

GALLATIN COUNTY, MONTANA

Fiscal Year Ended June 30, 2022

AUDIT REPORT

Denning, Downey & Associates, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

GALLATIN COUNTY, MONTANA

Fiscal Year Ended June 30, 2022

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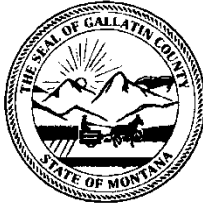
GALLATIN COUNTY, MONTANA

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INTRODUCTORY SECTION



County of Gallatin

311 W. Main, Courthouse • Bozeman, Montana 59715

August 15, 2023

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, 2022.

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 Denning, Downey & Associates, 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, 2022, 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 unqualified 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, 2022. 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 120,281. 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 early-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 4.65% percent per year since 2013. The largest growth in property tax revenues occurred in FY 2022 with the collection of delinquent taxes from FY 2021 that were a result of the economic impact of the COVID19 pandemic, and the lowest change being -5.92% in FY 2021. The tax increase for FY 2022 is 9.89%.

The County has seen unemployment drop from a high of 5.00% in 2012 to a low of 1.9% in 2022. The County's unemployment rate is lower than the State's rate of 2.8 percent, and the national rate of 3.6 percent. 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 and there are still a high number of jobs that are not currently filled in 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). Each department is asked to identify and prioritize future needs along with identifying any potential funding for the request. The capital requests are reviewed and analyzed by staff who then present the requests 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 \$1,210,595 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 tax year 2021 real property tax collections for FY22 were 98.35% of the current levy. The total tax collections were 101.71% of the total taxes levied in FY22. 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 Finance Department, with investment committee support. The County formally adopted an investment policy established by the Finance Department 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 15 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. An additional ballot measure was passed to increase mills for Search and Rescue from 1 to 3.


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. A third ballot issue for \$29 million to construct a courts building was submitted to the voters and was approved in November of 2021. The bonds will be issued in FY 2023.

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 unfailing 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

GALLATIN COUNTY, MONTANA

ORGANIZATION

Fiscal Year Ended June 30, 2022

BOARD OF COUNTY COMMISSIONERS

Joe P. Skinner	Chairperson
Scott MacFarlane	Commissioner
Zach Brown	Commissioner

COUNTY OFFICIALS

Justine Swanson	Chief Financial Officer
Marty Lambert	Attorney
Erin Cox	Auditor
Jennifer Blossom	Treasurer
Eric Semerad	Clerk & Recorder
Matthew Henry	Superintendent of Schools
Dan Springer	Sheriff
Judge Peter Ohman	District Court Judge Dept. 1
Rienne H. McElyea	District Court Judge Dept. 2
John C. Brown	District Court Judge Dept. 3
Andrew Breuner	District Court Judge Dept. 4

FINANCIAL SECTION

Denning, Downey & Associates, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

1740 U.S. Hwy 93 South, P.O. Box 1957, Kalispell, MT 59903-1957

INDEPENDENT AUDITOR'S REPORT

County Commissioners
Gallatin County
Bozeman, Montana

Opinions

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, Montana as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Gallatin County, Montana basic financial statements as listed in the table of contents.

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 Gallatin County, Montana, as of June 30, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibility under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Gallatin County, Montana, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 1 to the financial statements, in 2022, Gallatin County adopted new accounting guidance, GASB No. 87 Leases is effective for years beginning after December 15, 2019 (revised to year beginning after June 15, 2021, per GASB Statement No. 95). Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Gallatin County, Montana's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently know information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Gallatin County, Montana's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Gallatin County, Montana's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, Budgetary Comparison Information, Schedule of Changes in the Total OPEB Liability and Related Ratios, Schedules of Proportionate Share of the Net Pension Liability and the Schedule of Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 content. 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Gallatin County, Montana's basic financial statements. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basis financial statements. The 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 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, other supplementary information, including the combining fund statements, and statistical section, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report August 15, 2023, on our consideration of Gallatin County, Montana'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 solely 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 the effectiveness of Gallatin County, Montana's internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Gallatin County, Montana's internal control over financial reporting and compliance.

Denning, Downey and Associates, CPA's, P.C.

August 15, 2023

Gallatin County, State of Montana
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022

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, 2022. 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, 2022, Gallatin County's governmental funds reported combined ending fund balances of \$80,468,024 compared with \$64,835,050 at June 30, 2021. The fund balance for the General Fund is \$15,054,936, up \$1.1M from June 30, 2021 after restatements. The increase is attributed to revenue increases associated with land use.
- 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, 2022 by \$216.4 million (net position), compared with \$191.0 million at June 30, 2021. Of this amount, \$28.3 million (13.10%) is unrestricted and may be used to meet the government's general obligations to citizens and creditors.
- The total net position increased by \$25.4 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 \$55,392,378 for governmental funds, up \$5,264,517 from fiscal year 2021. This increase primarily comes from an increase in valuations associated with new construction and increases in mill levies as allowed by law.
- The County's debt (excluding OPEB and Pension liability) for Governmental Activity decreased by \$3,377,721 to \$32,373,178 with Business-Type Activity debt increasing \$252,393 to \$3,589,950. and total debt decreasing by \$3,125,328 during FY 2022 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
Fiscal Year Ended June 30, 2022

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 2022.

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
Fiscal Year Ended June 30, 2022

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 88 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.

**Gallatin County, State of Montana
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022**

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

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, Innovation & 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, Operations & 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.

Gallatin County, State of Montana
Management's Discussion and Analysis
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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 principal revenue source for landfill, refuse and rest home services.

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 \$216,430,409 as of June 30, 2022.

Gallatin County, State of Montana Statement of Net Position June 30, 2022						
	Primary Government - FY 2022			Prior Years		
	Governmental Activities	Business - Type Activities	TOTAL	FY 21 TOTAL	FY 20 TOTAL	FY 19 TOTAL
ASSETS						
Cash & Cash Equivalents	109,045,823	22,120,201	131,166,024	112,877,039	91,068,484	84,218,291
Other Assets	11,521,661	4,609,636	16,131,297	15,337,111	18,004,999	10,258,177
Capital Assets (net)	146,224,501	12,097,979	158,322,480	156,713,735	149,877,537	149,921,010
Total Assets	266,791,985	38,827,816	305,619,801	284,927,885	258,951,020	244,397,478
DEFERRED OUTFLOWS OF RESOURCES						
Total deferred outflows of resources	9,259,524	838,217	10,097,741	11,853,175	9,808,905	11,631,621
LIABILITIES						
Current Liabilities	13,918,146	1,240,744	15,158,890	26,525,980	12,768,172	10,976,577
Long-Term Liabilities	36,784,898	3,433,013	40,217,911	34,113,885	38,687,017	41,785,226
OPEB and Pension Liabilities	25,014,256	3,069,653	28,083,909	41,459,764	31,523,988	29,835,702
Total Liabilities	75,717,300	7,743,410	83,460,710	102,099,629	82,979,177	82,597,505
DEFERRED INFLOWS OF RESOURCES						
Pension Deferrals	10,860,020	-	10,860,020	2,452,739	5,864,565	9,048,659
OPEB Health Benefit Assump. Chngs.	1,442,151	1,087,869	2,530,020	979,207	1,124,027	293,189
Other Deferrals	269,360	238,836	508,196			
Lease Deferrals	1,928,187	-	1,928,187	267,482	-	-
Total Deferred Inflows of Resources	14,499,718	1,326,705	15,826,423	3,699,428	6,988,592	9,341,848
NET POSITION						
Net Investment in Capital Assets	118,199,112	12,097,979	130,297,091	123,863,928	114,893,309	111,047,509
Restricted	54,455,996	3,350,885	57,806,881	54,687,518	24,870,420	21,975,018
Unrestricted	13,179,383	15,147,054	28,326,437	12,430,557	39,028,427	31,067,219
Total Net Position	185,834,491	30,595,918	216,430,409	190,982,003	178,792,156	164,089,746

Gallatin County, State of Montana
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022

The County provided condensed financial information for fiscal years 2019 through 2022. Comparative information is available for years 2019, 2020, 2021 and 2022 for Gallatin County. The analysis that follows focuses on the County's Net Position for governmental and business activities. Net Position– Unrestricted increased by \$15.9M. 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 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)	164,089,746
Fiscal Year 2020 (June 30, 2020)	178,792,156
Fiscal Year 2021 (June 30, 2021)	190,982,003
Fiscal Year 2022 (June 30, 2022)	216,430,409

Net Position is separated 60.2% Invested in Capital Assets, 31.1% Restricted, and 15.3% 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 for the government as a whole, and all three categories for its separate governmental and business-type activities.

The County's changes in net position are shown in the following table. The report shows that primary governmental activities increased net position to \$185,834,491. The Business-Type Activities portion shows an increase in net position to \$30,595,918 an increase of \$1,265,621.

Gallatin County, State of Montana						
Statement of Activities						
	For the Year Ended June 30, 2022			For the Year Ended June 30, 2021		
	Net (Expenses) Revenues and			Net (Expenses) Revenues and		
	Changes in Net Position			Changes in Net Position		
	Primary Government - FY 2022			Primary Government - FY 2021		
	Governmental	Business - Type		Governmental	Business - Type	
	Activities	Activities	TOTAL	Activities	Activities	TOTAL
Primary government net revenues	(32,822,653)	14,995	(32,807,658)	(41,314,843)	519,000	(40,795,843)
General revenues						
Property taxes for general purposes	\$ 45,531,650	\$ 1,623,190	\$ 47,154,840	\$ 41,434,895	\$ 1,958,991	\$ 43,393,886
Unrestricted grants and contributions	974,198	-	974,198	295,681	-	295,681
Investment Earnings	(895,382)	(374,330)	(1,269,712)	381,771	(33,389)	348,382
Miscellaneous	10,512,787	38,412	10,551,199	11,179,848	179,395	11,359,243
Gain (loss) on sale/disposal of fixed as	(156,455)	(31,646)	(188,101)	(520,530)	-	(520,530)
Transfer - net:	5,000	(5,000)	-	(2,519)	2,519	-
Total general revenues	55,971,798	1,250,626	57,222,424	52,769,146	2,107,516	54,876,662
Change in net position	23,149,145	1,265,621	24,414,766	11,454,303	2,626,516	14,080,819
Net position - beginning	161,651,706	29,330,297	190,982,003	152,088,455	26,703,781	178,792,236
Restatement	1,033,640	-	1,033,640	(1,891,052)	-	(1,891,052)
Net position - ending	185,834,491	30,595,918	216,430,409	161,651,706	29,330,297	190,982,003

**Gallatin County, State of Montana
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022**

Government Activities

Gallatin County spent \$66,227,621 for governmental activities in fiscal year 2022. Significant events affecting Governmental activities are as follows:

- Governmental Activity decreased due to personnel vacancies associated with General Government wages in FY 2022.
- Total Governmental expenses decreased overall by 6.0% or \$4,227,391.

The following statement shows the amount paid by property taxpayers was \$45,531,650 or 68.75% 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>
2022	\$45,531,650	\$66,227,621	68.75%
2021	41,434,895	\$70,455,012	58.81%
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%

Charges for Services accounted for \$12,052,769 (18.20%) of fiscal year 2022 Governmental Activity expenses. Operating Grants & Contributions and Capital Grants and Contributions (Intergovernmental Revenues) generated \$21,352,199, accounting for 32.04% of expenses. Other Revenue sources generated the balance of money needed.

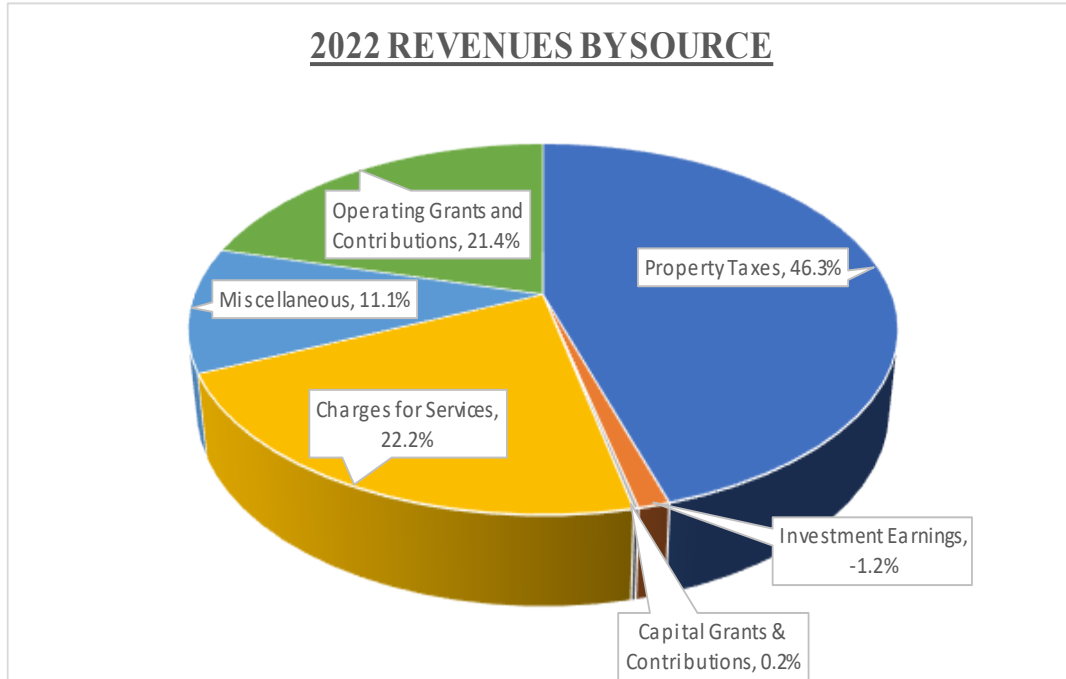
Overall, governmental program revenues, both primary government and business-type activity, generated \$22,653,296 from charges for services, while operating grants and contributions and capital grants and contributions equaled \$22,071,968. Because total primary government expenses were \$77,532,922, Program Revenues were \$32,822,635 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.

Graph of Revenues by Source – Activities

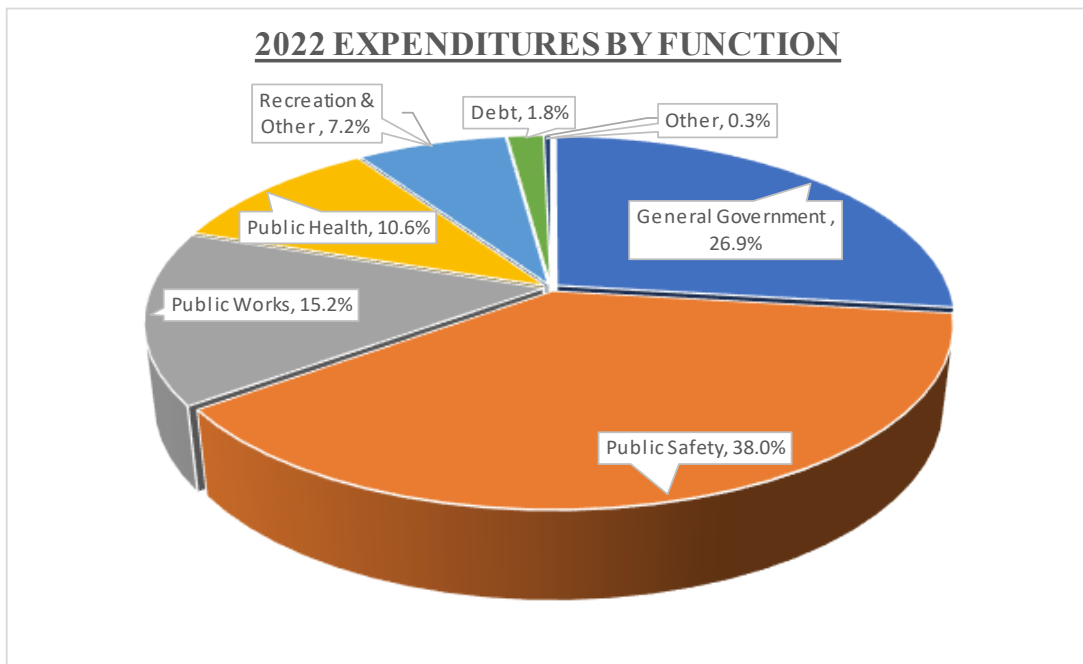
Gallatin County received \$101,947,688 in revenues to finance primary governmental operations. Total expenses for primary governmental activities were \$77,532,922 which resulted in a net position increase of \$24,414,766 before restatements.

**Gallatin County, State of Montana
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022**

After all activities are considered, net position increased from \$190,982,003 to \$216,430,409 for governmental activities and business type activities. The graphs that follow show revenues by source and expenditures by activity for all activities.

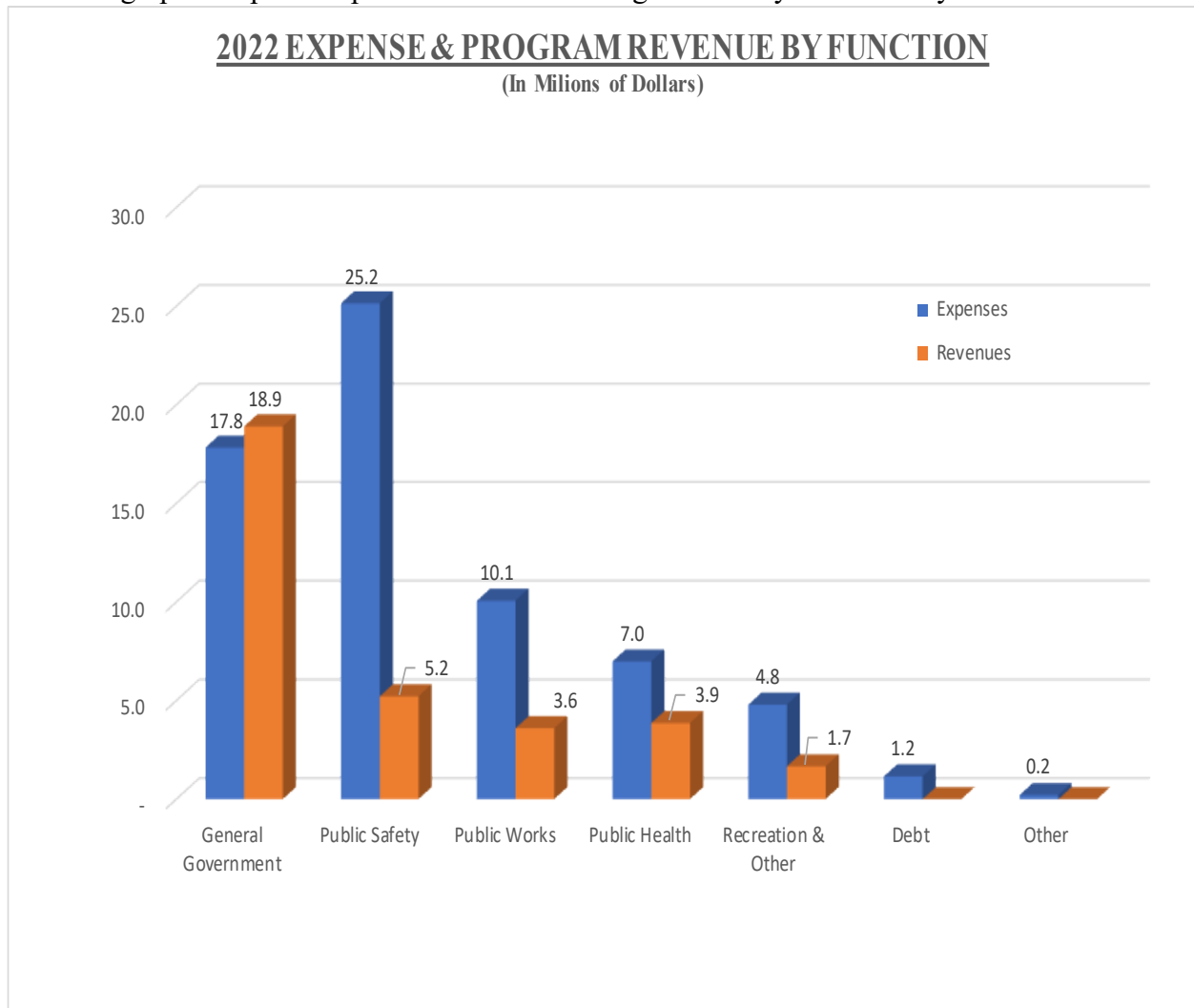


A list of departments included in each function section of the following pie chart is included later in the document.



**Gallatin County, State of Montana
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022**

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. The exception for FY 2022 is the General Government function, in which the County saw substantial increases in land use fees.

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:

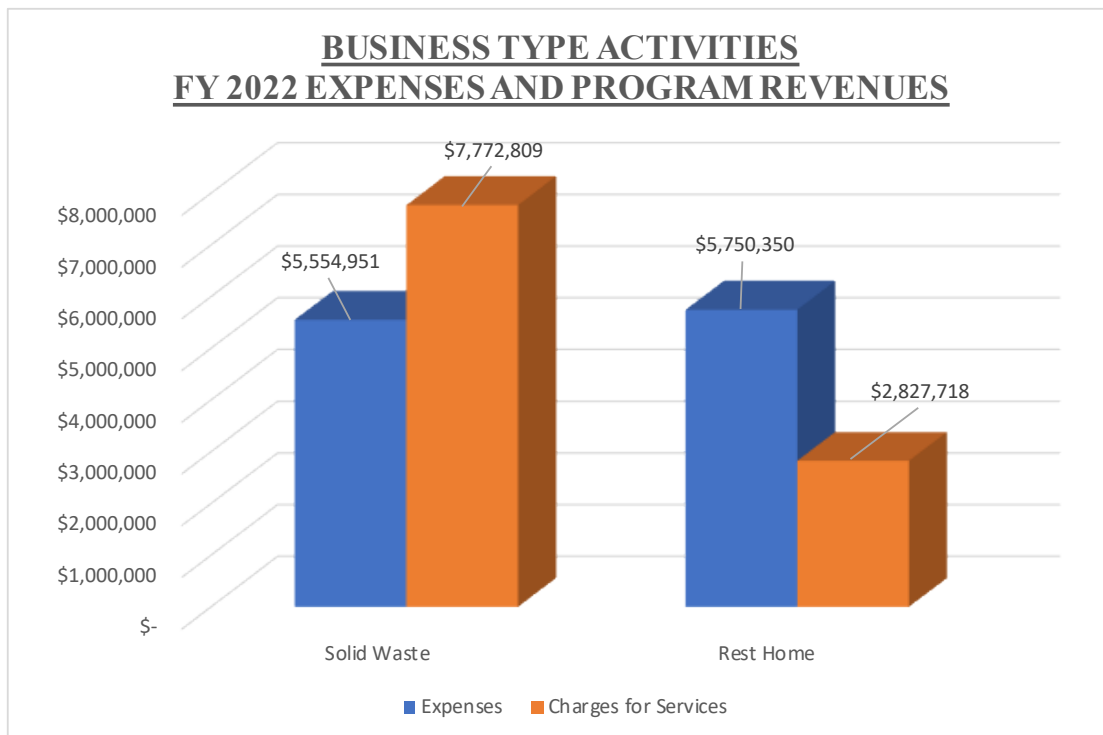
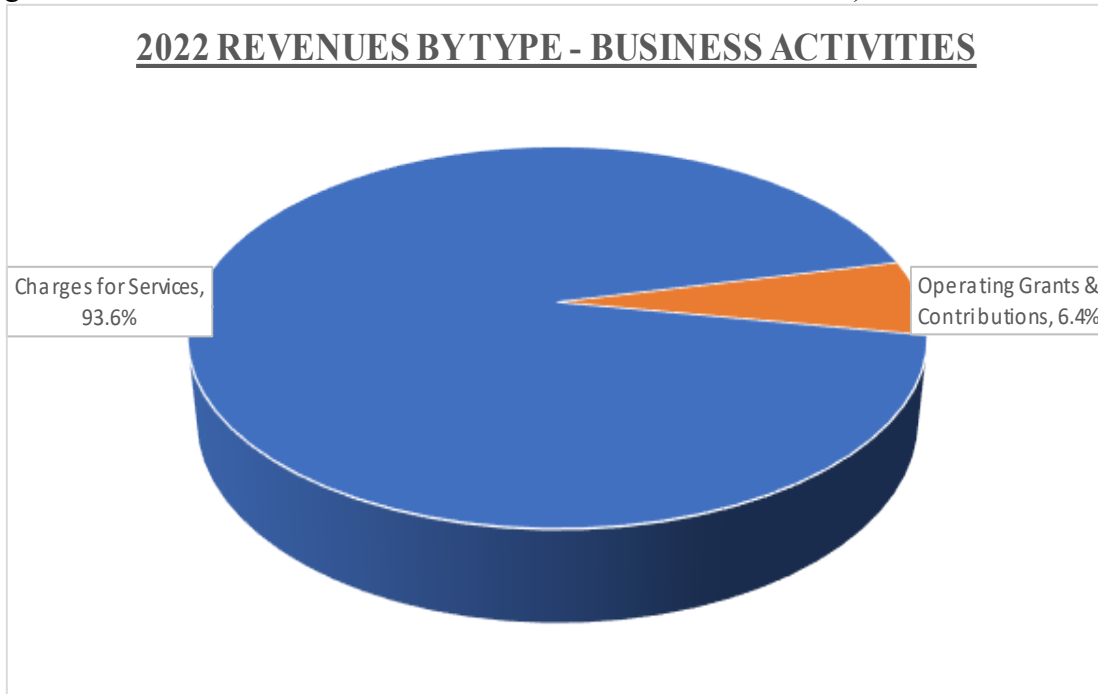
- 1) Receive authorization from the state legislature to increase local government's ability to charge the true cost of services, or authorize changes in current methods of funding local government (local option taxes).
- 2) Increase taxes - County Commission would need to use current taxing authority (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
Fiscal Year Ended June 30, 2022**

Business Type Activities

The cost (expenses) for all proprietary (business type) activities for FY 2022 was \$11,305,301. The amount paid by users of the Rest Home, Landfill and Refuse District was \$10,600,527.

Total resources for fiscal year 2022 to finance proprietary funds (business type) were \$11,320,296 (Charges for Services \$10,600,527 and Grants / Contributions \$719,769).



**Gallatin County, State of Montana
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022**

Funds of the County

The following is an analysis of balances in the County's major funds. The FY 2021 column is for comparison purposes only and shows prior year revenues and expenses.

General Major Governmental Functions

The information below compares revenues in FY 2022 to FY 2021:

	GENERAL	RID MAINTENANCE	PUBLIC SAFETY FUND	FEDERAL GRANT	RID DEBT SERVICE	CAPITAL PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	FY 2021 TOTAL
REVENUES									
Property Taxes	\$ 10,387,051	\$ 2,090,676	\$ 19,481,180	\$ -	\$ 821,183	\$ 4,157,395	\$ 18,454,893	\$ 55,392,378	\$ 50,127,861
Licenses & Permits	725	-	34,210	-	-	-	360,962	395,897	470,901
Intergovernmental Revenues	13,812,831	-	1,058,944	1,647,728	-	208,364	7,590,812	24,318,679	20,527,700
Charges for Services	3,489,901	-	2,323,405	-	-	401,090	2,540,439	8,754,835	8,638,098
Fines & Forfeitures	499,744	-	44,389	-	-	-	31,291	575,424	575,665
Miscellaneous	157,936	-	67,901	-	-	24,509	1,076,312	1,326,658	1,650,053
Investment Earnings (loss)	(46,439)	(508,750)	(202,433)	44,845	(1,354)	(269,048)	77,207	(905,972)	388,468
Total revenues	\$ 28,301,749	\$ 1,581,926	\$ 22,807,596	\$ 1,692,573	\$ 819,829	\$ 4,522,310	\$ 30,131,916	\$ 89,857,899	\$ 82,378,746

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

	GENERAL	RID MAINTENANCE	PUBLIC SAFETY FUND	FEDERAL GRANT	RID DEBT SERVICE	COUNTY BUILDING CAP PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	FY 2021 TOTAL
EXPENDITURES									
Current:									
General Government	\$ 14,140,528	\$ -	\$ -	\$ 979,377	\$ -	\$ 215,792	\$ 605,072	\$ 15,940,769	13,802,205
Public Safety	1,393,215	-	21,376,831	-	-	-	1,760,643	24,530,689	24,561,455
Public Works	460,743	1,874,201	-	331,143	-	-	5,237,821	7,903,908	7,414,105
Public Health	-	-	-	337,209	-	-	6,628,220	6,965,429	5,169,740
Social & Economic Services	624,495	-	-	-	-	-	-	624,495	571,366
Culture & Recreation	-	-	-	-	-	-	3,182,010	3,182,010	2,857,953
Housing & Community Development	-	-	-	-	-	-	302,556	302,556	184,174
Conservation of Natural Resources	-	-	-	-	-	-	449,651	449,651	273,006
Principal retirement	496,346	-	-	-	485,667	-	2,730,000	3,712,013	4,544,493
Miscellaneous	30,045	-	-	-	265,675	-	867,463	1,163,183	-
Interest	216,730	-	-	-	-	-	3,548	220,278	1,460,391
Capital Outlay	400,552	-	866,356	-	-	3,721,279	2,376,172	7,364,359	5,979,512
Leased Capital Outlay	1,362,600	-	-	-	-	-	-	1,362,600	-
Total expenditures	\$ 19,125,254	\$ 1,874,201	\$ 22,243,187	\$ 1,647,729	\$ 751,342	\$ 3,937,071	\$ 24,143,156	\$ 73,721,940	\$ 66,818,400

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 West Yellowstone/Hebgen 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
Management's Discussion and Analysis
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Gallatin County, State of Montana
Summarized Comparative Schedule of Proprietary Funds
For the Year Ended June 30, 2022

	For the Year Ended June 30, 2022				For the Year Ended June 30, 2021			
			West	Total			West	Total
	Gallatin County Rest Home	Gallatin County Landfill	Yellowstone Refuse District	Proprietary Funds	Gallatin County Rest Home	Gallatin County Landfill	Yellowstone Refuse District	Proprietary Funds
Operating Revenues	2,837,261	7,100,181	701,496	10,638,938	5,055,439	6,788,076	622,072	12,465,587
Operating Expenses	5,750,350	4,592,854	962,097	11,305,301	6,897,020	4,326,329	1,075,475	12,298,824
Operating income (loss)	(2,913,089)	2,507,327	(260,601)	(666,363)	(1,841,581)	2,461,747	(453,403)	166,763
Nonoperating Revenues (Expenses)	2,260,619	(287,604)	(4,385)	1,968,630	2,412,712	30,673	13,849	2,457,234
Transfers In (Out)	-	(5,000)	-	(5,000)	-	2,519	-	2,519
Loss sale of capital assets	(6,696)	(24,950)	-	(31,646)	-	-	-	-
Change in net position	(659,166)	2,189,773	(264,986)	1,265,621	571,131	2,494,939	(439,554)	2,626,516
Total net position - beginning	(167,121)	26,646,055	2,851,363	29,330,297	(738,252)	24,151,116	3,290,917	26,703,781
Rstatement due to OPEB					-	-	-	-
Total net position - ending	\$ (826,287)	\$ 28,835,828	\$ 2,586,377	\$ 30,595,918	\$ (167,121)	\$ 26,646,055	\$ 2,851,363	\$ 29,330,297

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
	<u>FY 18</u>	<u>FY 19</u>	<u>FY 20</u>	<u>FY 21</u>	<u>FY 22</u>
Total Assets	30,139,445	32,313,787	34,795,252	39,391,180	39,666,033
Net Position	<u>21,993,071</u>	<u>24,694,381</u>	<u>26,703,781</u>	<u>29,330,297</u>	<u>30,595,918</u>
TOTAL					
LIABILITIES/DEFERS	8,146,374	8,419,725	8,091,471	10,060,883	9,070,115
Change in Net Position – Business Activities	812,809	2,701,310	2,009,400	2,626,516	1,265,621
(DIVIDED BY)					
Ending Net Position	21,993,071	24,694,381	26,703,781	29,330,297	30,595,918
(EQUALS)					
Return On Ending Net Position	3.70%	10.94%	7.52%	8.95%	4.13%

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, but ratings were restored in May 2023.

Gallatin County, State of Montana
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022

As a whole, Governmental Activities debt decreased in fiscal year 2022 by \$3,377,721 because of regular payments on bonds, capital leases, and RID bonds. The cost per capita for governmental debt outstanding decreased to \$269.15 in fiscal year 2022 (\$32,373,278 divided by estimated population of 120,281). Governmental activity debt summary for fiscal year 2022 is presented below.

	----- PRIOR YEARS -----			CURRENT	
	FY 18	FY 19	FY 20	FY 21	FY 22
DEBT PAYABLE ON (June 30)					
BEGINNING BALANCE	52,218,388	48,465,191	43,659,294	39,881,024	35,750,999
ADD: InterCap Loan / Notes/Bonds	-0-	-0-	-0-	-0-	-0-
Special Assessment Bonds	-0-	-0-	732,000	-0-	-0-
G. O Bonds	-0-	-0-	-0-	-0-	-0-
Bond Premiums	-0-	-0-	-0-	-0-	-0-
Compensated Absences (INC)	200,475	205,289	407,840	-0-	251,168
Leases	186,489	-0-	-0-	-0-	1,362,600
LESS: Loan/Lease Payments	394,173	1,219,489	631,841	157,817	241,346
Special Assessment Payments	487,735	4429,695	932,653	461,995	485,667
Compensated Absence (DEC)	-0-	-0-	157,955	34,552	-0-
G.O. Payment/Refinancing	2,891,250	2,995,000	2,980,000	3,120,000	2,985,000
Bond Premiums	367,004	367,002	285,661	285,661	285,661
Capital Lease Restatements	-0-	-0-	-0-	-0-	993,915
DEBT PAYABLE (June 30)	48,465,190	43,659,294	39,811,024	35,750,999	32,373,178
Cost Per Capita	\$ 449.50	\$ 391.87	\$ 344.88	\$ 304.87	\$ 269.15

Debt includes compensated absences (amount due to employees for accrued leave, including 1/4 sick leave, all vacation and compensatory time) of \$3,152,360 up \$251,168 from FY 2021. The increase represents a change of 8.7%. Debt does not include Governmental Activities Other Post-Employment Benefits (OPEB) of \$3,681,784.

The County, by statute, can have debt of 2.50% of Assessed Valuation. For fiscal year 2022 this equals \$712,999,181. County debt of \$27,707,243 (\$32,373,278 less Special Assessment Bonds (RID) \$4,666,035) means the County has used 3.89% of its borrowing capacity through fiscal year 2022, with unused borrowing capacity being \$685,291,938. 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.

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.

**Gallatin County, State of Montana
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022**

	CAPITAL ASSETS					
	Governmental Activities		Business Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 6,208,879	\$ 6,208,880	\$ 1,661,552	\$ 1,661,552	\$ 7,870,431	\$ 7,870,432
Buildings	63,108,446	63,098,452	8,682,463	8,482,589	71,790,909	71,581,041
Improvements other than buildings	4,025,579	4,003,238	5,505,971	5,505,971	9,531,550	9,509,209
Machinery and Equipment	30,257,430	30,000,543	8,427,413	8,131,319	38,684,843	38,131,862
Intangibles	24,247,268	22,791,171	-	-	24,247,268	22,791,171
Infrastructure	150,840,848	149,955,366	-	-	150,840,848	149,955,366
Construction in Progress	12,455,155	9,799,768	1,291,774	1,440,700	13,746,929	11,240,468
Less Accumulated Depreciation	(144,919,104)	(141,205,669)	(13,471,194)	(13,160,145)	(158,390,298)	(154,365,814)
Total Assets	<u>\$ 146,224,501</u>	<u>\$ 144,651,749</u>	<u>\$ 12,097,979</u>	<u>\$ 12,061,986</u>	<u>\$ 158,322,480</u>	<u>\$ 156,713,735</u>

At the end of 2022 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 2022 included:

	Governmental	Business-Type
Land	(1)	-
Buildings	9,994	199,874
Improvements other than buildings	22,341	-
Machinery and Equipment	256,887	296,094
Intangibles	1,456,097	5,488
Infrastructure	885,482	-
Construction in Progress	2,655,387	(154,414)
Less Accumulated Depreciation	(3,713,435)	(311,049)

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 2022 adopted and final budgets for the General and Public Safety Funds totaled \$45,763,530. These budgets increased by \$930,168 during the year. Individual department budgets were amended throughout the year without affecting the total budget.

Original Budget	+	Continuing Appropriations	+	Encumbrances	=	Beg. Balance
<u>\$45,763,530</u>	+	<u>\$ -0-</u>	+	<u>\$ -0-</u>	=	<u>\$45,763,530</u>
Beg. Balance	+/-	Supplemental Changes	=	Final Budget		
<u>\$45,763,530</u>	+	<u>\$ 930,168</u>	=	<u>\$ 46,693,698</u>		

**Gallatin County, State of Montana
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022**

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.

Budget Changes – FY 2022 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 2021 and fiscal year 2022 by the County Commission. Changes in staffing were:

Staffing Changes (FTE)	
Office/Department	Net Increase (Decrease)
911 Communications	6.00
Bridge	1.95
Clerk & Recorder	0.92
Clerk of District Court	0.75
Court Services	0.25
Detention Center	1.00
Extension	0.12
Finance - Grants	3.89
Health - Administration	0.50
Miscellaneous - Temporary	-0.38
Open Space	-0.40
Parks	-0.33
Planning	0.75
Road	-2.00
Search & Rescue	1.00
Sheriff	2.05
Treasurer	-0.83
TOTAL COUNTY TAX SUPPORTED PERSONNEL	15.24
Health Grants	0.50
Operations & Procurement	-0.25
Other Grants	1.50
Rest Home	1.85
Sheriff Grants	-0.01
TOTAL NON TAX SUPPORTED PERSONNEL	3.59
TOTAL CHANGES IN PERSONNEL	18.83

**Gallatin County, State of Montana
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022**

The following Capital Outlay/Projects table identifies estimated project costs and budgeted amounts for FY 2023. The table includes CIP Programs that are funded ongoing, 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.

CAPITAL OUTLAY / CAPITAL PROJECTS		
Summary of 2023 FINAL Capital Projects & Outlay		
CIP Programs	Annual Allocation	FY 2023 BUDGET
Core Rolling Stock Equipment (FY 2011)	704,944	1,860,487
Bridge Replacement (FY 2013)	400,000	837,253
Building Replacement Program	500,000	500,000
Transportation Infrastructure (FY 2021)	600,000	2,376,185
Sub-total CIP Programs	2,204,944	5,573,925
Major CIP Projects (+\$250K)	Project	FY 2023 BUDGET
Land for Gravel Pit	825,000	825,000
Open Space Land Conservation Easements	882,542	882,542
Meridian Bridge	2,400,000	1,053,133
Fairgrounds Surface Treatment - Grand Road	320,000	320,000
911 Radio Project Contingency	800,000	537,995
Courts Building	46,000,000	1,100,000
Law Enforcement Building	1,274,361	352,070
Detention Center Expansion	1,589,032	1,589,032
Search & Rescue Master Site Plan	359,879	359,879
Three Forks Airport Runways	398,556	398,556
Landfill Transfer Station	400,000	400,000
Landfill Class 4 / Cell 2 Closure	754,000	754,000
Landfill Cell 5 Construction	2,937,000	2,937,000
Landfill Perimeter Fence	300,000	300,000
Landfill Articulated Water Truck	525,000	525,000
Sub-total Major CIP Projects	59,765,370	12,334,207
Minor CIP Projects	Project	FY 2023 BUDGET
Land	356,713	356,713
Intangibles	334,475	334,475
Buildings	113,980	113,980
Improvements Other Than Buildings	893,931	893,931
Equipment	1,637,259	1,637,259
Sub-total Minor CIP Projects	4,844,506	3,336,358
Reserves	Project	FY 2023 BUDGET
Land	-	-
Intangibles	-	-
Buildings	528,536	528,536
Improvements Other Than Buildings	1,270,673	1,270,673
Equipment	186,019	186,019
Undesignated Fund Reserves	2,130,318	2,130,318
Road Department	2,100,000	2,100,000
Search & Rescue	1,611,268	1,611,268
Open Space Fund	3,724,333	3,724,333
ARPA Resevers	20,372,395	20,372,395
911 Dispatch	3,200,000	3,200,000
Three Forks Airport	285,065	285,065
Junk Vehicle	200,000	200,000
Fairgrounds	500,000	500,000
Logan Landfill	13,008,101	13,008,101
WY Compost	522,149	522,149
Operations & Procurement	808,254	808,254
Copier Reserves	202,938	202,938
Sub-total Minor CIP Projects	50,650,049	50,650,049
TOTAL	117,464,869	71,894,539

**Gallatin County, State of Montana
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022**

Capital Projects in FY 2023 were estimated at \$71,897,539 million. This is a significant increase over the \$56.2M in FY 2022 attributed largely to growing capital reserves for future expansion and replacement projects. The previous table shows funding for all capital projects, capital outlay and capital reserves.

Summary

The fiscal year 2023 budget increased in taxes for operations and debt service. A comparison of budgeted taxes and mill levies for fiscal year 2010 through fiscal year 2023 shows:

Comparison of Budgeted Taxes							
Taxes Budgeted	FY 2010	FY 2015	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
County Operating Taxes	\$ 16,343,857	\$ 18,808,855	\$ 23,082,863	\$ 25,345,937	\$ 28,932,591	\$ 30,513,388	\$ 31,321,694
Road and Library Taxes	3,153,566	3,762,770	4,626,481	4,857,714	5,018,596	5,221,346	5,535,473
Open Space & Park Voted Levy	-	-	1,331,823	1,589,033	1,650,211	1,966,727	2,033,541
Permissive/Bond Funds	3,941,648	5,077,427	6,202,096	6,606,316	6,647,028	7,452,507	8,923,504
Mill Levies							
County Operating Taxes	73.20	74.35	78.04	71.83	78.96	69.82	69.31
Road and Library Taxes	25.23	76.29	27.75	24.59	24.53	21.47	21.97
Open Space & Park Voted Levy	-	-	4.50	4.50	4.50	4.50	4.50
Permissive/Bond Funds	17.80	20.15	21.02	18.74	18.16	17.66	19.74
Taxable Valuations							
County Operating Valuations	223,244	252,964	295,802	352,837	366,377	437,051	451,904
Open Space	-	-	295,802	351,398	365,025	365,025	452,543
Road and Library Valuations	125,025	143,113	166,725	197,527	204,664	243,193	251,913

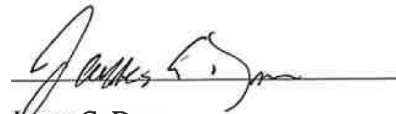
This table shows increase in the taxable valuation of property for County wide mills for FY 2023 of 3.40% due to growth. The County Commission did maximize the number of mills levied for the Permissive Medical levy for the first time in FY 2023. In addition, the Commission did not maximize taxes for county operating as authorized by state law. This results in the county not assessing taxes of \$2,151,881. The Commission may impose these taxes in future years if they deem it is in the best interest of the County.

**Gallatin County, State of Montana
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022**

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.

Respectfully submitted,



James G. Doar
County Administrator



Justine Swanson
Chief Financial Officer

FINANCIAL STATEMENTS

Gallatin County Montana
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 109,045,823	\$ 22,120,201	\$ 131,166,024
Taxes and assessments receivable, net	1,043,574	33,468	1,077,042
Lease receivable	1,928,187	-	1,928,187
Inventories	186,589	-	186,589
Other Receivables	2,023,380	1,225,283	3,248,663
Total current assets	<u>\$ 114,227,553</u>	<u>\$ 23,378,952</u>	<u>\$ 137,606,505</u>
Noncurrent assets			
Restricted cash and investments	\$ 85,450	\$ 3,350,885	\$ 3,436,335
Capital assets - land	6,208,879	1,661,552	7,870,431
Capital assets - construction in progress	12,455,155	1,140,818	13,595,973
Capital assets - depreciable, net	127,560,467	9,295,609	136,856,076
Leased assets, net	1,195,429	-	1,195,429
Deferred assessment receivables	5,059,052	-	5,059,052
Total noncurrent assets	<u>\$ 152,564,432</u>	<u>\$ 15,448,864</u>	<u>\$ 168,013,296</u>
Total assets	<u>\$ 266,791,985</u>	<u>\$ 38,827,816</u>	<u>\$ 305,619,801</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	\$ 8,149,143	\$ 654,326	\$ 8,803,469
Deferred outflows of resources - OPEB	1,110,381	183,891	1,294,272
Total deferred outflows of resources	<u>\$ 9,259,524</u>	<u>\$ 838,217</u>	<u>\$ 10,097,741</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 276,051,509</u>	<u>\$ 39,666,033</u>	<u>\$ 315,717,542</u>
LIABILITIES			
Current liabilities			
Warrants payable	\$ 1,216,176	\$ -	\$ 1,216,176
Accounts payable	3,917,988	729,289	4,647,277
Accrued interest payable	21,431	-	21,431
Accrued payroll	2,046,785	237,248	2,284,033
Other Liabilities	216,608	-	216,608
Current portion of long-term capital liabilities	3,649,516	-	3,649,516
Current portion of compensated absences payable	2,350,666	274,207	2,624,873
Current portion of bond premium liabilities	285,661	-	285,661
Current portion of lease liability	213,315	-	213,315
Total current liabilities	<u>\$ 13,918,146</u>	<u>\$ 1,240,744</u>	<u>\$ 15,158,890</u>
Noncurrent liabilities			
Deposits payable	\$ -	\$ 117,270	\$ 117,270
Noncurrent portion of lease liabilities	907,939	-	907,939
Landfill closure postclosure liability	-	3,176,441	3,176,441
Other post employment benefits	3,681,784	609,743	4,291,527
Revenues collected in advance	10,910,878	-	10,910,878
Noncurrent portion of long-term capital liabilities	22,206,519	-	22,206,519
Noncurrent portion of compensated absences	801,694	139,302	940,996
Net pension liability	21,332,472	2,459,910	23,792,382
Noncurrent portion of bond premium liabilities	1,957,868	-	1,957,868
Total noncurrent liabilities	<u>\$ 61,799,154</u>	<u>\$ 6,502,666</u>	<u>\$ 68,301,820</u>
Total liabilities	<u>\$ 75,717,300</u>	<u>\$ 7,743,410</u>	<u>\$ 83,460,710</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pensions	\$ 10,860,020	\$ 1,087,869	\$ 11,947,889
Deferred inflows of resources - OPEB	1,442,151	238,836	1,680,987
Deferred inflows of resources - other	269,360	-	269,360
Deferred inflows of resources - leases	1,928,187	-	1,928,187
Total deferred inflows of resources	<u>\$ 14,499,718</u>	<u>\$ 1,326,705</u>	<u>\$ 15,826,423</u>
NET POSITION			
Net investment in capital assets	\$ 118,199,112	\$ 12,097,979	\$ 130,297,091
Restricted for capital projects	1,456,111	-	1,456,111
Restricted for debt service	7,206,169	-	7,206,169
Restricted for special projects	45,793,716	-	45,793,716
Restricted for other purposes	-	3,350,885	3,350,885
Unrestricted	13,179,383	15,147,054	28,326,437
Total net position	<u>\$ 185,834,491</u>	<u>\$ 30,595,918</u>	<u>\$ 216,430,409</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 276,051,509</u>	<u>\$ 39,666,033</u>	<u>\$ 315,717,542</u>

See accompanying Notes to the Financial Statements

**Gallatin County Montana
Statement of Activities
For the Fiscal Year Ended June 30, 2022**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>		<u>Total</u>
					<u>Governmental Activities</u>	<u>Business- type Activities</u>	
Primary government:							
Governmental activities:							
General government	\$ 17,834,210	\$ 4,427,337	\$ 14,613,732	\$ -	\$ 1,206,859	\$ -	\$ 1,206,859
Public safety	25,152,863	2,714,105	2,506,489	-	(19,932,269)	-	(19,932,269)
Public works	10,070,001	2,298,814	1,115,419	190,337	(6,465,431)	-	(6,465,431)
Public health	6,987,149	969,250	2,897,170	-	(3,120,729)	-	(3,120,729)
Social and economic services	625,299	-	-	-	(625,299)	-	(625,299)
Culture and recreation	3,390,061	1,597,863	14,850	-	(1,777,348)	-	(1,777,348)
Housing and community development	327,049	-	-	-	(327,049)	-	(327,049)
Conservation of natural resources	457,528	45,400	14,202	-	(397,926)	-	(397,926)
Debt service - interest	1,163,183	-	-	-	(1,163,183)	-	(1,163,183)
Miscellaneous	220,278	-	-	-	(220,278)	-	(220,278)
Total governmental activities	\$ 66,227,621	\$ 12,052,769	\$ 21,161,862	\$ 190,337	\$ (32,822,653)	\$ -	\$ (32,822,653)
Business-type activities:							
Rest Home	\$ 5,750,350	\$ 2,827,718	\$ 634,651	\$ -	\$ -	(2,287,981)	(2,287,981)
Landfill	4,592,854	7,072,638	72,136	-	-	2,551,920	2,551,920
West Yellowstone Refuse District	962,097	700,171	12,982	-	-	(248,944)	(248,944)
Total business-type activities	\$ 11,305,301	\$ 10,600,527	\$ 719,769	\$ -	\$ -	\$ 14,995	\$ 14,995
Total primary government	\$ 77,532,922	\$ 22,653,296	\$ 21,881,631	\$ 190,337	\$ (32,822,653)	\$ 14,995	\$ (32,807,658)
General Revenues:							
Property taxes for general purposes					\$ 45,531,650	\$ 1,623,190	\$ 47,154,840
Miscellaneous					580,410	38,412	618,822
Interest/investment earnings					(895,382)	(374,330)	(1,269,712)
Local option taxes					6,485,269	-	6,485,269
State entitlement					3,440,946	-	3,440,946
Grants and entitlements not restricted to specific programs					974,198	-	974,198
Contributions & donations					6,162	-	6,162
Gain (loss) on sale of capital assets					(156,455)	(31,646)	(188,101)
Transfers - net					5,000	(5,000)	-
Total general revenues, special items and transfers					\$ 55,971,798	\$ 1,250,626	\$ 57,222,424
Change in net position					\$ 23,149,145	\$ 1,265,621	\$ 24,414,766
Net position - beginning					\$ 161,651,706	\$ 29,330,297	\$ 190,982,003
Restatements					1,033,640	-	1,033,640
Net position - beginning - restated					\$ 162,685,346	\$ 29,330,297	\$ 192,015,643
Net position - end					\$ 185,834,491	\$ 30,595,918	\$ 216,430,409

See accompanying Notes to the Financial Statements

**Gallatin County Montana
Balance Sheet
Governmental Funds
June 30, 2022**

	General	RID Maintenance	Public Safety	Federal Grant	RID Debt Service	County Building - Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS								
Current assets:								
Cash and investments	\$ 17,452,511	\$ 8,752,472	\$ 14,647,307	\$ 11,459,982	\$ 208,519	\$ 17,500,296	\$ 25,665,047	\$ 95,686,134
Taxes and assessments receivable, net	157,247	29,863	343,107	-	47,721	64,970	400,666	1,043,574
Lease receivable	-	-	953,520	-	-	-	974,667	1,928,187
Due from other funds	71,231	-	166,682	-	-	23,913	210	262,036
Inventories	105,265	-	-	-	-	-	81,324	186,589
Other Receivables	259,730	5,622	227,658	182,745	480	52,888	1,201,081	1,930,204
Total current assets	\$ 18,045,984	\$ 8,787,957	\$ 16,338,274	\$ 11,642,727	\$ 256,720	\$ 17,642,067	\$ 28,322,995	\$ 101,036,724
Noncurrent assets:								
Restricted cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 85,450	\$ -	\$ -	\$ 85,450
Deferred assessment receivables	-	-	-	-	5,059,052	-	-	5,059,052
Total noncurrent assets	\$ -	\$ -	\$ -	\$ -	\$ 5,144,502	\$ -	\$ -	\$ 5,144,502
TOTAL ASSETS	\$ 18,045,984	\$ 8,787,957	\$ 16,338,274	\$ 11,642,727	\$ 5,401,222	\$ 17,642,067	\$ 28,322,995	\$ 106,181,226
LIABILITIES								
Current liabilities:								
Warrants payable	\$ 1,216,176	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,216,176
Accounts payable	510,769	97,401	349,405	306,491	-	495,486	1,013,706	2,773,258
Accrued interest payable	15,651	4,997	-	-	-	-	783	21,431
Accrued payroll	619,348	-	907,630	6,895	-	-	478,769	2,012,642
Due to other funds	-	-	-	-	-	-	262,036	262,036
Other Liabilities	204,375	12,233	-	-	-	-	-	216,608
Total current liabilities	\$ 2,566,319	\$ 114,631	\$ 1,257,035	\$ 313,386	\$ -	\$ 495,486	\$ 1,755,294	\$ 6,502,151
Noncurrent liabilities:								
Revenues collected in advance	\$ -	\$ -	\$ -	\$ 10,910,878	\$ -	\$ -	\$ -	\$ 10,910,878
Total liabilities	\$ 2,566,319	\$ 114,631	\$ 1,257,035	\$ 11,224,264	\$ -	\$ 495,486	\$ 1,755,294	\$ 17,413,029
DEFERRED INFLOWS OF RESOURCES								
Deferred inflows of resources - taxes and assessments	\$ 157,247	\$ 29,863	\$ 343,107	\$ -	\$ 5,106,773	\$ 64,970	\$ 400,666	\$ 6,102,626
Deferred inflows of resources - other	267,482	-	-	-	-	-	1,878	269,360
Deferred inflows of resources - leases	-	-	953,520	-	-	-	974,667	1,928,187
Total deferred inflows of resources	\$ 424,729	\$ 29,863	\$ 1,296,627	\$ -	\$ 5,106,773	\$ 64,970	\$ 1,377,211	\$ 8,300,173
FUND BALANCES								
Nonspendable	\$ 105,265	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81,324	\$ 186,589
Restricted	655,135	-	140,377	418,463	294,449	244,110	8,347,848	10,100,382
Committed	14,136,885	8,643,463	13,536,190	-	-	16,757,101	16,383,732	69,457,371
Assigned	157,651	-	108,045	-	-	80,400	377,586	723,682
Total fund balance	\$ 15,054,936	\$ 8,643,463	\$ 13,784,612	\$ 418,463	\$ 294,449	\$ 17,081,611	\$ 25,190,490	\$ 80,468,024
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 18,045,984	\$ 8,787,957	\$ 16,338,274	\$ 11,642,727	\$ 5,401,222	\$ 17,642,067	\$ 28,322,995	\$ 106,181,226

See accompanying Notes to the Financial Statements

Gallatin County Montana
Reconciliation of the Governmental Funds Balance Sheet to the
Statement of Net Position
June 30, 2022

Total fund balances - governmental funds	\$ 80,468,024
Capital assets and leased assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	147,152,410
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	6,102,626
An internal service fund is used by management to charge the costs of providing services within the government. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net assets	11,875,102
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(33,653,843)
Net pension liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(20,905,181)
The changes between actuarial assumptions, differences in expected vs actual pension experiences, changes in proportionate share allocation, and current year retirement contributions as they relate to the net pension liability are a deferred outflow of resources and are not payable in current period, therefore are not reported in the funds.	8,035,485
The changes between actuarial assumptions, differences in projected vs actual investment earnings, and changes in proportionate share allocation as they relate to the net pension liability are a deferred inflows of resources and are not available to pay for current expenditures, there for are not reported in the funds.	(10,670,949)
The changes between actuarial assumptions and differences in projected vs actual liability as they relate to the total other post-employment benefits liability are a deferred outflows of resources and are not payable in the current period, therefore are not reported in the funds.	1,089,913
The changes between actuarial assumptions and differences in projected vs actual liability as they relate to the total other post-employment beneits liability are a deferred inflows of resources and are not available to pay for current expenditures, therefore are not reported in the funds.	(1,415,567)
Bond premiums are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(2,243,529)
Total net position - governmental activities	\$ <u>185,834,491</u>

See accompanying Notes to the Financial Statements

Gallatin County Montana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2022

	General	RID Maintenance	Public Safety	Federal Grant	RID Debt Service	County Building - Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES								
Taxes and assessments	\$ 10,387,051	\$ 2,090,676	\$ 19,481,180	\$ -	\$ 821,183	\$ 4,157,395	\$ 18,454,893	\$ 55,392,378
Licenses and permits	725	-	34,210	-	-	-	360,962	395,897
Intergovernmental	13,812,831	-	1,058,944	1,647,728	-	208,364	7,590,812	24,318,679
Charges for services	3,489,901	-	2,323,405	-	-	401,090	2,540,439	8,754,835
Fines and forfeitures	499,744	-	44,389	-	-	-	31,291	575,424
Miscellaneous	157,936	-	67,901	-	-	24,509	1,076,312	1,326,658
Investment earnings	(46,439)	(508,750)	(202,433)	44,845	(1,354)	(269,048)	77,207	(905,972)
Total revenues	\$ 28,301,749	\$ 1,581,926	\$ 22,807,596	\$ 1,692,573	\$ 819,829	\$ 4,522,310	\$ 30,131,916	\$ 89,857,899
EXPENDITURES								
General government	\$ 14,140,528	\$ -	\$ -	\$ 979,377	\$ -	\$ 215,792	\$ 605,072	\$ 15,940,769
Public safety	1,393,215	-	21,376,831	-	-	-	1,760,643	24,530,689
Public works	460,743	1,874,201	-	331,143	-	-	5,237,821	7,903,908
Public health	-	-	-	337,209	-	-	6,628,220	6,965,429
Social and economic services	624,495	-	-	-	-	-	-	624,495
Culture and recreation	-	-	-	-	-	-	3,182,010	3,182,010
Housing and community development	-	-	-	-	-	-	302,556	302,556
Conservation of natural resources	-	-	-	-	-	-	449,651	449,651
Debt service - principal	496,346	-	-	-	485,667	-	2,730,000	3,712,013
Debt service - interest	30,045	-	-	-	265,675	-	867,463	1,163,183
Miscellaneous	216,730	-	-	-	-	-	3,548	220,278
Capital outlay	400,552	-	866,356	-	-	3,721,279	2,376,172	7,364,359
Leased capital outlay	1,362,600	-	-	-	-	-	-	1,362,600
Total expenditures	\$ 19,125,254	\$ 1,874,201	\$ 22,243,187	\$ 1,647,729	\$ 751,342	\$ 3,937,071	\$ 24,143,156	\$ 73,721,940
Excess (deficiency) of revenues over expenditures	\$ 9,176,495	\$ (292,275)	\$ 564,409	\$ 44,844	\$ 68,487	\$ 585,239	\$ 5,988,760	\$ 16,135,959
OTHER FINANCING SOURCES (USES)								
Proceeds from the sale of general capital asset disposition	\$ 37,484	\$ -	\$ 39,729	\$ -	\$ -	\$ 44,118	\$ 51,597	\$ 172,928
Lease proceeds	1,362,600	-	-	-	-	-	-	1,362,600
Transfers in	1,141,784	-	509,433	-	-	10,013,886	1,267,231	12,932,334
Transfers out	(10,638,656)	-	(302,289)	-	-	(11,336)	(4,058,291)	(15,010,572)
Total other financing sources (uses)	\$ (8,096,788)	\$ -	\$ 246,873	\$ -	\$ -	\$ 10,046,668	\$ (2,739,463)	\$ (542,710)
Net Change in Fund Balance	\$ 1,079,707	\$ (292,275)	\$ 811,282	\$ 44,844	\$ 68,487	\$ 10,631,907	\$ 3,249,297	\$ 15,593,249
Fund balances - beginning	\$ 13,975,229	\$ 8,935,738	\$ 12,933,605	\$ 373,619	\$ 225,962	\$ 6,449,704	\$ 21,941,193	\$ 64,835,050
Restatements	-	-	39,725	-	-	-	-	39,725
Fund balances - beginning, restated	\$ 13,975,229	\$ 8,935,738	\$ 12,973,330	\$ 373,619	\$ 225,962	\$ 6,449,704	\$ 21,941,193	\$ 64,874,775
Fund balance - ending	\$ 15,054,936	\$ 8,643,463	\$ 13,784,612	\$ 418,463	\$ 294,449	\$ 17,081,611	\$ 25,190,490	\$ 80,468,024

See accompanying Notes to the Financial Statements

Gallatin County Montana
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2022

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

Net change in fund balances - total governmental funds	\$ 15,593,249
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Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

- Capital and leased assets purchased	8,726,959
- Depreciation and amortization expense	(5,561,730)

In the Statement of Activities, the loss or gain on the sale or disposal of capital assets is recognized. The fund financial statements recognize only the proceeds from the sale of these assets:

- Proceeds from the sale of capital assets	(172,928)
- Gain on the sale of capital assets	(156,455)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

- Long-term receivables (deferred inflows)	(1,262,876)
--	-------------

The change in compensated absences is shown as an expense in the Statement of Activities	(213,093)
--	-----------

Repayment of debt principal is an expenditures in the governmental funds, but the repayment reduces long-term debt in the Statement of Net Position:

- Long-term debt principal payments	3,712,013
-------------------------------------	-----------

Long term debt proceeds provide current financial resources to the governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position:

- Proceeds from the sale of long-term debt	(1,362,600)
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Termination benefits are shown as an expense in the Statement of Activities and not reported on the Statement of Revenues, Expenditures and Changes in Fund Balance:

- Post-employment benefits other than retirement liability	(324,327)
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Internal service funds are used by management to share the costs of certain activities, to individual funds. The net revenue of the internal service funds is reported with the governmental activities of the Government-Wide Statement of Activities net of the amounts allocated to business-type activities and depreciation expense.

2,710,130

Pension expense related to the net pension liability is shown as an expense on the Statement of Activities and not reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance

(2,412,508)

State aid revenue related to net pension liability is shown as a revenue on the Statement of Activities and not reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance

933,198

Current year contributions to retirement benefits are shown as deferred outflows of resources on the Statement of Net Position and shown as expenditures on the Statement of Revenues, Expenditures, and Changes in Fund Balance when paid.

2,654,452

The amortization of bond premium is shown as an expense on the Statement of Activities and is not shown on the Statement of Revenue, Expenditures, and Changes in Fund Balance

285,661

Change in net position - Statement of Activities	\$ <u>23,149,145</u>
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See accompanying Notes to the Financial Statements

Gallatin County Montana
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Rest Home	Landfill	Non-major Enterprise	Totals	Internal Service Funds
ASSETS					
Current assets:					
Cash and investments	\$ 329,504	\$ 20,505,151	\$ 1,285,546	\$ 22,120,201	\$ 13,359,689
Taxes and assessments receivable, net	31,780	-	1,688	33,468	-
Other Receivables	247,855	840,730	136,698	1,225,283	93,176
Total current assets	<u>\$ 609,139</u>	<u>\$ 21,345,881</u>	<u>\$ 1,423,932</u>	<u>\$ 23,378,952</u>	<u>\$ 13,452,865</u>
Noncurrent assets:					
Restricted cash and investments	\$ -	\$ 3,350,885	\$ -	\$ 3,350,885	\$ -
Capital assets - land	6,902	1,654,650	-	1,661,552	-
Capital assets - construction in progress	42,974	1,097,844	-	1,140,818	-
Capital assets - depreciable, net	1,378,285	6,410,138	1,507,186	9,295,609	267,520
Total noncurrent assets	<u>\$ 1,428,161</u>	<u>\$ 12,513,517</u>	<u>\$ 1,507,186</u>	<u>\$ 15,448,864</u>	<u>\$ 267,520</u>
Total assets	<u>\$ 2,037,300</u>	<u>\$ 33,859,398</u>	<u>\$ 2,931,118</u>	<u>\$ 38,827,816</u>	<u>\$ 13,720,385</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - pensions	\$ 389,696	\$ 224,269	\$ 40,361	\$ 654,326	\$ 113,658
Deferred outflows of resources - OPEB	125,099	50,460	8,332	183,891	20,468
Total deferred outflows of resources	<u>\$ 514,795</u>	<u>\$ 274,729</u>	<u>\$ 48,693</u>	<u>\$ 838,217</u>	<u>\$ 134,126</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 2,552,095</u>	<u>\$ 34,134,127</u>	<u>\$ 2,979,811</u>	<u>\$ 39,666,033</u>	<u>\$ 13,854,511</u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 327,160	\$ 320,778	\$ 81,351	\$ 729,289	\$ 1,144,730
Accrued payroll	132,887	87,606	16,755	237,248	34,143
Current portion of compensated absences payable	144,311	108,697	21,199	274,207	54,103
Total current liabilities	<u>\$ 604,358</u>	<u>\$ 517,081</u>	<u>\$ 119,305</u>	<u>\$ 1,240,744</u>	<u>\$ 1,232,976</u>
Noncurrent liabilities:					
Deposits payable	\$ -	\$ 117,270	\$ -	\$ 117,270	\$ -
Landfill closure postclosure liability	-	3,176,441	-	3,176,441	-
Other post employment benefits	414,803	167,314	27,626	609,743	67,867
Noncurrent portion of compensated absences	83,433	38,454	17,415	139,302	35,620
Net pension liability	1,465,045	843,128	151,737	2,459,910	427,291
Total noncurrent liabilities	<u>\$ 1,963,281</u>	<u>\$ 4,342,607</u>	<u>\$ 196,778</u>	<u>\$ 6,502,666</u>	<u>\$ 530,778</u>
Total liabilities	<u>\$ 2,567,639</u>	<u>\$ 4,859,688</u>	<u>\$ 316,083</u>	<u>\$ 7,743,410</u>	<u>\$ 1,763,754</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - pensions	\$ 648,265	\$ 373,074	\$ 66,530	\$ 1,087,869	\$ 189,071
Deferred inflows of resources - OPEB	162,478	65,537	10,821	238,836	26,584
Total deferred inflows of resources	<u>\$ 810,743</u>	<u>\$ 438,611</u>	<u>\$ 77,351</u>	<u>\$ 1,326,705</u>	<u>\$ 215,655</u>
NET POSITION					
Net investment in capital assets	\$ 1,428,161	\$ 9,162,632	\$ 1,507,186	\$ 12,097,979	\$ 267,520
Restricted for other purposes	-	3,350,885	-	3,350,885	-
Unrestricted	(2,254,448)	16,322,311	1,079,191	15,147,054	11,607,582
Total net position	<u>\$ (826,287)</u>	<u>\$ 28,835,828</u>	<u>\$ 2,586,377</u>	<u>\$ 30,595,918</u>	<u>\$ 11,875,102</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 2,552,095</u>	<u>\$ 34,134,127</u>	<u>\$ 2,979,811</u>	<u>\$ 39,666,033</u>	<u>\$ 13,854,511</u>

See accompanying Notes to the Financial Statements

Gallatin County Montana
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Rest Home	Landfill	Non-major Enterprise	Totals	Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 2,816,952	\$ 7,066,470	\$ 698,423	\$ 10,581,845	\$ 136,840
Miscellaneous revenues	20,309	33,711	3,073	57,093	107,689
Internal Services	-	-	-	-	10,373,012
Total operating revenues	<u>\$ 2,837,261</u>	<u>\$ 7,100,181</u>	<u>\$ 701,496</u>	<u>\$ 10,638,938</u>	<u>\$ 10,617,541</u>
OPERATING EXPENSES					
Personnel services	\$ 3,180,267	\$ 1,632,609	\$ 259,638	\$ 5,072,514	\$ 725,225
Supplies	325,725	510,320	19,540	855,585	160,447
Purchased services	1,804,492	1,570,107	478,794	3,853,393	1,524,342
Fixed charges	277,099	420,752	35,056	732,907	1,268,267
Depreciation	162,767	459,066	169,069	790,902	83,825
Medical Claim Expense	-	-	-	-	6,090,212
Total operating expenses	<u>\$ 5,750,350</u>	<u>\$ 4,592,854</u>	<u>\$ 962,097</u>	<u>\$ 11,305,301</u>	<u>\$ 9,852,318</u>
Operating income (loss)	<u>\$ (2,913,089)</u>	<u>\$ 2,507,327</u>	<u>\$ (260,601)</u>	<u>\$ (666,363)</u>	<u>\$ 765,223</u>
NON-OPERATING REVENUES (EXPENSES)					
Taxes/assessments revenue	\$ 1,623,191	\$ -	\$ -	\$ 1,623,191	\$ -
Intergovernmental revenue	634,651	72,136	12,982	719,769	36,558
Interest revenue	2,777	(359,740)	(17,367)	(374,330)	(174,787)
Total non-operating revenues (expenses)	<u>\$ 2,260,619</u>	<u>\$ (287,604)</u>	<u>\$ (4,385)</u>	<u>\$ 1,968,630</u>	<u>\$ (138,229)</u>
Income (loss) before contributions and transfers	<u>\$ (652,470)</u>	<u>\$ 2,219,723</u>	<u>\$ (264,986)</u>	<u>\$ 1,302,267</u>	<u>\$ 626,994</u>
Transfers in	-	-	-	-	2,083,238
Transfers out	-	(5,000)	-	(5,000)	-
SPECIAL AND EXTRAORDINARY ITEMS					
Gain (loss) on sale of capital assets	<u>\$ (6,696)</u>	<u>\$ (24,950)</u>	<u>\$ -</u>	<u>\$ (31,646)</u>	<u>\$ (102)</u>
Change in net position	<u>\$ (659,166)</u>	<u>\$ 2,189,773</u>	<u>\$ (264,986)</u>	<u>\$ 1,265,621</u>	<u>\$ 2,710,130</u>
Net Position - Beginning of the year	<u>\$ (167,121)</u>	<u>\$ 26,646,055</u>	<u>\$ 2,851,363</u>	<u>\$ 29,330,297</u>	<u>\$ 9,164,972</u>
Net Position - End of the year	<u>\$ (826,287)</u>	<u>\$ 28,835,828</u>	<u>\$ 2,586,377</u>	<u>\$ 30,595,918</u>	<u>\$ 11,875,102</u>

See accompanying Notes to the Financial Statements

Gallatin County, Montana
Combined Statement of Cash Flows
All Proprietary Fund Types
Fiscal Year Ended June 30, 2022

	Business - Type Activities				Governmental Activities
	Rest Home	Landfill	Non-Major Enterprise	Totals	Internal Service Funds
Cash flows from operating activities:					
Cash received from providing services	\$ 2,815,980	\$ 6,933,003	\$ 681,971	\$ 10,430,954	\$ 227,849
Cash received from internal services provided	-	-	-	-	10,373,012
Cash received from miscellaneous sources	20,309	33,711	3,073	57,093	107,689
Cash payments to suppliers	(226,800)	(510,320)	(19,540)	(756,660)	(160,447)
Cash payments for medical claims	-	-	-	-	(6,114,582)
Cash payments for professional services	(2,081,591)	(2,172,283)	(524,615)	(4,778,489)	(2,597,884)
Cash payments to employees	(3,722,372)	(1,519,383)	(274,382)	(5,516,137)	(705,532)
Net cash provided (used) by operating activities	<u>\$ (3,194,474)</u>	<u>\$ 2,764,728</u>	<u>\$ (133,493)</u>	<u>\$ (563,239)</u>	<u>\$ 1,130,105</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	\$ (80,847)	\$ (735,088)	\$ (42,607)	\$ (858,542)	\$ (16,900)
Proceeds from sale of assets	-	-	-	-	638
Net cash provided (used) by capital and related financing activities	<u>\$ (80,847)</u>	<u>\$ (735,088)</u>	<u>\$ (42,607)</u>	<u>\$ (858,542)</u>	<u>\$ (16,262)</u>
Cash flows from non-capital financing activities:					
Tax levies and contributions from the County	\$ 1,661,537	\$ -	\$ 612	\$ 1,662,149	\$ -
Intergovernmental revenues	509,306	-	-	509,306	-
Transfer to and from other funds	-	(5,000)	-	(5,000)	2,083,238
Net cash provided (used) from non-capital financing activities	<u>\$ 2,170,843</u>	<u>\$ (5,000)</u>	<u>\$ 612</u>	<u>\$ 2,166,455</u>	<u>\$ 2,083,238</u>
Cash flows from investing activities:					
Interest on investments	\$ 2,777	\$ (359,740)	\$ (17,367)	\$ (374,330)	\$ (174,787)
Net cash provided (used) by investing activities	<u>\$ 2,777</u>	<u>\$ (359,740)</u>	<u>\$ (17,367)</u>	<u>\$ (374,330)</u>	<u>\$ (174,787)</u>
Net increase (decrease) in cash and cash equivalents	<u>\$ (1,101,701)</u>	<u>\$ 1,664,900</u>	<u>\$ (192,855)</u>	<u>\$ 370,344</u>	<u>\$ 3,022,294</u>
Cash and cash equivalents at beginning	<u>1,431,205</u>	<u>22,191,136</u>	<u>1,478,401</u>	<u>25,100,742</u>	<u>10,337,395</u>
Cash and cash equivalents at end	<u><u>\$ 329,504</u></u>	<u><u>\$ 23,856,036</u></u>	<u><u>\$ 1,285,546</u></u>	<u><u>\$ 25,471,086</u></u>	<u><u>\$ 13,359,689</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (2,913,089)	\$ 2,507,327	\$ (260,601)	\$ (666,363)	\$ 765,223
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation expense	162,767	459,066	169,069	790,902	83,825
Other post-employment benefits expense	(141,786)	24,403	1,746	(115,637)	(202)
Pension expense	(240,782)	59,993	(14,525)	(195,314)	(14,501)
Landfill closure/postclosure expense	-	330,824	-	330,824	-
Changes in assets and liabilities:					
Accounts receivable	(972)	(136,967)	(16,452)	(154,391)	91,009
Deposits payable	-	3,500	-	3,500	-
Accounts payable	98,925	(512,248)	(10,765)	(424,088)	170,355
Other accrued payables	-	-	-	-	-
Compensated absences	(88,620)	13,198	(3,009)	(78,431)	38,075
Payroll payable	(70,917)	15,632	1,044	(54,241)	(3,679)
Net cash provided (used) by operating activities	<u>\$ (3,194,474)</u>	<u>\$ 2,764,728</u>	<u>\$ (133,493)</u>	<u>\$ (563,239)</u>	<u>\$ 1,130,105</u>
Noncash non-capital financing activities:					
On behalf public employees retirement system payments	<u>\$ 125,346</u>	<u>\$ 72,136</u>	<u>\$ 12,982</u>	<u>\$ 210,464</u>	<u>\$ 36,558</u>

See accompanying notes to the financial statements

Gallatin County Montana
Statement of Net Position
Fiduciary Funds
June 30, 2022

	Custodial Funds	
	Custodial Funds	External Investment Pool Fund
ASSETS		
Cash and short-term investments	\$ 24,442,773	\$ 139,392,158
Other receivables	214,975	-
Taxes receivable	4,211,055	-
Total receivables	4,426,030	-
Total assets	\$ 28,868,803	\$ 139,392,158
LIABILITIES		
Due to others	\$ 5,500,186	\$ -
Total liabilities	\$ 5,500,186	\$ -
NET POSITION		
Restricted for:		
Pool participants	\$ -	\$ 139,392,158
Individuals, organizations, and other governments	23,368,617	-
Total net position	\$ 23,368,617	\$ 139,392,158
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSTION	\$ 28,868,803	\$ 139,392,158

See accompanying Notes to the Financial Statements

Gallatin County Montana
Statement of Changes in Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2022

	Custodial Funds	
	Custodial Funds	External Investment Pool Fund
ADDITIONS		
Contributions:		
Contributions to investment pool	\$ -	\$ 142,435,565
Interest and change in fair value of investments	248,660	(1,927,320)
Taxes, licenses, and fees collected for other governments	113,751,481	-
Property taxes collected for school districts	128,293,644	-
Intergovernmental grants and entitlements collected for school districts	103,633,288	-
Miscellaneous	24,488,087	-
Total additions	<u>\$ 370,415,160</u>	<u>\$ 140,508,245</u>
DEDUCTIONS		
Distributions from investment pool	\$ -	\$ 141,162,810
Taxes, licenses, and fees distributed to other governments	109,584,206	-
School district claims and payroll expense	272,775,405	-
Investment pool distributions - net	1,781,036	-
Total deductions	<u>\$ 384,140,647</u>	<u>\$ 141,162,810</u>
Change in net position	<u>\$ (13,725,487)</u>	<u>\$ (654,565)</u>
 Net Position - Beginning of the year	 <u>\$ 37,094,104</u>	 <u>\$ 140,046,723</u>
 Net Position - End of the year	 <u><u>\$ 23,368,617</u></u>	 <u><u>\$ 139,392,158</u></u>

See accompanying Notes to the Financial Statements

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements.

New Accounting Pronouncements

GASB No. 87 Leases is effective for years beginning after December 15, 2019 (revised to year beginning after June 15, 2021, per GASB Statement No. 95). This Statement removed capital and operating lease classifications and now establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The County has implemented this pronouncement in the current fiscal year.

Financial Reporting Entity

In determining the financial reporting entity, the County complies with the provisions of GASB statement No. 14, *The Financial Reporting Entity*, as amended by GASB statement No. 61, *The Financial Reporting Entity: Omnibus*, and includes all component units of which the County appointed a voting majority of the component unit's board; the County is either able to impose its will on the unit or a financial benefit or burden relationship exists. In addition, the County complies with GASB statement No. 39 *Determining Whether Certain Organizations Are Component Units* which relates to organizations that raise and hold economic resources for the direct benefit of the County.

Primary Government

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 County is considered a primary government because it is a general-purpose local government. Further, it meets the following criteria; (a) it has a separately elected governing body (b) it is legally separate and (c) it is fiscally independent from the State and other local governments.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

Basis of Presentation, Measurement Focus and Basis of Accounting

Government-wide Financial Statements:

Basis of Presentation

The Government-wide Financial Statements (the Statement of Net Position and the Statement of Activities) display information about the reporting government as a whole and its component units. They include all funds of the County except fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Eliminations have been made in the consolidation of business-type activities.

The Statement of Net Position presents the financial condition of the governmental and business-type activities for 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. Direct expenses are those that are specifically associated with a program or function. The County does not charge indirect expenses to programs or functions. The types of transactions reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity, 2) operating grants and contributions, and 3) capital grants and contributions. Revenues that are not classified as program revenues, including all property taxes, are presented as general revenues.

Certain eliminations have been made as prescribed by GASB 34 in regards to inter-fund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Measurement Focus and Basis of Accounting

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred regardless of the timing of the cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The County generally applies restricted resources to expenses incurred before using unrestricted resources when both restricted and unrestricted net position are available.

GALLATIN COUNTY, MONTANA
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Fund Financial Statements

Basis of Presentation

Fund financial statements of the reporting County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Funds are organized into three categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Each major fund is displayed in a separate column in the governmental funds statements. All of the remaining funds are aggregated and reported in a single column as non-major funds. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- a. Total assets combined with deferred outflows of resources, liabilities combined with deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets combined with deferred outflows of resources, liabilities combined with deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise funds are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Measurement Focus and Basis of Accounting

Governmental Funds

Modified Accrual

All governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Measurable” means the amount of the transaction can be determined. “Available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County defined the length of time used for “available” for purposes of revenue recognition in the governmental fund financial statements as collection within 60 days of the end of the current fiscal period, except for property taxes and other state grants that are recognized upon receipt.

Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. General capital asset acquisitions are reported as expenditures in governmental funds and proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

GALLATIN COUNTY, MONTANA
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Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Major Funds:

The County reports the following major governmental funds:

General Fund – This is the County’s primary operating fund and it accounts for all financial resources of the County except those required to be accounted for in other funds.

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

Public Safety Fund – A special revenue fund that is used to account for the revenues and expenditures for public safety.

Federal Grant – A special revenue fund used to account for federal grant programs in the County. The County receipted the first half of its American Rescue Plan Act direct allocation funds here.

RID Debt Service – This fund accounts for the debt service funds of all the County Rural Improvement District assessments to pay the bonds obtained to make the improvements in these improvement districts.

County Building – Capital Projects Fund – A capital project fund to account for revenues and expenses associated with the County’s capital improvement activities.

Proprietary Funds:

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resource focus concerns determining costs as a means of maintaining the capital investment and management control. Revenues are recognized when earned and expenses are recognized when incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
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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 connections with a proprietary fund's principal ongoing operations. The principal operating revenues for enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. 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.

Major Funds:

The County reports the following major proprietary funds:

Rest Home Fund – An enterprise fund that is used to account for the operating and non-operating revenues and expenses for the Rest Home operated by the County.

Landfill Fund – An enterprise fund that accounts for the operating and nonoperating revenues and expenses of the landfill operated by the County.

Internal Service Funds

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies for the government on a cost-reimbursement basis. The County maintains six internal service funds related to self-insurance, motor pool, central maintenance and communication, copiers, and liability insurance.

Fiduciary Funds

Fiduciary funds presented using the economic resources measurement focus and the accrual basis of accounting (except for the recognition of certain liabilities of defined benefit pension plans and certain postemployment healthcare plans). The required financial statements are a statement of fiduciary net position and a statement of changes in fiduciary net position. The fiduciary funds are:

Custodial Funds – To report fiduciary activities that are not required to be reported in any of the other fiduciary categories in which the resources held by the County in a custodial capacity. This fund primarily consists of reporting of resources held by the County as an agent for individuals, private organizations, and other local governmental entities. The external portion of the investment pools that are not held in a trust are also reported here.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 2. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash Composition

Composition of cash, deposits and investments at fair value on June 30, 2022, are as follows:

	Primary Government		
	Bozeman		
	School		
	Foundation		
	501(c)3		
	County and	Fiduciary Fund	Total
	Fiduciary		
	Funds		
<u>Cash on hand and deposits:</u>			
Cash on hand			
Petty Cash	\$ 9,064	\$ -	\$ 9,064
Cash in banks:			
Demand deposits	22,367,238	-	22,367,238
Savings deposits	25,926	-	25,926
Time deposits	4,369,016	-	4,369,016
<u>Investments:</u>			
State Short-Term Investment Pool (STIP)	127,972,978	-	127,972,978
Mutual Funds	-	958,756	958,756
U.S. Government Securities	77,584,406	-	77,584,406
Repurchase agreements	65,149,906	-	65,149,906
Total	<u>\$ 297,478,534</u>	<u>\$ 958,756</u>	<u>\$ 298,437,290</u>

Cash equivalents

Cash equivalents are short-term, highly liquid deposits and investments that are both readily convertible to known amounts of cash and have maturities at purchase date of three months or less. The County's cash and cash equivalents (including restricted assets) are considered to be cash on hand, demand, savings and time deposits, STIP, and all other short-term investments with original maturity dates of three months or less from the date of acquisition.

For purposes of the statement of cash flows, the enterprise and internal services funds consider all funds (including restricted assets) held in the County's cash management pool to be cash equivalents.

Fair Value Measurements

Investments, including pooled and non-pooled investments, are reported at fair value, with the following limited exceptions: 1) investments in non-negotiable certificates of deposit are reported at cost and 2) money market investments, including U.S Treasury and Agency obligations, which mature within one year of acquisition, are reported at amortized cost. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between markets participates at the measurement date. Fair value is determined annually at fiscal year-end and requires use of valuation techniques described below.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
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The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted account principles. The hierarchy, as follows, is based on the valuation inputs used to measure fair value. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs that include the following:

(a) Level 1 Inputs – Quotes prices in active markets for identical assets; these investments are valued using prices quoted in active markets.

(b) Level 2 Inputs – Significant other observable inputs other than quoted prices included within Level 1; these investments are valued using matrix pricing.

(c) Level 3 Inputs – Significant unobservable inputs, these investments are valued using consensus pricing.

The U.S Government Securities are valued using quoted market prices (Level 1 inputs).

Repurchase Agreements

An agreement in which a governmental entity (buyer-lender) transfers cash to a broker dealer or financial institution (seller-borrower); the broker-dealer or financial institution transfers securities to the entity and promises to repay the cash plus interest in exchange for the same securities.

Credit Risk

As a means of limiting exposure to credit risk, the County is required to follow specific state statutes adding security to the deposits and investments. Below are the legal provisions provided in the state Montana Code Annotated (MCA).

Section 7-6-202, MCA, limits investments of public money of a local government in the following eligible securities:

(a) United States government treasury bills, notes and bonds and in the United States treasury obligations, such as state and local government series (SLGLS), separate trading of registered interest and principal of securities (STRIPS), or similar United States treasury obligations;

(b) United States treasury receipts in a form evidencing the holder's ownership of future interest or principal payments on specific United States treasury obligations that, in the absence of payment default by the United States, are held in a special custody account by an independent trust company in a certificate or book entry form with the federal reserve bank of New York; or

(c) Obligations of the following agencies of the United States, subject to the limitations in subsection 2 (not included):

- (i) federal home loan bank;
- (ii) federal national mortgage association;
- (iii) federal home mortgage corporation; and
- (iv) federal farm credit bank.

With the exception of the assets of a local government group self-insurance program, investments may not have a maturity date exceeding 5 years except when the investment is used in an escrow account to refund an outstanding bond issue in advance.

GALLATIN COUNTY, MONTANA
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Section 7-6-205 and Section 7-6-206, MCA, state that demand deposits may be placed only in banks and public money not necessary for immediate use by a county, city, or town that is not invested as authorized in Section 7-6-202, MCA, may be placed in time or savings deposits with a bank, savings and loan association, or credit union in the state or placed in repurchase agreements as authorized in Section 7-6-213, MCA.

The government has no investment policy that would further limit its investment choices.

The government has no investments that require credit risk disclosure.

Short Term Investment Pool (STIP) Credit Quality ratings by the S&P's rating services as of June 30, 2022, (in thousands):

<u>Security Investment Type</u>	Total Fixed Income Investments at Fair Value	Credit Quality Rating	WAM (Days)
Treasuries	\$ 520,928	A-1	17
Asset Backed Commercial Paper	69,929	A-1	2
Agency of Government Related	1,242,500	A-1	40
Corporate:			
Commercial Paper	838,725	A-1	27
Notes	253,992	A-1	8
Certificates of Deposit	<u>752,070</u>	A-1	24
Total Investments	<u>\$ 3,678,144</u>		

Audited financial statements for the State of Montana's Board of Investments are available at 2401 Colonial Drive 3rd Floor in Helena, Montana.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk other than that required by state statutes. All deposits are carried at cost plus accrued interest. As of June 30, 2022, the government's bank balance was exposed to custodial credit risk as follows:

	June 30, 2022 <u>Balance</u>
<u>Depository Account</u>	
Insured	\$ 1,568,754
- Collateral held by the pledging bank's trust department but not in the County's name	14,064,264
- Uninsured and Uncollateralized deposits	<u>24,450</u>
Total deposits and investments	<u>\$ 15,657,468</u>

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

Deposit Security

Section 7-6-207, MCA, states (1) The local governing body may require security only for that portion of the deposits which is not guaranteed or insured according to law and, as to such unguaranteed or uninsured portion, to the extent of:

(a) 50% of such deposits if the institution in which the deposit is made has a net worth of total assets ratio of 6% or more; or

(b) 100% if the institution in which the deposit is made has a net worth of total assets ratio of less than 6%.

The amount of collateral held for County deposits at June 30, 2022, equaled or exceeded the amount required by State statutes.

Concentration of Credit Risk

The government places no limit on the amount the entity may invest in any one issuer. The government's concentration of credit risk percentages follow for each investment issued that is not issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools and other pooled investments:

	<u>% of credit risk</u>
Repurchase agreements	21.81%

Interest Rate Risk

The government does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, but as stated above is limited to investment maturities of 5 years per MCA 7-6-202. The following is a list of individual investments as of June 30, 2022, along with their related interest rates and maturity dates.

Investment	Interest Rate	Maturity	Amount
Federal Home Loan Mortgage Corp. Note	0.320%	11/2/2023	\$ 2,292,034
Federal Home Loan Mortgage Corp. Note	0.320%	11/24/2023	964,490
Federal Farm Credit Bank Bond	0.310%	11/30/2023	963,260
Federal Home Loan Mortgage Corp. Note	0.300%	12/29/2023	961,300
Federal Home Loan Mortgage Corp. Note	0.300%	12/29/2023	961,300
Federal Farm Credit Bank Bond	0.330%	4/5/2024	954,950
Federal Home Loan Bank Bond	0.375%	5/30/2024	955,770
Federal Home Loan Mortgage Corp. Note	0.400%	6/10/2024	950,530
Federal Home Loan Mortgage Corp. Note	0.375%	7/15/2024	947,420
Federal Home Loan Mortgage Corp. Note	0.375%	7/29/2024	1,892,700
Federal Farm Credit Bank Bond	0.470%	8/19/2024	943,560
Federal Home Loan Bank Bond	0.330%	8/26/2024	943,390
Federal National Mortgage Association Note	0.450%	8/26/2024	948,750
Federal Home Loan Bank Bond	0.450%	8/27/2024	949,670
Federal Farm Credit Bank Bond	0.480%	9/3/2024	942,710
Federal Home Loan Bank Bond	0.500%	9/16/2024	948,440
Federal Home Loan Bank Bond	0.500%	9/30/2024	946,180
Federal Home Loan Bank Bond	0.500%	9/30/2024	473,400
Federal Home Loan Mortgage Corp. Note	0.450%	11/25/2024	1,876,440
Federal Home Loan Bank Bond	0.550%	11/26/2024	944,650

GALLATIN COUNTY, MONTANA
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Federal National Mortgage Association Note	0.500%	11/26/2024	941,000
Federal Home Loan Bank Bond	0.500%	12/9/2024	939,490
Federal Home Loan Mortgage Corp. Note	0.420%	12/9/2024	939,400
Federal Home Loan Bank Bond	0.400%	12/10/2024	932,730
Federal Home Loan Bank Bond	0.500%	12/10/2024	945,780
Federal Home Loan Bank Bond	0.580%	12/13/2024	942,640
Federal Farm Credit Bank Bond	0.320%	12/23/2024	1,864,080
Federal Farm Credit Bank Bond	0.330%	12/23/2024	937,210
Federal Home Loan Mortgage Corp. Note	0.450%	12/24/2024	939,700
Federal Home Loan Bank Bond	0.625%	12/30/2024	1,421,160
Federal Home Loan Bank Bond	0.600%	12/30/2024	1,420,275
Federal Home Loan Mortgage Corp. Note	0.320%	1/6/2025	1,893,375
Federal Home Loan Bank Bond	0.625%	1/15/2025	944,210
Federal Home Loan Bank Bond	0.470%	2/25/2025	939,990
Federal Farm Credit Bank Bond	0.480%	3/3/2025	933,210
Federal Home Loan Mortgage Corp. Note	0.480%	3/28/2025	931,030
Federal Home Loan Bank Bond	0.710%	4/15/2025	937,970
Federal National Mortgage Association Note	0.550%	5/27/2025	931,530
Federal Home Loan Mortgage Corp. Note	0.480%	5/29/2025	1,846,700
Federal Home Loan Bank Bond	0.750%	6/30/2025	934,400
Federal Home Loan Mortgage Corp. Note	0.500%	6/30/2025	921,540
Federal Home Loan Bank Bond	0.530%	7/28/2025	925,820
Federal Home Loan Mortgage Corp. Note	0.510%	7/30/2025	927,350
Federal National Mortgage Association Note	0.625%	8/25/2025	927,790
Federal Home Loan Mortgage Corp. Note	0.625%	9/15/2025	927,640
Federal Home Loan Bank Bond	0.700%	9/24/2025	928,680
Federal Home Loan Mortgage Corp. Note	0.500%	9/30/2025	918,390
Federal Home Loan Mortgage Corp. Note	0.570%	10/8/2025	1,839,400
Federal Home Loan Bank Bond	0.500%	10/28/2025	919,110
Federal National Mortgage Association Note	0.600%	10/29/2025	2,769,180
Federal Farm Credit Bank Bond	0.600%	11/24/2025	919,720
Federal Home Loan Mortgage Corp. Note	0.620%	12/1/2025	914,550
Federal Home Loan Bank Bond	0.900%	12/26/2025	930,160
Federal Home Loan Bank Bond	0.900%	12/30/2025	1,863,540
Federal Home Loan Mortgage Corp. Note	0.520%	1/7/2026	921,440
Federal Home Loan Mortgage Corp. Note	0.500%	1/7/2026	1,841,580
Federal Home Loan Bank Bond	0.625%	1/22/2026	914,660
Federal Home Loan Bank Bond	0.580%	1/28/2026	922,120
Federal Home Loan Bank Bond	0.625%	1/28/2026	923,580
Federal Home Loan Bank Bond	0.750%	2/24/2026	913,360
Federal Home Loan Bank Bond	0.850%	2/26/2026	929,390
Federal Home Loan Bank Bond	1.020%	4/21/2026	930,090
Federal Home Loan Bank Bond	0.700%	6/15/2026	1,411,395
Federal Home Loan Bank Bond	0.750%	6/30/2026	931,870
Federal Home Loan Bank Bond	0.980%	8/26/2026	927,260
Federal Home Loan Bank Bond	1.500%	1/25/2027	924,840
Federal Home Loan Bank Bond	1.650%	1/28/2027	937,740
Federal Home Loan Bank Bond	0.625%	12/30/2024	1,411,630
Federal Home Loan Bank Bond	0.650%	9/9/2026	917,105
Federal Home Loan Bank Bond	1.100%	10/28/2026	916,652
Total			\$ <u>77,584,406</u>

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

Cash and Investment Pool

The government maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and investments."

Investment in the Treasurer's Pools

The County Treasurer invests on behalf of most funds of the County and external participants in accordance with the County's investment policy and Montana law. The County's pools are managed by the County Finance Department. The external portion of the County's investment pools are accounted for as custodial funds. There are two types of investment funds reported by the County, pooled and individually directed investment trust funds.

The County has a pooled investment fund, invested in STIP, repurchase agreements, nonnegotiable certificates of deposits and U.S. Government Securities. The County invests funds as directed by several external entities. These are individual directed investments and are invested in non-negotiable certificates of deposits and mutual funds. The mutual funds are specifically invested to SD #7 Foundation, that is a 501(c)3. These investments are reported in an individually directed investment fund as described above.

The County has not provided nor obtained any legally binding guarantees during the fiscal year ended June 30, 2022, to support the value of the shares in the pool. As stated previously, the fair value of the investments is determined annually following the fair value measurement hierarchy. The condensed statement below is measured at fair value at fiscal year ended June 30, 2022.

As noted above state statutes limit the type of investments but provide no other regulatory oversight, and the pool is not registered with the Securities and Exchange Commission.

Investment Income

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 pooled investments.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
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Condensed statements of investments pools

The following represents a condensed statement of net position and changes in net position for the Treasurer's Pool as of June 30, 2022.

Statement of Net Position

Net position held in trust for all pool participants:

Equity of internal pool participants	\$ 133,579,860
Equity of external pool participants	<u>139,392,159</u>
Total equity	<u><u>\$ 272,972,019</u></u>

Condensed Statement of Changes in Net Position

	<u>External</u>	<u>Internal</u>
Investment earnings	\$ 508,281	\$ 502,885
Unrealized loss on investments	(2,435,601)	(2,409,955)
Contributions to trust	142,435,565	136,891,819
Distributions paid	<u>(141,162,809)</u>	<u>(143,117,089)</u>
Net change in net position	\$ (654,564)	\$ (8,132,340)
Net position at beginning of year	<u>140,046,723</u>	<u>141,712,200</u>
Net position at end of year	<u><u>\$ 139,392,159</u></u>	<u><u>\$ 133,579,860</u></u>

NOTE 3. RESTRICTED CASH

The following restricted cash/investments were held by the County as of June 30, 2022. These amounts are reported within the cash/investment account on the Statement of Net Position.

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
RID Debt Service	Ousel Falls RID Cash Reserves	\$ 35,300
RID Debt Service	Clarkston & Logan Trident RID Cash Reserves	47,150
RID Debt Service	Amersterdam RID Cash Reserves	3,000
Landfill Fund	Closure and postclosure costs	<u>3,350,885</u>
Total		<u><u>\$3,436,335</u></u>

NOTE 4. RECEIVABLES

Tax Receivables

Property tax levies are set in August, after the County Assessor delivers the taxable valuation information to the County, in connection with the budget process and are based on taxable values listed as of January 1 for all property located in the Entity. Taxable values are established by the Montana Department of Revenue, and a revaluation of all property is required to be completed on a periodic basis. Taxable value is defined by Montana statute as a fixed percentage of market value.

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 (and a lien upon the property). After three years, the County may exercise the lien and take title to the property.

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Special assessments are either billed in one installment due November 30 or two equal installments due November 30 and the following May 31. 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 due thirty days after billing; the second due September 30. The tax billings are considered past due after the respective due dates and are subject to penalty and interest charges.

Taxes that become delinquent are charged interest at the rate of 5/6 of 1% a month plus a penalty of 2%. Real property on which taxes remain delinquent and unpaid may be sold at tax sales. In the case of personal property, the property is to be seized and sold after the taxes become delinquent.

Deferred Assessment Receivables

The County has several special assessment bonds that were sold to perform rural improvements. These bonds are payable primarily from the collection of assessments against benefited property owners within the improvement districts. Below is the summary of the receivables that are deferred and current that were outstanding at the end of June 30, 2022. The County is aware of the excess resources available versus the debt owed and plans to correct through not assessing the property owners in the final year of the bonds.

Fund	Name of RID	Cash	Current Receivables	Deferred Assessment Receivable	Total Assets	Related Debt Outstanding
RID Debt Service	Bear Creek 2&3 Roads	\$ 39,733	\$ 460	\$ 65,224	\$ 105,417	\$ 90,000
RID Debt Service	Trail Creek Road	(29,021)	1,746	190,638	163,363	105,000
RID Debt Service	Ousel Falls Road	72,243	3,365	824,630	900,238	635,000
RID Debt Service	Clarkston & Logan Trident Road	110,949	39,668	2,562,254	2,712,871	2,445,000
RID Debt Service	Firelight and Franklin Hills	16,847	1,209	528,736	546,792	458,018
RID Debt Service	Sourdough Creek	2,787	5	74,812	77,604	64,580
	Summer Ridge Subdivision, Olive Tree Way,					
RID Debt Service	and Sir George Lane	13,190	129	229,656	242,975	214,200
RID Debt Service	Nixon Bridge and Parview	67,241	1,619	583,102	651,962	654,237
Total		<u>293,969</u>	<u>48,201</u>	<u>5,059,052</u>	<u>5,401,222</u>	<u>4,666,035</u>

Other Receivables

The other receivable balances as reported by the County include the following:

Fund	Accounts receivable, net	Due from other governments	Loan receivable	Other miscellaneous receivables	Total
General	\$ 234,047	\$ -	\$ -	\$ 25,683	\$ 259,730
RID Maintenance	-	-	-	5,622	5,622
Public Safety Fund	58,088	105,846	-	63,724	227,658
Federal Grant	-	176,097	-	6,648	182,745
RID Debt Service	-	-	-	480	480
County Building - Capital Improvements	-	48,406	-	4,482	52,888
Other Governmental Funds	35,936	790,162	200,000	174,983	1,201,081
Internal Service	-	-	-	93,176	93,176
Total Governmental Activities	<u>\$ 328,071</u>	<u>\$ 1,120,511</u>	<u>\$ 200,000</u>	<u>\$ 374,798</u>	<u>\$ 2,023,380</u>

Fund	Accounts receivable, net	Due from other governments	Other miscellaneous receivables	Other miscellaneous receivables	Total
Rest Home	\$ 247,855	\$ -	\$ -	\$ -	\$ 247,855
Landfill	840,730	-	-	-	840,730
Non-Major Enterprise	136,698	-	-	-	136,698
Total Business-Type Activities	<u>\$ 1,225,283</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,225,283</u>

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
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No estimated uncollectible amount was determined in the Landfill and Yellowstone Refuse District as the collections are high and there is limited amount of outstanding receivables that are over 90 days old. There is a minor 2% estimate on the Rest Home in uncollectible receivables. The estimated uncollectible totaled \$5,053 at end of fiscal year. Remaining receivables are determined to collectible.

NOTE 5. INVENTORIES AND PREPAIDS

Inventories are valued at cost using the First In First Out (FIFO) method.

The cost of inventories are recorded as an expenditure when purchased.

NOTE 6. CAPITAL ASSETS

The County's assets are capitalized at historical cost or estimated historical cost. County policy has set the capitalization threshold for reporting capital assets at \$5,000. Gifts or contributions of capital assets are recorded at fair market value when received. The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Depreciation is recorded on a straight-line basis over the useful lives of the assets as follows:

Buildings	30 – 60 years
Building Improvements	30 – 60 years
Infrastructure:	
Road	20 – 60 years
Bridge	50 – 75 years
Vehicles	7 years
Equipment other than vehicles	5 – 20 years
Office Equipment	5 – 20 years
Computer Equipment	5 years
Intangibles:	
Software	7 years

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

A summary of changes in governmental capital assets was as follows:

Governmental activities (includes internal service funds):

	Balance July 1, 2021	Additions	Disposals	Transfers	Balance June 30, 2022
Capital assets not being depreciated:					
Land	\$ 6,208,880	\$	\$ (1)	\$ -	\$ 6,208,879
Construction in progress	9,799,768	2,975,389	-	(320,002)	12,455,155
Total capital assets not being depreciated	<u>\$ 16,008,648</u>	<u>\$ 2,975,389</u>	<u>\$ (1)</u>	<u>\$ (320,002)</u>	<u>\$ 18,664,034</u>
Other capital assets:					
Buildings	\$ 63,098,452	\$ 9,994	\$ -	\$ -	\$ 63,108,446
Improvements other than buildings	4,003,238	22,341	-	-	4,025,579
Machinery and equipment	30,000,543	2,329,958	(2,073,071)	-	30,257,430
Infrastructure	149,955,366	565,480	-	320,002	150,840,848
Intangibles	22,791,171	1,478,097	(22,000)	-	24,247,268
Total other capital assets at historical cost	<u>\$ 269,848,770</u>	<u>\$ 4,405,870</u>	<u>\$ (2,095,071)</u>	<u>\$ 320,002</u>	<u>\$ 272,479,571</u>
Less: accumulated depreciation	<u>(141,205,669)</u>	<u>(5,478,384)</u>	<u>1,764,949</u>	<u>-</u>	<u>(144,919,104)</u>
Total	<u>\$ 144,651,749</u>	<u>\$ 1,902,875</u>	<u>\$ (330,123)</u>	<u>\$ -</u>	<u>\$ 146,224,501</u>

Governmental activities depreciation expense was charged to functions as follows:

Governmental Activities:	
General government	\$1,177,205
Public safety	1,955,487
Public works	1,998,922
Public health	21,720
Social and economic services	804
Culture and recreation	208,051
Housing and community development	24,493
Conservation of natural resources	7,877
Total governmental activities depreciation expense	<u>\$5,394,559</u>

The depreciation in the above table only includes the governmental activities depreciation expense. The internal service funds when consolidated with the governmental activities is included in the total summary of changes in governmental capital assets table. The total depreciation for the internal service fund equals \$66,925, reported in the general government function, bringing the total depreciation expense to \$5,478,384.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

A summary of changes in business-type capital assets was as follows:

Business-type activities:

	Balance July 1, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Capital assets not being depreciated:					
Land	\$ 1,661,552	\$ -	\$ -	\$ -	\$ 1,661,552
Construction in progress	1,295,232	25,442	-	(179,856)	1,140,818
Total capital assets not being depreciated	<u>\$ 2,956,784</u>	<u>\$ 25,442</u>	<u>\$ -</u>	<u>\$ (179,856)</u>	<u>\$ 2,802,370</u>
Other capital assets:					
Buildings	\$ 8,482,589	\$ 42,607	\$ -	\$ 157,267	\$ 8,682,463
Improvements other than buildings	5,505,971	-	-	-	5,505,971
Machinery and equipment	8,131,319	785,005	(511,500)	22,589	8,427,413
Intangibles	145,468	5,488	-	-	150,956
Total other capital assets at historical cost	<u>\$ 22,265,347</u>	<u>\$ 833,100</u>	<u>\$ (511,500)</u>	<u>\$ 179,856</u>	<u>\$ 22,766,803</u>
Less: accumulated depreciation	<u>(13,160,145)</u>	<u>(790,902)</u>	<u>479,853</u>	<u>0</u>	<u>(13,471,194)</u>
Total	<u>\$ 12,061,986</u>	<u>\$ 67,640</u>	<u>\$ (31,647)</u>	<u>\$ -</u>	<u>\$ 12,097,979</u>

NOTE 7. LONG TERM DEBT OBLIGATIONS

In the governmental-wide and proprietary financial statements, outstanding debt is reported as liabilities. Bond issuance costs are expensed at the date of sale. Bond premiums are capitalized and amortized over the life of the debt.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

Changes in Long-Term Debt Liabilities - During the year ended June 30, 2022, the following changes occurred in liabilities reported in long-term debt:

Governmental Activities:

	Balance July 1, 2021	Additions	Deletions	Restatements	Balance June 30, 2022
General obligation bonds	\$ 24,175,000	\$ -	\$ (2,985,000)	\$ -	\$ 21,190,000
GO Bond Premiums	2,529,190	-	(285,661)	-	2,243,529
Special assessment bond	5,151,702	-	(485,667)	-	4,666,035
Capital leases	993,915	-	-	(993,915)	-
Compensated absences	2,901,192	251,168	-	-	3,152,360
Total	<u>\$ 35,750,999</u>	<u>\$ 251,168</u>	<u>\$ (3,756,328)</u>	<u>\$ (993,915)</u>	<u>\$ 31,251,924</u>

In prior years the General Fund was used to liquidate compensated absences and claims and judgments.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
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Business-type Activities:

	Balance			Balance		Due Within
	<u>July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2022</u>		<u>One Year</u>
Compensated absences	\$ 491,940	\$ -	\$ (78,431)	\$ 413,509	\$	274,207
Closure/postclosure liability	2,845,617	330,824	-	3,176,441		-
Total	<u>\$ 3,337,557</u>	<u>\$ 330,824</u>	<u>\$ (78,431)</u>	<u>\$ 3,589,950</u>	<u>\$</u>	<u>274,207</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, 2022, were as follows:

<u>Purpose</u>	<u>Origination Date</u>	<u>Interest Rate</u>	<u>Term</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Annual Payment</u>	<u>Balance June 30, 2022</u>
Open Lands 2012 Series	10/23/12	2.00%	10yrs	7/1/23	\$ 2,450,000	Varies	\$ 265,000
		1.00 -					
Open Lands 2013 Series	6/9/13	3.00%	12yrs	7/1/26	3,390,000	Varies	1,420,000
		2.00 -					
Open Lands 2015 Series	11/19/15	4.00%	20yrs	7/1/36	5,830,000	Varies	3,680,000
		2.00 -					
Hope House 2010 Series	7/1/10	4.00%	20yrs	7/1/30	1,000,000	Varies	485,000
		3.00 -					
Detention Center 2009 Series	6/2/16	5.00%	12yrs	7/1/29	19,130,000	Varies	14,405,000
		1.00 -					
I-90 Interchange	12/27/12	2.25%	10yrs	7/1/23	2,000,000	Varies	210,000
		0.85 -					
Fairgrounds Ice Facility 2013 Series	8/6/13	4.00%	20yrs	7/1/33	<u>1,150,000</u>	Varies	<u>725,000</u>
					<u>\$34,950,000</u>		<u>\$ 21,190,000</u>

Reported in the governmental activities.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

Annual requirement to amortize debt:

For Fiscal Year Ended	Principal	Interest
2023	\$ 3,110,000	\$ 793,557
2024	2,770,000	670,487
2025	2,900,000	556,530
2026	3,040,000	424,910
2027	2,450,000	307,280
2028	2,535,000	231,150
2029	2,625,000	152,200
2030	315,000	70,400
2031	260,000	57,800
2032	265,000	47,400
2033	280,000	36,800
2034	205,000	25,600
2035	215,000	17,400
2036	220,000	8,800
Total	<u>\$ 21,190,000</u>	<u>\$ 3,400,314</u>

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. Rural special improvement districts bonds were issued with revolving fund backing. The County is obligated to levy and collect a general property tax on all taxable property in the County to provide additional funding for the debt service payments. The cash balance in the Revolving Fund must equal at least 5% of the principal amount of bonds outstanding. Special assessment bonds outstanding as of June 30, 2022, were as follows:

Purpose	Origination Date	Interest Rate	Bond Term	Maturity Date	Bonds Amount	Annual Payment	Balance June 30, 2022
RID #391	2006	2.00 - 5.25%	20yrs	2026	\$ 395,000	Varies	\$ 90,000
RID #393	2007	4.20 - 5.50%	19yrs	2027	900,000	Varies	105,000
RID #395	2010	2.00 - 6.00%	20yrs	2030	1,765,000	Varies	635,000
RID #396	2010	2.50 - 6.00%	20yrs	2030	4,715,000	Varies	2,445,000
RID #2605-2606	2015	4.00%	20yrs	2035	765,000	Varies	458,018
RID #2607	2016	3.55%	16yrs	2032	107,000	Varies	64,580
RID #2608-2610	2017	3.15%	15yrs	2031	363,000	Varies	214,200
RID #2612 & 2615	2020	3.35%	15yrs	2035	732,000	Varies	654,237
					<u>\$ 9,742,000</u>		<u>\$ 4,666,035</u>

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

Annual requirement to amortize debt:

For Fiscal Year Ended	Principal	Interest
2023	\$ 539,516	\$ 224,400
2024	558,420	199,748
2025	527,523	164,795
2026	526,697	136,993
2027	550,055	113,275
2028	570,556	86,386
2029	485,266	58,577
2030	514,844	36,248
2031	115,643	12,874
2032	109,570	8,969
2033	57,045	5,451
2034	58,964	3,532
2035	51,936	1,540
Total	<u>\$ 4,666,035</u>	<u>\$ 1,052,788</u>

Compensated Absences

Compensated absences are absences for which employees will be paid for time off earned for time during employment, such as earned vacation and sick leave. It is the County's policy and state law to permit employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from County service. Employees are allowed to accumulate and carry over a maximum of two times their annual accumulation of vacation, but the excess cannot be carried forward more than 90 days into the new calendar year. There is no restriction on the amount of sick leave that may be accumulated. Upon separation, employees are paid 100 percent of accumulated vacation and 25 percent of accumulated sick leave.

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.

The liability associated with governmental fund-type employees is reported in the governmental activities, while the liability associated with proprietary fund-type employees is recorded in the business-type activities/respective proprietary fund.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 8. LEASES

Leased Assets and Lease Liabilities

The County has multiple lease agreements with American Bank Center for six new 2021 John Deere Motor Graders. Each agreement is a six-year term requiring annual payments with a purchase option in year seven. Historically, the County has not executed the purchase options on these agreements and is reasonably certain they will not execute these options on these new leases; therefore, the purchase options have been excluded from the determination of the leased asset and liability amounts.

A summary of changes in governmental leased assets and liabilities were as follows as of June 30, 2022:

Governmental activities:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Principal Due Within Year
Leased Assets:					
Machinery and equipment	\$ -	\$ 1,362,600	\$ -	1,362,600	\$ -
Less: accumulated amortization	-	(167,171)	-	(167,171)	-
Total Leased Assets, net	<u>\$ -</u>	<u>\$ 1,195,429</u>	<u>\$ -</u>	<u>\$ 1,195,429</u>	<u>\$ -</u>
Lease liability	<u>\$ -</u>	<u>\$ 1,362,600</u>	<u>\$ (241,346)</u>	<u>\$ 1,121,254</u>	<u>\$ 117,911</u>

Below is the annual principal and interest requirements of the lease liabilities:

For Fiscal Year Ended	Principal	Interest
2023	\$ 213,315	\$ 28,031
2024	218,648	22,698
2025	224,114	17,232
2026	229,717	11,629
2027	235,460	5,887
Total	<u>\$ 1,121,254</u>	<u>\$ 385,719</u>

Leased Receivables

The County recognized a total lease receivable and related deferred inflows of resources equal to \$1,928,187 as of the end the June 30, 2022. The receivables are made up of the following agreements.

The County fairgrounds leases land and rights of way to Gold Creek Cellular of Montana Limited Partnership d/b/a Verizon Wireless for the installation and maintenance of utility wires, poles, cables, conduits, and pipes over, under, or along one or more rights of way from the land space. The lessee has non-exclusive rights to the area in the land lease agreement. The initial term of the agreement that began in August 2016 is 10 years, with automatic extensions of up to two additional 10 year terms. Total payments to be received in monthly installments equals \$15,000 to be adjusted at 3% per year. The total lease receivable and deferred inflows of resources recognized at the end of the fiscal year ending June 30, 2022 was \$391,277. The County received payment of \$17,305 during the fiscal year ending June 30, 2022.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
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The County fairgrounds leases Haynes Pavilion ice facility to the Gallatin Hockey Inc. a/k/a Bozeman Amateur Hockey Association for the use and occupancy of the facility. The facility is to be used for competitive or instructional amateur recreational ice events and activities, including but not limited to meetings, training, office training for hockey, figure skating, curling, open, public and recreational ice skating and associated fund raising, concessions and merchandising. The initial term 10 year term commenced on July 1, 2016, with a 5 year renewal period if the lessee notifies the Counties within 180 days of the expiration. There is an additional 5 year renewal term option that both the County and the lessee must negotiate, so is excluded from the receivable. The total lease receivable and deferred inflows of resources recognized at the end of the fiscal year ending June 30, 2022 was \$583,390. The County received payment of \$74,945 during the fiscal year ending June 30, 2022.

The County sheriff department leases tower space on the 911 communication tower located on Beacon Hill Road to Gold Creek Cellular of Montana Limited Partnership d/b/a Verizon Wireless for the installation and maintenance of equipment utility wires, poles, cables, conduits, and pipes running from the Town Space to the equipment building; together with the non-exclusive permission to access the property. The initial term of the agreement that began in August 2016 is 10 years, with automatic extensions of up to two additional 10 year terms. Total payments to be received in monthly installments equals \$18,000 to be adjusted at 3% per year. The total lease receivable and deferred inflows of resources recognized at the end of the fiscal year ending June 30, 2022 was \$471,089. The County received payment of \$20,899 during the fiscal year ending June 30, 2022.

The County sheriff department leases tower space on the 911 communication tower located on Horse Butte to Teton Communications to for the placement and affixing antennas oriented in such directions to the lessee's needs and space with in the building for communication equipment. equipment building; together with the non-exclusive permission to access the property. The initial term of the agreement that began in March 2021 for 5 years, with automatic extensions of up to five additional 5 year terms. Total payments to be received in monthly installments equals \$18,072 to be adjusted at 3% per year. The total lease receivable and deferred inflows of resources recognized at the end of the fiscal year ending June 30, 2022 was \$482,431. The County received payment of \$18,253 during the fiscal year ending June 30, 2022.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 9. COMMITMENTS

At June 30, 2022, the County had contractual commitments of approximately \$22,980,638. Significant contracts are made up of the following:

Description	Commitment	Expended to Date	Outstanding at June 30, 2022
911 Radio Equipment Software And Maintenance	\$ 11,505,844	\$ 4,631,489	\$ 6,874,355
Rest Home Temporary Staffing Services	6,000,000	921,175	5,078,825
Payroll/HR Software	776,604	-	776,604
Courts Building Design	1,665,750	889,481	776,269
County Vehicle Fleet	940,157	170,734	769,423
Grader Leases	965,386	241,346	724,040
Hauling Recyclable Materials and Site Maintenance	1,960,002	1,245,193	714,809
Waste Hauling Services from Bozeman Convenience Site	602,815	-	602,815
Janitorial Services	1,647,928	667,186	980,742
Body and Dash Cams	460,835	-	460,835
Snow Removal Services	750,000	20,497	729,503
Processing and Marketing Recyclable Materials	902,658	547,208	355,450
Total	\$ 28,177,979	\$ 9,334,309	\$ 18,843,670

The remaining \$4,136,968 is made up of various small contractual commitments. Future appropriations will fund these commitments as work is performed.

NOTE 10. POSTEMPLOYMENT HEALTHCARE PLAN

Plan Description. The healthcare plan provides for, as required by section 2-18-704, MCA, employees with at least 5 years of service and who are at least age 50, along with surviving spouses and dependents, to stay on the government's health care plan as long as they pay the same premium. This creates a defined benefit Other Post-Employment Benefits Plan (OPEB); since retirees are usually older than the average age of the plan participants, they receive a benefit of lower insurance rates. The OPEB plan is a single-employer defined benefit plan administered by the County. The government has not created a trust to accumulate assets to assist in covering the defined benefit plan costs, and covers these when they come due. The above described OPEB plan does not provide a stand-alone financial report.

Benefits Provided. The government provides healthcare insurance benefits for retirees and their dependents upon reaching the age and service years defined in section 2-18-704, MCA. The benefit terms require that eligible retirees cover 100 percent of the health insurance premiums, but may pay the same premiums as the other members in the group health plan.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

Employees covered by benefit terms. At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefit payments	23
Active employees	468
Total employees	491

Total OPEB Liability

The County's total OPEB liability of \$4,291,527 at June 30, 2022, and was determined by actuarial valuation using the actuarial entry age normal funding method. The measurement date of the determined liability was June 30, 2021.

Actuarial assumptions and other input. The total OPEB liability in the June 30, 2022, alternative measurement method was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Average age of retirement (based on historical data)	60
Discount rate (average anticipated rate)	1.92%
Average salary increase (Consumer Price Index)	3.00%
<u>Health care cost rate trend (Federal Office of the Actuary)</u>	

<u>Year</u>	<u>% Increase</u>
2023	Actual
2024	6.8%
2025	6.2%
2026	5.5%
2027	5.5%
2028	5.4%
2029	5.3%
2030	5.2%
2031	5.1%
2032-2037	5.0%
2038-2039	4.9%
2040-2043	4.8%
2044-2049	4.7%
2050-2059	4.6%
2060-2065	4.5%
2066-2067	4.4%
2068-2069	4.3%
2070	4.2%
2071-2072	4.1%
2073-2074	4.0%
2075	3.9%
2076 & Later	3.9%

GALLATIN COUNTY, MONTANA
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The discount rate was based on the Fidelity Municipal Bond AA 20 Year Maturity Yield.

Mortality before and after retirements for PERS members is PUB-2010 General Amount Weighted Employee mortality and for SRS members is PUB-2010- Safety Amount Weighted Employee mortality.

The turnover rates were determined from the periodic experience studies of the Montana public retirement systems for the covered groups as documented in the GASB 68 actuarial valuations.

Participation Rate

Active Employees:

- a) 40% 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 ½ (20% of) the rates assumed for currently enrolled employees.
- c) 10% of employees 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 10% 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 healthcare coverage until death.

Changes in the Total OPEB Liability

Balance at 6/30/2021	\$ <u>4,078,407</u>
Changes for the year:	
Service Cost	\$ 315,845
Interest	105,561
Differences in experience	(970,192)
Change in assumptions	933,205
Benefit payments	(171,299)
Net Changes	\$ <u>213,120</u>
Balance at 6/30/2022	\$ <u>4,291,527</u>

GALLATIN COUNTY, MONTANA
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Sensitivity of the total OPEB liability to changes in the discount rate. The following summarizes the total OPEB liability reported, and how that liability would change if the discount rate used to calculate the OPEB liability were to decrease or increase 1%:

	1% Decrease (0.92%)	Discount Rate (1.92%)	1% Increase (2.92%)
Total OPEB Liability \$	4,853,560	\$ 4,291,527	\$ 3,805,554

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following summarizes the total OPEB liability reported, and how that liability would change if the healthcare trend rates used in projecting the benefit payments were to decrease or increase 1%:

	1% Decrease	Healthcare Cost Trends*	1% Increase
Total OPEB Liability \$	3,691,346	\$ 4,291,527	\$ 5,021,309

**Reference the assumptions footnotes to determine the healthcare cost trends used to calculate the OPEB liability.*

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the County recognized an OPEB expense of \$213,120.

At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resourced related to OPEB from the following sources:

	Deferred Outflows of Resources - OPEB	Deferred Inflows of Resources - OPEB
Differences between expected and actual economic experience	\$ 140,639	846,601
Changes in actuarial assumptions	1,036,889	834,386
Deferred Contributions	116,744	-
Total	<u>\$ 1,294,272</u>	<u>\$ 1,680,987</u>

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

OPEB: Year ended June 30:	Amount recognized in OPEB Expense as an increase or (decrease) to OPEB Expense
2023	\$ (96,173)
2024	\$ (96,173)
2025	\$ (96,173)
2026	\$ (96,173)
2027	\$ (74,824)
Thereafter	\$ (43,942)

NOTE 11. LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and Federal laws and regulations require that Gallatin 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. Although closure and postclosure 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 postclosure 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. The \$3,176,441 reported as landfill closure and postclosure liability at June 30, 2022, represents the cumulative amount reported to date based on the use of 76.87% of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$955,789 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure in 2022. Actual costs may be different due to inflation, deflation, technology, or changes in applicable laws or regulation. The County expects to close the landfill in the year 2026, therefore there are 4 years remaining of useful life. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by State and Federal laws and regulations to demonstrate financial assurance for the costs of closure and postclosure care costs. For the fiscal year ended June 30, 2022, Gallatin County demonstrated its ability to handle closure and postclosure care costs by passing the local government financial test. The total set aside and restricted for this purpose equaled \$3,350,885.

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NOTE 12. NET PENSION LIABILITY (NPL)

As of June 30, 2022, the County reported the following balances as its proportionate share of PERS and SRS, and TRS pension amounts:

County's Proportionate Share Associated With:

	PERS	SRS	TRS	Pension Totals
Net Pension Liability	\$ 17,804,718	\$ 5,898,818	\$ 88,846	\$ 23,792,382
Deferred outflows of resources*	\$ 4,735,984	\$ 4,045,610	\$ 21,875	\$ 8,803,469
Deferred inflows of resources	\$ 7,878,372	\$ 4,039,196	\$ 30,321	\$ 11,947,889
Pension expense	\$ 2,487,009	\$ 126,631	\$ 14,351	\$ 2,627,991

*Deferred outflows for PERS and SRS, and TRS are reported as of the reporting date which includes employer contributions made subsequent to the measurement date of \$1,908,765 and \$1,047,652, and \$7,559, respectively. These amounts will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Total deferred inflows and outflows in the remainder of the note are as of the reporting date of June 30, 2022.

The following are the detailed disclosures for each retirement plan as required by GASB 68.

Public Employee's Retirement System – Defined Benefit Retirement Plan

Summary of Significant Accounting Policies

The County's employees participate in the Public Employees Retirement System (PERS) administered by the Montana Public Employee Retirement Administration (MPERA). MPERA prepared financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of determining the 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, MONTANA
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Plan Descriptions

The PERS-Defined Benefit Retirement Plan (PERS) 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, local governments, certain employees of the Montana University System, and school districts.

All new 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 defined contribution retirement plan (PERS-DCRP) by filing an irrevocable election. Members may not be participants of both the *defined contribution* and *defined benefit* retirement plans. For members that choose to join the PERS-DCRP, a percentage of the employer contributions will be used to pay down the liability of the PERS-DBRP. All new members from the universities also have a third option to join the university system's Montana University System Retirement Program (MUS-RP).

The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are established by state law and can only be amended by the Legislature.

Summary of Benefits

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 (actuarially reduced):

- 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) Retire 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;

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- 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.
- 2) Retire 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

Members hired prior to July 1, 2011:

- Less than 25 years of membership service: 1.785% of HAC per year of service credit;
- 25 years of membership service or more: 2% of HAC per year of service credit.

Members hired on or after July 1, 2011:

- Less than 10 years of membership service: 1.5% of HAC per year of service credit;
- 10 years or more, but less than 30 years of membership service: 1.785% of HAC per year of service credit;
- 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.

- 3.0% for members hired prior to July 1, 2007
- 1.5% for members hired between July 1, 2007 and June 30, 2013

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- 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%; and
 - 0% whenever the amortization period for PERS is 40 years or more.

Contributions

The state Legislature has the authority to establish and amend contributions 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 state agencies and universities but are reported as employer contributions.

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

<u>Fiscal Year</u>	<u>Member</u>		<u>Local Government</u>	
	<u>Hired<07/01/11</u>	<u>Hired>07/01/11</u>	<u>Employer</u>	<u>State</u>
2022	7.900%	7.900%	8.870%	0.100%
2021	7.900%	7.900%	8.770%	0.100%
2020	7.900%	7.900%	8.670%	0.100%
2019	7.900%	7.900%	8.570%	0.100%
2018	7.900%	7.900%	8.470%	0.100%
2017	7.900%	7.900%	8.370%	0.100%
2016	7.900%	7.900%	8.270%	0.100%
2015	7.900%	7.900%	8.170%	0.100%
2014	7.900%	7.900%	8.070%	0.100%
2012 – 2013	6.900%	7.900%	7.070%	0.100%
2010 – 2011	6.900%		7.070%	0.100%
2008 – 2009	6.900%		6.935%	0.100%
2000 - 2007	6.900%		6.800%	0.100%

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.

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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 the 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 its General Fund of \$34,290,660.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

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, 2021, was determined by taking the results of the June 30, 2020, 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 and 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 and the state of Montana's NPL for June 30, 2022, and 2021 (reporting periods), are displayed below. The County 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 County recorded a liability of \$17,804,718 and the County's proportionate share was 0.981938 percent.

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		Net Pension Liability as of 6/30/2022	Net Pension Liability as of 6/30/2021	Percent of Collective NPL as of 6/30/2022	Percent of Collective NPL as of 6/30/2021	Change in Percent of Collective NPL
Employer Proportionate Share	\$	17,804,718	\$ 27,226,707	0.981938%	1.032014%	-0.050076%
State of Montana Proportionate Share associated with Employer		5,254,663	8,582,137	0.289797%	0.325301%	-0.035504%
Total	\$	<u>23,059,381</u>	<u>\$ 35,808,844</u>	<u>1.271735%</u>	<u>1.357315%</u>	<u>-0.085580%</u>

Changes in actuarial assumptions and methods:

The following changes in assumptions or other inputs were made that affected the measurement of the TPL.

1. The discount rate was lowered from 7.34% to 7.06%
2. The investment rate of return was lowered from 7.34% to 7.06%

Changes in benefit terms:

There were 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. However, each employer may have unique circumstances that will impact the employer's proportionate share of the collective net pension. 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, 2022, the County recognized a Pension Expense of \$963,981 for its proportionate share of the pension expense. The County also recognized grant revenue of \$1,523,328 for the support provided by the State of Montana for its proportionate share of the pension expense that is associated with the County.

	Pension Expense as of 6/30/22	Pension Expense as of 6/30/21
Employer Proportionate Share	\$ 963,681	\$ 4,105,384
State of Montana State Appropriation for the Employer	1,523,328	1,403,540
Total	<u>\$ 2,487,009</u>	<u>\$ 5,508,924</u>

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Recognition of Beginning Deferred Outflow

At June 30, 2022, the County recognized a beginning deferred outflow of resources for the County's fiscal year 2021 contributions of \$1,768,207.

Recognition of Deferred Inflows and Outflows:

At June 30, 2022, the County 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>
Differences between expected and actual economic experience	\$ 190,009	\$ 128,888
Actual vs. Expected Investment Earnings	-	7,212,875
Changes in Assumptions	2,637,210	-
Changes in Proportion Share and Differences between Employer Contributions and Proportionate Share of Contributions	-	536,609
Employer contributions subsequent to the measurement date - FY22*	1,908,765	-
Total	<u>\$ 4,735,984</u>	<u>\$ 7,878,372</u>

*Amounts reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date have been recognized as a reduction of the net pension liability in the year ended June 30, 2022.

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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
2022	\$ (75,746)
2023	\$ (930,783)
2024	\$ (1,742,094)
2025	\$ (2,302,528)
Thereafter	\$ -

Actuarial Assumptions

The total pension liability used to calculate the NPL was determined by taking the results of the June 30, 2021, actuarial valuation, and was determined using the following actuarial assumptions.

- Investment Return (net of admin expense) 7.06%
- Admin Expense as % of Payroll 0.28%
- General Wage Growth* 3.50%
- *includes Inflation at 2.40%
- Merit Increases 0% to 4.8%
- Postretirement Benefit Increase Below:

Guaranteed Annual Benefit Adjustment (GABA)

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
- Member 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%; and
 - 0% whenever the amortization period for PERS is 40 years or more.
- Mortality assumptions among contributing members, service retired members and beneficiaries 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 are based on RP 2000 Combined Mortality Tables with no projections.

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Target Allocations

The long-term rate of return as of June 30, 2021, was calculated using the average long-term capital market assumptions published by the Survey of Capital Market Assumptions, 2021 Edition by Horizon Actuarial Services, LLC, yielding a median real rate of return of 4.66%. The assumed inflation is based on the intermediate inflation of 2.4% in the 2021 OASDI Trustees Report by the Chief Actuary for Social Security to produce 75-year cost projections. Combining these two results yields a nominal return of 7.06%. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2021, are summarized in the following table.

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return Arithmetic Basis</u>
Cash	3.00%	(0.33%)
Domestic Equity	30.00%	5.90%
International Equity	17.00%	7.14%
Private Investments	15.00%	9.13%
Real Assets	5.00%	4.03%
Real Estate	9.00%	5.41%
Core Fixed Income	15.00%	1.14%
Non-Core Fixed Income	<u>6.00%</u>	3.02%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the TPL was 7.06%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities would be made based on the Board's funding policy, which established the contractually required rates under the Montana Code Annotated. The state contributed 0.10% of the salaries paid by local governments and 0.37% paid by school districts. In addition, the state contributed 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 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 TPL. A municipal bond rate was not incorporated in the discount rate.

1.0% Decrease (6.06%)	Current Discount Rate	1.0% Increase (8.06%)
\$ 28,262,212	\$ 17,804,717	\$ 9,033,306

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 7.06%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.06%) or 1.00% higher (8.06%) than the current rate.

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PERS Disclosure for the defined contribution plan

Gallatin 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 contributions 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, 2021, 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 340 employers that have participants in the PERS-DCRP totaled \$1,103,889.

Pension plan fiduciary net position: The stand-alone financial statements (76d) of the Montana Public Employees Retirement Board (PERB) Comprehensive Annual Financial Report (CAFR) 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>.

Sheriff's Retirement System

Summary of Significant Accounting Policies

The Montana Public Employee Retirement Administration (MPERA) prepared financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of determining the 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.

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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).

Plan Descriptions

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, 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 to all Montana sheriffs. Benefits are established by state law and can only be amended by the Legislature.

The 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. Member rights are vested after five years of service.

Summary of Benefits

Service retirement:

- 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 an SRS position on or after July 1, 2017:

- 1) 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:
 - a. Is not awarded service credit for the period of reemployment;
 - b. Is refunded the accumulated contributions associated with the period of reemployment;
 - c. Starting the first month following termination of service, receives the same retirement benefit previously paid to the member; and
 - d. 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.
- 2) 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:

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- a. Is awarded service credit for the period of reemployment;
 - b. Starting the first month following termination of service, receives:
 - i. The same retirement benefit previously paid to the member, and
 - ii. A second retirement benefit for the period of reemployment calculated based on the laws in effect as of the member's rehire date; and
 - c. Does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA:
 - i. On the initial retirement benefit in January immediately following second retirement, and
 - ii. On the second retirement benefit starting in January after receiving that benefit for at least 12 months.
- 3) A member who returns to covered service is not eligible for a disability benefit.

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

Contributions

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

<u>Fiscal Year</u>	<u>Member</u>	<u>Employer</u>
2018-2022	10.495%	13.115%
2010-2017	9.245%	10.115%
2008-2009	9.245%	9.825%
1998-2007	9.245%	9.535%

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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

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, 2021, was determined by taking the results of the June 30, 2020, 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 and 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 County's and the state of Montana's NPL for June 30, 2022, and 2021 (reporting periods), are displayed below. The County proportionate share equals the ratio of the employer's contributions to the sum of all employer contributions during the measurement period. The County recorded a liability of \$5,898,818 and the County's proportionate share was 8.0983 percent.

	Net Pension Liability as of 6/30/2022	Net Pension Liability as of 6/30/2021	Percent of Collective NPL as of 6/30/2022	Percent of Collective NPL as of 6/30/2021	Change in Percent of Collective NPL
Employer Proportionate Share	\$ 5,898,818	\$ 10,030,666	8.0983%	8.2295%	-0.1312%
Total	<u>\$ 5,898,818</u>	<u>\$ 10,030,666</u>	<u>8.0983%</u>	<u>8.2295%</u>	<u>-0.1312%</u>

Changes in actuarial assumptions and methods:

The following changes in assumptions or other inputs were made that affected the measurement of the TPL.

1. The discount rate was lowered from 7.34% to 7.06%
2. The investment rate of return was lowered from 7.34% to 7.06%

Changes in benefit terms:

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

Changes in proportionate share:

Between the measurement date of the collective NPL and the employer's reporting date there were some changes in proportion that may have an effect on the employer's proportionate share of the collective NPL.

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June 30, 2022

Pension Expense:

At June 30, 2022, the County recognized a Pension Expense of \$126,631 for its proportionate share of the pension expense.

	Pension Expense as of 6/30/22	Pension Expense as of 6/30/21
Employer Proportionate Share	\$ 126,631	\$ 947,798
Total	<u>\$ 126,631</u>	<u>\$ 947,798</u>

Recognition of Beginning Deferred Outflow

At June 30, 2022, the County recognized a beginning deferred outflow of resources for the County's fiscal year 2021 contributions of \$965,145.

Recognition of Deferred Inflows and Outflows:

At June 30, 2022, the County 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
Differences between expected and actual economic experience	\$ 763,688	\$ -
Actual vs. Expected Investment Earnings	-	3,987,102
Changes in Assumptions	2,234,270	-
Changes in Proportion Share and Differences between Employer Contributions and Proportionate Share of Contributions	-	52,094
Employer contributions subsequent to the measurement date - FY22*	1,047,652	-
Total	<u>\$ 4,045,610</u>	<u>\$ 4,039,196</u>

*Amounts reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

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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
2022	\$ 36,366
2023	\$ (18,017)
2024	\$ (214,660)
2025	\$ (844,929)
Thereafter	\$ -

Actuarial Assumptions

The TPL used to calculate the NPL was determined by taking the results of the June 30, 2021, actuarial valuation, and was determined using the following actuarial assumptions.

- Investment Return (net of admin expense) 7.06%
- Admin Expense as % of payroll 0.17%
- General Wage Growth* 3.50%
 - *includes inflation at 2.40%
- Merit Increases 0% to 6.30%
- Post Retirement Benefit Increased
Guaranteed Annual Benefit Adjustment (GABA)
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.
 - 3.0% for members hired prior to July 1, 2007
 - 1.5% for members hired on or after July 1, 2207
- Mortality assumptions among contributing members, service retired members and beneficiaries 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 are based on RP 2000 Combined Mortality Tables with no projections.

Target Allocations

The long-term rate of return as of June 30, 2021, was calculated using the average long-term capital market assumptions published by the Survey of Capital Market Assumptions, 2021 Edition by Horizon Actuarial Services, LLC, yielding a median real rate of return of 4.66%. The assumed inflation is based on the intermediate inflation of 2.40% in the 2021 OASDI Trustees Report by the Chief Actuary for Social Security to produce 75-year cost projections. Combining these two results yields a nominal return of 7.06%. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2021, are summarized in the following table.

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<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return Arithmetic Basis</u>
Cash	3.00%	(0.33%)
Domestic Equity	30.00%	5.90%
International Equity	17.00%	7.14%
Private Investments	15.00%	9.13%
Real Assets	5.00%	4.03%
Real Estate	9.00%	5.41%
Core Fixed Income	15.00%	1.14%
Non-Core Fixed Income	<u>6.00%</u>	3.02%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the TPL was 7.06%. 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 2124. 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.

<u>1.0% Decrease</u>	<u>Current</u>	<u>1.0% Increase</u>
<u>(6.06%)</u>	<u>Discount Rate</u>	<u>(8.06%)</u>
\$ 12,459,324	\$ 5,898,818	\$ 544,801

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 7.06%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.06%) or 1.00% higher (8.06%) than the current rate.

Teachers Retirement System

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.

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

Plan Descriptions

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.

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. 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 $1.6667 \times \text{AFC} \times \text{years of creditable service}$)

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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.

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 perpetuity payable July 1st of each year.

MCA 19-20-605 requires each employer to contribute 9.85% of total compensation paid to all re-employed TRS retirees employed in a TRS reportable position. Pursuant to MCA 19-20-609, this amount shall increase by 1.00% for fiscal year 2014 and increase by 0.10% each fiscal year through 2024 until the total employer contribution is equal to 11.85% of re-employed retiree compensation.

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

School District and Other Employers

	<u>Members</u>	<u>Employers</u>	<u>General fund</u>	<u>Total employee & employer</u>
Prior to July 1, 2007	7.15%	7.47%	0.11%	14.73%
July 1, 2007 to June 30, 2009	7.15%	7.47%	2.11%	16.73%
July 1, 2009 to June 30, 2013	7.15%	7.47%	2.49%	17.11%
July 1, 2013 to June 30, 2014	8.15%	8.47%	2.49%	19.11%
July 1, 2014 to June 30, 2015	8.15%	8.57%	2.49%	19.21%
July 1, 2015 to June 30, 2016	8.15%	8.67%	2.49%	19.3 1%
July 1, 2016 to June 30, 2017	8.15%	8.77%	2.49%	19.41%
July 1, 2017 to June 30, 2018	8.15%	8.87%	2.49%	19.5 1%
July 1, 2018 to June 30, 2019	8.15%	8.97%	2.49%	19.61%
July 1, 2019 to June 30, 2020	8.15%	9.07%	2.49%	19.71%
July 1, 2020 to June 30, 2021	8.15%	9.17%	2.49%	19.8 1%
July 1, 2021 to June 30, 2022	8.15%	9.27%	2.49%	19.91%
July 1, 2022 to June 30, 2023	8.15%	9.37%	2.49%	20.01%
July 1, 2023 to June 30, 2024	8.15%	9.47%	2.49%	20.11%

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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

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, 2022, and June 30, 2021 (reporting dates).

	Net Pension Liability as of 6/30/2022	Net Pension Liability as of 6/30/2021	Percent of Collective NPL as of 6/30/2022	Percent of Collective NPL as of 6/30/2021	Change in Percent of Collective NPL
Employer Proportionate Share	\$ 88,846	\$ 123,984	0.0054%	0.0055%	-0.0001%
State of Montana Proportionate Share associated with Employer	50,061	71,731	0.0030%	0.0032%	-0.0002%
Total	<u>\$ 138,907</u>	<u>\$ 195,715</u>	<u>0.0084%</u>	<u>0.0087%</u>	<u>-0.0003%</u>

At June 30, 2022, the County recorded a liability of \$88,846 for its proportionate share of the Net Pension Liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. Therefore, no update procedures were used to roll forward the total pension liability to the measurement date. The County's proportion of the net pension liability was based on the County's contributions received by TRS during the measurement period July 1, 2020, through June 30, 2021, relative to the total County contributions received from all of TRS' participating employers. At June 30, 2022, the County's proportion was 0.0054 percent.

Changes in actuarial assumptions and methods:

Since the previous measurement date, the following changes to actuarial assumptions were made:

- The discount rate was lowered from 7.34% to 7.06%
- The investment rate of return assumption was lowered from 7.34% to 7.06%

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
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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 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, 2022, the County recognized a Pension Expense of \$9,474 for its proportionate share of the TRS' pension expense. The County also recognized grant revenue of \$4,877 for the support provided by the State of Montana for its proportionate share of the pension expense that is associated with the County.

	Pension Expense as of 6/30/22	Pension Expense as of 6/30/21
Employer Proportionate Share	\$ 9,474	\$ 17,168
State of Montana Proportionate Share associated with the Employer	4,877	9,504
Total	\$ <u>14,351</u>	\$ <u>26,672</u>

Recognition of Beginning Deferred Outflow

At June 30, 2022, the County recognized a beginning deferred outflow of resources for the County's fiscal year 2021 contributions of \$7,005.

GALLATIN COUNTY, MONTANA
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Recognition of Deferred Inflows and Outflows:

At June 30, 2022, the County 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
Differences between expected and actual economic experience	\$ 1,395	\$ -
Actual vs. Expected Investment Earnings	-	2,874
Changes in Assumptions	18,562	46
Changes in Proportion Share and Differences between Employer Contributions and Proportionate Share of Contributions	2,805	2,812
Employer contributions subsequent to the measurement date - FY22*	7,559	-
Total	\$ <u>30,321</u>	\$ <u>5,732</u>

*Amounts reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

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
2023	\$ 507
2024	\$ (2,544)
2025	\$ (5,669)
2026	\$ (8,909)
2027	\$ -
Thereafter	\$ -

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Actuarial Assumptions

The Total Pension Liability as of June 30, 2021, is based on the results of an actuarial valuation date of July 1, 2021. There were several significant assumptions and other inputs used to measure the total pension liability. The actuarial assumptions used in the July 1, 2021, 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 7.06%
- Price Inflation 2.40%
- 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
 - RP 2000 Disabled Mortality Table for, set back three years for males and set forward two years for females, with mortality improvements projected by Scale BB to 2022.

*Total Wage Increases include 3.25% general wage increase.

Discount Rate

The discount rate used to measure the total pension liability was 7.06%. 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 2124. 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.

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Target Allocations

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return*</u>
Domestic Equity	30.00%	5.90%
International Equity	17.00%	7.14%
Private Equity	15.00%	9.13%
Natural Resources	5.00%	4.03%
Real Estate	9.00%	5.41%
Core Fixed Income	15.00%	1.14%
Non-Core Fixed Income	6.00%	3.02%
Cash	<u>3.00%</u>	(0.33)%
Total	<u>100.00%</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 long-term capital market assumptions published in the *Survey of Capital Market Assumptions 2021 Edition* by Horizon Actuarial Service, LLC, yield a median real return of 4.66%. Assumed inflation is based on the intermediate inflation assumption of 2.40% in the 2021 OASDI Trustees Report used by the Chief Actuary for Social Security to produce 75-year cost projections. Combining these two results yields a nominal return of 7.06%.

Sensitivity Analysis

<u>1.0% Decrease (6.06%)</u>	<u>Current Discount Rate</u>	<u>1.0% Increase (8.06%)</u>
\$ 132,008	\$ 88,846	\$ 52,828

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 7.06%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.06%) or 1.00% higher (8.06%) than the current rate.

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NOTE 13. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2022, was as follows:

Due to/from other funds			
<u>Purpose</u>	<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Cover negative cash balance	Road – Nonmajor Governmental	GAS TAX-SPEC. RD & STR ALLOC – Nonmajor Governmental	\$ 210
Cover negative cash balance	Public Safety – Major Governmental	Crime Control – Nonmajor Governmental	115,606
Cover negative cash balance	Public Safety – Major Governmental	Operation Freedom from Fear – Nonmajor Governmental	19,103
Cover negative cash balance	General – Major Governmental	Victim Witness – Nonmajor Governmental	70,603
Cover negative cash balance	Public Safety – Major Governmental	Law Enforcement Block Grant – Nonmajor Governmental	1,132
Cover negative cash balance	Public Safety – Major Governmental	Homeland Security Grant – Nonmajor Governmental	30,841
Cover negative cash balance	County Building - Cap Projects – Major Governmental	TSEP - CONSTRUCTION FUND – Nonmajor Governmental	23,913
Cover negative cash balance	General – Major Governmental	CDBG - Grants – Nonmajor Governmental	628
			<u>\$ 262,036</u>

Interfund Transfers

The following is an analysis of operating transfers in and out during fiscal year 2022:

<u>Purpose</u>	<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Fund capital costs	County Building - Capital Projects – Major Governmental	General – Major Governmental	\$10,000,000
Airport grant match and cost allocation	County Building - Capital Projects – Major Governmental	General – Major Governmental	13,886
Operating Transfer	Noxious Weed – Nonmajor Governmental	General – Major Governmental	329,145
Operating Transfer	Park – Nonmajor Governmental	General – Major Governmental	155,500
Matching requirements and cost allocation	Victim Witness – Nonmajor Governmental	General – Major Governmental	135,125

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Operating Transfer	General – Major Governmental	County Wide Planning – Nonmajor Governmental	222,236
Operating Transfer	Park – Nonmajor Governmental	Open Space Lands – Nonmajor Governmental	38,305
Operating Transfer	Public Health Emergency Prep – Nonmajor Governmental	Health – Nonmajor Governmental	30,058
Operating Transfer	Maternal Child – Nonmajor Governmental	Health – Nonmajor Governmental	19,750
Operating Transfer	MTUPP – Nonmajor Governmental	Health – Nonmajor Governmental	7,357
Operating Transfer	WIC – Nonmajor Governmental	Health – Nonmajor Governmental	4,625
Operating Transfer	Communicable Disease – Nonmajor Governmental	Health – Nonmajor Governmental	1,465
Matching requirements and grant administration	Drug Enforcement Grant – Nonmajor Governmental	Public Safety – Major Governmental	159,300
Matching requirements and grant administration	Operation Freedom from Fear – Nonmajor Governmental	Public Safety – Major Governmental	99,183
Operating transfer and cost allocation	South Regional Youth Detention – Nonmajor Governmental	Public Safety – Major Governmental	21,226
Matching requirements and cost allocation	COPS Grant – Nonmajor Governmental	Public Safety – Major Governmental	18,770
Operating transfer	Law Enforcement Block Grant – Nonmajor Governmental	Public Safety – Major Governmental	1,979
Operating transfer	Crime Control – Nonmajor Governmental	Public Safety – Major Governmental	1,818
Operating transfer	Homeland Security Grant – Nonmajor Governmental	Public Safety – Major Governmental	13
Health insurance transfer	Employee Health Insurance Fund – Internal service	Permissive Medical Levy – Nonmajor Governmental	2,078,238
Health insurance transfer	General – Major Governmental	Permissive Medical Levy – Nonmajor Governmental	879,018
Health insurance transfer	Road – Nonmajor Governmental	Permissive Medical Levy – Nonmajor Governmental	95,113
Health insurance transfer	Fair – Nonmajor Governmental	Permissive Medical Levy – Nonmajor Governmental	19,371

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Health insurance transfer	Public Health – Nonmajor Governmental	Permissive Medical Levy – Nonmajor Governmental	111,678
Health insurance transfer	Public Safety – Major Governmental	Permissive Medical Levy – Nonmajor Governmental	494,560
SRS levy distribution	Public Safety – Major Governmental	Permissive SRS Levy – Nonmajor Governmental	14,872
SRS levy distribution	Crime Control – Nonmajor Governmental	Permissive SRS Levy – Nonmajor Governmental	165
SRS levy distribution	Operation Freedom from Fear – Nonmajor Governmental	Permissive SRS Levy – Nonmajor Governmental	342
SRS levy distribution	COPS Grant – Nonmajor Governmental	Permissive SRS Levy – Nonmajor Governmental	406
SRS levy distribution	Drug Enforcement Grant – Nonmajor Governmental	Permissive SRS Levy – Nonmajor Governmental	202
Operating transfer	General – Major Governmental	County Land Information – Nonmajor Governmental	40,530
Operating transfer	Historic Preservation – Nonmajor Governmental	PILT* – Major Governmental	5,000
Operating transfer	TSEP - Construction Fund – Nonmajor Governmental	County Building - Capital Projects – Nonmajor Governmental	11,336
Transfer of capital assets	Central Maintenance – Internal service fund	Landfill – Major Enterprise	<u>5,000</u>
			<u>\$15,015,572</u>

*Combined with the General Fund per GASB 54 for reporting purposes.

NOTE 14. FUND BALANCE CLASSIFICATION POLICIES AND PROCEDURES

Governmental Fund equity is classified as fund balance. The County categorizes fund balance of the governmental funds into the following categories:

Non-spendable – Includes resources not in spendable form, such as inventory, or those legally required to be maintained intact, such as principle portion of permanent funds.

Restricted – includes constraint for specific purposes which are externally imposed by a third party, State Constitution, or enabling legislation.

GALLATIN COUNTY, MONTANA
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Committed – includes constraint for specific purposes which are internally imposed by the formal action of the board. This is the government’s highest level of decision-making authority, Commissioners, and a formal action is required to establish, modify, or rescind the fund balance commitment.

Assigned – includes constraint for specific purpose which are internally imposed by the body or official authorized to assign amounts for a specific purpose.

The County considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available.

The County considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

The County adjusts its fund balances each year proportionately to the revenues received throughout the fiscal year. The revenues and types of revenues determine the changes to the fund balance classifications each year per the above use of funding type.

Nonspendable Fund Balance

<u>Major Fund</u>	<u>Amount</u>	<u>Reason Nonspendable</u>
General Fund	\$ 105,265	Inventory
All Other Aggregate	81,324	Inventory
Total	<u>\$ 186,589</u>	

Restricted Fund Balance

<u>Major Fund</u>	<u>Amount</u>	<u>Purpose of Restriction</u>
General Fund	\$ 655,135	General Government administration and services
Public Safety	140,377	Law Enforcement, emergency services, and supplies
Federal Grant	288,036	Miscellaneous
RID Debt Service	294,449	Debt Service
County Building - Cap Projects	244,110	Constructions and/or capital asset purchases
All Other Aggregate	1,716,525	Debt Service
	47,887	General Government administration and services
	2,390,332	Law Enforcement, emergency services, and supplies
	1,408,626	Road Repair, maintenance, and supplies
	1,070,272	Public Health Services and Supplies
	25,584	Noxious Weed Management
	441,655	Economic development
	33,099	Culture and recreation
	247	Housing and Community Development
	1,620	Conservation of Natural Resources
	<u>1,212,001</u>	Constructions and/or capital asset purchases
Total	<u>\$ 9,969,955</u>	

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Committed Fund Balance

<u>Major Fund</u>	<u>Amount</u>	<u>Purpose of Commitment</u>
General Fund	\$ 14,136,885	General Government administration and services
RID Maintenance	8,643,463	Road Repair, maintenance, and supplies
Public Safety	13,536,190	Law Enforcement, emergency services, and supplies
County Building - Cap Projects	16,757,101	Constructions and/or capital asