about the Pension Plan (Continued)**

**Benefits Provided**

SRS provides retirement, disability and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and highest average compensation (HAC). Member rights are vested after five years of service.

**Service Retirement and monthly benefit formula:**

- 20 years of membership service.
- 2.5% of HAC x years of service credit.

**Early Retirement:**

- Age 50 with 5 years of membership service.
- This benefit calculated using HAC and service credit at early retirement, and reduced to the actuarial equivalent commencing at the earliest of age 60 or the attainment of 20 years of service credit.

**Second Retirement:**

Applies to retirement system members re-employed in a SRS position on or after July 1, 2017:

- If the member works more than 480 hours in a calendar year and accumulates less than 5 years of service credit before terminating again, the member:
  - is not awarded service credit for the period of reemployment;
  - is refunded the accumulated contributions associated with the period of reemployment;
  - starting the first month following termination of service, receives the same retirement benefit previously paid to the member; and
  - does not accrue post-retirement benefit adjustments during the term of reemployment but receives a Guaranteed Annual Benefit Adjustment (GABA) in January immediately following second retirement.
- If the member works more than 480 hours in a calendar year and accumulates at least 5 years of service credit before terminating again, the member:
  - is awarded service credit for the period of reemployment;
  - starting the first month following termination of service, receives:
    - the same retirement benefit previously paid to the member; and
    - a second retirement benefit for the period of reemployment calculated based on the laws in effect as of the members' rehire date, and
  - does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA:
    - on the initial retirement benefit in January immediately following second retirement, and
    - on the second retirement benefit starting in January after receiving that benefit for at least 12 months.
- A member who returns to covered service is not eligible for a disability benefit.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Sheriffs' Retirement System (SRS) (Continued)***

**Member's Compensation Period Used In Benefit Calculation:**

- HAC = Highest Average Compensation
- Hired prior to July 1, 2011: HAC is average of the highest 36 consecutive months of compensation paid to member.
- Hired on or after July 1, 2011: HAC is average of the highest 60 consecutive months of compensation paid to member.

**Compensation Cap:**

- Hired on or after July 1, 2013: 110% annual cap on compensation considered as a part of a member's HAC.

**Guaranteed Annual Benefit Adjustment (GABA):**

After the member has completed 12 full months of retirement, a Guaranteed Annual Benefit Adjustment (GABA) will be made each year equal to:

- 3.0% for members hired prior to July 1, 2007
- 1.5% for members hired on or after July 1, 2007

**Overview of Contributions**

The State Legislature has the authority to establish and amend contribution rates to the plan. Member and employer contribution rates are specified by Montana Statute and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers. Member and employer contribution rates are shown in the table below.

Fiscal Year	Member	Employer
2018-2020	10.495%	13.115%
2010-2017	9.245%	10.115%
2008-2009	9.245%	9.825%
1998-2007	9.245%	9.535%

**Stand-Alone Statements**

The financial statements of the Montana Public Employees Retirement Board (PERB) Annual Comprehensive Financial Report (ACFR) and the GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena MT 59620-0131, (406) 444-3154 or both are available on the MPERA website at <http://mpera.mt.gov/index.shtml>.

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Sheriffs' Retirement System (SRS) (Continued)***

**Actuarial Assumptions**

The TPL in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions:

- Investment Return (net of admin expense) 7.65%
- Admin Expense as % of Payroll 0.23%
- General Wage Growth\* 3.50%
- \*includes Inflation at 2.75%
- Merit Increases 0% to 6.30%
- Postretirement Benefit Increases:

**Guaranteed Annual Benefit Adjustment (GABA)**

After the member has completed 12 full months of retirement, a Guaranteed Annual Benefit Adjustment (GABA) will be made each year equal to:

- 3% for members hired prior to July 1, 2007
- 1.5% for members hired on or before July 1, 2007
- Mortality:
  - Mortality assumptions among contributing members, service retired members and beneficiaries were based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2020 with scale BB, set back one year for males.
  - Mortality assumptions among Disabled Retirees were based on RP 2000 Combined Mortality Tables.

**Discount Rate**

The discount rate used to measure the TPL was 7.65%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members and employers will be made based on the Board's funding policy, which established the contractually required rates under the Montana Code Annotated. Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2120. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

**Target Allocations**

The most recent experience study, performed for the period covering fiscal years 2011 through 2016, is outlined in a report dated May 5, 2017 and can be located on the MPERA website. The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the Plan. Several factors are considered in evaluating the long-term rate of return assumption including historical rates of return, rate of return assumptions adopted by similar public-sector systems, and by using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Sheriffs' Retirement System (SRS) (Continued)***

**Target Allocations (Continued)**

These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2020, are summarized below.

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return Arithmetic Basis
Cash equivalents	3.00%	4.09%
Domestic equity	36.00%	6.05%
Foreign equity	18.00%	7.01%
Fixed income	23.00%	2.17%
Private equity	12.00%	10.53%
Real estate	8.00%	5.65%
Total	100.00%	

**Sensitivity of the Proportionate Share of the NPL to Changes in the Discount Rate**

The following presents the employer's sensitivity of the NPL to the discount rate in the table below. A small change in the discount rate can create a significant change in the liability. The NPL was calculated using the discount rate of 7.65%, as well as what the NPL would be if it were calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

	1.0% Decrease (6.65%)	Current Discount Rate	1.0% Increase (8.65%)
Gallatin County proportion of Net Pension Liability	\$ 12,350,915	\$ 6,961,359	\$ 2,543,560

**Summary of Significant Accounting Policies**

MPERA prepared financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of determining the Net Pension Liability (NPL); Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions; Pension Expense; the Fiduciary Net Position; and, Additions to or Deductions from Fiduciary Net Position. Member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period in which they are due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA adhered to all accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Teachers' Retirement System (TRS)***

**Net Pension Liability**

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the Montana Teachers' Retirement System (TRS or the System). Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective Net Pension Liability. In accordance with Statement 68, the System has a special funding situation in which the State of Montana is legally responsible for making contributions directly to TRS that are used to provide pension benefits to the retired members of TRS. Due to the existence of a special funding situation, employers are also required to report the portion of the State of Montana's proportionate share of the collective Net Pension Liability that is associated with the employer. The following table displays the amounts and the percentages of Net Pension Liability for the fiscal years ended June 30, 2020 and June 30, 2019 (reporting dates).

	Net Pension Liability as of 6/30/2020	Net Pension Liability as of 6/30/2019	Percent of Collective NPL as of 6/30/2020	Percent of Collective NPL as of 6/30/2019	Change in Percent of Collective NPL
Gallatin County Proportionate Share	\$ 103,726	\$ 80,635	0.0054%	0.0043%	0.0011%
State of Montana Proportionate Share associated with Gallatin County	<u>64,057</u>	<u>55,302</u>	<u>0.0033%</u>	<u>0.0030%</u>	<u>0.0003%</u>
Total	<u>\$ 167,783</u>	<u>\$ 135,937</u>	<u>0.0087%</u>	<u>0.0073%</u>	<u>0.0014%</u>

At June 30, 2020, the employer recorded a liability of \$103,726 for its proportionate share of the Net Pension Liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. Therefore, no update procedures were used to roll forward the total pension liability to the measurement date. The employer's proportion of the net pension liability was based on the employer's contributions received by TRS during the measurement period July 1, 2018, through June 30, 2019, relative to the total employer contributions received from all of TRS' participating employers. At June 30, 2020, the employer's proportion was .0054 percent.

***Changes in actuarial assumptions and other inputs:*** The Guaranteed Annual Benefit Adjustment (GABA) for Tier Two members is a variable rate between 0.50% and 1.50% as determined by the Board. Since an increase in the amount of the GABA is not automatic and must be approved by the Board, the assumed increase was lowered from 1.50% to the current rate of 0.50% per annum.

***Changes in benefit terms:***

There have been no changes in benefit terms since the previous measurement date.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Teachers' Retirement System (TRS) (Continued)***

***Changes in proportionate share:***

There were no changes between the measurement date of the collective net pension liability and the reporting date. However, each employer may have unique circumstances that will impact the employer's proportionate share of the collective net pension liability. If there were changes that are expected to have an impact on the net pension liability, the employer should disclose the amount of the expected resultant change in the employer's proportionate share of the collective net pension liability, if known.

**Pension Expense**

At June 30, 2020, the employer recognized a Pension Expense of \$13,318 for its proportionate share of the TRS' pension expense. The employer also recognized grant revenue of \$7,814 for the support provided by the State of Montana for its proportionate share of the pension expense that is associated with the employer.

	Pension Expense as of 6/30/2020
Gallatin County Proportionate Share	\$ 13,318
Grant Revenue - State of Montana Proportionate Share for Gallatin County	7,814
Total	\$ 21,132

**Deferred Inflows and Outflows**

At June 30, 2020, the employer reported its proportionate share of TRS' deferred outflows of resources and deferred inflows of resources related to TRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. actual experience	\$ 687	\$ -
Projected investment earnings vs. actual investment earnings	1,005	-
Changes in assumptions	5,179	233
Changes in proportion and differences between employer contributions and proportionate share of contributions	11,844	7,462
Employer contributions subsequent to the measurement date	6,881	-
Total	\$ 25,596	\$ 7,695

\$6,881 reported as deferred outflows of resources related to pensions resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Teachers' Retirement System (TRS) (Continued)***

**Deferred Inflows and Outflows (Continued)**

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Measurement Year ended June 30:	Recognition of Deferred Outflows and Deferred Inflows in future years as an increase or (decrease) to Pension Expense
2021	\$ 4,702
2022	2,783
2023	2,704
2024	833
2025	-
Thereafter	-

**Plan Description**

Teachers' Retirement System (TRS or the System) is a mandatory-participation multiple-employer cost-sharing defined-benefit public pension plan that provides retirement services to individuals employed as teachers, administrators, and in other professional and skilled positions employed in public education in Montana. The TRS Board is the governing body of the System and the TRS staff administers the system in conformity with the laws set forth in Title 19, chapter 20 of the Montana Code Annotated, and administrative rules set forth in Title 2, chapter 44 of the Administrative Rules of Montana. Additional information pertaining to membership, benefit structure, and prior years' actuarial valuations, as well as links to applicable statutes and administrative rules, may be obtained by visiting the TRS web site at [trs.mt.gov](http://trs.mt.gov).

**Summary of Benefits**

Through June 30, 2013, all members enrolled in TRS participated in a single-tiered plan (Tier One). Employees with a minimum of 25 years of service or who have reached age 60 with 5 years of service are eligible to receive an annual retirement benefit equal to creditable service years divided by 60 times the average final compensation. Final compensation is the average of the highest three consecutive years of earned compensation. Benefits fully vest after 5 years of creditable service. Vested employees may retire at or after age 50 and receive reduced retirement benefits.

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Teachers' Retirement System (TRS) (Continued)***

**Summary of Benefits (Continued)**

Beginning July 1, 2013, new members in TRS participate in a second benefit tier (Tier Two), which differs from Tier One as follows:

- Tier Two uses a 5-year average final compensation (as opposed to 3-year AFC in Tier One)
- Tier Two provides for unreduced service retirement benefits at age 60 with 5 years of creditable service or at age 55 with at least 30 years of creditable service (rather than at age 60 with 5 years of service or at any age with creditable service in 25 years in Tier One)
- Tier Two provides for early retirement benefits with 5 years of creditable service at age 55 (rather than age 50 in Tier One)
- Tier Two has a one percent higher normal employee contribution rate (though a temporary 1% supplemental employee contribution rate is also now currently in place for Tier One members), and
- Tier Two provides for an enhanced benefit calculation -  $1.85\% \times \text{AFC} \times \text{years of creditable service}$  - for members retiring with at least 30 years of creditable service and at least 60 years of age (rather than  $1.6667 \times \text{AFC} \times \text{years of creditable service}$ )

A guaranteed annual benefit adjustment (GABA) is payable on January 1st of each calendar year for each retiree who has received at least 36 monthly retirement benefit payments prior to that date. The GABA is applicable to both Tier One and Tier Two members. The GABA for Tier One members is 1.5% of the benefit payable as of January 1st. For Tier Two members the GABA each year may vary from 0.5% to 1.5% based on the retirement system's funding status and the period required to amortize any unfunded accrued actuarial liability as determined in the prior actuarial valuation.

**Overview of Contributions**

The System receives a portion of the total required statutory contributions directly from the State for all employers. The employers are considered to be in a special funding situation as defined by GASB 68, and the State is treated as a non-employer contributing entity in TRS. The System receives 2.49% of reportable compensation from the State's general fund for School Districts and Other Employers. The System also receives 0.11% of reportable compensation from the State's general fund for all TRS Employers including State Agency and University System Employers. Finally, the State is also required to contribute \$25 million in perpetuity payable July 1st of each year.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Teachers' Retirement System (TRS) (Continued)***

**Overview of Contributions (Continued)**

The tables below show the legislated contribution rates for TRS members, employers and the State.

State and University Employers				
	Members	Employers	General Fund	Total employee & employer
Prior to July 1, 2007	7.15%	7.47%	0.11%	14.73%
July 1, 2007 to June 30, 2009	7.15%	9.47%	0.11%	16.73%
July 1, 2009 to June 30, 2013	7.15%	9.85%	0.11%	17.11%
July 1, 2013 to June 30, 2014	8.15%	10.85%	0.11%	19.11%
July 1, 2014 to June 30, 2015	8.15%	10.95%	0.11%	19.21%
July 1, 2015 to June 30, 2016	8.15%	11.05%	0.11%	19.31%
July 1, 2016 to June 30, 2017	8.15%	11.15%	0.11%	19.41%
July 1, 2017 to June 30, 2018	8.15%	11.25%	0.11%	19.51%
July 1, 2018 to June 30, 2019	8.15%	11.35%	0.11%	19.61%
July 1, 2019 to June 30, 2020	8.15%	11.45%	0.11%	19.71%
July 1, 2020 to June 30, 2021	8.15%	11.55%	0.11%	19.81%
July 1, 2021 to June 30, 2022	8.15%	11.65%	0.11%	19.91%
July 1, 2022 to June 30, 2023	8.15%	11.75%	0.11%	20.01%
July 1, 2023 to June 30, 2024	8.15%	11.85%	0.11%	20.11%

State and University Employers				
	Members	Employers	General Fund	Total employee & employer
Prior to July 1, 2007	7.15%	7.47%	0.11%	14.73%
July 1, 2007 to June 30, 2009	7.15%	9.47%	0.11%	16.73%
July 1, 2009 to June 30, 2013	7.15%	9.85%	0.11%	17.11%
July 1, 2013 to June 30, 2014	8.15%	10.85%	0.11%	19.11%
July 1, 2014 to June 30, 2015	8.15%	10.95%	0.11%	19.21%
July 1, 2015 to June 30, 2016	8.15%	11.05%	0.11%	19.31%
July 1, 2016 to June 30, 2017	8.15%	11.15%	0.11%	19.41%
July 1, 2017 to June 30, 2018	8.15%	11.25%	0.11%	19.51%
July 1, 2018 to June 30, 2019	8.15%	11.35%	0.11%	19.61%
July 1, 2019 to June 30, 2020	8.15%	11.45%	0.11%	19.71%
July 1, 2020 to June 30, 2021	8.15%	11.55%	0.11%	19.81%
July 1, 2021 to June 30, 2022	8.15%	11.65%	0.11%	19.91%
July 1, 2022 to June 30, 2023	8.15%	11.75%	0.11%	20.01%
July 1, 2023 to June 30, 2024	8.15%	11.85%	0.11%	20.11%

**TRS Stand-Alone Statements**

TRS' stand-alone financial statements, actuarial valuations and experience studies can be found online at <https://trs.mt.gov/TrsInfo/NewsAnnualReports>.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Teachers' Retirement System (TRS) (Continued)***

**Actuarial Assumptions**

The Total Pension Liability as of June 30, 2020, is based on the results of an actuarial valuation date of July 1, 2019. There were several significant assumptions and other inputs used to measure the total pension liability. The actuarial assumptions used in the July 1, 2019 valuation were based on the results of the last actuarial experience study, dated May 3, 2018. Among those assumptions were the following:

- Total Wage Increases\* 3.25%-7.76% for Non-University Members and 4.25% for University Members
- Investment Return 7.50%
- Price Inflation 2.50%
- Postretirement Benefit Increases
  - Tier One Members: If the retiree has received benefits for at least 3 years, the retirement allowance will be increased by 1.5% on January 1st.
  - Tier Two Members, the retirement allowance will be increased by an amount equal to or greater than 0.5% but no more than 1.5% if the most recent actuarial valuation shows the System to be at least 90% funded and the provisions of the increase is not projected to cause the funded ratio to be less than 85%.
- Mortality among contributing members, service retired members, and beneficiaries
  - For Males and Females: RP-2000 Healthy Combined Mortality Table projected to 2022 adjusted for partial credibility setback for two years.
- Mortality among disabled members
  - For Males: RP 2000 Disabled Mortality Table, set back three years, with mortality improvements projected by Scale BB to 2022.
  - For Females: RP 2000 Disabled Mortality Table, set forward two years, with mortality improvements projected by Scale BB to 2022.

\*Total Wage Increases include 3.25 % general wage increase assumption

**Discount Rate**

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under Montana Code Annotated.

In addition to the contributions the State general fund will contribute \$25 million annually to the System payable July 1st of each year. Based on those assumptions, the System's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2126. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. No municipal bond rate was incorporated in the Discount rate.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

**Teachers' Retirement System (TRS) (Continued)**

**Target Allocations**

Asset Class	Target Asset Allocation (a)	Real Rate of Return Arithmetic Basis (b)	Long-Term Expected Portfolio Real Rate of Return (a) x (b)
Domestic equity	35.00%	6.05%	2.12%
International equity	18.00%	7.01%	1.26%
Private equity	10.00%	10.53%	1.05%
Natural resources	3.00%	4.00%	0.12%
Core real estate	7.00%	5.65%	0.40%
TIPS	3.00%	1.40%	0.04%
Intermediate duration bonds	19.00%	2.17%	0.41%
High yield bonds	3.00%	4.09%	0.12%
Cash	2.00%	0.78%	0.02%
Total	<u>100.00%</u>		<u>5.54%</u>
Inflation			<u>2.50%</u>
Expected arithmetic nominal return			<u>8.04%</u>

\* The assumed rate is comprised of a 2.50% inflation rate and a real long-term expected rate of return of 5.00%.

The average long term capital market assumptions published in the Survey of Capital Market Assumptions 2019 Edition by Horizon Actuarial Service, LLC, yield a median real return of 4.91%. Our recommended assumption of 5.00% for the real return reflects granting each source some degree of credibility. Combined with the 2.50% inflation assumption, the resulting nominal return is 7.50%.

**Sensitivity Analysis**

	1.0% Decrease (6.50%)	Current Discount Rate	1.0% Increase (8.50%)
Gallatin County proportion of Net Pension Liability	<u>\$ 141,871</u>	<u>\$ 103,726</u>	<u>\$ 71,767</u>

In accordance with GASB 68 regarding the disclosure of the sensitivity of the net pension liability to changes in the discount rate, the above table presents the net pension liability calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.50%) or 1.00% higher (8.50%) than the current rate.

**NOTE 8. EMPLOYEE BENEFIT PLANS (CONTINUED)**

***Teachers' Retirement System (TRS) (Continued)***

**Summary of Significant Accounting Policies**

The Teachers' Retirement System prepares its financial statements using the accrual basis of accounting. For the purposes of measuring the Net Pension Liability, deferred inflows of resources and deferred outflows of resources related to pensions, pension expense, information about the fiduciary net position of the Teachers' Retirement System (TRS) and additions to/deductions from TRS's fiduciary net position have been determined on the same accrual basis as they are reported by TRS. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. TRS adheres to all applicable Governmental Accounting Standards Board (GASB) statements.

TRS' stand-alone financial statements, actuarial valuations and experience studies can be found online at <https://trs.mt.gov/TrsInfo/NewsAnnualReports>.

**Local Retirement Plans**

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all County employees and permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

**NOTE 9. RESTRICTED CASH AND INVESTMENTS**

Restricted cash and investments were held by the County for the Gallatin County Landfill as of June 30, 2020 totaling \$2,908,434. These amounts are reported within the cash and investment account on fund financial statements.

**NOTE 10. RESTRICTED FUND BALANCE AND NET POSITION**

Restricted Fund Balance shows amounts that are not appropriate for expenditure or are legally restricted for specific uses. The restricted net position in the proprietary funds is for landfill closure and post closure requirements and loan document requirements.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 11. LANDFILL CLOSURE AND POST CLOSURE CARE COSTS**

State and Federal laws and regulations require that the County place a final cover on its landfill when it stops accepting waste and perform certain maintenance and monitoring functions at the site for thirty years after closure. The County has elected to use the Local Government Financial Test to satisfy its financial responsibility under RCRA Subtitle D. Although closure and post closure care costs will be paid only near or after the date the landfill stops accepting waste, the landfill reports a portion of these closure and post closure care costs as an operating expense each period. The costs expensed during a period are based on landfill capacity used as of each balance sheet date. Independent engineering reports show that there is a \$2,553,447 liability for landfill closure and post closure as of June 30, 2020, which represents the cumulative amount reported to date based on the use of 63.92% of the estimated capacity of the landfill. The remaining estimated cost of closure and post closure care will be recognized as the remaining estimated capacity is filled.

The estimated total current cost of closure and post closure care remaining to be recognized is \$1,019,807. These amounts are based on what it should cost to perform all closure and post closure in 2020. The County expects to close the landfill in the year 2026. Actual costs may be higher due to inflation, changes in technology or changes in regulations. The engineering report estimates 6.4 years of life remaining from the date of the report – March 2020

The County is required by State and Federal laws and regulations to demonstrate financial assurance for the costs of closure and post closure care costs. For the fiscal year ended June 30, 2020, the County demonstrated its ability to handle closure and post closure care costs by passing the local government financial test.

**NOTE 12. SERVICES PROVIDED TO OTHER GOVERNMENTS**

The County provides various financial services to other governmental entities located within the County. The County serves as the billing agent, cashier and treasurer for tax and assessment collections for various taxing jurisdictions. The County also is a bank for such agencies as school districts, water and sewer districts, rural fire districts, and other special purpose districts. The funds collected and held by the County for other entities are accounted for in agency funds. Funds collected for incorporated cities and towns are periodically remitted to those entities by the County Treasurer. The County has not recorded any service charge for the services it provides other governmental entities.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 13. RISK MANAGEMENT**

The County faces a considerable number of risks of loss, including (a) damage to and loss of property and contents, (b) employee torts, (c) professional liability, i.e., errors and omissions, (d) environmental damage, (e) workers' compensation, i.e. employee injuries, and (f) medical insurance costs of employees. Commercial policies transferring all risks of loss, except for relatively small deductible amounts are purchased for property and content damage, employees' torts, and professional liabilities. Employee medical insurance is provided for by purchase of re-insurance, and given the lack of coverage available; the County has minimal coverage for potential losses from environmental damages. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The County has contracted with Traveler's insurance company for workers' compensation coverage. The County budgets and pays the required premium on a quarterly basis.

**Self-Insurance**

The County provides medical insurance coverage for its employees via a partially self-insured plan. It provides medical and dental benefits and is operated as on Internal Service Fund. Rates are determined in consultation with the administrator based on past claim experience. Incurred but unreported claims at June 30, 2020 were estimated by the plan administrator. Claims payable as of year-end are:

	2020	2019
Beginning claims payable	\$ 1,003,820	\$ 923,020
Claims incurred	5,938,165	9,253,483
Claims paid	(6,129,913)	(9,172,683)
Ending claims payable	\$ 812,072	\$ 1,003,820

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 14. COMMITMENTS**

At June 30, 2020, the County had contractual commitments of approximately \$18,149,874. Significant contracts are made up of the following:

<u>Department</u>	<u>Amount</u>	<u>Description</u>
Attorney	\$ 223,507	Mental health services agreement
Court Services	114,790	Equipment maintenance
Facilities	1,473,524	Janitorial services
Facilities	165,007	USPS mail pickup and delivery services
Finance	104,933	Engineering services
Finance	380,947	Software as a service
Landfill	127,720	Grinding and wood hauling
Landfill	893,468	Recycling
Landfill	117,850	Phone and internet services
Landfill	98,796	Phase 3 license expansion
Landfill	61,582	Engineering services
Landfill	512,272	Scale upgrades
Road and Bridge	281,271	Paving and road maintenance asphalt overlays
Road and Bridge	781,907	Road chip sealing and associated pavement marking
Road and Bridge	337,697	Leveling course and overlay course to various roads
Sheriff	339,800	Animal shelter services
Sheriff	10,937,543	Software and support
Sheriff	256,641	Dispatch services
West Yellowstone Compost Facility	30,123	Transfer station repair project
	<u>\$ 17,239,378</u>	

The remaining \$910,496 is made up of various, small contractual commitments. Future appropriations will fund these commitments as work is performed.

**NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB)**

As required by Governmental Accounting Standards Board (GASB) Statement No. 75 Other Postemployment Benefits, the County has calculated and included a postemployment benefit liability for the fiscal year ended June 30, 2020.

**Plan Description and Benefits Provided**

The County maintains a single-employer self-insured medical plan. The plan currently provides defined healthcare insurance benefits for eligible employees, retirees, spouses, and dependents, included are medical, dental, vision, and life coverage. Participation is elected by the retiree at the time of retirement. Benefit provisions are set annually by the Board of the County Commissioners and may be revoked or altered at any time.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**Funding Policy**

The County's other post-employment benefit (OPEB) consists of the above described post-employment healthcare benefits. The County has accounted for this OPEB cost on a pay-as-you-go basis. The County has utilized the Self-Insurance internal service fund to liquidate these obligations. The County's annual OPEB cost consists of an implied rate subsidy since retirees and current employees are in the same plan as well as a cost for future benefits of current employees. The County's policy at this time is to not fund the OPEB obligation.

**Employees Covered by Benefit Terms**

At June 30, 2020, the following employees were covered by the benefit terms:

Category	Count
Active employees	489
Inactive employees entitled to but not yet receiving benefits	24
Inactive employees or beneficiaries currently receiving benefits	27
Total	<u>540</u>

**Contributions**

Benefit contributions are paid by the County as they come due.

**Total OPEB Liability (TOL)**

The County's total OPEB liability of \$3,577,895 at June 30, 2020 was measured as of June 30, 2019, and was determined by an actuarial valuation as of January 1, 2019.

Changes in the TOC for the year ended June 30, 2020 are as follows:

Service cost	\$ 272,273
Interest	154,621
Differences between expected and actual	208,364
Changes in assumptions	(977,802)
Benefit payments	<u>(157,192)</u>
Net change in total OPEB liability	(499,736)
Total OPEB liability, beginning of year	<u>4,077,631</u>
Total OPEB liability, end of year	<u>\$ 3,577,895</u>

There is sensitivity of the total OPEB liability to changes in the discount rate. The total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.62%) or one percentage point higher (4.62%) follows:

	1% Decrease 2.13%	Discount Rate 3.13%	1% Increase 4.13%
Total OPEB liability	\$ 3,975,914	\$ 3,577,895	\$ 3,228,322

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**Total OPEB Liability (TOL) (Continued)**

There is also sensitivity of the TOL to changes in the healthcare cost trend rates. The total OPEB liability of the County as well as what the County's total OPEB liability would be if it was recalculated using healthcare cost trend rates that are one percentage point lower (4.40%) or one percentage point higher (6.40%) than the current healthcare cost trend rate follows:

	1% Decrease 4.40%	Trend Rate 5.40%	1% Increase 6.40%
Total OPEB liability	\$ 3,130,807	\$ 3,577,895	\$ 4,119,610

For the year ended June 30, 2020, the County recognized OPEB expense of \$304,648. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions	\$ -	\$ 1,124,027
Differences between expected and actual experience	185,789	-
Contributions made subsequent to the measurement date	170,637	-
Total	\$ 356,426	\$ 1,124,027

The amount reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date of \$170,637 will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the fiscal year ending June 30:	Recognized Net Deferred Outflows (Inflows) of Resources
2021	\$ (122,246)
2022	(122,246)
2023	(122,246)
2024	(122,246)
2025	(122,246)
Thereafter	(327,008)

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**Actuarial Methods and Assumptions**

The County's actuarial valuation is completed on a biennial frequency, provided no significant events have occurred warranting new measurement. The County completed the valuation with a measurement date of June 30, 2019 for fiscal year end June 30, 2020 financial reporting. This valuation was derived based on the 2019 actual costs and participants. As of January 1, 2019, the most recent valuation date, the County's total OPEB liability was determined using the following significant actuarial assumptions:

1. Funding Method: Entry Age Normal Cost, level percent of pay
  2. Asset Valuation Method: Not applicable (No OPEB trust has been established)
  3. Municipal Bond Index: Fidelity Municipal Bond AA 20 Year Maturity Yield
  4. Discount Rate: 3.62% as of June 30, 2018 and 3.13% as of June 30, 2019
  5. Participants Valued: Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in the valuation.
  6. Salary Increase: 3.00% per year; since benefits do not depend on salary, this is used only to allocate the cost of benefits between service years
  7. General Inflation Rate: 2.50% per year
  8. Mortality Improvement: Mortality rates applied before and after retirement (as described below) were projected by applying MacLeod Watts Scale 2020 on a fully generational basis from 2006 forward.
  9. Mortality Before Retirement (before improvement applied)
    - i. PERS members: RP 2014 White Collar Employee mortality, male and female tables, base rates as of 2006.
    - ii. SRS members: RP 2014 White Collar Employee mortality, male and female tables, base rates as of 2006
  - b. Mortality After Retirement (before improvement applied)
    - i. PERS members: RP 2014 White Collar Healthy Annuitant mortality, male and female tables, base rates as of 2006.
    - ii. SRS members: RP 2014 White Collar Healthy Annuitant mortality, male and female tables, base rates as of 2006
  - c. Termination and Retirement Rates: The same assumptions used in the June 2016 PERS and June 2016 SRS pension system valuations.
10. Medicare Eligibility: All individuals are assumed to be eligible for Medicare Parts A and B at age 65.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**Actuarial Methods and Assumptions (Continued)**

11. Healthcare Trend: Medical plan premiums and claims costs by age are assumed to increase once each year. The increases over the prior year's levels are assumed to be effective on the dates shown below as of January 1:

2021:	5.40%
2022:	5.30%
2023-2026:	5.20%
2027-2046:	5.30%

Rates vary between 4.00% and 5.20% for the calendar years 2047 through 2076.

12. Participation Rates:

Active Employees:

- a. 35% of employees currently enrolled in the County's medical program who retire *prior* to age 68 (males) or 65 (females) are assumed to elect County healthcare and life insurance coverage in retirement. Upon reaching age 68 (males) and 65 (females), only 25% are assumed to continue coverage through the County for the remainder of their lifetime.
- b. Employees currently waiving (i.e., not enrolled in) County coverage are assumed to elect coverage in retirement at half (50% of) the rates assumed for currently enrolled employees.
- c. 25% of employees are retiring at age 65 or over are assumed to elect County healthcare and life insurance coverage in retirement.

Current Retirees:

- a. All (100% of) male retirees under age 68 and female retirees under 65 are assumed to continue their existing healthcare coverage. Upon reaching age 68 (males) and 65 (females), only 25% are assumed to continue coverage through the County for the remainder of their lifetime.
- b. All male retirees currently age 68 and older and female retirees currently 65 and older are assumed to continue their existing coverage until death.

13. Spouse Coverage:

Active Employees:

- a. 70% of those assumed to elect coverage in retirement are assumed to be married participants electing coverage for their spouse in retirement. Husbands are assumed to be 3 years older than their wives.

Current Retirees:

- a. Existing elections for spouse coverage are assumed to continue until the spouse's death. Actual spouse information is used where available; otherwise, husbands are assumed to be 3 years older than their wives.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**Actuarial Methods and Assumptions (Continued)**

14. Development of Age-Related Medical Premiums: Actual premium rates for retirees and their spouses were adjusted to an age-related basis by applying medical claim cost factors developed from the data presented in the report, "Health Care Costs – From Birth to Death", sponsored by the Society of Actuaries. Actual premium rates for retirees and their spouses were adjusted to an age-related basis by applying the medical claim cost factors to monthly baseline premium costs. Based on prior experience and future expectations of the County, it is assumed that no current or future retirees now under age 68 (males) or 65 (females) will continue coverage after those ages. Only the small number of current retirees over those ages are assumed to continue their County coverage.

**NOTE 16. PENDING LITIGATION**

The County is involved in numerous lawsuits, which arise out of the normal course of operations. Management intends to vigorously defend each claim, and does not believe any of the outstanding cases have a probable negative outcome. It is reasonably possible that some of the cases may result in future losses, but, based on the complexities of each case, it is not possible to determine or reasonably estimate any losses as of the date of this financial report.

**NOTE 17. TAX ABATEMENTS**

**New and Expanding Industries**

Under the Montana Code Annotated, Title 15, Chapter 24, Part 14, the County approves tax incentives for qualified new or expanding industries located in Gallatin County. The tax incentives are for real and personal property taxes. To be eligible for the benefit, the taxpayer must apply and be approved by the County. In order to qualify, the taxpayer must invest a minimum of \$50,000 worth of qualifying improvements or modernized processes within the first 5 years after a construction permit is issued. Generally, the taxpayer commits to invest the statutory minimum and often includes a proposal to hire a certain number of additional employees in response to the entity's expansion. The County has not made any commitments as part of the agreements other than to reduce taxes.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2020

**NOTE 17. TAX ABATEMENTS (CONTINUED)**

**New and Expanding Industries (Continued)**

The taxpayer receives a credit against property taxes in the form of a certain percentage reduction. The County manually applies the applicable credit amount to reduce the property tax bill. If property taxes were abated, but the taxpayer did not meet the eligibility requirements, the recapture amount is equal to the amount of taxes avoided, plus interest and penalties for nonpayment of property taxes.

For the fiscal year ended June 30, 2020, the County abated property taxes totaling \$32,166 under this program.

**Historic Property**

Under the Montana Code Annotated, Title 15, Chapter 24, Part 16, the County approves tax incentives for the restoration, rehabilitation, expansion, and new construction of certified residential and commercial properties located within national register historic districts and properties listed in the National Register of Historic Places. The tax incentives are for real property taxes. To be eligible for the benefit, the taxpayer must apply and be approved by the County. The taxpayer may receive a tax abatement during the construction period, not to exceed 12 months, and for up to 5 years following completion of the construction. The tax abatement is limited to 100% of the increase in taxable value caused by the rehabilitation, restoration, expansion, or new construction. The County has not made any commitments as part of the agreements other than to reduce taxes.

The taxpayer receives a credit against property taxes in the form of a certain percentage reduction. The County manually applies the applicable credit amount to reduce the property tax bill. If property taxes were abated, but the taxpayer is disqualified due to adverse effects made to the historic property, then the owner is liable for back taxes, interest, and a penalty.

For the fiscal year ended June 30, 2020, the County did not have any taxes abated under this program.

**NOTE 18. JOINT VENTURE AGREEMENTS**

Joint ventures are legal entities or other organizations that result in a contractual arrangement and that are owned, operated, or governed by two or more participants. Each participant retains both an ongoing financial interest and an ongoing financial responsibility. In 2017, the County and City entered into joint venture contractual arrangements, Memorandums of Understanding and Interlocal Agreements to support the following programs and/or operations: 911 Communication Center, City-County Drug Forfeitures, Victim Witness, Hazardous Materials, Solid Waste (Disposal and Convenient Site), Fire Warden/Chief, Evidence Technician, Library Services, Board of Health, and Rental at L & J. The financial interest is not material.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2020

**NOTE 19. PRIOR PERIOD ADJUSTMENT**

During fiscal year 2020, management discovered financial statement errors in the recording of cash deposits from grant revenue in four nonmajor governmental funds for the year ended June 30, 2019. The effect of this error was an understatement of cash and intergovernmental revenues in the amount of \$375,207. As such, adjustments have been recorded to restate the July 1, 2019 fund balance by \$375,207.

The following summarizes the prior period adjustment referred to above:

	Total Non Major Funds
Fund balances - beginning of year	\$ 20,921,656
Grant revenue not recorded in fiscal year 2019	375,207
Fund balances - beginning of year, adjusted	\$ 21,296,863

**NOTE 20. SUBSEQUENT EVENTS**

In March 2021, the American Rescue Plan Act (ARPA) was signed into law to provide direct relief to local governments in the United States. The U.S. Department of Treasury requires that the ARPA funds be used to replace revenue lost in the public sector, boost pay for essential workers, and support public health entities' response to the pandemic. The County was awarded approximately \$22,230,000 and has allocated the funding to general government activities, pandemic response, water and sewer projects, childcare programs, Gallatin College training programs, economic recovery grants, development of the County's Rest Home property for affordable housing, an ambulance upgrade, HRDC housing projects, and mental health services.

In November of 2021, Gallatin County voters passed a \$29 million bond to construct a new courts facility that will house four District Courts, two Justice Courts, Youth Court and Probation, Standing Master, Clerks of Court, Self Help Law Center, Public Community and Jury Assembly Room and Security Detail Office. Design and engineering continued until site work and construction started in October of 2022. Gallatin County is funding initial construction from reserves and are anticipating issuing bonds in late spring of 2023.

On November 8, 2022, the voters of Gallatin County approved a levy of up to 10 mills annually for the Rest Home. As the last skilled nursing home left in the County, this 69-bed, state-licensed facility provides skilled Medicare/Medicaid coverage for long term, respite, hospice and rehabilitation care. The mills will be used to offset the cost of care not covered by Medicare and Medicaid and to make capital improvements necessary to the building.

REQUIRED SUPPLEMENTARY INFORMATION

GALLATIN COUNTY, STATE OF MONTANA  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
 BUDGET AND ACTUAL – 1000 GENERAL FUND  
 For The Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 9,179,925	\$ 9,179,925	\$ 9,746,322	\$ 566,397
Licenses & Permits	700	700	750	50
Intergovernmental Revenues	1,273,494	1,273,494	1,769,479	495,985
Charges for Services	2,332,061	2,332,061	3,130,444	798,383
Fines & Forfeitures	506,000	506,000	486,013	(19,987)
Miscellaneous	82,810	82,810	90,035	7,225
Investment Earnings	150,000	150,000	318,041	168,041
Contributions/Donations	-	-	-	-
Total revenues	<u>13,524,990</u>	<u>13,524,990</u>	<u>15,541,084</u>	<u>2,016,094</u>
<b>EXPENDITURES</b>				
Current:				
General Government	11,201,062	11,201,062	12,348,247	(1,147,185)
Public Safety	1,363,709	1,363,709	1,442,390	(78,681)
Public Works	1,211,566	1,211,566	588,450	623,116
Public Health	-	-	-	-
Social & Economic Services	487,138	487,138	489,466	(2,328)
Culture & Recreation	-	-	-	-
Housing & Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Total current	<u>14,263,475</u>	<u>14,263,475</u>	<u>14,868,553</u>	<u>(605,078)</u>
Debt service:				
Principal retirement	712,825	712,825	231,157	481,668
Interest	48,086	48,086	18,971	29,115
Total debt service	<u>760,911</u>	<u>760,911</u>	<u>250,128</u>	<u>510,783</u>
Capital outlay:				
Capital Expenditures	904,519	904,519	244,542	659,977
Total expenditures	<u>15,928,905</u>	<u>15,928,905</u>	<u>15,363,223</u>	<u>565,682</u>
Excess (deficiency) of revenues over expenditures	<u>(2,403,915)</u>	<u>(2,403,915)</u>	<u>177,861</u>	<u>2,581,776</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers Out	(556,689)	(556,689)	(599,322)	(42,633)
Proceeds from Sale of Fixed Assets	-	-	-	-
Transfers In	824,273	824,273	911,757	87,484
Total other financing source (uses)	<u>267,584</u>	<u>267,584</u>	<u>312,435</u>	<u>44,851</u>
Net change in fund balances	(2,136,331)	(2,136,331)	490,296	2,626,627
Fund balances - beginning	6,816,914	6,816,914	6,816,914	-
Fund balances - ending	<u>\$ 4,680,583</u>	<u>\$ 4,680,583</u>	<u>\$ 7,307,210</u>	<u>\$ 2,626,627</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL – 2300 PUBLIC SAFETY FUND  
For The Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>REVENUES</b>				
Property Taxes	\$ 15,698,934	\$ 15,698,934	\$ 16,075,087	\$ 376,153
Licenses & Permits	40,000	40,000	51,113	11,113
Intergovernmental Revenues	1,350,253	1,370,253	1,365,627	(4,626)
Charges for Services	1,964,658	1,964,658	2,247,495	282,837
Fines & Forfeitures	25,000	25,000	43,643	18,643
Miscellaneous	25,000	558,915	549,206	(9,709)
Investment Earnings	45,000	45,000	59,081	14,081
Contributions/Donations	-	-	-	-
Total revenues	<u>19,148,845</u>	<u>19,702,760</u>	<u>20,391,252</u>	<u>688,492</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	19,549,815	19,674,833	16,030,505	3,644,328
Public Works	-	-	-	-
Public Health	-	-	-	-
Social & Economic Services	-	-	-	-
Culture & Recreation	-	-	-	-
Housing & Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Total current	<u>19,549,815</u>	<u>19,674,833</u>	<u>16,030,505</u>	<u>3,644,328</u>
Debt service:				
Principal retirement	-	451,999	451,999	-
Interest	-	13,515	3,379	10,136
Total debt service	<u>-</u>	<u>465,514</u>	<u>455,378</u>	<u>10,136</u>
Capital outlay:				
Capital Expenditures	1,412,061	1,625,576	771,682	853,894
Total expenditures	<u>20,961,876</u>	<u>21,765,923</u>	<u>17,257,565</u>	<u>4,508,358</u>
Excess (deficiency) of revenues over expenditures	<u>(1,813,031)</u>	<u>(2,063,163)</u>	<u>3,133,687</u>	<u>5,196,850</u>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from Notes/ Loans	-	-	-	-
Transfers Out	(449,024)	(449,024)	(347,246)	101,778
Proceeds from Sale of Fixed Assets	-	-	2,400	2,400
Transfers In	270,545	270,545	264,819	(5,726)
Total other financing source (uses)	<u>(178,479)</u>	<u>(178,479)</u>	<u>(80,027)</u>	<u>98,452</u>
Net change in fund balances	(1,991,510)	(2,241,642)	3,053,660	5,295,302
Fund balances - beginning	4,311,416	4,311,416	4,311,416	-
Fund balances - ending	<u>\$ 2,319,906</u>	<u>\$ 2,069,774</u>	<u>\$ 7,365,076</u>	<u>\$ 5,295,302</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
 BUDGET AND ACTUAL – 2500 RID MAINTENANCE  
 For The Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ 1,770,546	\$ 1,770,546	\$ 1,830,109	\$ 59,563
Investment Earnings	-	-	126,682	126,682
Total revenues	<u>1,770,546</u>	<u>1,770,546</u>	<u>1,956,791</u>	<u>186,245</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	7,261,542	7,261,542	1,214,112	6,047,430
Total expenditures	<u>7,261,542</u>	<u>7,261,542</u>	<u>1,214,112</u>	<u>6,047,430</u>
Excess (deficiency) of revenues over expenditures	<u>(5,490,996)</u>	<u>(5,490,996)</u>	<u>742,679</u>	<u>6,233,675</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(5,490,996)	(5,490,996)	742,679	6,233,675
Fund balances - beginning	7,351,880	7,351,880	7,351,880	-
Fund balances - ending	<u>\$ 1,860,884</u>	<u>\$ 1,860,884</u>	<u>\$ 8,094,559</u>	<u>\$ 6,233,675</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
 BUDGET AND ACTUAL – 2260 COUNTY EMERGENCY  
 For The Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-
Intergovernmental Revenues	-	5,505,628	5,593,324	87,696
Charges for Services	-	-	-	-
Fines & Forfeitures	-	-	-	-
Miscellaneous	-	100,381	133,981	33,600
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>-</u>	<u>5,606,009</u>	<u>5,727,305</u>	<u>121,296</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	6,347	5,467,655	5,467,654	1
Public Works	-	-	-	-
Public Health	-	-	-	-
Social & Economic Services	-	-	-	-
Culture & Recreation	-	-	-	-
Housing & Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Total current	<u>6,347</u>	<u>5,467,655</u>	<u>5,467,654</u>	<u>1</u>
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay:				
Capital Expenditures	-	45,974	45,974	-
Total expenditures	<u>6,347</u>	<u>5,513,629</u>	<u>5,513,628</u>	<u>1</u>
Excess (deficiency) of revenues over expenditures	<u>(6,347)</u>	<u>92,380</u>	<u>213,677</u>	<u>121,297</u>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from Notes/ Loans	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(6,347)	92,380	213,677	121,297
Fund balances - beginning	6,347	6,347	6,347	-
Fund balances - ending	<u>\$ -</u>	<u>\$ 98,727</u>	<u>\$ 220,024</u>	<u>\$ 121,297</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS  
For the Year Ended June 30, 2020

Total OPEB Liability	2020	2019	2018
Service cost	\$ 272,273	\$ 264,917	\$ 289,230
Interest	154,621	144,018	120,967
Difference between expected and actual	208,364	-	-
Change of assumptions	(977,802)	(31,149)	(334,351)
Benefit payments	(157,192)	(161,391)	(136,199)
Net changes in total OPEB liability	(499,736)	216,395	(60,353)
Total OPEB liability, beginning of year	4,077,631	3,861,236	3,921,589
Total OPEB liability, end of year	\$ 3,577,895	\$ 4,077,631	\$ 3,861,236
 Plan Fiduciary Net Position			
Contributions - employer	\$ 157,192	\$ 161,391	\$ 136,199
Benefit payments	(157,192)	(161,391)	(136,199)
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position, beginning of year	-	-	-
Plan fiduciary net position, end of year	\$ -	\$ -	\$ -
Net OPEB liability, end of year	\$ 3,577,895	\$ 4,077,631	\$ 3,861,236
Covered employee payroll	\$ 24,718,830	\$ 19,334,021	\$ 19,246,786
County's total OPEB liability as a percentage of covered-employee payroll	14.47%	21.09%	20.06%

See Note 15 for additional information on the significant assumptions used in calculating the total OPEB liability.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)  
For the Year Ended June 30, 2020

Schedule of Proportionate Share of the Net Pension Liability:	2020	2019	2018	2017	2016	2015
Employers' proportion of the Net Pension Liability (percentage)	0.9989%	0.9362%	1.1581%	1.1641%	1.1518%	1.1651%
Employer's Net Pension Liability (amount)	\$ 20,881,008	\$ 19,540,174	\$ 22,555,895	\$ 19,828,734	\$ 16,100,567	\$ 14,517,810
State's Net Pension Liability (amount)	6,795,037	6,539,744	302,065	242,284	197,768	177,285
Total	<u>\$ 27,676,045</u>	<u>\$ 26,079,918</u>	<u>\$ 22,857,960</u>	<u>\$ 20,071,018</u>	<u>\$ 16,298,335</u>	<u>\$ 14,695,095</u>
Employer's Covered Payroll	\$ 16,842,252	\$ 15,399,466	\$ 14,364,135	\$ 13,943,938	\$ 13,441,636	\$ 13,281,095
Employer's Proportionate Share as a percent of Covered Payroll	123.9799%	126.8886%	157.0293%	142.2033%	119.7813%	109.3118%
Plan Fiduciary Net Position as a percent of Total Pension Liability	73.8500%	73.4700%	73.7500%	74.7100%	78.4000%	79.8700%
Schedule of Contributions:	2020	2019	2018	2017	2016	2015
Contractually required contributions	\$ 1,505,275	\$ 1,412,543	\$ 1,304,092	\$ 1,202,504	\$ 1,165,511	\$ 1,107,645
Plan Choice Rate Required Contributions	-	-	-	-	39,240	57,877
Contributions in relation to the contractually required contributions	<u>1,505,275</u>	<u>1,412,543</u>	<u>1,304,092</u>	<u>1,202,504</u>	<u>1,204,751</u>	<u>1,165,522</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Employer's covered-employee payroll	\$ 17,361,892	\$ 16,842,252	\$ 15,399,466	\$ 14,364,135	\$ 13,943,938	\$ 13,441,636
Contributions of covered-employee payroll (as a percentage)	8.6700%	8.3869%	8.4684%	8.3716%	8.6400%	8.6710%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS  
SHERIFFS' RETIREMENT SYSTEM (SRS)  
For the Year Ended June 30, 2020

	2020	2019	2018	2017	2016	2015
<i>Schedule of Proportionate Share of the Net Pension Liability:</i>						
Employers' proportion of the Net Pension Liability (percentage)	8.3472%	8.1643%	7.9853%	8.0104%	8.1856%	8.0812%
Employer's Net Pension Liability (amount)	\$ 6,961,359	\$ 6,137,260	\$ 6,076,555	\$ 14,072,501	\$ 7,890,821	\$ 3,363,154
Total	<u>\$ 6,961,359</u>	<u>\$ 6,137,260</u>	<u>\$ 6,076,555</u>	<u>\$ 14,072,501</u>	<u>\$ 7,890,821</u>	<u>\$ 3,363,154</u>
Employer's Covered Payroll	\$ 6,702,464	\$ 6,334,458	\$ 5,974,560	\$ 5,654,808	\$ 5,569,930	\$ 5,226,324
Employer's Proportionate Share as a percent of Covered Payroll	103.8600%	96.8900%	101.7100%	248.8600%	141.6700%	64.3500%
Plan Fiduciary Net Position as a percent of Total Pension Liability	81.8900%	82.6800%	81.3000%	63.0000%	75.4000%	87.2400%
<i>Schedule of Contributions:</i>						
Contractually required contributions	\$ 921,018	\$ 878,847	\$ 846,325	\$ 604,328	\$ 586,095	\$ 565,006
Contributions in relation to the contractually required contributions	921,018	878,847	846,325	604,328	586,095	565,006
Contribution deficiency (excess)	-	-	-	-	-	-
Employer's covered-employee payroll	\$ 7,022,628	\$ 6,702,464	\$ 6,334,458	\$ 5,974,560	\$ 5,654,808	\$ 5,569,930
Contributions of covered-employee payroll (as a percentage)	13.1150%	13.1123%	13.3607%	10.1150%	10.3645%	10.1439%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS  
TEACHERS' RETIREMENT SYSTEM (TRS)  
For the Year Ended June 30, 2020

	2020	2019	2018	2017	2016	2015
<i>Schedule of Proportionate Share of the Net Pension Liability:</i>						
Employer's proportion of the net pension liability	0.0054%	0.0043%	0.0052%	0.0052%	0.5100%	0.5100%
Employer's proportionate share of the net pension liability associated with the Employer	\$ 103,726	\$ 80,635	\$ 87,924	\$ 94,963	\$ 83,154	\$ 78,229
State of Montana's proportionate share of the net pension liability associated with the Employer	64,057	55,302	56,031	65,256	63,117	56,237
Total	<u>\$ 167,783</u>	<u>\$ 135,937</u>	<u>\$ 143,955</u>	<u>\$ 160,219</u>	<u>\$ 146,271</u>	<u>\$ 134,466</u>
Employer's covered-employee payroll	\$ 73,016	\$ 58,027	\$ 68,779	\$ 67,473	\$ 64,595	\$ 64,108
Employer's proportionate share as a percent of covered-employee payroll	142.0600%	138.9600%	127.8400%	140.7400%	128.7300%	122.0300%
Plan Fiduciary Net Position as a percent of Total Pension Liability	68.6400%	69.0900%	70.0900%	66.6900%	69.3000%	70.3600%
<i>Schedule of Contributions:</i>						
Contractually required contributions	\$ 6,881	\$ 6,550	\$ 5,147	\$ 6,032	\$ 5,850	\$ 5,536
Contributions in relation to the contractually required contributions	6,881	6,550	5,147	6,032	5,850	5,536
Contribution deficiency (excess)	-	-	-	-	-	-
Employer's covered-employee payroll	\$ 75,867	\$ 73,016	\$ 58,027	\$ 68,779	\$ 67,473	\$ 64,595
Contributions of covered-employee payroll (as a percentage)	9.0698%	8.9706%	8.8700%	8.7701%	8.6701%	8.5703%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2020

***Public Employees' Retirement System (PERS)***

**Changes of Benefit Terms**

The following changes to the plan provisions were made as identified:

**2017 Legislative Changes:**

General Revisions -House Bill 101, effective July 1, 2017

**Working Retiree Limitations** – for PERS

Effective July 1, 2017, if a PERS retiree returns as an independent contractor to what would otherwise be PERS-covered employment, general contractor overhead costs are excluded from PERS working retiree limitations.

**Refunds**

- 1) Terminating members eligible to retire may, in lieu of receiving a monthly retirement benefit, refund their accumulated contributions in a lump sum.
- 2) Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
- 3) Trusts, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

**Interest Credited to Member Accounts**

Effective July 1, 2017, the interest rate credited to member accounts increased from 0.25% to 0.77%.

**Lump-Sum Payouts**

Effective July 1, 2017, lump-sum payouts in all systems are limited to the member's accumulated contributions rate than the present value of the member's benefit.

**Disabled PERS Defined Contribution (DC) Members**

PERS members hired after July 1, 2011 have a normal retirement age of 65. PERS DC members hired after July 1, 2011 who became disabled were previously only eligible for a disability benefit until age 65. Effective July 1, 2017, these individuals will be eligible for a disability benefit until they reach 70, thus ensuring the same 5-year time period available to PERS DC disabled members hired prior to July 1, 2011 who have a normal retirement age of 60 and are eligible for a disability benefit until age 65.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
 June 30, 2020

**Public Employees' Retirement System (PERS) (Continued)**

**Changes in Actuarial Assumptions and Methods**

**Method and Assumptions Used In Calculations of Actuarially Determined Contributions**

The following Actuarial Assumptions were adopted from the June 2016 Experience Study:

General wage growth	3.50%
Investment rate of return*	7.65%
*includes inflation at	2.75%
Merit salary increases	0% to 6.30%
Asset valuation method	4-year smoothed market
Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, open
Mortality (healthy members)	For males and females: RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using Scale BB, males set back 1 year.
Mortality (disabled members)	For Males and Females: RP 2000 Combined Mortality Table
Admin Expense as % of Payroll	0.26%

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expenses.

**Sheriff's Retirement System (SRS)**

**Changes of Benefit Terms**

The following changes to the plan provisions were made as identified:

**2017 Legislative Changes:**

Funding Revisions -House Bill 383, effective July 1, 2017

Increase in SRS Employee and Employer Contributions, effective July 1, 2017:

- 1) SRS employee contributions increase 1.25% from 9.245% to 10.495%.
- 2) SRS employer additional contributions increase 3%, from 0.58% to 3.58%, for a total employer contributions rate of 13.115%.
- 3) SRS employee contributions will return to 9.245% and SRS employer contributions will return to 9.535% when reducing the employee contribution and terminating the additional employer contributions will not cause the amortization period to exceed 25 years.

***Sheriff's Retirement System (SRS) (Continued)***

**Changes of Benefit Terms (Continued)**

The following changes to the plan provisions were made as identified:

**2017 Legislative Changes (Continued):**

Funding Revisions -House Bill 101, effective July 1, 2017

**Second Retirement Benefit – for SRS**

Applies to retirement system members who return on or after July 1, 2017 to active service covered by the system from which they retired.

- If the member works more than 480 hours in a calendar year and accumulates less than 5 years of service credit before terminating again, the member:
  - is not awarded service credit for the period of reemployment;
  - is refunded the accumulated contributions associated with the period of reemployment;
  - starting the first month following termination of service, receives the same retirement benefit previously paid to the member; and
  - does not accrue post-retirement benefit adjustments during the term of reemployment but receives a Guaranteed Annual Benefit Adjustment (GABA) in January immediately following second retirement.
- If the member works more than 480 hours in a calendar year and accumulates at least 5 years of service credit before terminating again, the member:
  - is awarded service credit for the period of reemployment;
  - starting the first month following termination of service, receives:
    - the same retirement benefit previously paid to the member, and
    - a second retirement benefit for the period of reemployment calculated based on the laws in effect as of the member's rehire date; and
  - does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA:
    - on the initial retirement benefit in January immediately following second retirement, and
    - on the second retirement benefit starting in January after receiving that benefit for at least 12 months.
- A member who returns to covered service is not eligible for a disability benefit.

**Refunds**

- Terminating members eligible to retire may, in lieu of receiving a monthly retirement benefit, refund their accumulated contributions in a lump sum.
- Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
 June 30, 2020

***Sheriff's Retirement System (SRS) (Continued)***

**Refunds (Continued)**

- Trusts, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

**Changes of Benefit Terms (Continued)**

The following changes to the plan provisions were made as identified:

**2017 Legislative Changes (Continued):**

**Interest Credited to Member Accounts**

Effective July 1, 2017, the interest rate credited to member accounts increased from 0.25% to 0.77%.

**Lump-Sum Payouts**

Effective July 1, 2017, lump-sum payouts in all systems are limited to the member's accumulated contributions rate than the present value of the member's benefit.

***Changes in Actuarial Assumptions and Methods***

**Method and Assumptions Used In Calculations of Actuarially Determined Contributions**

The following Actuarial Assumptions were adopted from the June 30, 2018 actuarial valuation:

General wage growth	3.50%
Investment rate of return*	7.65%
*includes inflation at	2.75%
Merit salary increases	0% to 6.30%
Asset valuation method	4-year smoothed market
Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, open
Mortality (healthy members)	For males and females: RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using Scale BB, males set back 1 year.
Mortality (disabled members)	For Males and Females: RP 2000 Combined Mortality Table
Admin Expense as % of Payroll	0.23%

***Sheriff's Retirement System (SRS) (Continued)***

***Changes in Actuarial Assumptions and Methods (Continued)***

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expenses.

***Teacher's Retirement System (TRS)***

**Changes of Benefit Terms:**

The following changes to the plan provisions were made as identified:

The 2013 Montana Legislature passed HB 377 which provides additional revenue and created a two tier benefit structure. A Tier One Member is a person who first became a member before July 1, 2013 and has not withdrawn their member's account balance. A Tier Two Member is a person who first becomes a member on or after July 1, 2013 or after withdrawing their member's account balance, becomes a member again on or after July 1, 2013.

The second tier benefit structure for members hired on or after July 1, 2013 is summarized below.

- 1) **Final Average Compensation:** average of earned compensation paid in five consecutive years of full-time service that yields the highest average
- 2) **Service Retirement:** Eligible to receive a service retirement benefit if the member has been credited with at least five full years of creditable service and has attained the age of 60; or has been credited with 30 or more years of full-time or part-time creditable service and has attained age 55
- 3) **Early Retirement:** Eligible to receive an early retirement allowance if a member is not eligible for service retirement but has at least five years of creditable service and attained age 55
- 4) **Professional Retirement Option:** if the member has been credited with 30 or more years of service and has attained the age of 60 they are eligible for an enhanced allowance equal to 1.85% of average final compensation times all service at retirement. Otherwise, the multiplier used to calculate the retirement allowance will be equal to 1.67%
- 5) **Annual Contribution:** 8.15% of member's earned compensation
- 6) **Supplemental Contribution Rate:** On or after July 1, 2023, the TRS Board may require a supplemental contribution up to 0.5% if the following three conditions are met:
  - a. The average funded ratio of the System based on the last three annual actuarial valuations is equal to or less than 80%; and
  - b. The period necessary to amortize all liabilities of the System based on the latest annual actuarial valuation is greater than 20 years; and

***Teacher's Retirement System (TRS) (Continued)***

**Changes of Benefit Terms (Continued):**

- c. A State or employer contribution rate increase or a flat dollar contribution to the Retirement System Trust fund has been enacted that is equivalent to or greater than the supplemental contribution rate imposed by the TRS Board.
- 7) **Disability Retirement:** A member will not be eligible for a disability retirement if the member is or will be eligible for a service retirement on the date of termination
- 8) **Guaranteed Annual Benefit Adjustment (GABA):**

If the most recent actuarial valuation shows that Retirement System liabilities are at least 90% funded and the provision of the increase is not projected to cause the System's liabilities to be less than 85% funded, the GABA may increase from the 0.5% floor up to 1.5%, as set by the Board.

HB 377 increased revenue from the members, employers and the State as follows:

- Annual State contribution equal to \$25 million paid to the System in monthly installments.
- One-time contribution payable to the Retirement System by the trustees of a school district maintaining a retirement fund. The one-time contribution to the Retirement System shall be the amount earmarked as an operating reserve in excess of 20% of the adopted retirement fund budget for the fiscal year 2013. The amount received was \$22 million in FY 2014.
- 1% supplemental employer contribution. This will increase the current employer rates:
  - School Districts contributions will increase from 7.47% to 8.47%
  - The Montana University System and State Agencies will increase from 9.85% to 10.85%.
  - The supplemental employer contribution will increase by 0.1% each fiscal year for fiscal year 2014 thru fiscal year 2024. Fiscal years beginning after June 30, 2024 the total supplemental employer contribution will be equal to 2%.
- Members hired prior to July 1, 2013 (Tier 1) under HB 377 are required to contribute a supplemental contribution equal to an additional 1% of the member's earned compensation.
- Each employer is required to contribute 9.85% of total compensation paid to all re-employed TRS retirees employed in a TRS reportable position to the System.

**Changes in Actuarial Assumptions and Other Inputs:**

The following changes to the actuarial assumptions were adopted in 2019:

- The Guaranteed Annual Benefit Adjustment (GABA) for Tier Two members is a variable rate between 0.50% and 1.50% as determined by the Board. Since an increase in the amount of the GABA is not automatic and must be approved by the Board, the assumed increase was lowered from 1.50% to the current rate of 0.50% per annum.

***Teacher's Retirement System (TRS) (Continued)***

**Changes in Actuarial Assumptions and Other Inputs (Continued):**

The following changes to the actuarial assumptions were adopted in 2018:

- Assumed rate of inflation was reduced from 3.25% to 2.50%
- Payroll Growth Assumption was reduced from 4.00% to 3.25%

Wage growth assumption was reduced from 4.00% to 3.25%

- Mortality among contributing members, service retired members, and beneficiaries was updated to the following:
  - For Males and Females: RP-2000 Healthy Combined Mortality Table projected to 2022 adjusted for partial credibility setback for two years.  
The tables include margins for mortality improvement which is expected to occur in the future.
- Mortality among disabled members was updated to the following:
  - For Males: RP 2000 Disabled Mortality Table, set back three years, with mortality improvements projected by Scale BB to 2022.
  - For Females: RP 2000 Disabled Mortality Table, set forward two years, with mortality improvements projected by Scale BB to 2022.
- Retirement rates were updated
- Termination rates were updated
- Rates of salary increases were updated

The following changes to the actuarial assumptions were adopted in 2016:

- The normal cost method has been updated to align the calculation of the projected compensation and the total present value of plan benefits so that the normal cost rate reflects the most appropriate allocation of plan costs over future compensation.

The following changes to the actuarial assumptions were adopted in 2015:

- Correctly reflect the proportion of members that are assumed to take a refund of contributions upon termination and appropriately reflect the three year COLA deferral period for Tier 2 Members.
- The 0.63% load applied to the projected retirement benefits of the university members "to account for larger than average annual compensation increases observed in the years immediately preceding retirement" is not applied to benefits expected to be paid to university members on account of death, disability and termination (prior to retirement eligibility).
- The actuarial valuation was updated to reflect the assumed rate of retirement for university members at age 60 is 8.50% as stated in the actuarial valuation report.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
 June 30, 2020

**Teacher's Retirement System (TRS) (Continued)**

**Changes in Actuarial Assumptions and Other Inputs (Continued):**

- The actuarial valuation was updated to reflect the fact that vested terminations are only covered by the \$500 death benefit for the one year following their termination and, once again when the terminated member commences their deferred retirement annuity (they are not covered during the deferral period). Additionally, only the portion of the terminated members that are assumed to "retain membership in the System" are covered by the \$500 death benefit after termination.

The following changes to the actuarial assumptions were adopted in 2014:

- Assumed rate of inflation was reduced from 3.50% to 3.25%
- Payroll Growth Assumption was reduced from 4.50% to 4.00%
- Assumed real wage growth was reduced from 1.00% to 0.75%

Investment return assumption was changed from net of investment and administrative expenses to net of investment expenses only.

- Mortality among contributing members, service retired members, and beneficiaries was updated to the following:
  - For Males: RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back four years, with mortality improvements projected by Scale BB to 2018.
  - For Females: RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back two years, with mortality improvements projected by Scale BB to 2018.
- Mortality among disabled members was updated to the following:
  - For Males: RP 2000 Disabled Mortality Table for Males, set forward one year, with mortality improvements projected by Scale BB to 2018.
  - For Females: RP 2000 Disabled Mortality Table for Females, set forward five years, with mortality improvements projected by Scale BB to 2018.

**Method and Assumptions Used In Calculations of Actuarially Determined Contributions:**

Actuarial cost method	Entry age
Amortization method	Level percentage of pay, open
Remaining amortization period	31 years
Asset valuation method	4-year smoothed market
Inflation	2.50 percent
Salary increase	3.25 to 7.76 percent, including inflation for Non-University Members and 4.25% for University Members;
Investment rate of return	7.50 percent, net of pension plan investment expense, and including inflation

OTHER SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES  
NONMAJOR SPECIAL REVENUE FUNDS

GALLATIN COUNTY, STATE OF MONTANA  
SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

**Levied or Assessment Funds:**

Road Fund – Tracks the receipt of property tax revenue, along with dedicated non-tax revenues and used to fund expenditures for roads outside the incorporated cities or towns.

Predatory Animal Control Funds – Used to account for the receipt of a per license fee on sheep or cattle revenues and tracks related expenditures for the purpose of paying bounties on predatory animals killed within the county.

Fair Fund – Tracks the receipt of property tax revenue, along with dedicated non-tax revenues and used to fund expenditures for maintenance of fairgrounds and production of fair.

Mosquito Control District Funds – Tracks the receipt of the special assessment property tax revenue, along with dedicated non-tax revenues and used to fund expenditures for the control of mosquitoes within the two districts:

Three Rivers Mosquito District                      Riverside Mosquito District

Library Fund – Tracks the receipt of property tax revenue levied outside the incorporated cities or towns, along with dedicated non-tax revenues and used to fund contracts with the five library's so rural residents can use the libraries at no cost.

County Wide Planning Fund – Tracks the receipt of property tax revenue levied outside zoning districts and outside city and towns, along with dedicated non-tax revenues and used to fund the planning department and the county planning board.

Zoning District Funds – Tracks the receipt of a special assessment property tax revenue from property within any type 1 zoning district and used to fund expenditures of the planning departments activity relative to each zoning district.

River Rock So.	Gallatin Canyon	Hebgen Lake
Bridger Canyons	Hyalite	Sypes Canyon #1
Sypes Canyon #2	Wheatland	Zoning #6
Bear Canyon	Springhill	Trail Creek
Big Sky	Zoning #1	Manhattan Jurisdictional Area

Health Fund – Tracks the receipt of property tax revenue, along with dedicated non-tax revenues used to fund expenditures for the City / County Health Department and the Western Montana Mental Health Association contract.

County Emergency Fund – Tracks the receipt of property tax revenue, along with dedicated non-tax revenues used to fund expenditures for emergency events outside incorporated cities or towns.

Public Safety Fund – Used to account for the receipt of property tax revenue, along with dedicated non-tax revenues used to fund expenditures for Law Enforcement activities for the County.

Permissive Medical Levy Fund – Tracks the receipt of property tax revenue, along with dedicated non-tax revenues used to fund expenditures for the increases in premiums for county employees working in Governmental Funds.

GALLATIN COUNTY, STATE OF MONTANA  
SPECIAL REVENUE FUNDS (CONTINUED)

**Levied or Assessment Funds (Continued):**

Lighting District Funds – Used to account for the receipt of the special assessment property tax revenue, along with dedicated non-tax revenues and used to fund expenditures for the 4 lighting districts.

Churchill Riverside	Logan Willow Creek
------------------------	-----------------------

Rural Improvement Maintenance District Funds - Tracks the receipt of the special assessment property tax revenue, along with dedicated non-tax revenues, used to fund expenditures for the maintenance of the improvements within the Rural Improvement Maintenance Districts:

Big Sky	Riverside	Hitching Post
Riverside Water / Sewer	Middle Creek Meadows	Hyalite Heights
Hebgen Lake	Gardner Park	Big Sky Meadow
El Dorado	Middle Creek #2	Glacier Condo
Sourdough Creek	Silverbow Circle #1	Silverbow Circle #2
Middle Creek Meadows #2	Rae Subdivision	Sunset Heights
Mountainview Subd. #1	Mountainview Subd. #2	Sourdough Ridge
Rocky Creek	Wheatland Hills	Pineview Subd.
Clover Meadows	Riverside Water Tower	Thorpe / Mount View
Mystic Heights	Baxter Creek #2	Baxter Creek #1
Sweetgrass Hills	Williams Buckskin Park	Springvale
Hyalite Foothills	Sypes Canyon	Wildflower
Mystic Heights #2 and #3	Ranch Subd.	Arrowleaf Hills
Cimarron Subd.	Middle Creek #1 and #3	Royal / Thorpe
Godfrey Canyon	Outlaw South	Wheatland Hills #2
Harvest Hills	Blue Grass Meadows	Painted Hills
Meadow Subd.	Wildhorse	Looking Glass
Canary Lane	Hyalite Meadows Subd.	Lake
Andesite	Evergreen	Triple Tree Ranch
Bear Creek #2 and #3	Alder Court Land	Ousel Falls
Firelight Subd.	Hyalite Canyon Estates	Garden Center
Skywood	Silverado	Firelight
Franklin Hills	Sourdough Creek	Summer Ridge Subd.
Olive Tree Way	Sir George Way	

Local Water Quality District Fund – Tracks the receipt of the special assessment property tax revenue, along with dedicated non-tax revenues and used to fund expenditures for protect, preserve and improve groundwater and surface water quality within the Gallatin Local Water Quality District.

**Grant Funds:**

*Health Related Grants*

MTUPP Grant Fund – Tracks receipt of grant revenue from the state to the City / County Health Department used as required by the grant.

Cancer Prevention Grant Fund – Tracks receipt of federal grant revenue used to support the prevention of cancer within the county.

Public Health Emergency Preparedness Grant Fund – Used to account for receipt of federal grant revenue to the City / County Health Department for the preparation of emergency plans.

GALLATIN COUNTY, STATE OF MONTANA  
SPECIAL REVENUE FUNDS (CONTINUED)

**Grant Funds (Continued):**

*Health Related Grants (Continued)*

Women, Infant and Children (WIC) Grant Fund – Accounts for federal grant revenue use to support WIC activity in Gallatin and Park County.

Maternal and Childhood Health Grant Fund – Tracks receipt of federal grant revenue to the City / County Health Department used to support the health of women and children's health.

Communicable Disease Fund – Tracks receipt of revenue from all sources used to support the immunization programs within the City/County Health Department.

Federal Health Grant Fund – Tracks receipt of several different federal grant revenues used to support the approved grant activities for the City / County Health Department.

*Other Grants*

Alcohol Rehabilitation Grant – Tracks revenue received from the State of Montana from the alcohol tax and supports the local alcohol treatment programs.

Gas Tax Fund – Used to account for the receipt of state gas tax revenue transferred to the county for support of the county transportation system.

Junk Vehicle Fund – Accounts for the state motor vehicle revenue granted to the county to support the county's junk vehicle program.

Noxious Weed Trust Grant Fund – Tracks receipt of grant revenue from the state to the Noxious Weed District in support of special projects approved through grant applications by the state.

DNRC Grant Fund – Tracks receipt of grant revenue from the state based on grant applications approved by the state for grants meeting set requirements. Expenses are tracked based on accepted grant payments.

PILT Fund – Used to account for the receipt of federal revenue based on the federal land acreage in the county. These monies are receipt of grant revenue from the state to the City / County Health Department used as required by the grant.

Forest Receipts Title III Fund – Tracks receipt of federal grant revenue designated as Title III funds, used to support the transportation, safety and health within the public lands.

Victim Witness Grant Fund – Used to account for the federal revenues and expenses associated with support of victims and witness of violent crimes.

Community Development Block Grant Fund – Tracks receipt of CDBG grant revenue for operational expenses associated with approved preliminary designs.

TIGER Grant Fund – Tracks receipt of federal transportation grant revenue sent to the state and other dedicated revenue used to support the construction of the Airport I-90 Interchange.

GALLATIN COUNTY, STATE OF MONTANA  
SPECIAL REVENUE FUNDS (CONTINUED)

**Grant Funds (Continued):**

*Public Safety Grants*

9-1-1 Grant Fund – Tracks receipt of regular and enhanced dispatch (911) phone fee revenue from the state to the county for the support and enhancement of the dispatch functions of the county.

Crime Control Grant Fund – Tracks receipt of public safety grants approved by the state based on the approved applications and maintains an account of expenses for each grant.

South West Regional Youth Detention Grant Fund – Tracks receipt of grant revenue from the state for all county's within the South West Regional and records expenses based on grant criteria.

Operation Freedom From Fear Grant Fund – Tracks receipt of federal grant revenue to fund the county's freedom from fear activity.

DNRC Grant/TUPP Grant Fund – Tracks receipt of grant revenue from the state to the City / County Health Department used as required by the grant.

COPS Grant Fund – Tracks receipt of federal grant revenue for the hiring or retaining of Sheriff Deputy's for a period of three years.

Law Enforcement Block Grant Fund – Tracks receipt of federal grant revenue for support of law enforcement operations and equipment.

Homeland Security Grant Fund – Used to track receipt of federal grant revenue for law enforcement activities approved based on grant applications.

Driving Under Influence Grant Fund – Tracks receipt of grant revenue and other dedicated revenue for the purposed of maintaining the DUI committee and the approved DUI programs.

Missouri River Drug Enforcement Grant Fund – Tracks receipt of federal grant revenue and dedicated match funds to fund the drug enforcement activities throughout southwest Montana.

**Other Special Revenue Funds:**

Road Impact Fee Fund – Tracks revenue received from developers for impacts associated with the transportation system and the expenses for improvements to the transportation system.

Noxious Weed Fund – Tracks the receipt of dedicated non-tax revenues and used to fund expenditures for the control of noxious weeds anywhere in the county.

Park Fund – Used to account for the receipt of general fund transfer and other dedicated non-tax revenues and used to fund expenditures for county parks (especially the regional park).

Open Space Fund – Tracks receipt of the Open Space license plate revenue along with other dedicated non-tax revenues, which funds the administrative costs for the open space board and a subsidy to the regional park.

Historic Preservation Fund – Used to account for receipt of general fund transfer and other dedicated non-tax revenues, used to fund expenditures for the preservation of historic structures.

GALLATIN COUNTY, STATE OF MONTANA  
SPECIAL REVENUE FUNDS (CONTINUED)

**Other Special Revenue Funds (Continued)**

Drug Forfeitures Fund – Accounts for the receipt of drug forfeiture revenues associated with non-drug task force activity and is used to fund match funds for Sheriff Department grants.

Clerk and Recorder Records Preservation Fund – Tracks receipt of fee charged when filing documents with the Clerk and Recorder. The fund supports the Clerk & Records office through payment of operating, maintenance and capital expenses associated with the preservation of records.

Economic Development Fund – Used to account for receipt of repayment of loans coming from qualified businesses, and tracks the loans made for economic development in the county.

County Fire Control Fund – Tracks revenue received from fire permits which covers the cost of the program plus is used to support training for rural fire departments.

City County Building Fund – Inactive

County Land Information Fund – Used to account for receipt of document fees earmarked for the GIS department and support of the GIS function.

DNRC Grant/TUPP Grant Fund – Tracks receipt of grant revenue from the state to the City / County Health Department used as required by the grant.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
 June 30, 2020

	ROAD	ROAD IMPACT FEE FUND	NOXIOUS WEED	PREDATORY CONTROL FOR SHEEP	FAIR FUND
<b>ASSETS</b>					
Cash & Investments	\$ 6,657,221	\$ 187,407	\$ 196,984	\$ 25,153	\$ 489,286
Real Estate Taxes Receivable	103,832	-	76	156	13,582
Personal Taxes Receivable	24,223	-	188	2,627	3,049
Penalties and Interest Taxes Receivable	9,006	-	231	86	983
Protested Taxes Receivable	245	-	-	-	199
Accounts Receivable-Net	5,156	-	-	-	25,202
Due from Advance to Other fund	-	-	-	-	-
Inventories	60,899	-	-	-	-
<b>Total assets</b>	<u>\$ 6,860,582</u>	<u>\$ 187,407</u>	<u>\$ 197,479</u>	<u>\$ 28,022</u>	<u>\$ 532,301</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 65,521	\$ -	\$ 7,104	\$ -	\$ 37,643
Other Accrued Payables	101,201	-	11,256	-	20,979
Due To Other Funds	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Unearned Grant Revenue	-	-	-	-	-
<b>Total liabilities</b>	<u>166,722</u>	<u>-</u>	<u>18,360</u>	<u>-</u>	<u>58,622</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue, Property Taxes	137,306	-	495	2,869	17,813
<b>Total deferred inflows of resources</b>	<u>137,306</u>	<u>-</u>	<u>495</u>	<u>2,869</u>	<u>17,813</u>
Nonspendable:					
Inventories	60,899	-	-	-	-
Restricted for:					
Grants	1,416,158	-	16,808	-	32,964
General Government	-	-	-	-	-
Committed for:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	5,066,069	187,407	161,816	-	-
Public Health	-	-	-	25,153	-
Culture & Recreation	-	-	-	-	422,902
Conservation Of Natural Resources	-	-	-	-	-
Assigned for:					
Public Works	13,428	-	-	-	-
<b>Total fund balance</b>	<u>6,556,554</u>	<u>187,407</u>	<u>178,624</u>	<u>25,153</u>	<u>455,866</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 6,860,582</u>	<u>\$ 187,407</u>	<u>\$ 197,479</u>	<u>\$ 28,022</u>	<u>\$ 532,301</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
 (CONTINUED)  
 June 30, 2020

	MOSQUITO DISTRICT	PARK	LIBRARY	COUNTY WIDE PLANNING	ZONING DISTRICTS
<b>ASSETS</b>					
Cash & Investments	\$ 110,816	\$ 344,021	\$ 1,350,894	\$ 305,472	\$ 2,944
Real Estate Taxes Receivable	5,710	4,606	30,489	6,595	1,446
Personal Taxes Receivable	1,226	875	7,208	1,624	-
Penalties and Interest Taxes Receivable	391	175	2,756	600	80
Protested Taxes Receivable	-	38	72	20	-
Accounts Receivable-Net	-	103	1,049	-	-
Due from Advance to Other fund	-	-	-	-	-
Inventories	-	-	-	-	-
<b>Total assets</b>	<u>\$ 118,143</u>	<u>\$ 349,818</u>	<u>\$ 1,392,468</u>	<u>\$ 314,311</u>	<u>\$ 4,470</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 6,857	\$ 9,147	\$ 757,316	\$ 5,764	\$ -
Other Accrued Payables	2,850	134	-	-	-
Due To Other Funds	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Unearned Grant Revenue	-	-	-	-	-
<b>Total liabilities</b>	<u>9,707</u>	<u>9,281</u>	<u>757,316</u>	<u>5,764</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue, Property Taxes	<u>7,327</u>	<u>5,694</u>	<u>40,525</u>	<u>8,839</u>	<u>1,526</u>
<b>Total deferred inflows of resources</b>	<u>7,327</u>	<u>5,694</u>	<u>40,525</u>	<u>8,839</u>	<u>1,526</u>
Non-spendable:					
Inventories	-	-	-	-	-
Restricted for:					
Grants	6,954	-	-	21,648	-
General Government	-	-	-	-	-
Committed for:					
General Government	-	-	-	278,060	2,944
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Public Health	94,155	-	-	-	-
Culture & Recreation	-	334,843	594,627	-	-
Conservation Of Natural Resources	-	-	-	-	-
Assigned for:					
Public Works	-	-	-	-	-
<b>Total fund balance</b>	<u>101,109</u>	<u>334,843</u>	<u>594,627</u>	<u>299,708</u>	<u>2,944</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 118,143</u>	<u>\$ 349,818</u>	<u>\$ 1,392,468</u>	<u>\$ 314,311</u>	<u>\$ 4,470</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
 (CONTINUED)  
 June 30, 2020

	OPEN SPACE LANDS FUND	HEALTH	HISTORIC PRESER- VATION	PERMISSIVE MEDICAL LEVY	DRUG FORFEITURES
<b>ASSETS</b>					
Cash & Investments	\$ 2,158,967	\$ 979,230	\$ 14,905	\$ 149,773	\$ 38,625
Real Estate Taxes Receivable	36,850	38,334	-	77,142	-
Personal Taxes Receivable	6,996	8,931	-	16,198	-
Penalties and Interest Taxes Receivable	1,445	3,109	-	4,541	-
Protested Taxes Receivable	306	577	-	1,017	-
Accounts Receivable-Net	1,677	51,326	-	-	-
Due from Advance to Other fund	-	88,124	-	-	-
Inventories	-	-	-	-	-
<b>Total assets</b>	<u>\$ 2,206,241</u>	<u>\$ 1,169,631</u>	<u>\$ 14,905</u>	<u>\$ 248,671</u>	<u>\$ 38,625</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 89	\$ 14,236	\$ -	\$ -	\$ -
Other Accrued Payables	-	109,551	-	-	-
Due To Other Funds	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Unearned Grant Revenue	-	-	-	-	-
<b>Total liabilities</b>	<u>89</u>	<u>123,787</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue, Property Taxes	45,597	50,951	-	98,898	-
<b>Total deferred inflows of resources</b>	<u>45,597</u>	<u>50,951</u>	<u>-</u>	<u>98,898</u>	<u>-</u>
Non-spendable:					
Inventories	-	-	-	-	-
Restricted for:					
Grants	-	68,062	-	-	-
General Government	-	-	-	-	-
Committed for:					
General Government	-	-	-	149,773	-
Public Safety	-	-	-	-	38,625
Public Works	-	-	-	-	-
Public Health	-	926,831	-	-	-
Culture & Recreation	-	-	14,905	-	-
Conservation Of Natural Resources	2,160,555	-	-	-	-
Assigned for:					
Public Works	-	-	-	-	-
<b>Total fund balance</b>	<u>2,160,555</u>	<u>994,893</u>	<u>14,905</u>	<u>149,773</u>	<u>38,625</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 2,206,241</u>	<u>\$ 1,169,631</u>	<u>\$ 14,905</u>	<u>\$ 248,671</u>	<u>\$ 38,625</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
 (CONTINUED)  
 June 30, 2020

	CLK & REC. RECORDS PRESER- VATION	ECONOMIC DEVELOP- MENT	COUNTY FIRE CONTROL PERMIT FUND	LIGHT DISTRICTS	WATER QUALITY DISTRICT
<b>ASSETS</b>					
Cash & Investments	\$ 315,669	\$ 4,672	\$ 86,219	\$ 24,000	\$ 457,486
Real Estate Taxes Receivable	-	-	-	1,208	7,306
Personal Taxes Receivable	-	-	-	-	14,710
Penalties and Interest Taxes Receivable	-	-	-	46	3,321
Protested Taxes Receivable	-	-	-	-	-
Accounts Receivable-Net	-	200,000	-	-	675
Due from Advance to Other fund	-	-	-	-	-
Inventories	-	-	-	-	-
<b>Total assets</b>	<u>\$ 315,669</u>	<u>\$ 204,672</u>	<u>\$ 86,219</u>	<u>\$ 25,254</u>	<u>\$ 483,498</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ -	\$ 4,005	\$ 803	\$ 258
Other Accrued Payables	-	-	-	-	10,293
Due To Other Funds	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Unearned Grant Revenue	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>4,005</u>	<u>803</u>	<u>10,551</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue, Property Taxes	-	-	-	1,254	25,337
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,254</u>	<u>25,337</u>
Non-spendable:					
Inventories	-	-	-	-	-
Restricted for:					
Grants	-	204,672	-	-	5,413
General Government	-	-	-	-	-
Committed for:					
General Government	315,669	-	-	-	-
Public Safety	-	-	82,214	-	-
Public Works	-	-	-	23,197	-
Public Health	-	-	-	-	442,197
Culture & Recreation	-	-	-	-	-
Conservation Of Natural Resources	-	-	-	-	-
Assigned for:					
Public Works	-	-	-	-	-
<b>Total fund balance</b>	<u>315,669</u>	<u>204,672</u>	<u>82,214</u>	<u>23,197</u>	<u>447,610</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 315,669</u>	<u>\$ 204,672</u>	<u>\$ 86,219</u>	<u>\$ 25,254</u>	<u>\$ 483,498</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
 (CONTINUED)  
 June 30, 2020

	ALCOHOL REHABILITATION	STATE GRANTS	GAS TAX	GAS TAX- ROAD AND STREET	JUNK VEHICLE
<b>ASSETS</b>					
Cash & Investments	\$ -	\$ 15,000	\$ 75,804	\$ 5,142	\$ 131,161
Real Estate Taxes Receivable	-	-	-	-	-
Personal Taxes Receivable	-	-	-	-	-
Penalties and Interest Taxes Receivable	-	-	-	-	-
Protested Taxes Receivable	-	-	-	-	-
Accounts Receivable-Net	167,046	80,000	-	-	-
Due from Advance to Other fund	-	-	-	-	-
Inventories	-	-	-	-	-
<b>Total assets</b>	<u>\$ 167,046</u>	<u>\$ 95,000</u>	<u>\$ 75,804</u>	<u>\$ 5,142</u>	<u>\$ 131,161</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 167,046	\$ 75,400	\$ -	\$ -	\$ 436
Other Accrued Payables	-	-	-	-	219
Due To Other Funds	-	4,473	-	-	-
Deferred Revenue	-	-	-	-	-
Unearned Grant Revenue	-	-	-	-	-
<b>Total liabilities</b>	<u>167,046</u>	<u>79,873</u>	<u>-</u>	<u>-</u>	<u>655</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue, Property Taxes	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-spendable:					
Inventories	-	-	-	-	-
Restricted for:					
Grants	-	15,127	75,804	5,142	130,506
General Government	-	-	-	-	-
Committed for:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Public Health	-	-	-	-	-
Culture & Recreation	-	-	-	-	-
Conservation Of Natural Resources	-	-	-	-	-
Assigned for:					
Public Works	-	-	-	-	-
<b>Total fund balance</b>	<u>-</u>	<u>15,127</u>	<u>75,804</u>	<u>5,142</u>	<u>130,506</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 167,046</u>	<u>\$ 95,000</u>	<u>\$ 75,804</u>	<u>\$ 5,142</u>	<u>\$ 131,161</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
 (CONTINUED)  
 June 30, 2020

	MTUPP	NOXIOUS WEED TRUST FUND GRANTS	911 EMERGENCY	COUNTY LAND INFORMA- TION FUND	DNRC GRANT - COMPOST FACILITY
<b>ASSETS</b>					
Cash & Investments	\$ 49,305	\$ 12,568	\$ 1,181,435	\$ 2,599	\$ -
Real Estate Taxes Receivable	-	-	-	-	-
Personal Taxes Receivable	-	-	-	-	-
Penalties and Interest Taxes Receivable	-	-	-	-	-
Protested Taxes Receivable	-	-	-	-	-
Accounts Receivable-Net	37,354	-	-	-	11,187
Due from Advance to Other fund	-	-	-	-	-
Inventories	-	-	-	-	-
<b>Total assets</b>	<u>\$ 86,659</u>	<u>\$ 12,568</u>	<u>\$ 1,181,435</u>	<u>\$ 2,599</u>	<u>\$ 11,187</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 13,968	\$ -	\$ 6,685	\$ -	\$ 119
Other Accrued Payables	976	-	1,534	-	-
Due To Other Funds	-	-	-	-	10,896
Deferred Revenue	-	-	-	-	-
Unearned Grant Revenue	-	-	-	-	-
<b>Total liabilities</b>	<u>14,944</u>	<u>-</u>	<u>8,219</u>	<u>-</u>	<u>11,015</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue, Property Taxes	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-spendable:					
Inventories	-	-	-	-	-
Restricted for:					
Grants	71,715	12,568	1,173,216	-	172
General Government	-	-	-	2,599	-
Committed for:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Public Health	-	-	-	-	-
Culture & Recreation	-	-	-	-	-
Conservation Of Natural Resources	-	-	-	-	-
Assigned for:					
Public Works	-	-	-	-	-
<b>Total fund balance</b>	<u>71,715</u>	<u>12,568</u>	<u>1,173,216</u>	<u>2,599</u>	<u>172</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 86,659</u>	<u>\$ 12,568</u>	<u>\$ 1,181,435</u>	<u>\$ 2,599</u>	<u>\$ 11,187</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
 (CONTINUED)  
 June 30, 2020

	COMMUNITY CORRECTIONS	SW REGIONAL YTH. DET. FACILITY	PILT	FOREST RECEIPTS - TITLE III	OPERATION FREEDOM FROM FEAR
<b>ASSETS</b>					
Cash & Investments	\$ 18,766	\$ 51,314	\$ 5,141,974	\$ 1,620	\$ 479
Real Estate Taxes Receivable	-	-	-	-	-
Personal Taxes Receivable	-	-	-	-	-
Penalties and Interest Taxes Receivable	-	-	-	-	-
Protested Taxes Receivable	-	-	-	-	-
Accounts Receivable-Net	49,116	15,349	3,989	-	32,862
Due from Advance to Other fund	-	-	-	-	-
Inventories	-	-	-	-	-
<b>Total assets</b>	<u>\$ 67,882</u>	<u>\$ 66,663</u>	<u>\$ 5,145,963</u>	<u>\$ 1,620</u>	<u>\$ 33,341</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 5,851	\$ 24,456	\$ 75,679	\$ -	\$ 346
Other Accrued Payables	7,477	-	17,632	-	7,531
Due To Other Funds	38,796	29,172	-	-	30,292
Deferred Revenue	-	-	-	-	-
Unearned Grant Revenue	-	-	-	-	-
<b>Total liabilities</b>	<u>52,124</u>	<u>53,628</u>	<u>93,311</u>	<u>-</u>	<u>38,169</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue, Property Taxes	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-spendable:					
Inventories	-	-	-	-	-
Restricted for:					
Grants	15,758	13,035	5,052,652	1,620	(4,828)
General Government	-	-	-	-	-
Committed for:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Public Health	-	-	-	-	-
Culture & Recreation	-	-	-	-	-
Conservation Of Natural Resources	-	-	-	-	-
Assigned for:					
Public Works	-	-	-	-	-
<b>Total fund balance</b>	<u>15,758</u>	<u>13,035</u>	<u>5,052,652</u>	<u>1,620</u>	<u>(4,828)</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 67,882</u>	<u>\$ 66,663</u>	<u>\$ 5,145,963</u>	<u>\$ 1,620</u>	<u>\$ 33,341</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
 (CONTINUED)  
 June 30, 2020

	COPS GRANT	VICTIM WITNESS	LAW ENFORCE- MENT BLOCK GRANT	HOMELAND SECURITY GRANT	CDBG GRANTS
<b>ASSETS</b>					
Cash & Investments	\$ 193,850	\$ 5,322	\$ 1	\$ -	\$ 247
Real Estate Taxes Receivable	-	-	-	-	-
Personal Taxes Receivable	-	-	-	-	-
Penalties and Interest Taxes Receivable	-	-	-	-	-
Protested Taxes Receivable	-	-	-	-	-
Accounts Receivable-Net	-	88,254	16,388	403,852	-
Due from Advance to Other fund	-	-	-	-	-
Inventories	-	-	-	-	-
<b>Total assets</b>	<u>\$ 193,850</u>	<u>\$ 93,576</u>	<u>\$ 16,389</u>	<u>\$ 403,852</u>	<u>\$ 247</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ 574	\$ -	\$ 62,789	\$ -
Other Accrued Payables	437	16,824	-	-	-
Due To Other Funds	-	82,003	16,917	344,665	-
Deferred Revenue	-	-	-	-	-
Unearned Grant Revenue	-	-	-	-	-
<b>Total liabilities</b>	<u>437</u>	<u>99,401</u>	<u>16,917</u>	<u>407,454</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue, Property Taxes	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-spendable:					
Inventories	-	-	-	-	-
Restricted for:					
Grants	193,413	(5,825)	(528)	(3,602)	247
General Government	-	-	-	-	-
Committed for:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Public Health	-	-	-	-	-
Culture & Recreation	-	-	-	-	-
Conservation Of Natural Resources	-	-	-	-	-
Assigned for:					
Public Works	-	-	-	-	-
<b>Total fund balance</b>	<u>193,413</u>	<u>(5,825)</u>	<u>(528)</u>	<u>(3,602)</u>	<u>247</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 193,850</u>	<u>\$ 93,576</u>	<u>\$ 16,389</u>	<u>\$ 403,852</u>	<u>\$ 247</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
 (CONTINUED)  
 June 30, 2020

	D.U.I. PROGRAM	CANCER PREVEN- TION	PUBLIC HEALTH EMERGENC Y PREPAR	W.I.C.	MATERNAL CHILD
<b>ASSETS</b>					
Cash & Investments	\$ 171,887	\$ 249,857	\$ 416,941	\$ 77,367	\$ 15,036
Real Estate Taxes Receivable	-	-	-	-	-
Personal Taxes Receivable	-	-	-	-	-
Penalties and Interest Taxes Receivable	-	-	-	-	-
Protested Taxes Receivable	-	-	-	-	-
Accounts Receivable-Net	16,400	39,648	31,477	83,453	232,066
Due from Advance to Other fund	-	-	-	-	-
Inventories	-	-	-	-	-
<b>Total assets</b>	<u>\$ 188,287</u>	<u>\$ 289,505</u>	<u>\$ 448,418</u>	<u>\$ 160,820</u>	<u>\$ 247,102</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 200	\$ 201	\$ 1,746	\$ 955	\$ 4,174
Other Accrued Payables	1,690	8,473	10,642	14,506	33,527
Due To Other Funds	-	-	-	-	1,084
Deferred Revenue	-	-	-	-	-
Unearned Grant Revenue	-	-	-	-	-
<b>Total liabilities</b>	<u>1,890</u>	<u>8,674</u>	<u>12,388</u>	<u>15,461</u>	<u>38,785</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue, Property Taxes	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-spendable:					
Inventories	-	-	-	-	-
Restricted for:					
Grants	186,397	280,831	436,030	112,562	170,041
General Government	-	-	-	-	-
Committed for:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Public Health	-	-	-	32,797	38,276
Culture & Recreation	-	-	-	-	-
Conservation Of Natural Resources	-	-	-	-	-
Assigned for:					
Public Works	-	-	-	-	-
<b>Total fund balance</b>	<u>186,397</u>	<u>280,831</u>	<u>436,030</u>	<u>145,359</u>	<u>208,317</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 188,287</u>	<u>\$ 289,505</u>	<u>\$ 448,418</u>	<u>\$ 160,820</u>	<u>\$ 247,102</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
 (CONTINUED)  
 June 30, 2020

	COMMUNI- CABLE DISEASE FUND	FEDERAL HEALTH GRANT FUND	FEDERAL GRANT FUND	DRUG ENFORCE- MENT GRANT	TOTAL NON- MAJOR SPECIAL REVENUE FUNDS
<b>ASSETS</b>					
Cash & Investments	\$ 142,048	\$ 84,249	\$ 347,170	\$ 9,449	\$22,300,335
Real Estate Taxes Receivable	-	-	-	-	327,332
Personal Taxes Receivable	-	-	-	-	87,855
Penalties and Interest Taxes Receivable	-	-	-	-	26,770
Protested Taxes Receivable	-	-	-	-	2,474
Accounts Receivable-Net	31,468	-	242,903	-	1,868,000
Due from Advance to Other fund	-	-	-	-	88,124
Inventories	-	-	-	-	60,899
<b>Total assets</b>	<u>\$ 173,516</u>	<u>\$ 84,249</u>	<u>\$ 590,073</u>	<u>\$ 9,449</u>	<u>\$24,761,789</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 180	\$ -	\$ 117,808	\$ 168	\$ 1,467,524
Other Accrued Payables	15,952	-	68	2,928	396,680
Due To Other Funds	-	87,040	93,806	-	739,144
Deferred Revenue	-	-	-	-	-
Unearned Grant Revenue	-	-	-	-	-
<b>Total liabilities</b>	<u>16,132</u>	<u>87,040</u>	<u>211,682</u>	<u>3,096</u>	<u>2,603,348</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue, Property Taxes	-	-	-	-	444,431
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>444,431</u>
Non-spendable:					
Inventories	-	-	-	-	60,899
Restricted for:					
Grants	5,947	(2,791)	378,391	-	10,086,279
General Government	-	-	-	-	2,599
Committed for:					
General Government	-	-	-	-	746,446
Public Safety	-	-	-	6,353	127,192
Public Works	-	-	-	-	5,438,489
Public Health	151,437	-	-	-	1,710,846
Culture & Recreation	-	-	-	-	1,367,277
Conservation Of Natural Resources	-	-	-	-	2,160,555
Assigned for:					
Public Works	-	-	-	-	13,428
<b>Total fund balance</b>	<u>157,384</u>	<u>(2,791)</u>	<u>378,391</u>	<u>6,353</u>	<u>21,714,010</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 173,516</u>	<u>\$ 84,249</u>	<u>\$ 590,073</u>	<u>\$ 9,449</u>	<u>\$24,761,789</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2110 ROAD  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 3,753,570	\$ 3,753,570	\$ 3,712,204	\$ (41,366)
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	909,680	909,680	1,085,948	176,268
Charges for Services	14,000	14,000	6,409	(7,591)
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	3,721	3,721
Investment Earnings	20,000	20,000	85,798	65,798
Contributions/Donations	-	-	-	-
Total revenues	<u>4,697,250</u>	<u>4,697,250</u>	<u>4,894,080</u>	<u>196,830</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	6,090,761	6,097,961	3,548,643	2,549,318
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	<u>1,947,867</u>	<u>1,940,667</u>	<u>653,742</u>	<u>1,286,925</u>
Total expenditures	<u>8,038,628</u>	<u>8,038,628</u>	<u>4,202,385</u>	<u>3,836,243</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,341,378)</u>	<u>(3,341,378)</u>	<u>691,695</u>	<u>4,033,073</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	(32,749)	(32,749)
Sale of Fixed Assets	-	-	53,275	53,275
Transfers In	57,836	57,836	80,387	22,551
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>57,836</u>	<u>57,836</u>	<u>100,913</u>	<u>43,077</u>
Net change in fund balances	(3,283,542)	(3,283,542)	792,608	4,076,150
Fund balances - beginning	<u>5,763,946</u>	<u>5,763,946</u>	<u>5,763,946</u>	<u>-</u>
Fund balances - ending	<u>\$ 2,480,404</u>	<u>\$ 2,480,404</u>	<u>\$ 6,556,554</u>	<u>\$ 4,076,150</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2111 ROAD IMPACT FEES  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	10,000	10,000	22,938	12,938
Investment Earnings	100	100	2,918	2,818
Contributions/Donations	-	-	-	-
Total revenues	<u>10,100</u>	<u>10,100</u>	<u>25,856</u>	<u>15,756</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	120,253	120,253	932	119,321
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>120,253</u>	<u>120,253</u>	<u>932</u>	<u>119,321</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(110,153)</u>	<u>(110,153)</u>	<u>24,924</u>	<u>135,077</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(11,354)	(11,354)	-	11,354
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>(11,354)</u>	<u>(11,354)</u>	<u>-</u>	<u>11,354</u>
Net change in fund balances	(121,507)	(121,507)	24,924	146,431
Fund balances - beginning	162,483	162,483	162,483	-
Fund balances - ending	<u>\$ 40,976</u>	<u>\$ 40,976</u>	<u>\$ 187,407</u>	<u>\$ 146,431</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2140 NOXIOUS WEED  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ 4	\$ 4
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	31,300	31,300	33,131	1,831
Charges for Services	8,500	8,500	16,990	8,490
Fines and Forfeitures	-	-	-	-
Miscellaneous	1,786	1,786	1,786	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>41,586</u>	<u>41,586</u>	<u>51,911</u>	<u>10,325</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	365,889	365,889	341,242	24,647
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	<u>38,902</u>	<u>38,902</u>	<u>-</u>	<u>38,902</u>
Total expenditures	<u>404,791</u>	<u>404,791</u>	<u>341,242</u>	<u>63,549</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(363,205)</u>	<u>(363,205)</u>	<u>(289,331)</u>	<u>73,874</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	300,192	300,192	300,192	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>300,192</u>	<u>300,192</u>	<u>300,192</u>	<u>-</u>
Net change in fund balances	(63,013)	(63,013)	10,861	73,874
Fund balances - beginning	167,763	167,763	167,763	-
Fund balances - ending	<u>\$ 104,750</u>	<u>\$ 104,750</u>	<u>\$ 178,624</u>	<u>\$ 73,874</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2153 PREDATORY CONTROL FOR SHEEP  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 11,574	\$ 11,574	\$ 13,099	\$ 1,525
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>11,574</u>	<u>11,574</u>	<u>13,099</u>	<u>1,525</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	44,571	44,571	11,120	33,451
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>44,571</u>	<u>44,571</u>	<u>11,120</u>	<u>33,451</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(32,997)</u>	<u>(32,997)</u>	<u>1,979</u>	<u>34,976</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(32,997)	(32,997)	1,979	34,976
Fund balances - beginning	23,174	23,174	23,174	-
Fund balances - ending	<u>\$ (9,823)</u>	<u>\$ (9,823)</u>	<u>\$ 25,153</u>	<u>\$ 34,976</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2160 FAIR FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 509,697	\$ 509,697	\$ 512,481	\$ 2,784
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	41,000	41,000	43,677	2,677
Charges for Services	801,140	801,140	745,272	(55,868)
Fines and Forfeitures	-	-	-	-
Miscellaneous	208,732	208,732	212,437	3,705
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>1,560,569</u>	<u>1,560,569</u>	<u>1,513,867</u>	<u>(46,702)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	1,421,914	1,433,914	1,227,327	206,587
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	45,000	45,000	50,000	(5,000)
Interest	37,385	37,385	34,563	2,822
Capital outlay	274,645	182,645	34,145	148,500
Total expenditures	<u>1,778,944</u>	<u>1,698,944</u>	<u>1,346,035</u>	<u>352,909</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(218,375)</u>	<u>(138,375)</u>	<u>167,832</u>	<u>306,207</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	(80,000)	(80,000)	-
Sale of Fixed Assets	-	-	500	500
Transfers In	22,531	22,531	17,088	(5,443)
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>22,531</u>	<u>(57,469)</u>	<u>(62,412)</u>	<u>(4,943)</u>
Net change in fund balances	(195,844)	(195,844)	105,420	301,264
Fund balances - beginning	<u>350,446</u>	<u>350,446</u>	<u>350,446</u>	<u>-</u>
Fund balances - ending	<u>\$ 154,602</u>	<u>\$ 154,602</u>	<u>\$ 455,866</u>	<u>\$ 301,264</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2200 MOSQUITO DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 145,500	\$ 145,500	\$ 139,595	\$ (5,905)
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	7,500	7,500	10,308	2,808
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	300	300	187	(113)
Investment Earnings	-	-	(207)	(207)
Contributions/Donations	-	-	-	-
Total revenues	<u>153,300</u>	<u>153,300</u>	<u>149,883</u>	<u>(3,417)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	178,087	178,087	94,272	83,815
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	<u>12,330</u>	<u>12,330</u>	-	<u>12,330</u>
Total expenditures	<u>190,417</u>	<u>190,417</u>	<u>94,272</u>	<u>96,145</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(37,117)</u>	<u>(37,117)</u>	<u>55,611</u>	<u>92,728</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(37,117)	(37,117)	55,611	92,728
Fund balances - beginning	<u>45,498</u>	<u>45,498</u>	<u>45,498</u>	<u>-</u>
Fund balances - ending	<u>\$ 8,381</u>	<u>\$ 8,381</u>	<u>\$ 101,109</u>	<u>\$ 92,728</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2210 PARK  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 176,419	\$ 176,419	\$ 176,539	\$ 120
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>176,419</u>	<u>176,419</u>	<u>176,539</u>	<u>120</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	185,065	185,065	486,629	(301,564)
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	386,464	386,464	-	386,464
Total expenditures	<u>571,529</u>	<u>571,529</u>	<u>486,629</u>	<u>84,900</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(395,110)</u>	<u>(395,110)</u>	<u>(310,090)</u>	<u>85,020</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	193,805	193,805	193,805	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>193,805</u>	<u>193,805</u>	<u>193,805</u>	<u>-</u>
Net change in fund balances	(201,305)	(201,305)	(116,285)	85,020
Fund balances - beginning	451,128	451,128	451,128	-
Fund balances - ending	<u>\$ 249,823</u>	<u>\$ 249,823</u>	<u>\$ 334,843</u>	<u>\$ 85,020</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2220 LIBRARY  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 1,103,863	\$ 1,103,863	\$ 1,091,953	\$ (11,910)
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	76,000	76,000	82,791	6,791
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	1,049	1,049
Contributions/Donations	-	-	-	-
Total revenues	<u>1,179,863</u>	<u>1,179,863</u>	<u>1,175,793</u>	<u>(4,070)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	1,141,860	1,141,860	1,139,417	2,443
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	211,178	211,178	-	211,178
Total expenditures	<u>1,353,038</u>	<u>1,353,038</u>	<u>1,139,417</u>	<u>213,621</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(173,175)</u>	<u>(173,175)</u>	<u>36,376</u>	<u>209,551</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(173,175)	(173,175)	36,376	209,551
Fund balances - beginning	558,251	558,251	558,251	-
Fund balances - ending	<u>\$ 385,076</u>	<u>\$ 385,076</u>	<u>\$ 594,627</u>	<u>\$ 209,551</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2250 COUNTY-WIDE PLANNING  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 227,388	\$ 227,388	\$ 224,678	\$ (2,710)
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	3,000	3,000	17,519	14,519
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	3,000	3,000	346	(2,654)
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>233,388</u>	<u>233,388</u>	<u>242,543</u>	<u>9,155</u>
<b>EXPENDITURES</b>				
Current:				
General Government	234,050	234,050	81,416	152,634
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>234,050</u>	<u>234,050</u>	<u>81,416</u>	<u>152,634</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(662)</u>	<u>(662)</u>	<u>161,127</u>	<u>161,789</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(188,200)	(188,200)	(188,200)	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>(188,200)</u>	<u>(188,200)</u>	<u>(188,200)</u>	<u>-</u>
Net change in fund balances	(188,862)	(188,862)	(27,073)	161,789
Fund balances - beginning	<u>328,648</u>	<u>328,648</u>	<u>328,648</u>	<u>-</u>
Fund balances - ending	<u>\$ 139,786</u>	<u>\$ 139,786</u>	<u>\$ 301,575</u>	<u>\$ 161,789</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2251 ZONING DISTRICTS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 43,507	\$ 43,507	\$ 43,090	\$ (417)
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	118	118
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	178	178
Contributions/Donations	-	-	-	-
Total revenues	<u>43,507</u>	<u>43,507</u>	<u>43,386</u>	<u>(121)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	43,507	43,507	41,722	1,785
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>43,507</u>	<u>43,507</u>	<u>41,722</u>	<u>1,785</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>1,664</u>	<u>1,664</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	1,664	1,664
Fund balances - beginning	<u>1,280</u>	<u>1,280</u>	<u>1,280</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,280</u>	<u>\$ 1,280</u>	<u>\$ 2,944</u>	<u>\$ 1,664</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2255 OPEN SPACE LANDS FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 1,412,614	\$ 1,412,614	\$ 1,410,519	\$ (2,095)
Licenses and Permits	63,749	63,749	48,825	(14,924)
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	22,949	22,949
Contributions/Donations	-	-	-	-
Total revenues	<u>1,476,363</u>	<u>1,476,363</u>	<u>1,482,293</u>	<u>5,930</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resource	266,445	266,445	53,877	212,568
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	<u>1,549,889</u>	<u>1,549,889</u>	<u>146,000</u>	<u>(1,403,889)</u>
Total expenditures	<u>1,816,334</u>	<u>1,816,334</u>	<u>199,877</u>	<u>(1,191,321)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(339,971)</u>	<u>(339,971)</u>	<u>1,282,416</u>	<u>(1,185,391)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(38,806)	(38,806)	(38,805)	1
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>(38,806)</u>	<u>(38,806)</u>	<u>(38,805)</u>	<u>1</u>
Net change in fund balances	(378,777)	(378,777)	1,243,611	1,622,388
Fund balances - beginning	916,944	916,944	916,944	-
Fund balances - ending	<u>\$ 538,167</u>	<u>\$ 538,167</u>	<u>\$ 2,160,555</u>	<u>\$ 1,622,388</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2270 HEALTH  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 1,429,883	\$ 1,429,883	\$ 1,441,659	\$ 11,776
Licenses and Permits	217,643	317,643	263,112	(54,531)
Intergovernmental Revenues	140,000	140,000	150,990	10,990
Charges for Services	334,667	334,667	275,469	(59,198)
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	3,415	3,415
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>2,122,193</u>	<u>2,222,193</u>	<u>2,134,645</u>	<u>(87,548)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	2,301,812	2,301,812	1,988,629	313,183
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	107,269	107,269	-	107,269
Total expenditures	<u>2,409,081</u>	<u>2,409,081</u>	<u>1,988,629</u>	<u>420,452</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(286,888)</u>	<u>(186,888)</u>	<u>146,016</u>	<u>332,904</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(238,380)	(238,380)	(255,203)	(16,823)
Sale of Fixed Assets	-	-	-	-
Transfers In	171,503	171,503	83,110	(88,393)
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>(66,877)</u>	<u>(66,877)</u>	<u>(172,093)</u>	<u>(105,216)</u>
Net change in fund balances	(353,765)	(253,765)	(26,077)	227,688
Fund balances - beginning	1,020,970	1,020,970	1,020,970	-
Fund balances - ending	<u>\$ 667,205</u>	<u>\$ 767,205</u>	<u>\$ 994,893</u>	<u>\$ 227,688</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2361 HISTORIC PRESERVATION  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	2,000	2,000	-	(2,000)
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	2,260	2,260
Investment Earnings	-	-	-	-
Contributions/Donations	500	500	-	(500)
Total revenues	<u>2,500</u>	<u>2,500</u>	<u>2,260</u>	<u>(240)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	15,532	15,532	1,946	13,586
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>15,532</u>	<u>15,532</u>	<u>1,946</u>	<u>13,586</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,032)</u>	<u>(13,032)</u>	<u>314</u>	<u>13,346</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	5,000	5,000	7,000	2,000
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>5,000</u>	<u>5,000</u>	<u>7,000</u>	<u>2,000</u>
Net change in fund balances	(8,032)	(8,032)	7,314	15,346
Fund balances - beginning	7,591	7,591	7,591	-
Fund balances - ending	<u>\$ (441)</u>	<u>\$ (441)</u>	<u>\$ 14,905</u>	<u>\$ 15,346</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2372 PERMISSIVE MEDICAL LEVY  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 2,931,447	\$ 2,931,447	\$ 2,924,576	\$ (6,871)
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>2,931,447</u>	<u>2,931,447</u>	<u>2,924,576</u>	<u>(6,871)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	6,513	6,513	3,452	3,061
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>6,513</u>	<u>6,513</u>	<u>3,452</u>	<u>3,061</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,924,934</u>	<u>2,924,934</u>	<u>2,921,124</u>	<u>(3,810)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(2,932,479)	(2,932,479)	(2,938,992)	(6,513)
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>(2,932,479)</u>	<u>(2,932,479)</u>	<u>(2,938,992)</u>	<u>(6,513)</u>
Net change in fund balances	(7,545)	(7,545)	(17,868)	(10,323)
Fund balances - beginning	167,641	167,641	167,641	-
Fund balances - ending	<u>\$ 160,096</u>	<u>\$ 160,096</u>	<u>\$ 149,773</u>	<u>\$ (10,323)</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2390 DRUG FORFEITURES  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	5,677	5,677	6,755	1,078
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>5,677</u>	<u>5,677</u>	<u>6,755</u>	<u>1,078</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	639	639	230	409
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>639</u>	<u>639</u>	<u>230</u>	<u>409</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,038</u>	<u>5,038</u>	<u>6,525</u>	<u>1,487</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(21,509)	(21,509)	-	21,509
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>(21,509)</u>	<u>(21,509)</u>	<u>-</u>	<u>21,509</u>
Net change in fund balances	(16,471)	(16,471)	6,525	22,996
Fund balances - beginning	32,100	32,100	32,100	-
Fund balances - ending	<u>\$ 15,629</u>	<u>\$ 15,629</u>	<u>\$ 38,625</u>	<u>\$ 22,996</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2393 CLK & REC. RECORDS PRESERVATION  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	130,000	130,000	191,278	61,278
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>130,000</u>	<u>130,000</u>	<u>191,278</u>	<u>61,278</u>
<b>EXPENDITURES</b>				
Current:				
General Government	163,219	163,219	107,263	55,956
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	<u>98,362</u>	<u>98,362</u>	<u>5,922</u>	<u>92,440</u>
Total expenditures	<u>261,581</u>	<u>261,581</u>	<u>113,185</u>	<u>148,396</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(131,581)</u>	<u>(131,581)</u>	<u>78,093</u>	<u>209,674</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(131,581)	(131,581)	78,093	209,674
Fund balances - beginning	<u>237,576</u>	<u>237,576</u>	<u>237,576</u>	<u>-</u>
Fund balances - ending	<u>\$ 105,995</u>	<u>\$ 105,995</u>	<u>\$ 315,669</u>	<u>\$ 209,674</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2395 ECONOMIC DEVELOPMENT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	210,390	210,390	252	210,138
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>210,390</u>	<u>210,390</u>	<u>252</u>	<u>210,138</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(210,390)</u>	<u>(210,390)</u>	<u>(252)</u>	<u>210,138</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(210,390)	(210,390)	(252)	210,138
Fund balances - beginning	204,924	204,924	204,924	-
Fund balances - ending	<u>\$ (5,466)</u>	<u>\$ (5,466)</u>	<u>\$ 204,672</u>	<u>\$ 210,138</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2398 COUNTY FIRE CONTROL PERMIT  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	15,000	15,000	36,057	21,057
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>36,057</u>	<u>21,057</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	57,120	57,120	14,710	42,410
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay:				
Total expenditures	<u>57,120</u>	<u>57,120</u>	<u>14,710</u>	<u>42,410</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(42,120)</u>	<u>(42,120)</u>	<u>21,347</u>	<u>63,467</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(42,120)	(42,120)	21,347	63,467
Fund balances - beginning	<u>60,867</u>	<u>60,867</u>	<u>60,867</u>	<u>-</u>
Fund balances - ending	<u>\$ 18,747</u>	<u>\$ 18,747</u>	<u>\$ 82,214</u>	<u>\$ 63,467</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2420 SR-CHURCHILL LIGHT DISTRICT  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	7	7
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	22,475	22,475	22,013	(462)
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>22,475</u>	<u>22,475</u>	<u>22,020</u>	<u>(455)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	37,500	37,500	22,788	14,712
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>37,500</u>	<u>37,500</u>	<u>22,788</u>	<u>14,712</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,025)</u>	<u>(15,025)</u>	<u>(768)</u>	<u>14,257</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(15,025)	(15,025)	(768)	14,257
Fund balances - beginning	<u>23,965</u>	<u>23,965</u>	<u>23,965</u>	<u>-</u>
Fund balances - ending	<u>\$ 8,940</u>	<u>\$ 8,940</u>	<u>\$ 23,197</u>	<u>\$ 14,257</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2790 WATER QUALITY DISTRICT  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 275,650	\$ 275,650	\$ 272,659	\$ (2,991)
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	5,760	5,760	3,475	(2,285)
Charges for Services	-	-	3,375	3,375
Fines and Forfeitures	-	-	-	-
Miscellaneous	700	700	839	139
Investment Earnings	400	400	6,990	6,590
Contributions/Donations	-	-	-	-
Total revenues	<u>282,510</u>	<u>282,510</u>	<u>287,338</u>	<u>4,828</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	327,451	327,451	274,833	52,618
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	214,103	214,103	-	214,103
Total expenditures	<u>541,554</u>	<u>541,554</u>	<u>274,833</u>	<u>266,721</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(259,044)</u>	<u>(259,044)</u>	<u>12,505</u>	<u>271,549</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(259,044)	(259,044)	12,505	271,549
Fund balances - beginning	435,105	435,105	435,105	-
Fund balances - ending	<u>\$ 176,061</u>	<u>\$ 176,061</u>	<u>\$ 447,610</u>	<u>\$ 271,549</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2800 ALCOHOL REHABILITATION  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	200,000	200,000	246,632	46,632
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>200,000</u>	<u>200,000</u>	<u>246,632</u>	<u>46,632</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	200,000	200,000	246,632	(46,632)
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>246,632</u>	<u>(46,632)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2801 STATE GRANTS FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	119,000	229,000	145,000	(84,000)
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>119,000</u>	<u>229,000</u>	<u>145,000</u>	<u>(84,000)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	230,182	340,182	142,200	197,982
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>230,182</u>	<u>340,182</u>	<u>142,200</u>	<u>197,982</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(111,182)</u>	<u>(111,182)</u>	<u>2,800</u>	<u>113,982</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(111,182)</u>	<u>(111,182)</u>	<u>2,800</u>	<u>113,982</u>
Fund balances - beginning	(2,673)	(2,673)	(2,673)	-
Prior period adjustment	-	-	15,000	15,000
Fund balances - beginning, adjusted	<u>(2,673)</u>	<u>(2,673)</u>	<u>12,327</u>	<u>15,000</u>
Fund balances - ending	<u>\$ (113,855)</u>	<u>\$ (113,855)</u>	<u>\$ 15,127</u>	<u>\$ 128,982</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2820 GAS TAX  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	325,000	325,000	340,608	15,608
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>325,000</u>	<u>325,000</u>	<u>340,608</u>	<u>15,608</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	388,511	388,511	326,148	62,363
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>388,511</u>	<u>388,511</u>	<u>326,148</u>	<u>62,363</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(63,511)</u>	<u>(63,511)</u>	<u>14,460</u>	<u>77,971</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(63,511)	(63,511)	14,460	77,971
Fund balances - beginning	61,344	61,344	61,344	-
Fund balances - ending	<u>\$ (2,167)</u>	<u>\$ (2,167)</u>	<u>\$ 75,804</u>	<u>\$ 77,971</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2821 GAS TAX SPECIAL ROAD & STREET  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	265,971	265,971	265,970	(1)
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>265,971</u>	<u>265,971</u>	<u>265,970</u>	<u>(1)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	265,971	26,971	288,817	(261,846)
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>265,971</u>	<u>26,971</u>	<u>288,817</u>	<u>(261,846)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>239,000</u>	<u>(22,847)</u>	<u>(261,847)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	32,749	32,749
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>32,749</u>	<u>32,749</u>
Net change in fund balances	-	239,000	9,902	(229,098)
Fund balances - beginning	<u>(4,760)</u>	<u>(4,760)</u>	<u>(4,760)</u>	<u>-</u>
Fund balances - ending	<u>\$ (4,760)</u>	<u>\$ 234,240</u>	<u>\$ 5,142</u>	<u>\$ (229,098)</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2830 JUNK VEHICLE  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	62,367	62,367	45,225	(17,142)
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>62,367</u>	<u>62,367</u>	<u>45,225</u>	<u>(17,142)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	116,559	116,559	49,899	66,660
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	<u>80,988</u>	<u>80,988</u>	<u>-</u>	<u>80,988</u>
Total expenditures	<u>197,547</u>	<u>197,547</u>	<u>49,899</u>	<u>147,648</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(135,180)</u>	<u>(135,180)</u>	<u>(4,674)</u>	<u>130,506</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(135,180)	(135,180)	(4,674)	130,506
Fund balances - beginning	<u>135,180</u>	<u>135,180</u>	<u>135,180</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 130,506</u>	<u>\$ 130,506</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2836 MTUPP  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	180,493	180,493	186,768	6,275
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>180,493</u>	<u>180,493</u>	<u>186,768</u>	<u>6,275</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	194,636	194,636	177,653	16,983
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>194,636</u>	<u>194,636</u>	<u>177,653</u>	<u>16,983</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,143)</u>	<u>(14,143)</u>	<u>9,115</u>	<u>23,258</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(14,143)	(14,143)	9,115	23,258
Fund balances - beginning	<u>62,600</u>	<u>62,600</u>	<u>62,600</u>	<u>-</u>
Fund balances - ending	<u>\$ 48,457</u>	<u>\$ 48,457</u>	<u>\$ 71,715</u>	<u>\$ 23,258</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2840 NOXIOUS WEED TRUST FUND GRANTS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	7,500	7,500	7,500	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	16,187	15,258	2,691	12,567
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	8,133	8,133	-	8,133
Total expenditures	<u>24,320</u>	<u>23,391</u>	<u>2,691</u>	<u>20,700</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(16,820)</u>	<u>(15,891)</u>	<u>4,809</u>	<u>20,700</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(16,820)	(15,891)	4,809	20,700
Fund balances - beginning	7,759	7,759	7,759	-
Fund balances - ending	<u>\$ (9,061)</u>	<u>\$ (8,132)</u>	<u>\$ 12,568</u>	<u>\$ 20,700</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2850 911 EMERGENCY  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	680,000	680,000	657,935	(22,065)
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	15,055	15,055
Contributions/Donations	-	-	-	-
Total revenues	<u>680,000</u>	<u>680,000</u>	<u>672,990</u>	<u>(7,010)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	117,910	226,798	217,804	8,994
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	35,476	35,475	1
Interest	-	4,516	3,792	724
Capital outlay	709,648	560,769	74,738	486,031
Total expenditures	<u>827,558</u>	<u>827,559</u>	<u>331,809</u>	<u>495,750</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(147,558)</u>	<u>(147,559)</u>	<u>341,181</u>	<u>488,740</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(147,558)	(147,559)	341,181	488,740
Fund balances - beginning	832,035	832,035	832,035	-
Fund balances - ending	<u>\$ 684,477</u>	<u>\$ 684,476</u>	<u>\$ 1,173,216</u>	<u>\$ 488,740</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2859 COUNTY LAND INFORMATION FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	28,000	28,000	43,613	15,613
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	87	87
Contributions/Donations	-	-	-	-
Total revenues	<u>28,000</u>	<u>28,000</u>	<u>43,700</u>	<u>15,700</u>
<b>EXPENDITURES</b>				
Current:				
General Government	3,500	3,500	1,634	1,866
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>3,500</u>	<u>3,500</u>	<u>1,634</u>	<u>1,866</u>
Excess (deficiency) of revenues over (under) expenditures	<u>24,500</u>	<u>24,500</u>	<u>42,066</u>	<u>17,566</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(36,500)	(36,500)	(36,500)	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>(36,500)</u>	<u>(36,500)</u>	<u>(36,500)</u>	<u>-</u>
Net change in fund balances	(12,000)	(12,000)	5,566	17,566
Fund balances - beginning	(2,967)	(2,967)	(2,967)	-
Fund balances - ending	<u>\$ (14,967)</u>	<u>\$ (14,967)</u>	<u>\$ 2,599</u>	<u>\$ 17,566</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2865 DNRC GRANT – COMPOST FACILITY  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	269,600	269,600	9,467	(260,133)
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>269,600</u>	<u>269,600</u>	<u>9,467</u>	<u>(260,133)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	169,180	269,180	9,364	259,816
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>169,180</u>	<u>269,180</u>	<u>9,364</u>	<u>259,816</u>
Excess (deficiency) of revenues over (under) expenditures	<u>100,420</u>	<u>420</u>	<u>103</u>	<u>(317)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	100,420	420	103	(317)
Fund balances - beginning	69	69	69	-
Fund balances - ending	<u>\$ 100,489</u>	<u>\$ 489</u>	<u>\$ 172</u>	<u>\$ (317)</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2870 CRIME CONTROL  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	136,751	91,360	(45,391)
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>-</u>	<u>136,751</u>	<u>91,360</u>	<u>(45,391)</u>
 <b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	138,055	88,486	49,569
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>138,055</u>	<u>88,486</u>	<u>49,569</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(1,304)</u>	<u>2,874</u>	<u>4,178</u>
 <b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	1,304	895	(409)
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>1,304</u>	<u>895</u>	<u>(409)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>3,769</u>	<u>3,769</u>
Fund balances - beginning	(48)	(48)	(48)	-
Prior period adjustment	-	-	12,037	12,037
Fund balances - beginning, adjusted	<u>(48)</u>	<u>(48)</u>	<u>11,989</u>	<u>12,037</u>
Fund balances - ending	<u>\$ (48)</u>	<u>\$ (48)</u>	<u>\$ 15,758</u>	<u>\$ 15,806</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2871 SW REGIONAL YOUTH DETENTION FACILITY  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	104,339	104,339	105,645	1,306
Charges for Services	2,963	2,963	2,794	(169)
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>107,302</u>	<u>107,302</u>	<u>108,439</u>	<u>1,137</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	252,591	252,591	232,408	20,183
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>252,591</u>	<u>252,591</u>	<u>232,408</u>	<u>20,183</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(145,289)</u>	<u>(145,289)</u>	<u>(123,969)</u>	<u>21,320</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	145,289	145,289	124,335	(20,954)
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>145,289</u>	<u>145,289</u>	<u>124,335</u>	<u>(20,954)</u>
Net change in fund balances	-	-	366	366
Fund balances - beginning	12,669	12,669	12,669	-
Fund balances - ending	<u>\$ 12,669</u>	<u>\$ 12,669</u>	<u>\$ 13,035</u>	<u>\$ 366</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2900 PILT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	1,935,605	1,935,605
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	3,989	3,989
Contributions/Donations	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>1,939,594</u>	<u>1,939,594</u>
<b>EXPENDITURES</b>				
Current:				
General Government	1,581,485	1,861,485	749,666	1,111,819
Public Safety	113,000	113,000	83,424	29,576
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	75,000	75,000	81,900	(6,900)
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	185,012	185,012	168,209	16,803
Interest	45,000	45,000	48,241	(3,241)
Capital outlay	1,193,343	793,343	288,454	504,889
Total expenditures	<u>3,192,840</u>	<u>3,072,840</u>	<u>1,419,894</u>	<u>1,652,946</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,192,840)</u>	<u>(3,072,840)</u>	<u>519,700</u>	<u>3,592,540</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(609,023)	(729,023)	(336,750)	392,273
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>(609,023)</u>	<u>(729,023)</u>	<u>(336,750)</u>	<u>392,273</u>
Net change in fund balances	(3,801,863)	(3,801,863)	182,950	3,984,813
Fund balances - beginning	4,869,702	4,869,702	4,869,702	-
Fund balances - ending	<u>\$ 1,067,839</u>	<u>\$ 1,067,839</u>	<u>\$ 5,052,652</u>	<u>\$ 3,984,813</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2902 FOREST RECEIPTS – TITLE III  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(1,620)	(1,620)	-	1,620
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>(1,620)</u>	<u>(1,620)</u>	<u>-</u>	<u>1,620</u>
Net change in fund balances	(1,620)	(1,620)	-	1,620
Fund balances - beginning	1,620	1,620	1,620	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,620</u>	<u>\$ 1,620</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2915 OPERATION FREEDOM FROM FEAR  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	101,509	101,509	122,186	20,677
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>101,509</u>	<u>101,509</u>	<u>122,186</u>	<u>20,677</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	148,881	148,881	177,706	(28,825)
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>148,881</u>	<u>148,881</u>	<u>177,706</u>	<u>(28,825)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(47,372)</u>	<u>(47,372)</u>	<u>(55,520)</u>	<u>(8,148)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	48,414	48,414	43,939	(4,475)
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>48,414</u>	<u>48,414</u>	<u>43,939</u>	<u>(4,475)</u>
Net change in fund balances	1,042	1,042	(11,581)	(12,623)
Fund balances - beginning	<u>6,753</u>	<u>6,753</u>	<u>6,753</u>	<u>-</u>
Fund balances - ending	<u>\$ 7,795</u>	<u>\$ 7,795</u>	<u>\$ (4,828)</u>	<u>\$ (12,623)</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2916 COPS GRANT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	43,216	43,216	36,085	(7,131)
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>43,216</u>	<u>43,216</u>	<u>36,085</u>	<u>(7,131)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	44,431	44,431	47,156	(2,725)
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>44,431</u>	<u>44,431</u>	<u>47,156</u>	<u>(2,725)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,215)</u>	<u>(1,215)</u>	<u>(11,071)</u>	<u>(9,856)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	9,362	9,362	11,071	1,709
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>9,362</u>	<u>9,362</u>	<u>11,071</u>	<u>1,709</u>
Net change in fund balances	8,147	8,147	-	(8,147)
Fund balances - beginning	193,413	193,413	193,413	-
Fund balances - ending	<u>\$ 201,560</u>	<u>\$ 201,560</u>	<u>\$ 193,413</u>	<u>\$ (8,147)</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2917 VICTIM WITNESS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	283,000	283,000	259,749	(23,251)
Charges for Services	-	-	-	-
Fines and Forfeitures	55,000	55,000	51,131	(3,869)
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>338,000</u>	<u>338,000</u>	<u>310,880</u>	<u>(27,120)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	447,357	477,357	416,548	60,809
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	4,590	4,590	-	4,590
Total expenditures	<u>451,947</u>	<u>481,947</u>	<u>416,548</u>	<u>65,399</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(113,947)</u>	<u>(143,947)</u>	<u>(105,668)</u>	<u>38,279</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	142,410	142,410	102,338	(40,072)
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>142,410</u>	<u>142,410</u>	<u>102,338</u>	<u>(40,072)</u>
Net change in fund balances	28,463	(1,537)	(3,330)	(1,793)
Fund balances - beginning	<u>(2,495)</u>	<u>(2,495)</u>	<u>(2,495)</u>	<u>-</u>
Fund balances - ending	<u>\$ 25,968</u>	<u>\$ (4,032)</u>	<u>\$ (5,825)</u>	<u>\$ (1,793)</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2918 LAW ENFORCEMENT BLOCK GRANT  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	18,401	22,117	3,716
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>-</u>	<u>18,401</u>	<u>22,117</u>	<u>3,716</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	18,401	22,972	(4,571)
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>18,401</u>	<u>22,972</u>	<u>(4,571)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(855)</u>	<u>(855)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	341	341
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>341</u>	<u>341</u>
Net change in fund balances	-	-	(514)	(514)
Fund balances - beginning	(14)	(14)	(14)	-
Fund balances - ending	<u>\$ (14)</u>	<u>\$ (14)</u>	<u>\$ (528)</u>	<u>\$ (514)</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2927 HOMELAND SECURITY GRANT  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	343,981	441,760	608,167	166,407
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>343,981</u>	<u>441,760</u>	<u>608,167</u>	<u>166,407</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	18,704	86,158	286,422	(200,264)
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	325,257	300,000	322,525	(22,525)
Total expenditures	<u>343,961</u>	<u>386,158</u>	<u>608,947</u>	<u>(222,789)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20</u>	<u>55,602</u>	<u>(780)</u>	<u>(56,382)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	213	213
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>213</u>	<u>213</u>
Net change in fund balances	20	55,602	(567)	(56,169)
Fund balances - beginning	<u>(3,035)</u>	<u>(3,035)</u>	<u>(3,035)</u>	<u>-</u>
Fund balances - ending	<u>\$ (3,015)</u>	<u>\$ 52,567</u>	<u>\$ (3,602)</u>	<u>\$ (56,169)</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2940 CDBG GRANTS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances - beginning	<u>247</u>	<u>247</u>	<u>247</u>	<u>-</u>
Fund balances - ending	<u>\$ 247</u>	<u>\$ 247</u>	<u>\$ 247</u>	<u>\$ -</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2950 D.U.I. PROGRAM  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	65,000	65,000	86,200	21,200
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>65,000</u>	<u>65,000</u>	<u>86,200</u>	<u>21,200</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	71,295	71,295	45,946	25,349
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing and Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	108,699	108,699	-	108,699
Total expenditures	<u>179,994</u>	<u>179,994</u>	<u>45,946</u>	<u>134,048</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(114,994)</u>	<u>(114,994)</u>	<u>40,254</u>	<u>155,248</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(114,994)	(114,994)	40,254	155,248
Fund balances - beginning	146,143	146,143	146,143	-
Fund balances - ending	<u>\$ 31,149</u>	<u>\$ 31,149</u>	<u>\$ 186,397</u>	<u>\$ 155,248</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2968 CANCER PREVENTION  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	193,234	193,234	166,142	(27,092)
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>193,234</u>	<u>193,234</u>	<u>166,142</u>	<u>(27,092)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	289,368	289,368	230,349	59,019
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing and Community Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	111,567	111,567	-	111,567
Total expenditures	<u>400,935</u>	<u>400,935</u>	<u>230,349</u>	<u>170,586</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(207,701)</u>	<u>(207,701)</u>	<u>(64,207)</u>	<u>143,494</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(207,701)</u>	<u>(207,701)</u>	<u>(64,207)</u>	<u>143,494</u>
Fund balances - beginning	344,038	344,038	344,038	-
Prior period adjustment	-	-	1,000	1,000
Fund balances - beginning, adjusted	<u>344,038</u>	<u>344,038</u>	<u>345,038</u>	<u>1,000</u>
Fund balances - ending	<u>\$ 136,337</u>	<u>\$ 136,337</u>	<u>\$ 280,831</u>	<u>\$ 144,494</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2969 PUBLIC HEALTH EMERGENCY PREPAREDNESS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	125,902	125,902	522,710	396,808
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>125,902</u>	<u>125,902</u>	<u>522,710</u>	<u>396,808</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	140,678	140,678	332,012	(191,334)
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation Of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	143,008	143,008	-	143,008
Total expenditures	<u>283,686</u>	<u>283,686</u>	<u>332,012</u>	<u>(48,326)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(157,784)</u>	<u>(157,784)</u>	<u>190,698</u>	<u>348,482</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(193,090)	(193,090)	-	193,090
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>(193,090)</u>	<u>(193,090)</u>	<u>-</u>	<u>193,090</u>
Net change in fund balances	(350,874)	(350,874)	190,698	541,572
Fund balances - beginning	245,332	245,332	245,332	-
Fund balances - ending	<u>\$ (105,542)</u>	<u>\$ (105,542)</u>	<u>\$ 436,030</u>	<u>\$ 541,572</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
2971 W.I.C.  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	224,897	224,897	373,498	148,601
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	400	400
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>224,897</u>	<u>224,897</u>	<u>373,898</u>	<u>149,001</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	370,776	370,776	373,168	(2,392)
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation Of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>370,776</u>	<u>370,776</u>	<u>373,168</u>	<u>(2,392)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(145,879)</u>	<u>(145,879)</u>	<u>730</u>	<u>146,609</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	136,955	136,955	108,943	(28,012)
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>136,955</u>	<u>136,955</u>	<u>108,943</u>	<u>(28,012)</u>
Net change in fund balances	(8,924)	(8,924)	109,673	118,597
Fund balances - beginning	35,686	35,686	35,686	-
Fund balances - ending	<u>\$ 26,762</u>	<u>\$ 26,762</u>	<u>\$ 145,359</u>	<u>\$ 118,597</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2973 MATERNAL CHILD  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	743,487	743,487	677,664	(65,823)
Charges for Services	20,000	20,000	23,104	3,104
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>763,487</u>	<u>763,487</u>	<u>700,768</u>	<u>(62,719)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	791,838	791,838	690,880	100,958
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation Of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>791,838</u>	<u>791,838</u>	<u>690,880</u>	<u>100,958</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(28,351)</u>	<u>(28,351)</u>	<u>9,888</u>	<u>38,239</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	21,662	21,662	129,437	107,775
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>21,662</u>	<u>21,662</u>	<u>129,437</u>	<u>107,775</u>
Net change in fund balances	(6,689)	(6,689)	139,325	146,014
Fund balances - beginning	<u>68,992</u>	<u>68,992</u>	<u>68,992</u>	<u>-</u>
Fund balances - ending	<u>\$ 62,303</u>	<u>\$ 62,303</u>	<u>\$ 208,317</u>	<u>\$ 146,014</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2976 COMMUNICABLE DISEASE FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	51,932	51,932	59,175	7,243
Charges for Services	572,372	572,372	384,976	(187,396)
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	7,763	7,763
Total revenues	<u>624,304</u>	<u>624,304</u>	<u>451,914</u>	<u>(172,390)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	663,937	663,937	490,766	173,171
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation Of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	43,134	43,134	-	43,134
Total expenditures	<u>707,071</u>	<u>707,071</u>	<u>490,766</u>	<u>216,305</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(82,767)</u>	<u>(82,767)</u>	<u>(38,852)</u>	<u>43,915</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(82,767)	(82,767)	(38,852)	43,915
Fund balances - beginning	196,236	196,236	196,236	-
Fund balances - ending	<u>\$ 113,469</u>	<u>\$ 113,469</u>	<u>\$ 157,384</u>	<u>\$ 43,915</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2979 FEDERAL HEALTH GRANT FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	217,493	217,493	231,535	14,042
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>217,493</u>	<u>217,493</u>	<u>231,535</u>	<u>14,042</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	216,853	216,853	250,062	(33,209)
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation Of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>216,853</u>	<u>216,853</u>	<u>250,062</u>	<u>(33,209)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>640</u>	<u>640</u>	<u>(18,527)</u>	<u>(19,167)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	16,823	16,823
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>16,823</u>	<u>16,823</u>
Net change in fund balances	640	640	(1,704)	(2,344)
Fund balances - beginning	(1,087)	(1,087)	(1,087)	-
Fund balances - ending	<u>\$ (447)</u>	<u>\$ (447)</u>	<u>\$ (2,791)</u>	<u>\$ (2,344)</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2987 FEDERAL GRANT FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	3,160,148	3,160,148	891,233	(2,268,915)
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	194,684	194,684
Investment Earnings	-	-	(3,170)	(3,170)
Contributions/Donations	-	-	-	-
Total revenues	<u>3,160,148</u>	<u>3,160,148</u>	<u>1,082,747</u>	<u>(2,077,401)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	5,000	2,892,454	677,134	2,215,320
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	2,887,454	2,887,454	-	2,887,454
Conservation Of Natural Resources	262,694	262,694	219,129	43,565
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>3,155,148</u>	<u>6,042,602</u>	<u>896,263</u>	<u>5,146,339</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,000</u>	<u>(2,882,454)</u>	<u>186,484</u>	<u>3,068,938</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	5,030	5,030
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>5,030</u>	<u>5,030</u>
Net change in fund balances	<u>5,000</u>	<u>(2,882,454)</u>	<u>191,514</u>	<u>3,073,968</u>
Fund balances - beginning	(162,160)	(162,160)	(162,160)	-
Prior period adjustment	-	-	347,170	347,170
Fund balances - beginning, adjusted	<u>(162,160)</u>	<u>(162,160)</u>	<u>185,010</u>	<u>347,170</u>
Fund balances - ending	<u>\$ (157,160)</u>	<u>\$ (3,044,614)</u>	<u>\$ 376,524</u>	<u>\$ 3,421,138</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 2990 DRUG ENFORCEMENT GRANT  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	218,594	218,594	218,594	-
Charges for Services	-	-	12,993	12,993
Fines and Forfeitures	12,993	12,993	5,833	(7,160)
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>231,587</u>	<u>231,587</u>	<u>237,420</u>	<u>5,833</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	415,950	415,950	396,536	19,414
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Development	-	-	-	-
Conservation Of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>415,950</u>	<u>415,950</u>	<u>396,536</u>	<u>19,414</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(184,363)</u>	<u>(184,363)</u>	<u>(159,116)</u>	<u>25,247</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	184,363	184,363	166,453	(17,910)
Bond Proceeds	-	-	-	-
Total other financing source (uses)	<u>184,363</u>	<u>184,363</u>	<u>166,453</u>	<u>(17,910)</u>
Net change in fund balances	-	-	7,337	7,337
Fund balances - beginning	(984)	(984)	(984)	-
Fund balances - ending	<u>\$ (984)</u>	<u>\$ (984)</u>	<u>\$ 6,353</u>	<u>\$ 7,337</u>

The notes to financial statements are an integral part of this statement.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES  
NONMAJOR DEBT SERVICE FUNDS

GALLATIN COUNTY, STATE OF MONTANA  
DEBT SERVICE FUNDS

Open Space Bond Fund – Used to account for receipt of property tax revenue levied to make the debt service (principle, interest and fees) for the bonds issued to maintain Open space in the county.

Detention Center Space Bond Fund – Used to account for receipt of property tax revenue levied to make the debt service (principle, interest and fees) for the bonds issued to fund the construction of the new detention center.

Intercap Loan Fund – Used to account for receipt transfers from various funds to make the debt service payment, principle and interest for loans issued by the state Intercap accounts for Gallatin County projects.

Rural Revolving Debt Fund – Used to account for receipt of dedicated revenues from Rural Improvement Bonds, interest earnings and other revenue to act as a guarantee that the bonds issued will be paid on time.

RSID Refunding Bond Fund – Accounts for the payment of refunding bonds revenue and expenses issued to make the debt service (principle, interest and fees) for the Rural Special Improvement District refunding bonds.

Rural Improvement District (RID) Debt Service Funds – Used to account for receipt of special assessment tax revenue levied to make the debt service (principle, interest and fees) for the bonds issued to repair or construct improvements within a RID.

Wheatland Hills #2	Painted Hills Subd	Meadow Subd.
Canary Lane	Hyalite Meadows	Lake Subd
Amsterdam Road	Andesite Road	Evergreen Way
Bear Creek 2 & 3	Alder Court Lane	Trail Creek Road
Ousel Falls Road	Clarkston & Logan Trident	Firelight
Franklin Hills	Sourdough Creek	Summer Ridge Subd.
Olive Tree Way	Sir George Lane	

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – NONMAJOR DEBT SERVICE FUNDS  
 June 30, 2020

	OPEN SPACE BOND	DETENTION CENTER BOND	INTERCAP LOAN FUND	RURAL REVOLVING	TOTAL NONMAJOR DEBT SERVICE FUNDS
<b>ASSETS</b>					
Cash & Investments	\$ -	\$ 312,407	\$ 20	\$ 1,142,773	\$ 1,455,200
Real Estate Taxes Receivable	36,777	61,811	-	22	98,610
Personal Taxes Receivable	11,185	18,234	-	1	29,420
Protested Taxes Receivable	-	931	-	-	931
Accounts Receivable-Net	-	-	-	-	-
Total assets	<u>\$ 47,962</u>	<u>\$ 393,383</u>	<u>\$ 20</u>	<u>\$ 1,142,796</u>	<u>\$ 1,584,161</u>
<b>LIABILITIES</b>					
Due To Other Funds	\$ 130,565	\$ -	\$ -	\$ -	\$ 130,565
Other Accrued Payables	-	-	-	-	-
Total liabilities	<u>130,565</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,565</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue, Property Taxes	47,962	80,976	-	23	128,961
Total Deferred Inflows of Resources	<u>47,962</u>	<u>80,976</u>	<u>-</u>	<u>23</u>	<u>128,961</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Inventories	-	-	-	-	-
Restricted for:					
Grants	-	-	-	-	-
Debt Service Obligations	(130,565)	312,407	20	1,142,773	1,324,635
RID Debt Services	-	-	-	-	-
Construction Projects	-	-	-	-	-
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Committed for:					
Contractual Obligations	-	-	-	-	-
RID Maintenance	-	-	-	-	-
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Public Health	-	-	-	-	-
Social & Economic Services	-	-	-	-	-
Culture & Recreation	-	-	-	-	-
Housing & Community Development	-	-	-	-	-
Conservation Of Natural Resources	-	-	-	-	-
Assigned for:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Public Health	-	-	-	-	-
Social & Economic Services	-	-	-	-	-
Culture & Recreation	-	-	-	-	-
Housing & Community Development	-	-	-	-	-
Conservation Of Natural Resources	-	-	-	-	-
Unassigned:					
	-	-	-	-	-
Total fund balance	<u>(130,565)</u>	<u>312,407</u>	<u>20</u>	<u>1,142,773</u>	<u>1,324,635</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 47,962</u>	<u>\$ 393,383</u>	<u>\$ 20</u>	<u>\$ 1,142,796</u>	<u>\$ 1,584,161</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
3040 OPEN SPACE BOND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 1,378,363	\$ 1,378,363	\$ 1,356,305	\$ (22,058)
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	6,107	6,107
Contributions/Donations	-	-	-	-
Total revenues	<u>1,378,363</u>	<u>1,378,363</u>	<u>1,362,412</u>	<u>(15,951)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	1,700	1,700	1,400	300
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Developmen	-	-	-	-
Conservation Of Natural Resources	-	-	-	-
Debt service:				
Principal	1,123,590	1,123,590	1,200,000	(76,410)
Interest	340,741	340,741	264,632	76,109
Capital outlay	-	-	-	-
Total expenditures	<u>1,466,031</u>	<u>1,466,031</u>	<u>1,466,032</u>	<u>(1)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(87,668)</u>	<u>(87,668)</u>	<u>(103,620)</u>	<u>(15,952)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
(uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(87,668)	(87,668)	(103,620)	(15,952)
Fund balances - beginning	<u>(26,945)</u>	<u>(26,945)</u>	<u>(26,945)</u>	<u>-</u>
Fund balances - ending	<u>\$ (114,613)</u>	<u>\$ (114,613)</u>	<u>\$ (130,565)</u>	<u>\$ (15,952)</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 3050 DETENTION CENTER BOND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
 BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 2,316,456	\$ 2,316,456	\$ 2,331,449	\$ 14,993
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	4,500	4,500	-	(4,500)
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	14,301	14,301
Contributions/Donations	-	-	-	-
Total revenues	<u>2,320,956</u>	<u>2,320,956</u>	<u>2,345,750</u>	<u>24,794</u>
<b>EXPENDITURES</b>				
Current:				
General Government	350	350	350	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Developmen	-	-	-	-
Conservation Of Natural Resources	-	-	-	-
Debt service:				
Principal	1,400,000	1,400,000	1,475,000	(75,000)
Interest	890,950	890,950	785,950	105,000
Capital outlay	-	-	-	-
Total expenditures	<u>2,291,300</u>	<u>2,291,300</u>	<u>2,261,300</u>	<u>30,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>29,656</u>	<u>29,656</u>	<u>84,450</u>	<u>54,794</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
(uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	29,656	29,656	84,450	54,794
Fund balances - beginning	227,957	227,957	227,957	-
Fund balances - ending	<u>\$ 257,613</u>	<u>\$ 257,613</u>	<u>\$ 312,407</u>	<u>\$ 54,794</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
3205 INTERCAP LOAN FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Developmen	-	-	-	-
Conservation Of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
(uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances - beginning	20	20	20	-
Fund balances - ending	\$ 20	\$ 20	\$ 20	\$ -

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
3400 RURAL REVOLVING  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	9,554	9,554	16,222	6,668
Contributions/Donations	-	-	-	-
Total revenues	<u>9,554</u>	<u>9,554</u>	<u>16,222</u>	<u>6,668</u>
<b>EXPENDITURES</b>				
Current:				
General Government	4,999	4,999	1,318	3,681
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Housing And Community Developmen	-	-	-	-
Conservation Of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>4,999</u>	<u>4,999</u>	<u>1,318</u>	<u>3,681</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,555</u>	<u>4,555</u>	<u>14,904</u>	<u>10,349</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(856,060)	(856,060)	-	856,060
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	36,600	36,600
(uses)	<u>(856,060)</u>	<u>(856,060)</u>	<u>36,600</u>	<u>892,660</u>
Net change in fund balances	(851,505)	(851,505)	51,504	903,009
Fund balances - beginning	1,091,269	1,091,269	1,091,269	-
Fund balances - ending	<u>\$ 239,764</u>	<u>\$ 239,764</u>	<u>\$ 1,142,773</u>	<u>\$ 903,009</u>

The notes to financial statements are an integral part of this statement.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES  
NONMAJOR CAPITAL PROJECTS FUNDS

GALLATIN COUNTY, STATE OF MONTANA  
CAPITAL PROJECTS FUNDS

County Projects – Accounts for the receipt of property tax mill levy and dedicated revenues for the construction, repair and updating of County buildings, 'Core' Rolling Stock replacement, large Bridge repair/replacement, update of county facilities and other projects as approved.

Open Space Projects – Accounts for the receipt of bond proceeds and dedicated revenues for the purchasing of land, conservation easements or other instruments to maintain open space throughout the county.

RID Construction Projects – Accounts for the receipt of bond proceeds and dedicated revenues for the construction, repair and updating of rural improvement district projects as approved.

CTEP Projects – Tracks the receipt of grant revenue and other dedicated revenues for the design, construction and administration of approved CTEP projects.

Infrastructure Loan Program Fund – Used to account for receipt of dedicated grant revenues from the Infrastructure Loan Program for expenses approved for the individual projects.

Junk Vehicle Capital Fund – Records the amount set aside from unspent Junk Vehicle revenues, dedicated to the replacement of capital improvements and equipment used by the program.

Treasure State Endowment Program (TSEP) Fund – Used to account for receipt of dedicated grant revenues from the state TSEP accounts to pay for capital projects approved for grant funding.

Community Development Block Grant (CDBG) Fund – Tracks federal grant revenue received for approved CDBG projects for expenses approved for the individual projects.

Stimulus Activity Program Fund – Accounts for receipt of dedicated federal grant revenues for the tracking of expenses approved by the federal granting agency.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECTS FUNDS  
 June 30, 2020

	OPEN SPACE BOND PROGRAM FUND	CP - RID FUNDS	CTEP PROJECTS	JUNK VEHICLE- CAPITAL IMPROVE- MENT
<b>ASSETS</b>				
Cash & Investments	\$ 1,310,598	\$ 53,996	\$ 2,236	\$ 137,819
Accounts Receivable-Net	48,888	-	-	-
Total assets	<u>\$ 1,359,486</u>	<u>\$ 53,996</u>	<u>\$ 2,236</u>	<u>\$ 137,819</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 2,500	\$ 30,248	\$ -	\$ -
Other Accrued Liabilities	-	-	-	-
Due To Other Funds	-	-	-	-
Total liabilities	<u>2,500</u>	<u>30,248</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Inventories	-	-	-	-
Restricted for:				
Grants	-	-	-	-
Debt Service Obligations	-	-	-	-
RID Debt Services	-	-	-	-
Construction Projects	1,356,986	23,748	2,236	137,819
General Government	-	-	-	-
Public Safety	-	-	-	-
Committed for:				
Contractual Obligations	-	-	-	-
RID Maintenance	-	-	-	-
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social & Economic Services	-	-	-	-
Culture & Recreation	-	-	-	-
Housing & Community Development	-	-	-	-
Conservation Of Natural Resources	-	-	-	-
Assigned for:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social & Economic Services	-	-	-	-
Culture & Recreation	-	-	-	-
Housing & Community Development	-	-	-	-
Conservation Of Natural Resources	-	-	-	-
Unassigned:				
	-	-	-	-
Total fund balance	<u>1,356,986</u>	<u>23,748</u>	<u>2,236</u>	<u>137,819</u>
Total liabilities and fund balances (deficits)	<u>\$ 1,359,486</u>	<u>\$ 53,996</u>	<u>\$ 2,236</u>	<u>\$ 137,819</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECTS FUNDS  
 (CONTINUED)  
 June 30, 2020

	TSEP - CONSTRUC- TION FUND	CDBG - GRANTS	TOTAL NON- MAJOR CAPITAL PROJECTS FUNDS
<b>ASSETS</b>			
Cash & Investments	\$ 191,924	\$ -	\$ 1,696,573
Accounts Receivable-Net	1,100	-	49,988
Total assets	<u>\$ 193,024</u>	<u>\$ -</u>	<u>\$ 1,746,561</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 4,632	\$ -	\$ 37,380
Other Accrued Liabilities	24	-	24
Due To Other Funds	-	562	562
Total liabilities	<u>4,656</u>	<u>562</u>	<u>37,966</u>
<b>FUND BALANCES</b>			
Nonspendable:			
Inventories	-	-	-
Restricted for:			
Grants	-	-	-
Debt Service Obligations	-	-	-
RID Debt Services	-	-	-
Construction Projects	188,368	(562)	1,708,595
General Government	-	-	-
Public Safety	-	-	-
Committed for:			
Contractual Obligations	-	-	-
RID Maintenance	-	-	-
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Public Health	-	-	-
Social & Economic Services	-	-	-
Culture & Recreation	-	-	-
Housing & Community Development	-	-	-
Conservation Of Natural Resources	-	-	-
Assigned for:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Public Health	-	-	-
Social & Economic Services	-	-	-
Culture & Recreation	-	-	-
Housing & Community Development	-	-	-
Conservation Of Natural Resources	-	-	-
Unassigned:			
Total fund balance	<u>188,368</u>	<u>(562)</u>	<u>1,708,595</u>
Total liabilities and fund balances (deficits)	<u>\$ 193,024</u>	<u>\$ -</u>	<u>\$ 1,746,561</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
4140 OPEN SPACE BOND PROGRAM FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	2,500	2,500	25,013	22,513
Contributions/Donations	-	-	-	-
Total revenues	<u>2,500</u>	<u>2,500</u>	<u>25,013</u>	<u>22,513</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	942,832	942,832	2,500	940,332
Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	400,000	400,000	155,000	245,000
Total expenditures	<u>1,342,832</u>	<u>1,342,832</u>	<u>157,500</u>	<u>1,185,332</u>
over (under) expenditures	<u>(1,340,332)</u>	<u>(1,340,332)</u>	<u>(132,487)</u>	<u>1,207,845</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Bond Premium	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,340,332)	(1,340,332)	(132,487)	1,207,845
Fund balances - beginning	1,489,473	1,489,473	1,489,473	-
Fund balances - ending	<u>\$ 149,141</u>	<u>\$ 149,141</u>	<u>\$ 1,356,986</u>	<u>\$ 1,207,845</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
4200 CP – RID FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	309,590	(309,590)
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	309,590	(309,590)
over (under) expenditures	-	-	(309,590)	(309,590)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	(368,000)	(368,000)
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	695,400	695,400
Bond Premium	-	-	-	-
Total other financing source (uses)	-	-	327,400	327,400
Net change in fund balances	-	-	17,810	17,810
Fund balances - beginning	5,938	5,938	5,938	-
Fund balances - ending	\$ 5,938	\$ 5,938	\$ 23,748	\$ 17,810

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
4310 CTEP PROJECTS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Bond Premium	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances - beginning	2,236	2,236	2,236	-
Fund balances - ending	<u>\$ 2,236</u>	<u>\$ 2,236</u>	<u>\$ 2,236</u>	<u>\$ -</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 4331 JUNK VEHICLE – CAPITAL IMPROVEMENT  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
 BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	2,266	2,266
Contributions/Donations	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>2,266</u>	<u>2,266</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	200,000	200,000	-	200,000
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>
over (under) expenditures	<u>(200,000)</u>	<u>(200,000)</u>	<u>2,266</u>	<u>202,266</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Bond Premium	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(200,000)	(200,000)	2,266	202,266
Fund balances - beginning	135,553	135,553	135,553	-
Fund balances - ending	<u>\$ (64,447)</u>	<u>\$ (64,447)</u>	<u>\$ 137,819</u>	<u>\$ 202,266</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 4350 TSEP – CONSTRUCTION FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
 BUDGET AND ACTUAL  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	1,314,800	1,314,800	295,383	(1,019,417)
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>1,314,800</u>	<u>1,314,800</u>	<u>295,383</u>	<u>(1,019,417)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	224,929	224,929	36,866	188,063
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	2,875,071	2,875,071	707,290	2,167,781
Total expenditures	<u>3,100,000</u>	<u>3,100,000</u>	<u>744,156</u>	<u>2,355,844</u>
over (under) expenditures	<u>(1,785,200)</u>	<u>(1,785,200)</u>	<u>(448,773)</u>	<u>1,336,427</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	1,785,200	1,785,200	640,319	(1,144,881)
Bond Proceeds	-	-	-	-
Bond Premium	-	-	-	-
Total other financing source (uses)	<u>1,785,200</u>	<u>1,785,200</u>	<u>640,319</u>	<u>(1,144,881)</u>
Net change in fund balances	-	-	191,546	191,546
Fund balances - beginning	(3,178)	(3,178)	(3,178)	-
Fund balances - ending	<u>\$ (3,178)</u>	<u>\$ (3,178)</u>	<u>\$ 188,368</u>	<u>\$ 191,546</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
4430 CDBG – GRANTS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment Earnings	-	-	-	-
Contributions/Donations	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Public Health	-	-	-	-
Social and Economic Services	-	-	-	-
Culture and Recreation	-	-	-	-
Development	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Transfers In	-	-	-	-
Bond Proceeds	-	-	-	-
Bond Premium	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances - beginning	(562)	(562)	(562)	-
Fund balances - ending	<u>\$ (562)</u>	<u>\$ (562)</u>	<u>\$ (562)</u>	<u>\$ -</u>

The notes to financial statements are an integral part of this statement.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES  
INTERNAL SERVICE FUNDS

GALLATIN COUNTY, STATE OF MONTANA  
INTERNAL SERVICE FUNDS

Motor Pool Fund – Accounts for receipt of charges for services dedicated payment of expenses to maintain the county motor pool.

Employee Health Insurance Fund – Tracks the receipt of premiums for employees, dependents, COBRA and retirees and the recording of expenses associated with medical, dental and vision insurance claims.

Central Maintenance Fund – Used to account for receipt of dedicated charges for services from County and City departments charged for space utilized within county buildings.

Central Communications Fund – Accounts for revenue generated by telephone, cell phone or computer usage charges, along with the payment of expenses associated with the telephone and computer infrastructure.

Copier Reserve Fund – Tracks receipt of per copy charges for departments paying for expenses associated with the purchase, maintenance and operations of most copiers in the county.

Liability Insurance Fund – Used to account for receipt of deductible reserve and expenses not covered by insurance company's associated with property and liability coverages.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING BALANCE SHEET – INTERNAL SERVICE FUNDS  
 June 30, 2020

	MOTOR POOL	EMPLOYEE HEALTH INS. FUND	CENTRAL MAINTEN- ANCE	COMMUNI- CATIONS (PHONE SYSTEM)	COPIER RESERVE FUND	LIABILITY INSURANCE FUND	TOTAL NON- MAJOR INTERNAL SERVICE FUNDS
<b>ASSETS</b>							
Current assets:							
Cash & Investments	\$ 78,394	\$ 6,257,801	\$ 1,290,034	\$ 342,172	\$ 228,551	\$ 963,558	\$ 9,160,510
Noncurrent assets:							
Accounts Receivable-Net	-	241,700	1,624	-	-	-	243,324
Capital Assets-Net of Accumulation	28,831	-	17,159	400,917	41,395	-	488,302
Total assets	<u>107,225</u>	<u>6,499,501</u>	<u>1,308,817</u>	<u>743,089</u>	<u>269,946</u>	<u>963,558</u>	<u>9,892,136</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Other Postemployment Health Benefit Contributions	-	-	5,216	-	-	-	5,216
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>5,216</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,216</u>
<b>LIABILITIES</b>							
Current liabilities:							
Accounts Payable	296	812,072	81,978	-	4,764	7,358	906,468
Other Accrued Payables	-	-	28,415	-	-	-	28,415
Compensated Absences	-	-	7,296	-	-	-	7,296
Total current liabilities	<u>296</u>	<u>812,072</u>	<u>117,689</u>	<u>-</u>	<u>4,764</u>	<u>7,358</u>	<u>942,179</u>
Noncurrent liabilities:							
Other Postemployment health benefits	-	-	46,707	-	-	-	46,707
Compensated Absences	-	-	65,663	-	-	-	65,663
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>112,370</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>112,370</u>
Total liabilities	<u>296</u>	<u>812,072</u>	<u>230,059</u>	<u>-</u>	<u>4,764</u>	<u>7,358</u>	<u>1,054,549</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Other Postemployment Health Benefits assumption changes	-	-	16,737	-	-	-	16,737
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>16,737</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,737</u>
<b>NET POSITION</b>							
Net investment in capital assets	28,831	-	17,159	400,917	41,395	-	488,302
Unrestricted	78,098	5,687,429	1,050,078	342,172	223,787	956,200	8,337,764
Total net position	<u>\$ 106,929</u>	<u>\$ 5,687,429</u>	<u>\$ 1,067,237</u>	<u>\$ 743,089</u>	<u>\$ 265,182</u>	<u>\$ 956,200</u>	<u>\$ 8,826,066</u>

The notes to financial statements are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN NET POSITION – INTERNAL SERVICE FUNDS  
 June 30, 2020

	MOTOR POOL	EMPLOYEE HEALTH INSURANCE	CENTRAL MAINTEN- ANCE	COMMUNI- CATIONS (PHONE SYSTEM)	COPIER RESERVE FUND	LIABILITY INSURANCE FUND	TOTAL INTERNAL SERVICE FUNDS
<b>OPERATING REVENUES</b>							
Charges for Services	\$ 17,656	\$ -	\$ 136,840	\$ -	\$ -	\$ -	\$ 154,496
Miscellaneous	-	35,574	8,885	-	-	-	44,459
Internal Services	-	7,112,461	1,599,869	-	56,784	2,466	8,771,580
Total operating revenues	<u>17,656</u>	<u>7,148,035</u>	<u>1,745,594</u>	<u>-</u>	<u>56,784</u>	<u>2,466</u>	<u>8,970,535</u>
<b>OPERATING EXPENSES</b>							
Internal Service-Personnel	-	2,726	646,568	-	-	-	649,294
Internal Service-Supplies	5,009	760	146,182	-	6,245	-	158,196
Internal Service-Purchased Services	504	181,320	941,913	-	34,471	12,577	1,170,785
Internal Service-Fixed Charges	2,600	1,497,140	51,755	-	2,539	2,592	1,556,626
Internal Service-Depreciation	8,100	-	3,436	161,555	9,605	-	182,696
Internal Service-Benefit Payments	-	6,069,050	-	-	-	-	6,069,050
Total operating expenses	<u>16,213</u>	<u>7,750,996</u>	<u>1,789,854</u>	<u>161,555</u>	<u>52,860</u>	<u>15,169</u>	<u>9,786,647</u>
Operating income (loss)	<u>1,443</u>	<u>(602,961)</u>	<u>(44,260)</u>	<u>(161,555)</u>	<u>3,924</u>	<u>(12,703)</u>	<u>(816,112)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>							
Investment Earnings	-	86,504	16,554	6,869	3,997	15,409	129,333
Sale of Fixed Assets	-	-	-	-	(8,148)	-	(8,148)
Total nonoperating revenues (expenses)	<u>-</u>	<u>86,504</u>	<u>16,554</u>	<u>6,869</u>	<u>(4,151)</u>	<u>15,409</u>	<u>121,185</u>
Income (loss) before contributions and transfers	<u>1,443</u>	<u>(516,457)</u>	<u>(27,706)</u>	<u>(154,686)</u>	<u>(227)</u>	<u>2,706</u>	<u>(694,927)</u>
Transfers In	<u>-</u>	<u>1,825,513</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,825,513</u>
Change in net position	1,443	1,309,056	(27,706)	(154,686)	(227)	2,706	1,130,586
Total net position - beginning	105,486	4,378,373	1,094,943	897,775	265,409	953,494	7,695,480
Total net position - ending	<u>\$ 106,929</u>	<u>\$ 5,687,429</u>	<u>\$ 1,067,237</u>	<u>\$ 743,089</u>	<u>\$ 265,182</u>	<u>\$ 956,200</u>	<u>\$ 8,826,066</u>

The notes to financial statements are an integral part of this statement.

**GALLATIN COUNTY, STATE OF MONTANA**  
**COMBINING STATEMENT OF CASH FLOWS – INTERNAL SERVICE FUNDS**  
**June 30, 2020**

	MOTOR POOL	EMPLOYEE HEALTH INS. FUND	CENTRAL MAINTEN- ANCE	COMMUNI- CATIONS (PHONE SYSTEM)	COPIER RESERVE FUND	LIABILITY INSURANCE FUND	TOTAL INTERNAL SERVICE FUNDS
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Cash from interfund	\$ 17,656	\$ 7,148,035	\$ 1,599,869	\$ -	\$ 56,784	\$ 4,229	\$ 8,826,573
Cash receipts from customer	-	(231,892)	148,604	-	-	-	(83,288)
Payments to employees	-	(2,726)	(641,551)	-	-	-	(644,277)
Payments to interfund	(3,104)	-	(993,668)	-	(37,010)	-	(1,033,782)
Payments to suppliers	(4,968)	(7,938,629)	(99,098)	(59,474)	(8,290)	(21,576)	(8,132,035)
Net cash provided (used) by operating activities	<u>9,584</u>	<u>(1,025,212)</u>	<u>14,156</u>	<u>(59,474)</u>	<u>11,484</u>	<u>(17,347)</u>	<u>(1,066,809)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>							
Transfers from (to) other funds	-	1,825,513	-	-	-	-	1,825,513
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>1,825,513</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,825,513</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Purchases/acquisition/construction of capital assets	-	-	-	-	(19,407)	-	(19,407)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,407)</u>	<u>-</u>	<u>(19,407)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Interest Earnings	-	86,504	16,554	6,869	3,997	15,409	129,333
Net cash provided (used) by investing activities	<u>-</u>	<u>86,504</u>	<u>16,554</u>	<u>6,869</u>	<u>3,997</u>	<u>15,409</u>	<u>129,333</u>
Net increase (decrease) in cash and cash equivalents	9,584	886,805	30,710	(52,605)	(3,926)	(1,938)	868,630
Balances - beginning of year	68,810	5,370,996	1,259,324	394,777	232,477	965,496	8,291,880
Balances - end of the year	<u>78,394</u>	<u>6,257,801</u>	<u>1,290,034</u>	<u>342,172</u>	<u>228,551</u>	<u>963,558</u>	<u>9,160,510</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>							
Operating Income	1,443	(602,961)	(44,260)	(161,555)	3,924	(12,703)	(816,112)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation Expense	8,100	-	3,436	161,555	9,605	-	182,696
Changes in assets and liabilities:							
Customer Receivables	-	(231,892)	2,879	-	-	1,763	(227,250)
Accounts payable - supplier	41	(190,359)	42,533	(59,474)	(2,045)	(6,407)	(215,711)
Other accrued payables	-	-	4,551	-	-	-	4,551
Compensated absences	-	-	2,973	-	-	-	2,973
Other postemployment health benefits and related deferred inflows and outflows	-	-	2,044	-	-	-	2,044
Net cash provided (used) by operating activities	<u>\$ 9,584</u>	<u>\$ (1,025,212)</u>	<u>\$ 14,156</u>	<u>\$ (59,474)</u>	<u>\$ 11,484</u>	<u>\$ (17,347)</u>	<u>\$ (1,066,809)</u>

The notes to financial statements are an integral part of this statement.

## STATISTICS AND DIAGRAMS

GALLATIN COUNTY, STATE OF MONTANA  
NET POSITION BY COMPONENT  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Governmental activities</b>										
Investment in capital assets, net of related debt	\$ 96,440	\$ 98,593	\$ 94,609	\$ 94,357	\$ 94,046	\$ 90,225	\$ 91,771	\$ 94,356	\$ 99,522	\$ 103,495
Restricted	1,391	1,391	-	17,260	16,826	26,890	16,211	18,878	19,213	21,962
Unrestricted	40,045	38,720	43,114	28,346	11,862	12,014	22,057	19,398	20,657	26,631
<b>Total governmental activities net position</b>	<b>\$ 137,876</b>	<b>\$ 138,704</b>	<b>\$ 137,723</b>	<b>\$ 139,963</b>	<b>\$ 122,734</b>	<b>\$ 129,129</b>	<b>\$ 130,039</b>	<b>\$ 132,632</b>	<b>\$ 139,392</b>	<b>\$ 152,088</b>
<b>Business-type activities</b>										
Investment in capital assets, net of related debt	\$ 9,016	\$ 9,036	\$ 7,889	\$ 9,015	\$ 9,463	\$ 9,482	\$ 9,527	\$ 9,679	\$ 11,526	\$ 11,398
Restricted	2,339	2,339	2,115	2,115	2,161	2,329	2,503	2,689	2,762	2,908
Unrestricted	8,118	8,969	10,507	10,098	6,692	8,089	9,150	9,625	10,406	12,397
<b>Total business-type activities net position</b>	<b>\$ 19,473</b>	<b>\$ 20,344</b>	<b>\$ 20,511</b>	<b>\$ 21,228</b>	<b>\$ 18,316</b>	<b>\$ 19,900</b>	<b>\$ 21,180</b>	<b>\$ 21,993</b>	<b>\$ 24,694</b>	<b>\$ 26,703</b>
<b>Primary government</b>										
Investment in capital assets, net of related debt	\$ 105,457	\$ 107,629	\$ 102,498	\$ 103,372	\$ 103,509	\$ 99,707	\$ 101,298	\$ 104,035	\$ 111,048	\$ 114,893
Restricted	3,730	3,730	2,115	19,375	18,987	29,220	18,714	21,567	21,975	24,870
Unrestricted	48,163	47,689	53,621	38,444	18,554	20,103	31,207	29,023	31,064	39,028
<b>Total primary government net position</b>	<b>\$ 157,350</b>	<b>\$ 159,048</b>	<b>\$ 158,234</b>	<b>\$ 161,191</b>	<b>\$ 141,050</b>	<b>\$ 149,030</b>	<b>\$ 151,219</b>	<b>\$ 154,625</b>	<b>\$ 164,087</b>	<b>\$ 178,791</b>

**GALLATIN COUNTY, STATE OF MONTANA**  
**CHANGE IN NET POSITION**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
Governmental activities:										
General government	\$ 10,718	\$ 9,473	\$ 9,838	\$ 10,139	\$ 10,200	\$ 10,027	\$ 12,529	\$ 12,324	\$ 13,423	\$ 15,916
Public safety	17,456	16,489	16,934	17,621	17,954	17,293	20,488	21,131	22,474	26,659
Public works	9,312	9,496	11,043	17,215	12,192	5,629	13,396	10,138	9,273	10,077
Public health	3,241	3,392	3,606	3,597	3,899	4,179	5,268	5,540	5,792	5,481
Social and economic	523	486	495	492	471	472	537	518	551	577
Culture and recreation	1,822	1,823	1,899	2,000	1,972	1,976	2,446	2,609	2,818	3,104
Housing & Comm. Dev.	3,842	90	414	156	108	490	1,161	436	561	209
Conservation of Nat. Res.	139	111	146	147	114	132	127	62	113	284
Miscellaneous / Unallocated	35	-	-	-	-	-	-	-	-	-
Interest on long-term debt	2,424	2,376	2,638	2,082	1,975	3,559	1,708	1,546	1,430	1,384
<b>Total governmental activities</b>	<b>49,512</b>	<b>43,736</b>	<b>47,013</b>	<b>53,449</b>	<b>48,885</b>	<b>43,757</b>	<b>57,660</b>	<b>54,304</b>	<b>56,435</b>	<b>63,691</b>
Business-type activities:										
Gallatin county landfill	3,165	3,159	3,019	3,041	2,708	2,581	2,814	3,052	2,663	6,859
Rest home	5,676	5,736	5,813	5,921	5,978	6,112	6,064	6,871	6,987	4,070
West Yellowstone Refuse	760	829	859	992	949	979	1,182	1,126	1,195	1,062
<b>Total business-type activities</b>	<b>9,601</b>	<b>9,724</b>	<b>9,691</b>	<b>9,954</b>	<b>9,635</b>	<b>9,672</b>	<b>10,060</b>	<b>11,049</b>	<b>10,845</b>	<b>11,991</b>
<b>Total primary government expenses</b>	<b>\$ 59,113</b>	<b>\$ 53,460</b>	<b>\$ 56,704</b>	<b>\$ 63,403</b>	<b>\$ 58,520</b>	<b>\$ 53,429</b>	<b>\$ 67,720</b>	<b>\$ 65,353</b>	<b>\$ 67,280</b>	<b>\$ 75,682</b>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 2,073	\$ 2,001	\$ 2,032	\$ 2,342	\$ 2,828	\$ 3,657	\$ 3,611	\$ 4,403	\$ 3,480	\$ 4,012
Public safety	1,506	1,763	2,708	3,981	3,760	2,845	4,139	2,275	2,424	2,446
Public works	169	157	83	101	80	102	74	77	47	23
Public health	310	342	357	441	480	614	612	1,111	990	951
Social and economic	78	30	-	-	-	-	-	-	-	-
Culture and recreation	510	503	560	588	570	643	752	859	801	745
Housing & Comm. Dev.	311	180	231	487	537	589	592	2	-	-
Conservation of Nat. Res.	149	117	106	95	85	70	63	61	89	86
Operating Grants and contributions	6,584	5,597	7,205	5,573	5,465	7,017	6,451	6,258	10,432	18,203
Capital grants and contributions	4,209	479	244	6,658	3,046	147	190	830	492	661
<b>Total governmental activity revenue</b>	<b>15,899</b>	<b>11,169</b>	<b>13,526</b>	<b>20,266</b>	<b>16,851</b>	<b>15,684</b>	<b>16,484</b>	<b>15,876</b>	<b>18,755</b>	<b>27,127</b>
Business-type activities:										
Charges for services:										
Gallatin county landfill	4,374	3,976	3,536	3,823	4,254	4,444	4,738	5,286	5,699	5,995
Rest home	5,788	5,324	5,283	5,227	4,827	5,211	5,398	5,506	5,818	5,524
West Yellowstone Refuse	839	886	786	863	804	770	789	947	828	659
Operating Grants and contributions	206	295	420	180	141	208	222	253	224	668
<b>Total business-type activity revenue</b>	<b>11,207</b>	<b>10,481</b>	<b>10,025</b>	<b>10,093</b>	<b>10,026</b>	<b>10,633</b>	<b>11,147</b>	<b>11,992</b>	<b>12,569</b>	<b>12,846</b>
<b>Total primary government revenue</b>	<b>27,106</b>	<b>21,650</b>	<b>23,551</b>	<b>30,359</b>	<b>26,877</b>	<b>26,317</b>	<b>27,631</b>	<b>27,868</b>	<b>31,324</b>	<b>39,973</b>
<b>Net (expense) revenue</b>										
Governmental activities:	(33,614)	(32,565)	(33,488)	(33,184)	(32,034)	(28,072)	(41,176)	(38,426)	(37,679)	(36,563)
Business-type activities	1,605	757	334	139	391	961	1,087	942	1,726	855
<b>Total primary government (expense) revenue</b>	<b>\$ (32,009)</b>	<b>\$ (31,808)</b>	<b>\$ (33,154)</b>	<b>\$ (33,045)</b>	<b>\$ (31,643)</b>	<b>\$ (27,111)</b>	<b>\$ (40,089)</b>	<b>\$ (37,484)</b>	<b>\$ (35,953)</b>	<b>\$ (35,708)</b>

GALLATIN COUNTY, STATE OF MONTANA  
CHANGE IN NET POSITION (CONTINUED)  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(amounts expressed in thousands)

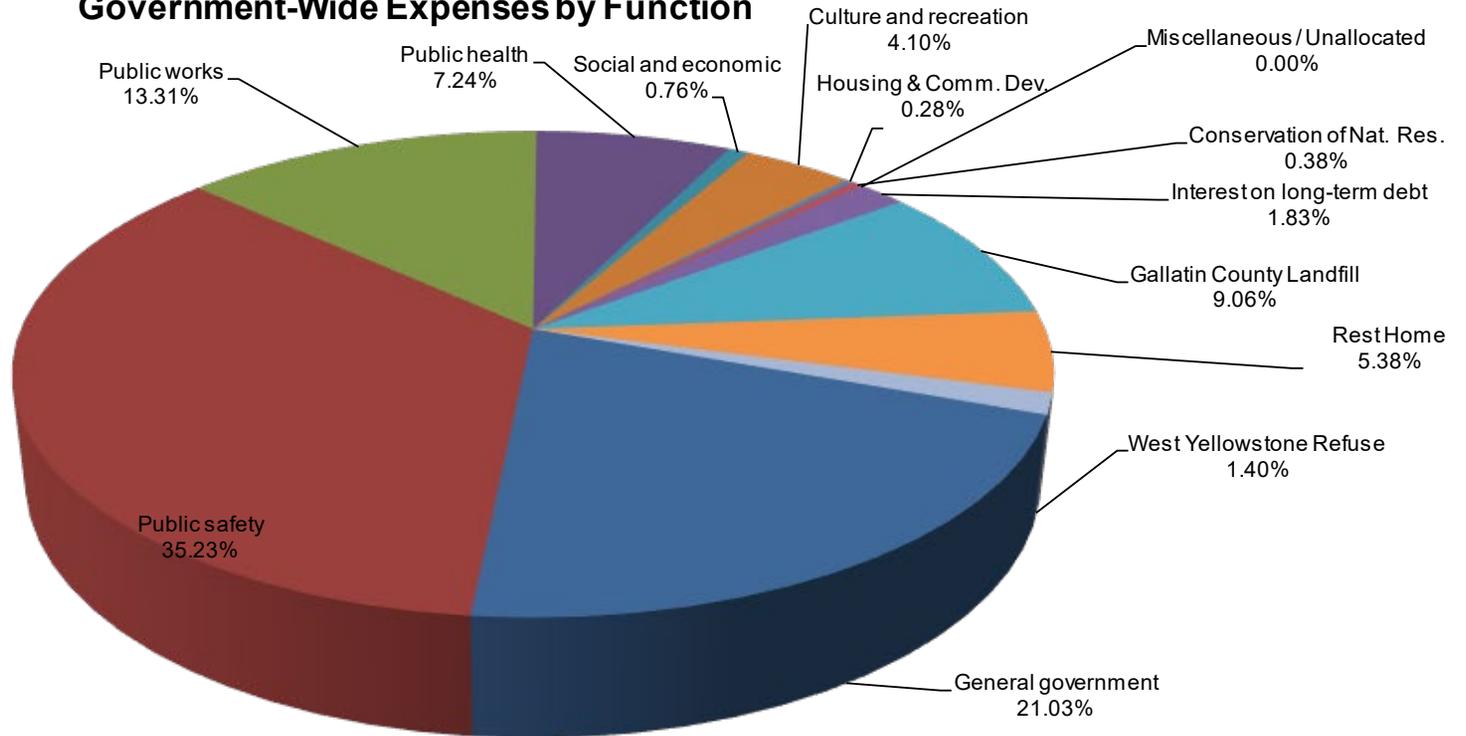
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property Taxes	35,171	30,201	31,088	32,028	33,425	34,018	35,674	37,073	40,552	44,044
Local option tax	-	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-	-
Unrestricted grants/contributions	2,144	2,346	2,444	2,692	3,009	3,185	3,189	3,199	7	8
Investment earnings	559	316	(579)	628	527	628	262	394	1,725	1,080
Miscellaneous	85	543	569	104	(20)	2,531	3,002	2,795	3,364	3,836
Sale/disposal of Fixed assets	163	(15)	(1,014)	11	18	53	(41)	(105)	(895)	(77)
Other	-	-	-	-	-	-	-	(9)	(311)	(10)
Total governmental activities	38,122	33,391	32,508	35,463	36,959	40,415	42,086	43,347	44,442	48,881
Business-type activities:										
Taxes	-	-	-	1	-	2	-	-	296	1,044
Unrestricted grants/contributions	-	-	-	-	84	214	242	65	-	-
Investment earnings	157	115	(161)	276	162	190	59	79	523	92
Miscellaneous / Other	-	-	-	-	-	-	-	20	447	19
Sale/disposal of Fixed assets	3	(1)	(8)	261	39	217	(108)	(2)	(290)	-
Total business-type activities	160	114	(169)	538	285	623	193	162	976	1,155
<b>Total primary government expenses</b>	<b>38,282</b>	<b>33,505</b>	<b>32,339</b>	<b>36,001</b>	<b>37,244</b>	<b>41,038</b>	<b>42,279</b>	<b>43,509</b>	<b>45,418</b>	<b>50,036</b>
<b>Change in Net Position</b>										
Governmental activities:	4,508	826	(980)	2,279	4,925	12,343	910	4,921	6,763	12,318
Business-type activities	1,765	871	165	677	676	1,584	1,280	1,104	2,702	2,010
<b>Total primary government</b>	<b>6,273</b>	<b>1,697</b>	<b>(815)</b>	<b>2,956</b>	<b>5,601</b>	<b>13,927</b>	<b>2,190</b>	<b>6,025</b>	<b>9,465</b>	<b>14,328</b>

GALLATIN COUNTY, STATE OF MONTANA  
 GOVERNMENT-WIDE EXPENSES BY FUNCTION  
 (accrual basis of accounting)  
 (amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government	\$ 10,718	\$ 9,473	\$ 9,838	\$ 10,139	\$ 10,200	\$ 10,027	\$ 12,529	\$ 12,324	\$ 13,423	\$ 15,916
Public safety	17,456	16,489	16,934	17,621	17,954	17,293	20,488	21,131	22,474	26,659
Public works	9,312	9,496	11,043	17,215	12,192	5,629	13,396	10,138	9,273	10,077
Public health	3,241	3,392	3,606	3,597	3,899	4,179	5,268	5,540	5,792	5,481
Social and economic	523	486	495	492	471	472	537	518	551	577
Culture and recreation	1,822	1,823	1,899	2,000	1,972	1,976	2,446	2,609	2,818	3,104
Housing & Comm. Dev.	3,842	90	414	156	108	490	1,161	436	561	209
Conservation of Nat. Res.	139	111	146	147	114	132	127	62	113	284
Miscellaneous / Unallocated	35	-	-	-	-	-	-	-	-	-
Interest on long-term debt	2,424	2,376	2,638	2,082	1,975	3,559	1,708	1,546	1,430	1,384
Gallatin County Landfill	3,165	3,159	3,019	3,041	2,708	2,581	2,814	3,052	2,663	6,859
Rest Home	5,676	5,736	5,813	5,921	5,978	6,112	6,064	6,871	6,987	4,070
West Yellowstone Refuse	760	829	859	992	949	979	1,182	1,126	1,195	1,062
	<u>\$ 59,113</u>	<u>\$ 53,460</u>	<u>\$ 56,704</u>	<u>\$ 63,403</u>	<u>\$ 58,520</u>	<u>\$ 53,429</u>	<u>\$ 67,720</u>	<u>\$ 65,353</u>	<u>\$ 67,280</u>	<u>\$ 75,682</u>

GALLATIN COUNTY, STATE OF MONTANA  
 GOVERNMENT-WIDE EXPENSES BY FUNCTION (CONTINUED)  
 (accrual basis of accounting)  
 (amounts expressed in thousands)

**Government-Wide Expenses by Function**



GALLATIN COUNTY, STATE OF MONTANA  
 FUND BALANCES OF GOVERNMENTAL FUNDS  
 (accrual basis of accounting)  
 (amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General fund</b>										
Nonspendable	\$ 154	\$ 149	\$ 142	\$ 131	\$ 129	\$ 137	\$ 112	\$ 118	\$ 97	\$ 104
Restricted	-	383	409	488	563	702	710	833	777	1,604
Unrestricted										
Committed	3,128	2,733	2,529	3,078	3,753	4,285	4,420	4,946	5,323	5,505
Assigned	7	372	328	306	477	628	548	588	619	94
Unassigned	-	-	-	-	-	-	-	-	-	-
<b>Total general fund</b>	<b>3,289</b>	<b>3,637</b>	<b>3,408</b>	<b>4,003</b>	<b>4,922</b>	<b>5,752</b>	<b>5,790</b>	<b>6,485</b>	<b>6,816</b>	<b>7,307</b>
<b>All other governmental funds</b>										
Nonspendable	43	55	68	65	70	67	1,075	64	45	61
Restricted	10,078	8,429	8,341	9,233	9,212	18,751	8,195	11,257	12,226	13,122
Unrestricted										
Committed	15,858	15,539	19,912	21,760	26,163	23,555	33,714	34,581	34,433	11,551
Assigned	-	33	101	36	76	160	84	81	227	13
Unassigned	-	-	-	-	-	-	-	-	-	-
<b>Total all other governmental funds</b>	<b>25,979</b>	<b>24,056</b>	<b>28,422</b>	<b>31,094</b>	<b>35,521</b>	<b>42,533</b>	<b>43,068</b>	<b>45,983</b>	<b>46,931</b>	<b>24,747</b>
<b>Total all governmental funds</b>	<b>\$ 29,268</b>	<b>\$ 27,693</b>	<b>\$ 31,830</b>	<b>\$ 35,097</b>	<b>\$ 40,443</b>	<b>\$ 48,285</b>	<b>\$ 48,858</b>	<b>\$ 52,468</b>	<b>\$ 53,747</b>	<b>\$ 32,054</b>

GALLATIN COUNTY, STATE OF MONTANA  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 (accrual basis of accounting)  
 (amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues:</b>										
Taxes/assessments	\$ 30,973	\$ 31,312	\$ 31,790	\$ 32,635	\$ 34,705	\$ 33,775	\$ 35,876	\$ 37,574	\$ 41,047	\$ 43,462
Licenses and permits	281	291	308	300	316	390	384	378	353	400
Intergovernmental	11,527	8,217	9,786	14,845	11,402	9,637	10,222	11,401	10,924	18,865
Charges for services	3,797	3,779	4,947	6,405	6,996	7,329	7,010	6,606	6,877	7,178
Fines and forfeitures	609	634	540	598	664	728	669	701	690	593
Miscellaneous	492	1,121	581	538	271	2,923	3,002	2,847	3,364	3,836
Interest earnings	492	276	(179)	509	411	558	237	372	1,517	951
Contributions/donations	1,430	4	22	102	22	90	65	16	7	8
<b>Total revenues</b>	<b>49,601</b>	<b>45,634</b>	<b>47,795</b>	<b>55,932</b>	<b>54,787</b>	<b>55,430</b>	<b>57,465</b>	<b>59,895</b>	<b>64,779</b>	<b>75,293</b>
<b>Expenditures:</b>										
General government	9,681	8,574	8,902	9,139	9,625	10,027	10,537	10,611	12,048	13,802
Public safety	16,735	14,342	14,735	15,498	16,490	17,293	17,959	19,088	20,286	24,561
Public works	6,281	6,237	7,612	13,342	8,247	5,629	7,777	5,820	6,898	7,414
Public health	3,157	3,264	3,439	3,410	3,866	4,179	4,745	5,113	5,686	5,170
Social and economic	504	456	456	447	461	472	529	512	545	571
Culture and recreation	1,688	1,680	1,755	1,854	1,835	1,976	2,261	2,400	2,621	2,858
Housing & Comm. Dev.	3,812	41	349	74	86	490	1,128	406	536	184
Conservation of Nat. Res.	132	102	136	134	110	139	110	47	102	273
Miscellaneous	35	-	-	-	-	-	-	-	-	-
Debt Service										
Principal	5,397	5,263	3,584	3,693	3,946	3,559	4,397	3,776	4,644	4,544
Interest	2,424	2,376	2,158	2,082	1,975	4,062	1,874	1,704	1,588	1,460
Capital outlay	13,469	4,339	1,901	3,224	2,698	4,677	6,822	5,628	6,713	5,980
<b>Total expenditures</b>	<b>63,315</b>	<b>46,674</b>	<b>45,027</b>	<b>52,897</b>	<b>49,339</b>	<b>52,503</b>	<b>58,139</b>	<b>55,105</b>	<b>61,667</b>	<b>66,817</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(13,714)</b>	<b>(1,040)</b>	<b>2,768</b>	<b>3,035</b>	<b>5,448</b>	<b>2,927</b>	<b>(674)</b>	<b>4,790</b>	<b>3,112</b>	<b>3,025</b>
<b>Other financing source (uses)</b>										
Transfers in	3,449	2,713	2,463	2,904	3,024	2,336	3,941	2,635	3,033	3,659
Transfers out	(4,233)	(3,552)	(3,161)	(3,851)	(3,911)	(3,384)	(4,750)	(3,816)	(4,796)	(5,494)
Proceeds from long-term debt	8,315	300	2,140	1,150	765	5,807	1,863	-	-	732
Proceeds from sale of capital assets	212	2	12	11	-	-	-	1	17	67
Gain (Loss) on sale of investments	-	-	-	20	20	156	193	-	-	-
<b>Total other financing sources (uses)</b>	<b>7,743</b>	<b>(537)</b>	<b>1,454</b>	<b>234</b>	<b>(102)</b>	<b>4,915</b>	<b>1,247</b>	<b>(1,180)</b>	<b>(1,746)</b>	<b>(1,036)</b>
<b>Net Change in fund balances</b>	<b>\$ (5,971)</b>	<b>\$ (1,577)</b>	<b>\$ 4,222</b>	<b>\$ 3,269</b>	<b>\$ 5,346</b>	<b>\$ 7,842</b>	<b>\$ 573</b>	<b>\$ 3,610</b>	<b>\$ 1,366</b>	<b>\$ 1,989</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>15.69%</b>	<b>18.04%</b>	<b>13.31%</b>	<b>11.63%</b>	<b>12.69%</b>	<b>15.93%</b>	<b>12.22%</b>	<b>11.08%</b>	<b>11.34%</b>	<b>9.87%</b>

**GALLATIN COUNTY, STATE OF MONTANA  
 ASSESSED PROPERTY VALUES, TAXABLE PROPERTY VALUES, AND MARKET VALUES**

**GALLATIN COUNTY, MONTANA  
 ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY**  
 (amounts expressed in thousands)

<b>FISCAL YEAR</b>	<b>REAL PROPERTY</b>	<b>PERSONAL PROPERTY</b>	<b>MOBILE HOMES</b>	<b>CENTRALLY ASSESSED</b>	<b>TAX INCREMENT DISTRICT</b>	<b>TOTAL TAXABLE ASSESSED VALUE</b>
2011	\$ 200,807	\$ 8,990	\$ 1,138	\$ 23,104	\$ (3,120)	\$ 230,919
2012	205,442	8,279	1,048	23,139	(3,283)	234,625
2013	211,386	6,533	973	24,302	(3,708)	239,486
2014	218,776	6,533	973	24,302	(4,013)	246,571
2015	224,256	6,729	983	25,031	(4,035)	252,964
2016	210,529	2,775	945	28,052	(4,224)	238,077
2017	216,023	2,861	995	34,583	(4,344)	250,118
2018	253,159	3,069	1,121	34,644	(5,030)	286,963
2019	261,363	3,161	1,078	35,121	(5,478)	300,723
2020	319,405	3,571	1,374	37,179	(8,692)	361,529

Note: Property in the County is assessed at actual value; therefore the taxable assessed value is equal to actual value. Tax rates are per \$1,000 of taxable assessed value.

Source: Department of Revenue Montana Certified Values - Online CSV

**GALLATIN COUNTY, MONTANA  
 ASSESSED VALUE, MARKET AND ESTIMATED TAXABLE VALUE OF PROPERTY**

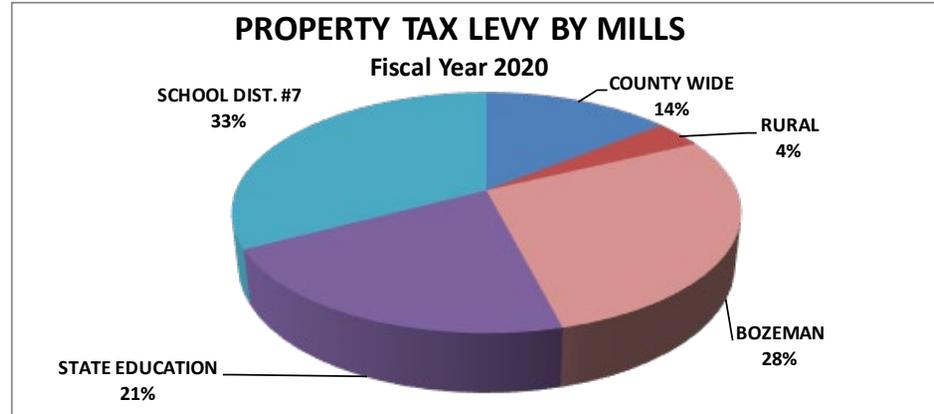
<b>FISCAL YEAR</b>	<b>TOTAL COUNTY MARKET VALUE</b>	<b>TOTAL COUNTY TAXABLE VALUE</b>	<b>COUNTY OPEN SPACE TAXABLE VALUE</b>
2011	\$ 7,779,879,169	\$ 230,919,537	\$ 225,562,849
2012	8,272,189,432	235,791,352	231,490,476
2013	8,722,835,096	239,468,735	235,497,392
2014	9,286,890,790	250,638,591	242,436,871
2015	9,864,130,849	252,967,865	249,046,843
2016	15,030,549,843	237,835,957	234,985,893
2017	15,409,943,054	248,044,610	244,626,407
2018	18,137,153,478	286,963,165	283,501,505
2019	18,969,273,499	295,801,912	292,702,092
2020	22,773,138,331	352,837,267	351,398,171

Note: The Taxable Values shown above exclude valuations for tax increment financing districts

Source: Department of Revenue Montana Certified Values - Online CSV

**GALLATIN COUNTY, STATE OF MONTANA  
 ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY  
 DIRECT AND OVERLAPPING GOVERNMENTS**

FISCAL YEAR	GALLATIN COUNTY						OVERLAPPING LEVIES				TOTAL DIRECT & OVERLAPPING LEVIES
	GENERAL FUND	DEBT SERVICE	PUBLIC SAFETY	OTHER LEVIES	WIDE LEVIES	RURAL (Road / Library) Levies	TOTAL DIRECT	CITY OF BOZEMAN	STATE EDUCATION LEVIES	SCHOOL DISTRICT NO. 7	
2011	15.92	11.45	39.07	23.50	89.94	25.39	115.33	166.75	141.74	223.05	646.87
2012	19.62	11.09	41.76	16.22	88.69	25.48	114.17	164.75	141.61	196.89	617.42
2013	20.56	14.89	41.01	15.83	92.29	26.34	118.63	164.75	142.47	203.26	629.11
2014	21.53	14.12	41.08	16.55	93.28	26.44	119.72	171.08	147.28	218.41	656.49
2015	21.03	14.09	40.01	18.37	93.50	26.29	119.79	186.76	145.94	216.67	669.16
2016	21.25	14.63	41.89	27.03	104.80	30.04	134.84	208.16	149.35	227.91	720.26
2017	21.07	14.89	44.31	26.00	106.27	30.31	136.58	205.30	151.39	232.06	725.33
2018	19.89	13.27	41.07	22.13	96.36	27.30	123.66	187.33	145.67	220.02	676.68
2019	19.39	12.86	43.09	28.22	103.56	27.75	131.31	191.24	148.44	251.58	722.57
2020	20.04	10.45	37.78	26.80	95.07	24.59	119.66	187.70	142.45	218.67	668.48

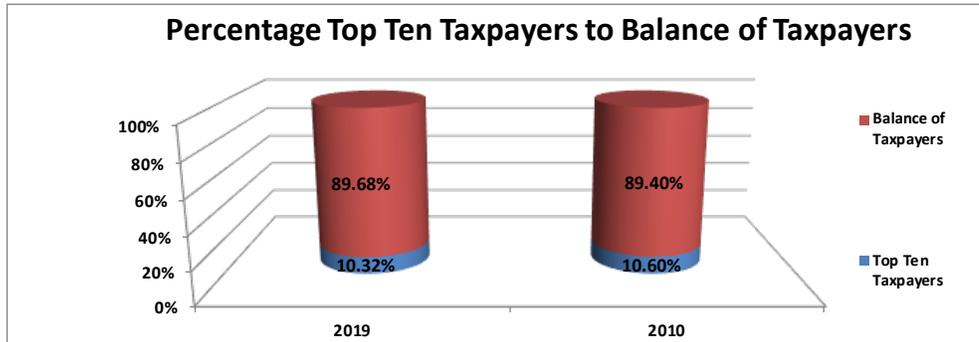


**GALLATIN COUNTY, STATE OF MONTANA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT TAX YEAR AND EIGHT YEARS PREVIOUS**

TAXPAYER	2019			2010		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF COUNTY TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF COUNTY TAXABLE ASSESSED VALUE
Northwestern Energy	\$ 28,717	1	8.14%	\$ 14,755	1	6.61%
Montana Rail Link	1,624	2	0.46%	-	-	-
Verizon Wireless/Cellco	1,336	3	0.38%	1,457	4	0.65%
Qwest Corporation and or Centurylink In	1,016	4	0.29%	-	-	-
GCC Three Forks LLC or Holnam Inc.	812	5	0.23%	-	-	-
Luzenac America, Inc.	666	6	0.19%	906	5	0.41%
Charter Communications Inc.	659	7	0.19%	-	-	-
Harry Daum	532	8		524	10	0.23%
Yellowstone Pipeline	532	9	0.15%	-	-	-
Delta Air Lines Inc.	518	10	0.15%	-	-	-
Holcim, Inc.				1,008	3	0.45%
Qwest Corporation				2,242	2	1.00%
PPL Montana				785	6	0.35%
Cellco Partnership				769	7	0.34%
Black Bull Run				637	8	0.29%
Zoot Properties, LLC				590	9	0.26%
	<u>36,412</u>		<u>10.32%</u>	<u>23,673</u>		<u>10.60%</u>
County Taxable Value	352,837			223,245		

Source: Gallatin County Treasurer

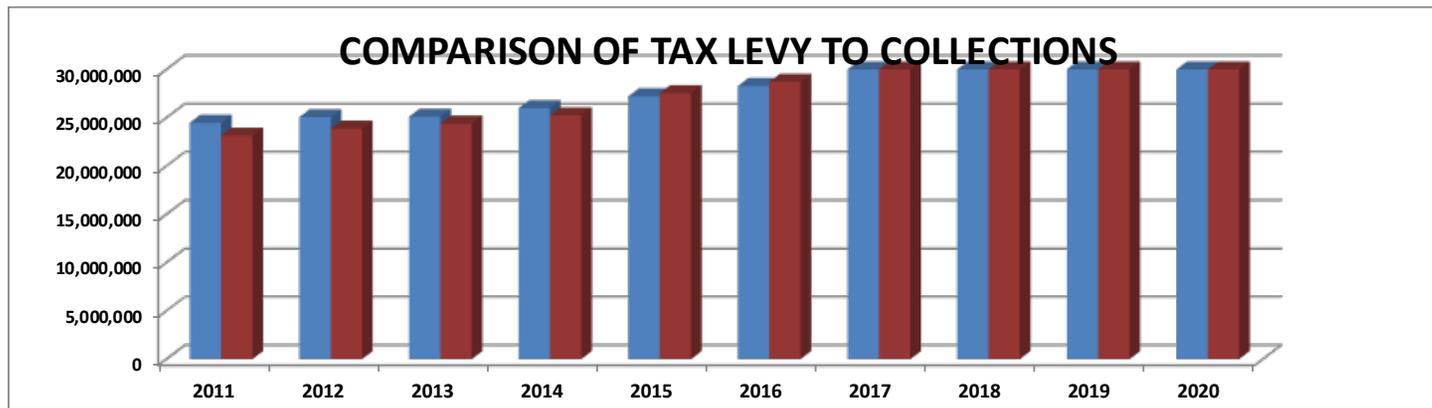
	2019	2010
Top Ten Taxpayers	10.32%	10.60%
Balance of Taxpayers	89.68%	89.40%



GALLATIN COUNTY, STATE OF MONTANA  
 REAL PROPERTY TAXES AND COLLECTIONS  
 GOVERNMENTAL FUND TYPES  
 LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30	TOTAL TAX LEVY FOR FISCAL YEAR (1)	COLLECTION WITHIN THE FISCAL YEAR OF THE LEVY		TOTAL COLLECTIONS FOR YEAR		
		AMOUNT COLLECTED	PERCENTAGE OF LEVY	DELINQUENT TAX COLLECTIONS	TOTAL TAXES RECEIVED	PERCENTAGE OF LEVY (1)
2011	24,479,020	23,112,451	94.42%	26,005	23,138,456	94.52%
2012	25,058,721	23,822,021	95.06%	35,893	23,857,914	95.21%
2013	25,103,215	24,357,848	97.03%	31,843	24,389,691	97.16%
2014	25,997,048	25,163,044	96.79%	68,096	25,231,140	97.05%
2015	27,212,974	26,652,121	97.94%	888,759	27,540,880	101.20%
2016	28,299,020	28,107,443	99.32%	609,982	28,717,425	101.48%
2017	30,133,188	29,381,709	97.51%	699,510	30,081,219	99.83%
2018	31,473,112	30,847,587	98.01%	571,469	31,419,056	99.83%
2019	33,031,093	32,223,211	97.55%	733,719	32,956,930	99.78%
2020	35,725,773	34,623,485	96.91%	809,459	35,432,944	99.18%

SOURCE: Gallatin County Finance Department



GALLATIN COUNTY, STATE OF MONTANA  
 RATIO OF DEBT TO TAXABLE VALUE AND PER CAPITA  
 LAST TEN FISCAL YEARS  
 (amounts expressed in thousands, except per capita amount)

Fiscal Year	General Obligation Bonds	Less: Amount Available in Debt Service Funds	Total	% of Taxable Value <sup>1</sup>	Per Capita <sup>2</sup>
2011	44,710	129	44,581	19.00%	\$ 48.83
2012	42,825	417	42,408	17.71%	\$ 45.84
2013	43,099	495	42,604	17.28%	\$ 45.12
2014	41,872	344	41,528	16.42%	\$ 42.80
2015	39,410	440	38,970	16.37%	\$ 38.84
2016	38,953	278	38,675	15.46%	\$ 37.16
2017	35,435	278	35,157	14.06%	\$ 32.61
2018	33,270	198	33,072	11.52%	\$ 29.65
2019	30,275	228	30,047	9.99%	\$ 26.44
2020	27,295	312	26,983	7.46%	\$ 23.38

**NOTE:** Details regarding the County's outstanding debt are in the notes to the financial statements.

<sup>1</sup> See Schedule "Assessed Value and Actual Value of Taxable Property for data.

<sup>2</sup> Populations data can be found in schedule, "Demographic Statistics".

Source for Amount Available is from Trial Balance from ACFR for Fund 3040 and 3050

GALLATIN COUNTY, STATE OF MONTANA  
RURAL IMPROVEMENT DISTRICT DEBT AND REVOLVING FUND  
LAST TEN FISCAL YEARS

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Calculation of Legal Debt Margins</b>										
Assessed Value	7,779,879	8,272,189	8,722,835	9,286,891	9,864,131	15,030,550	15,409,943	18,137,153	18,969,273	22,773,138
Allowed debt percentage	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Debt Limit	194,497	206,805	218,071	232,172	246,603	375,764	385,249	453,429	474,232	569,328
Outstanding debt applicable to limit	53,946	49,689	49,151	47,114	43,691	41,457	39,372	39,740	35,159	31,262
Legal Debt margin	140,551	157,116	168,920	185,058	202,912	334,307	345,877	413,689	439,073	538,066
Outstanding debt applicable to limit as a percentage of debt limit	27.74%	24.03%	22.54%	20.29%	17.72%	11.03%	10.22%	8.76%	7.41%	5.49%

(1) The statutes of the State of Montana prescribe a debt limit of 2.5% of the assessed valuation for general obligation debt. The debt limit increased to 2.50% from 1.40% in 2007

**GALLATIN COUNTY, STATE OF MONTANA  
RURAL IMPROVEMENT DISTRICT DEBT AND REVOLVING FUND  
LAST TEN FISCAL YEARS**

**GALLATIN COUNTY, MONTANA  
RURAL IMPROVEMENT DISTRICT DEBT AND REVOLVING FUND  
Last Ten Fiscal Years**

<b>FISCAL YEAR</b>	<b>RURAL IMPROVEMENT BOND OUTSTANDING</b>	<b>AMOUNT NEEDED FOR 5%</b>	<b>REVOLVING FUND CASH</b>	<b>REVOLVING FUND %</b>
2011	8,828,000	441,400	854,654	9.68%
2012	8,226,000	411,300	1,054,047	12.81%
2013	7,528,000	376,400	1,099,311	14.60%
2014	7,108,000	355,400	1,088,017	15.31%
2015	7,374,000	368,700	1,092,817	14.82%
2016	7,181,625	359,081	1,099,973	15.32%
2017	6,731,780	336,589	1,091,470	16.21%
2018	6,244,045	312,202	1,096,521	17.56%
2019	5,814,349	290,717	1,089,282	18.73%
2020	5,614,000	280,700	1,142,773	20.36%

**Note: The Amount Needed For 5% references state statute that requires the County to maintain between 5% and 10% in the RID Revolving Fund**

**GALLATIN COUNTY, MONTANA  
RURAL IMPROVEMENT DISTRICT DEBT  
Last Ten Fiscal Years**

<b>FISCAL YEAR</b>	<b>SPECIAL ASSESSMENT</b>	<b>DEBT SERVICE REQUIREMENTS</b>		
		<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>COVERAGE</b>
2011	956,736	568,000	452,558	93.75%
2012	1,012,389	602,000	457,475	95.56%
2013	904,910	503,000	466,065	93.38%
2014	977,858	420,000	406,064	118.38%
2015	925,084	499,000	386,743	104.44%
2016	983,461	299,375	396,086	141.41%
2017	1,200,874	815,596	382,849	100.20%
2018	849,293	487,735	358,209	100.40%
2019	829,764	429,698	329,192	109.34%
2020	771,645	882,653	300,863	65.20%

**(1) Special Assessment Collections include debt service charges collected and interest. maintain between 5% and 10% in the RID Revolving Fund**

GALLATIN COUNTY, STATE OF MONTANA  
RURAL SPECIAL DISTRICT ASSESSMENTS BILLING AND COLLECTIONS

FISCAL YEAR	RID		RID CURRENT YEAR DELINQUENCY	%
	ASSESSMENTS BILLING	RID SPECIAL ASSESSMENT COLLECTIONS		
2011	1,024,305	863,567	160,738	15.69%
2012	937,779	820,131	117,648	12.55%
2013	895,739	784,296	111,443	12.44%
2014	871,471	792,179	79,291	9.10%
2015	860,503	790,909	69,593	8.09%
2016	812,634	762,740	49,894	6.14%
2017	886,947	816,613	70,334	7.93%
2018	824,153	834,597	(10,444)	-1.27%
2019	807,467	728,652	78,815	9.76%
2020	745,256	675,767	69,489	9.32%

Note: The RID Special Assessment Collections exclude collections from previous years.

STATEMENT OF CHANGES IN FUND BALANCE – RSID REVOLVING FUND

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Beginning Balance July 1	\$ 1,099,311	\$ 1,088,017	\$ 1,092,817	\$ 1,099,973	\$ 1,091,269
Property Taxes	-	-	-	-	-
Investment Earnings	9,701	11,662	14,665	16,943	16,222
Transfer In, Bond Proceeds	5,350	18,150	-	-	36,600
Expenditures	26,345	25,012	7,509	25,446	1,318
Receipts Over Disbursements	(11,294)	4,800	7,156	(8,503)	51,504
<b>Ending Balance - June 30</b>	<b>\$ 1,088,017</b>	<b>\$ 1,092,817</b>	<b>\$ 1,099,973</b>	<b>\$ 1,091,470</b>	<b>\$ 1,142,773</b>
Assets:					
Cash / Investments	\$ 1,088,016	\$ 1,090,382	\$ 1,096,521	\$ 1,089,282	\$ 1,142,773
Receivables	1,788	2,527	3,334	2,072	24
<b>Total Assets</b>	<b>\$ 1,089,804</b>	<b>\$ 1,092,909</b>	<b>\$ 1,099,855</b>	<b>\$ 1,091,354</b>	<b>\$ 1,142,797</b>
Total Liabilities	\$ 1,788	\$ 93	\$ 83	\$ -	\$ -
Fund Balance (Restricted)	1,090,503	1,090,503	1,099,772	1,090,503	1,142,773
Fund Balance (Committed)	(2,487)	2,313	-	-	-
<b>TOTAL FUND BALANCE</b>	<b>1,088,016</b>	<b>1,092,816</b>	<b>1,099,772</b>	<b>1,090,503</b>	<b>1,142,773</b>
<b>TOTAL LIABILITIES/FUND BALANCE</b>	<b>\$ 1,089,804</b>	<b>\$ 1,092,909</b>	<b>\$ 1,099,855</b>	<b>\$ 1,090,503</b>	<b>\$ 1,142,773</b>

Rural Improvement District Bonds were issued in FY 2020 for a total of \$732,000

GALLATIN COUNTY, STATE OF MONTANA  
SUMMARY OF OUTSTANDING RURAL SPECIAL IMPROVEMENT DISTRICTS  
June 30, 2020

<b>Bond Issue</b>	<b>Original Issue</b>	<b>Maturity Date</b>	<b>Bonds Issued</b>	<b>Bonds Outstanding</b>	<b>Cash Balance</b>	<b>Assessments Outstanding</b>	<b>Delinquent Assessments</b>
RSID 391	2006	2026	\$ 395,000	\$ 90,000	\$ 1,789	\$ 101,324	\$ 1,261
RSID 393	2007	2028	900,000	210,000	(38,077)	291,318	3,259
RSID 395	2010	2030	1,765,000	810,000	50,355	1,009,415	7,632
RSID 396	2010	2030	4,715,000	2,905,000	117,130	2,987,295	59,405
RSID 605	2015	2035	610,000	422,542	2,648	485,236	1,576
RSID 606	2015	2035	155,000	107,253	1,613	118,081	267
RSID 607	2016	2032	107,000	77,010	3,107	85,512	-
RSID 608	2017	2031	243,000	173,976	4,827	183,512	456
RSID 609	2017	2031	74,000	52,980	1,831	57,285	-
RSID 610	2017	2031	46,000	32,934	2,377	35,609	-
RSID 612	2020	2035	400,000	400,000	-	400,000	-
RSID 615	2020	2035	332,000	332,000	-	332,000	-
<b>TOTAL</b>			<b>\$ 9,742,000</b>	<b>\$ 5,613,695</b>	<b>\$ 147,600</b>	<b>\$ 6,086,587</b>	<b>\$ 73,856</b>

**GALLATIN COUNTY, STATE OF MONTANA  
DEMOGRAPHIC AND ECONOMIC ACTIVITY  
LAST TEN FISCAL YEARS**

**DEMOGRAPHIC ACTIVITY**

<b>FISCAL YEAR</b>	<b>ESTIMATED POPULATION (a)</b>	<b>BIRTHS (b)</b>	<b>DEATHS (b)</b>	<b>ESTIMATED PER CAPITA PERSONAL INCOME (e)</b>	<b>PERSONAL INCOME (e) (in thousands)</b>
2011	91,295	1,079	525	36,735	3,357
2012	92,506	1,117	479	35,293	3,225
2013	94,421	1,133	544	35,356	3,231
2014	97,029	1,305	504	38,079	3,480
2015	100,334	1,368	515	40,159	3,670
2016	104,072	1,391	592	40,237	3,677
2017	107,810	1,207	510	40,738	3,723
2018	111,548	1,261	566	51,220	4,680
2019	113,642	1,239	606	56,140	5,130
2020	115,433	1,201	635	58,068	5,306

**BUSINESS ACTIVITY**

<b>FISCAL YEAR</b>	<b>YELLOWSTONE PARK - RECREATION</b>	<b>BUILDING PERMITS (in thousands)</b>	<b>AIRLINE PASSENGERS (Deboardings)</b>	<b>ELECTRICAL CONNECTIONS</b>	<b>NATURAL GAS CONNECTIONS</b>
2011	3,394,326	144,000	398,288	530	259
2012	3,447,729	159,000	433,288	747	464
2013	3,188,030	201,000	442,120	994	678
2014	3,513,484	235,000	483,832	1,263	694
2015	4,097,710	216,000	509,423	1,438	891
2016	4,257,177	222,000	553,134	1,558	962
2017	4,116,524	315,000	599,176	1,631	1,051
2018	4,115,000	345,563	671,367	1,529	852
2019	4,020,288	331,206	788,154	1,535	923
2020	3,806,305	354,177	443,466	1,476	792

Source: irma.nps.gov

**SCHOOLS**

**EMPLOYMENT STATISTICS**

<b>FISCAL YEAR</b>	<b>PUBLIC SCHOOL ENROLLMENT</b>	<b>PRIVATE/HOME SCHOOL ENROLLMENT</b>	<b>UNIVERSITY ENROLLMENT</b>	<b>UNEMPLOYMENT</b>	
				<b>EMPLOYED</b>	<b>RATE</b>
2011	11,212	1,368	13,559	48,602	5.70%
2012	11,296	1,398	14,153	49,895	5.00%
2013	11,667	1,417	14,660	52,604	4.10%
2014	12,015	1,482	15,264	64,904	3.50%
2015	12,277	1,568	15,421	57,622	3.10%
2016	12,635	1,731	16,440	60,245	2.90%
2017	13,073	1,856	16,703	63,106	2.80%
2018	13,431	1,854	16,902	65,697	2.50%
2019	13,745	1,853	16,766	68,422	2.30%
2020	14,075	1,962	16,249	67,418	4.90%

Source: Financial Trend Analysis page 26.

**GALLATIN COUNTY, STATE OF MONTANA**  
**FULL-TIME EQUIVALENT COUNT GOVERNMENT EMPLOYEES BY FUNCTION / PROGRAM**

<b>FUNCTION / PROGRAM</b>	<b>2005</b>	<b>2010</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>GENERAL GOVERNMENT</b>								
Legislative services	-	5.00	4.00	4.50	4.52	4.50	4.50	4.77
Judicial services	5.00	34.57	34.90	35.40	35.90	36.88	30.38	37.81
Administrative services	39.00	21.75	22.15	23.15	21.90	22.78	22.68	25.13
Financial services	22.02	24.96	26.17	27.50	29.50	30.50	39.89	31.62
Election & record services	24.21	13.75	12.75	12.75	12.75	12.75	13.17	12.81
Planning services	16.00	7.75	8.15	9.07	9.65	9.90	2.75	9.90
Legal services	9.00	21.00	21.00	21.83	22.75	23.36	23.00	24.81
Other general government	18.38	2.57	-	1.00	1.00	1.00	1.00	1.00
<b>PUBLIC SAFETY</b>								
Law enforcement services	-	59.41	63.51	64.00	68.00	61.63	34.47	72.36
Detention services	50.14	30.43	53.50	53.83	55.50	65.25	67.75	68.36
Animal control	34.50	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Dispatch & Law records	1.00	30.00	32.75	32.50	33.50	35.25	37.00	38.17
Other public safety services	28.50	2.57	-	2.79	2.79	2.79	2.79	2.79
<b>PUBLIC WORKS</b>								
Bridge maintenance	-	7.36	7.41	7.41	7.06	7.06	7.06	6.76
Road and street maintenance	7.36	25.11	26.14	26.14	26.99	27.49	72.60	28.24
Facilities administration	24.85	3.12	6.74	6.74	6.74	7.00	-	7.81
Solid waste	3.65	20.50	18.00	18.00	19.00	19.00	57.26	20.03
Weed spraying services	8.50	2.25	2.75	2.75	2.75	2.75	-	2.75
<b>PUBLIC HEALTH</b>								
Health administration	-	3.83	3.00	3.00	4.25	4.50	1.00	5.54
Health environmental services	2.00	10.17	10.00	10.92	11.75	12.75	5.00	14.00
Health human services	11.00	16.80	21.40	24.30	26.87	28.60	8.56	28.42
Nursing home	18.68	102.90	107.68	98.88	85.28	73.09	-	76.41
<b>RECREATION AND OTHER</b>								
Extension	-	4.00	3.00	3.00	3.25	3.25	0.50	3.25
Fair	3.50	10.00	9.00	8.50	7.50	7.10	3.25	7.81
Parks	8.00	1.10	1.06	1.06	1.06	1.06	1.06	1.06
<b>TOTAL</b>	<b><u>335.29</u></b>	<b><u>461.89</u></b>	<b><u>496.06</u></b>	<b><u>500.02</u></b>	<b><u>501.26</u></b>	<b><u>501.24</u></b>	<b><u>436.68</u></b>	<b><u>532.61</u></b>

Source: Gallatin County Finance Office

**GALLATIN COUNTY, STATE OF MONTANA  
OPERATING INDICATORS BY FUNCTION / PROGRAM**

FUNCTION / PROGRAM	2005	2010	2015	2016	2017	2018	2019	2020
<b>GENERAL GOVERNMENT</b>								
Registered Voters	34,325		65,722	68,883	73,259	74,761	78,078	88,553
Property Transactions								
Filings with Clerk & Recorder	37,819	31,939	31,410	33,478	32,245	33,605	30,907	38,314
Deeds Recorded	7,579	4,275	6,184	6,414	6,627	6,500	6,054	6,230
Property Tax Information								
Real Taxes Billed	77,787,774	129,786,736	149,088,398	153,629,085	163,834,054	178,446,431	192,190,508	215,388,482
Real Taxes Collected - w/Delinquency	79,071,460	121,585,614	149,856,320	153,198,506	163,391,812	174,554,255	191,709,312	211,843,334
Real Taxes Protested			7,428	200,020	220,191	58,428	6,222	50,778
Total Outstanding			3,476,511	3,567,185	2,821,864	3,892,176	481,196	3,545,148
Number of Bills Sent			48,933	49,106	49,981	50,865	52,005	54,362
Redemption & Tax Deeds			1,627,040	1,392,296	1,317,292	753,782	693,840	667,556
Motor Vehicle - Titles Processed	32,868	26,000	32,030	37,907	37,036	37,072	39,019	35,835
Registrations Processed	83,998	72,000	88,445	90,114	70,373	71,854	83,349	84,294
Justice Court								
Cases Filed	11,414	9,917	8,054	8,260	7,472	7,931	8,225	7,513
Fines & Forfeitures	641,289	520,873	437,403	504,207	443,524	456,372		
Charges Filed		8,951	8,189	8,329	7,051	7,614	6,884	6,604
County Attorney								
Felonies	439	355	514	629	643	747	816	814
Involuntary Commitments	54	64	71	62	68	53	49	95
Juvenile Cases	77	149	156	146	176	58	78	86
<b>PUBLIC SAFETY</b>								
Sheriff								
Arrests			4,457	4,332	4,944	1,021	5,566	4,815
Prisoner Days	24,000	29,200	59,754	47,559	53,813	57,493	64,916	56,508
Average Daily Population -DC	61	80	159	147	154	153	178	154
Calls Dispatched	23,013	27,805	44,159	46,852	48,001	46,525	43,958	40,664
Citations			848	1,690	1,592	702	702	1,253
Dispatch / Fire								
Events Processed	N/A	N/A	106,930	111,877	117,823	140,424	129,659	121,684
Fire Dispatches	N/A	5,970	7,307	8,552	9,172	17,915	10,065	9,902
9-1-1 Calls Answered	77,950	94,256	29,721	25,666		18,599	25,628	30,392
<b>PUBLIC WORKS</b>								
Refuse Disposal								
Refuse disposed of	42,548	109,000	120,408	123,229	130,280	146,866	155,123	161,140
Recycling - (tons diverted)	901	500	3,207	3,148	2,890	3,013	3,051	3,242
Other Materials Diverted			7,717	8,855	9,872	9,840	11,456	10,773
Road / Bridge								
Road Resurfaced (miles)			-	4	-	6	6	2
Bridge Repairs / Replaced (hours)			763	2,151	707	785	2,428	1,283
Junk Vehicle Hauled	877	253	67	88	103	76	92	85
Noxious Weed spray (acres)	9,563		5,128	4,232	4,574	4,632	4,354	4,410
<b>PUBLIC HEALTH</b>								
Septic System Permits Issued	562	208	302	351	303	395	335	350
Licensed Establishment Inspections	984	1,657	1,637	1,502	1,474	1,502	1,485	1,004
Communicable Disease Cases		1,677	1,528	1,194	1,893	1,790	2,451	2,741
Immunizations Administered	7,319	7,233	7,616	9,095	7,483	7,449	5,646	5,202
<b>RECREATION AND OTHER</b>								
County Fair Attendees	41,470	39,492	27,000	39,015	43,073	44,335	37,590	-
Winterfest Attendees	9,000	10,149	1,576	-	-	-	-	-
4-H Participants	500	503	635	637	639	620	645	523

SINGLE AUDIT SECTION

GALLATIN COUNTY, STATE OF MONTANA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 June 30, 2020

Federal Grantor/Pass-Through	CFDA Number	Federal Expenditures	Awards to Subrecipients
<b>U.S. Department of Agriculture</b>			
<i>Passed through the State Department of Public Health and Human Services</i>			
Special Supplement Food Program - WIC BFPC 10/01/18-09/30/19	10.557	\$ 3,228	\$ -
Special Supplement Food Program - WIC 10/01/18-09/30/19	10.557	101,916	-
Special Supplement Food Program - WIC BFPC 10/01/19-09/30/20	10.557	9,563	-
Special Supplement Food Program - WIC 10/01/19-09/30/20	10.557	258,082	-
Total Passed through the State Department of Public Health and Human Services		<u>372,789</u>	<u>-</u>
<i>Passed through the U.S. Forest Service</i>			
Western States Wildland Urban Interface - DNRC - Big Sky Fuels Mitigation	10.664	160,405	-
Western States Wildland Urban Interface - DNRC - Livingston Fuels Mitigation	10.664	58,723	-
Total Passed through the U.S. Forest Service		<u>219,128</u>	<u>-</u>
<i>Passed through the State Department of Administration</i>			
Schools and Roads - Grants to State - Forest Reserve - <sup>4</sup>	10.665	170,207	-
Total Passed through the State Department of Administration		<u>170,207</u>	<u>-</u>
Total U.S. Department of Agriculture		<u>762,124</u>	<u>-</u>
<b>U.S. Department of Health and Human Services</b>			
<i>Passed through MT DPHHS to Yellowstone City/County Health Dept/Riverstone Health to Gallatin County</i>			
Ryan White Title III Part C Outpatient STD/HIV Early Intervention Services <sup>5</sup>	93.917	17,076	-
Total Passed through Yellowstone City/County Health Dept/Riverstone Health		<u>17,076</u>	<u>-</u>
<i>Passed through the State Department of Public Health and Human Services:</i>			
Immunization Cooperative Agreements - Immunization Action Plan - IAP	93.268	42,099	-
Linking Actions for Unmet Needs in Children's Health - LAUNCH <sup>9</sup>	93.243	224,034	154,247
Montana Cancer Control Programs - MCCP	93.898, 93.800, 93.435	100,800	-
Maternal & Child Health Services Block Grant - MCH	93.994	44,483	-
Maternal & Child Health Services Block Grant - MCH	93.994	64,822	-
Maternal, Infant & Early Childhood Home Visiting Infrastructure Development - MIECHV <sup>6</sup>	93.870	493,041	-
Public Health Emergency Preparedness - PHEP	93.069, 93.323, 93.354	184,468	-
Preventative Health and Health Services Block Grant - Public Health System Improvement (PHSI/Promotoras) <sup>8</sup>	93.991	7,500	-
Total Passed through the State Department of Public Health and Human Services		<u>1,161,247</u>	<u>154,247</u>

The notes to schedule of expenditures of federal awards are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
June 30, 2020

Federal Grantor/Pass-Through	CFDA Number	Federal Expenditures	Awards to Subrecipients
<b>U.S. Department of Health and Human Services (Continued)</b>			
<i>Direct Programs:</i>			
Rest Home Provider Relief Fund <sup>7</sup>	93.498	4,517	-
Total direct programs		<u>4,517</u>	-
<i>Passed through the University of Montana</i>			
MT Geriatric Education Center Grant	93.969	800	-
Total Passed through the University of Montana		<u>800</u>	-
Total U.S. Department of Public Health and Human Services		<u>1,183,640</u>	<u>154,247</u>
<b>U.S. Department of Homeland Security</b>			
<i>Passed through the Montana Disaster &amp; Emergency Services</i>			
Homeland Security Grant Program -High Flat 800 MHz Radio	97.067	271,273	-
Homeland Security Grant Program - Situational Awareness	97.067	66,345	-
Homeland Security Grant Program - Mass Casualty Incident Response	97.067	270,367	-
Federal Emergency Management Agency (FEMA) - Hazard Mitigation Plan	97.047	525	-
Emergency Management Performance Grant - Emergency Services	97.042	20,000	-
Emergency Management Performance Grant - Emergency Services	97.042	119,419	-
FEMA COVID-19 DR-MT 4508	97.036	95,479	-
Passed through the Montana Disaster & Emergency Services:		<u>843,408</u>	-
Total U.S. Department of Homeland Security		<u>843,408</u>	-
<b>U.S. Department of Justice</b>			
<i>Direct Programs:</i>			
Coronavirus Emergency Supplemental Funding Program	16.034	3,716	-
COPS II Hiring Grant	16.710	36,086	-
BJA Specialized Equipment Grant 2019-DJ-BX-0119	16.738	12,672	-
Total direct programs		<u>52,474</u>	-

The notes to schedule of expenditures of federal awards are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
June 30, 2020

Federal Grantor/Pass-Through	CFDA Number	Federal Expenditures	Awards to Subrecipients
<b>U.S. Department of Justice (Continued)</b>			
<i>Passed through the State Department of Justice - Montana Board of Crime Control:</i>			
Patrol Safety Program Grant	16.738	5,729	-
Edward Byrne Memorial Justice Assistance Grant - Missouri River Drug Task Force <sup>9</sup>	16.738	218,594	165,032
Operation Freedom from Fear	16.588	113,000	-
Crime Victim Assistance	16.575	194,691	-
Operation Freedom from Fear (VOCA Non-Compete Grant)	16.575	9,187	-
CIT Coordinator Program (MBCC pass through)	16.745	8,509	-
Total Passed through the State Department of Justice - Montana Board of Crime Control:		<u>549,710</u>	<u>165,032</u>
Total U.S. Department of Justice		<u>602,184</u>	<u>165,032</u>
<b>U.S. Department of Transportation</b>			
<i>Direct Programs:</i>			
MT Highway 64 -Rural Commuter Corridor Project	20.933	672,104	-
FAA - Pogreba Airport Improvements Design Phase I	20.106	100,131	-
Total direct programs		<u>772,235</u>	-
<i>Passed through the State Department of Transportation:</i>			
Montana Department of Transportation - Highway Traffic Safety STEP Overtime	20.600, 20.616	3,247	-
Montana Department of Transportation - Highway Traffic Safety STEP Overtime	20.600, 20.616	3,862	-
Total Passed through the State Department of Transportation:		<u>7,109</u>	-
Total U.S. Department of Transportation		<u>779,344</u>	-
<b>U.S. Election Assistance Commission</b>			
<i>Passed through the State Department of Secretary</i>			
2018 HAVA Election Security Funds	90.404	22,940	-
2020 HAVA CARES Act Grants	21.019	19,331	-
Total Passed Through the State Department of Secretary		<u>42,271</u>	-
Total U.S. Election Assistance Commission		<u>42,271</u>	-

The notes to schedule of expenditures of federal awards are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
 June 30, 2020

Federal Grantor/Pass-Through	CFDA Number	Federal Expenditures	Awards to Subrecipients
<b>U.S. Department of Treasury</b>			
<i>Passed through the State Department of Administration - Local Government Services:</i>			
Coronavirus Relief Funds <sup>8</sup>	21.019	5,418,150	1,515,908
MT Coronavirus Relief Funds Public Health Grant	21.019	<u>134,779</u>	<u>-</u>
Total passed through the State Department of Administration - Local Government Services		<u>5,552,929</u>	<u>1,515,908</u>
Total U.S. Department of Treasury		<u>5,552,929</u>	<u>1,515,908</u>
Total Federal Assistance		<u>\$ 9,765,900</u>	<u>\$ 1,835,187</u>

The notes to schedule of expenditures of federal awards are an integral part of this statement.

GALLATIN COUNTY, STATE OF MONTANA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
June 30, 2020

**NOTE 1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes federal award activity of the County under programs of the federal government for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The County has elected not to use the 10 percent minimis indirect cost rate in Sec. 200.414 Indirect Costs under Uniform Guidance.

**NOTE 3. INDIRECT COST RATE**

Gallatin County has elected not to use the 10-percent de minimis indirect cost rate in Sec. 200.414 Indirect Costs under the Uniform Guidance.

**NOTE 4. SCHOOLS AND ROADS - FOREST RESERVE**

\$170,207 was reported in the Road Fund and represents 66 2/3 percent of the total amount of \$255,311 received by the County. The remaining \$85,104, which represents 33 1/3 percent, was distributed directly to the countywide school levy funds as required by state statute.

**NOTE 5. PREVENTATIVE HEALTH AND HEALTH SERVICES BLOCK GRANT - PUBLIC HEALTH SYSTEM IMPROVEMENT (CHIP)**

PHSI, and Promotoras is split between two different funds (revenue & expenditures) – 2979 & 2968. Funds are paid as task orders are delivered.

GALLATIN COUNTY, STATE OF MONTANA  
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
 June 30, 2020

**NOTE 6. SUBRECIPIENTS**

Of the federal expenditures presented in the schedule, Gallatin County provided federal awards to the subrecipients as follows:

<u>Program</u>	<u>CDFA</u>	<u>Subrecipient</u>	<u>Amount</u>
LAUNCH FFY20 1902PROS0254	93.243	Child Care Connections, Inc.	\$ 79,251
LAUNCH FFY20 1902PROS0254	93.243	Community Health Partners	23,054
LAUNCH FFY20 1902PROS0254	93.243	Greater Gallatin United Way	11,750
LAUNCH FFY20 1902PROS0254	93.243	Park County Community Foundation	6,700
LAUNCH FFY20 1902PROS0254	93.243	Thrive	14,082
LAUNCH FFY20 1902PROS0254	93.243	Bozeman Health Foundation	19,410
Total LAUNCH program payments to subrecipients			<u>154,247</u>
DOJ Edward Byrne Memorial - Missouri River Drug Task Force	16.738	City of Bozeman	68,413
DOJ Edward Byrne Memorial - Missouri River Drug Task Force	16.738	City of Helena	28,210
DOJ Edward Byrne Memorial - Missouri River Drug Task Force	16.738	Lewis & Clark County SO	40,129
DOJ Edward Byrne Memorial - Missouri River Drug Task Force	16.738	Park County SO	28,280
Total DOJ Edward Byrne Memorial - Missouri River Drug Task Force program payments to subrecipients			<u>165,032</u>
Coronavirus Relief Funds	21.019	Big Sky Fire District	774,944
Coronavirus Relief Funds	21.019	Big Sky Resort Area District	46,355
Coronavirus Relief Funds	21.019	Big Sky Water Sewer District	7,121
Coronavirus Relief Funds	21.019	Central Valley Fire District	431,612
Coronavirus Relief Funds	21.019	Gallatin Valley Conservation District	205
Coronavirus Relief Funds	21.019	Hebgen Basin Fire District	158,014
Coronavirus Relief Funds	21.019	Hyalite Fire District	97,657
Total Coronavirus Relief Funds program payments to subrecipients			<u>1,515,908</u>
Total payments to subrecipients			<u>\$ 1,835,187</u>

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

To the Board of County Commissioners  
Gallatin County, State of Montana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Gallatin County, State of Montana (the County), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 1, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2020-001, 2020-002, and 2020-003 that we consider to be material weaknesses.



### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2020-002 and 2020-003.

### **Gallatin County's Response to Findings**

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Anderson Zurmuehlen + Co, P.C.*

Billings, Montana  
December 1, 2022

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
THE UNIFORM GUIDANCE

To the Board of County Commissioners  
Gallatin County, State of Montana

**Report on Compliance on Major Federal Program**

We have audited Gallatin County, State of Montana's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2020. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

***Opinion on Major Federal Program***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

**Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2020-003. Our opinion on the major federal program is not modified with respect to this matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**Report on Internal Control over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2020-001, 2020-002 and 2020-003 that we consider to be material weaknesses.



The County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Anderson Zurmuehlen + Co, P.C.*

Billings, Montana  
December 1, 2022

GALLATIN COUNTY, STATE OF MONTANA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 Fiscal Year Ended June 30, 2020

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	Yes
Significant deficiencies identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	Yes

**Federal Awards**

Internal control over major programs:	
Material weakness identified?	Yes
Significant deficiencies identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)	Yes

**Identification of Major Programs**

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
#21.019	Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Section II – Financial Statement Findings**

**#2020-001    *Cash Reconciliation***

*Criteria:*        Processes, systems, and controls should support the timely, accurate, and complete recording, reconciliation, and reporting of cash transactions and balances.

*Condition:*      The County's processes and systems for recording cash transactions are insufficient to ensure timely and accurate reconciling of cash transactions. The County's late reconciliation resulted in six post-close client adjustments that were not received until September 2022, after the majority of our audit work was concluded. Handwritten checks for tax refunds are not recorded in the general ledger so are not included in the cash reconciliation process.

*Context:*         The County has six deposit accounts in local banks, with balances totaling approximately \$21 million as of June 30, 2020.

*Effect:*           The County's reconciliation process resulted in six post-close adjustments which decreased the cash balance by approximately \$3 million. The County did not complete their reconciliation until September 2022.

*Cause:*            The County utilizes software to record cash receipts. This software is not utilized for reconciling cash balances. The County also enters all cash receipts into spreadsheets used to summarize cash position. The extensive use of spreadsheets in an entity's financial reporting process and control structure increases the risk of manual errors. Spreadsheets can be modified, may contain formula errors, lack an audit trail, and may not have adequate access controls. The process to ensure completeness of cash transactions is insufficient to meet the reporting objectives for cash. High volume, reliance on spreadsheets, complexity of transactions, existing systems, and heavy workload all contributed to difficulties in reconciling the cash balances between the bank accounts and the general ledger accounting records in a timely manner.

*Recommendation:*    The County should review the functionality of its software to determine if it is sufficient to support the financial reporting objectives related to reconciling cash. The system for recording and reconciling cash should be reviewed for efficiency to ensure that transactions can be recorded timely, and reviewed for

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Section II – Financial Statement Findings (Continued)**

**#2020-001 Cash Reconciliation (Continued)**

completeness and accuracy at the end of the reporting period. All cash disbursements and receipts, including hand written checks, should be recorded in the general ledger and included in the reconciliation process.

**#2020-002 Financial Reporting**

*Criteria:* The financial statements should be complete and accurate in all material aspects. Montana Code Annotated (MCA) 7-6-611 requires that the audit report be submitted to the Local Government Services Bureau within 12 months of the end of the audited period.

*Condition:* The audit report was not completed until approximately 24 months after the end of the audited period. There was one material audit adjustment related to the accrual of payroll and client prepared adjustments to reconcile cash that were completed late in 2022.

*Context:* The late audit applies to the entire set of financial statements. Closing and audit adjustments were not completed until fall of 2022. This is not timely reconciliation of the general ledger which should be done throughout the year and no later than a few months after year end.

*Effect:* The late audit submissions caused the County to be out of compliance with MCA 2-7-503 and MCA 7-6-611. Cash and accrued payroll payable were understated by \$1,594,721 across all of the funds.

*Cause:* The County's conversion to its new accounting system caused delays in being able to complete the audit in a timely manner and created errors in the cash and payroll accounting process. The finding identified above (#2020-001) related to the reconciliation of cash also caused the filing of the late audit submission.

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Section II – Financial Statement Findings (Continued)**

**#2020-002    *Financial Reporting (Continued)***

*Recommendation:*    We recommend that year-end audit documentation be reviewed and reconciled to the general ledger prior to being submitted to the auditors. These procedures should make it so that the audit report is able to be submitted within the 12 month deadline. We recommend that the County implement procedures to ensure that the general ledger is complete and accurate through proper review and reconciliation of year-end journal entries and account balances.

**Section III – Federal Awards Findings**

**#2020-003    *Late Submission of the Single Audit Reporting Package and Data Collection Form to the Federal Audit Clearinghouse (“FAC”)***

*Criteria:*            Under Uniform Guidance (2 CFR section 200.512), the single audit reporting package and data collection form should be submitted to the FAC thirty days after receipt of the auditor’s report, or 9 months after the end of the fiscal year, whichever comes first.

*Condition:*            Submission of the single audit reporting package and data collection form was not performed within the timeframe required under the Uniform Guidance. Major programs affected by the late filing are as follows:

United States Department of Treasury passed through Montana State Department of Administration: #21.019 – Coronavirus Relief Funds (the County’s award date is March 12, 2020).

*Context:*            The audit report was not completed until approximately 24 months after the end of the audited period, causing a late submission of the single audit reporting package and data collection form. We noted that the single audit reporting package and data collection form for the fiscal year ended June 30, 2020 is required to be submitted to the FAC in March 2021.

*Effect:*            Late filing will result in noncompliance for timely submission of financial information to granting agencies.

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Section III – Federal Awards Findings (Continued)**

**#2020-003    *Late Submission of the Single Audit Reporting Package and Data Collection Form to the Federal Audit Clearinghouse (“FAC”) (Continued)***

*Cause:*            Management did not have adequate procedures in place to ensure the timely filing of the single audit reporting package and data collection form to the FAC

*Recommendation:*    We recommend that the County implement procedures to ensure that the general ledger is complete and accurate through proper review and reconciliation of year-end journal entries and account balances. We also recommend that year-end audit documentation be reviewed and reconciled to the general ledger prior to being submitted to the auditors. These procedures should make it so that the single audit reporting package and data collection form is able to be submitted in a timely manner.

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Section IV – Gallatin County’s Response to Findings**

**#2020-001    *Cash Reconciliation***

*Response:*    The Gallatin County Board of Commissioners passed resolution 2021-050 on May 4th, 2021. This resolution delegated certain financial duties of the Gallatin County Treasurer to the Board of Gallatin County Commissioners. The duties were then assigned by the Commission to the Finance Department. The duties included, but were not limited to, managing the County’s bank accounts, investments, debt, and the cash reconciliation process. To manage the new duties, a new Revenue activity was established in the Finance Department and was staffed with an Accounting Manager, Accounting Technician and an Accounting Tech. Throughout the transition, the Finance Department worked to improve the cash reconciliation process and worked with the internal Auditor to review the new processes for internal control and accuracy. Since the transition, the Finance Department has identified the source of the cash reconciliation issue that resulted in an unmodified opinion from our external auditors for FY 2019, completed the cash reconciliation for the FY 2020 audit and has made improvements that will help the County to become timelier with our financial reporting.

The Finance Department has also established a process for recording tax overpayments and issuing refunds checks through our financial accounting software, following all the procedures in place for regular warrants of the County and ensuring strong internal controls. This process will be implemented in January of 2023.

**#2020-002    *Cash Reconciliation***

*Response:*    Gallatin County is committed to excellence in financial reporting. The transition to new financial accounting software in November 2018 was part of that commitment and was intended to move our financial practices and procedures forward. While this was accomplished in several ways, the implementation issues experienced were far more disruptive than anticipated. The largest impact was on our ability to integrate the Treasurer’s Office system with the new software. This limited functionality in both systems, forced manual completion of previously automated processes and increased workloads in both the Treasurer’s Office and the Finance Department until the integration issues could be resolved. Through commitment from both teams, solutions were found to resolve the integration issues.

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Section IV – Gallatin County’s Response to Findings (Continued)**

**#2020-002    *Cash Reconciliation (Continued)***

*Response*

*(Continued):* With the implementation issues resolved, Gallatin County is now working towards meeting deadlines for financial reporting. We have entered into a contract with Denning Downey and Associates to assist with the completion of the FY 2021 audit by March, 2023 and completion of the FY 2022 audit by July of 2024. That will put the County on track to issue the FY 2023 audit in a timely manner.

**#2020-003    *Late Submission of the Single Audit Reporting Package and Data Collection Form to the Federal Audit Clearinghouse (“FAC”)***

*Response:*

The transition to new financial accounting software did not affect the County’s ability to track and reconcile grants in any significant way. Unfortunately, the delays in completing the remainder of the annual financial report impacted our ability to submit the single audit reporting package and data collection form to the Federal Audit Clearinghouse.

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Section V – Status of Prior Audit Findings**

**#2019-001    *Cash Reconciliation***

*Summary:*    The County's processes and systems for recording cash transactions are insufficient to ensure timely and accurate reconciling of cash transactions. The County was unable to reconcile its cash balances between the Treasurer's office and the general ledger accounting records. We recommend that the County review the functionality of its cash receipts software to determine if it is sufficient to support the financial reporting objectives related to cash. The system for recording and reconciling cash should be reviewed for efficiency to ensure that transactions can be recorded timely, and reviewed for completeness at the end of the reporting period.

*Status:*    See current year finding #2020-001.

**#2019-002    *Financial Reporting***

*Summary:*    There was one material adjustment related to the accrual of payroll for the pay period ended June 30, 2019, which was paid on July 15, 2019. The payroll was treated as if it had been paid as of June 30, 2019 in the general ledger. The audit report was not completed until approximately 24 months after the end of the audited period. We recommend that the County implement procedures to ensure that the general ledger is complete and accurate through proper review and reconciliation of year-end journal entries and account balances. We also recommend that year-end audit documentation be reviewed and reconciled to the general ledger prior to being submitted to the auditors. These procedures should make it so that the audit report is able to be submitted within the 12 month deadline.

*Status:*    See current year finding #2020-002.

GALLATIN COUNTY, STATE OF MONTANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Fiscal Year Ended June 30, 2020

**Section V – Status of Prior Audit Findings (Continued)**

**#2019-003    *Late Submission of the Single Audit Reporting Package and Data Collection Form to the Federal Audit Clearinghouse (“FAC”)***

*Summary:*        Submission of the single audit reporting package and data collection form was not performed within the timeframe required under the Uniform Guidance. The audit report was not completed until approximately 24 months after the end of the audited period, causing a late submission of the single audit reporting package and data collection form. We recommend that the County implement procedures to ensure that the general ledger is complete and accurate through proper review and reconciliation of year-end journal entries and account balances. We also recommend that year-end audit documentation be reviewed and reconciled to the general ledger prior to being submitted to the auditors. These procedures should make it so that the single audit reporting package and data collection form is able to be submitted in a timely manner.

*Status:*         See current year finding #2020-003.



**azworld.com**

MEMBER: AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS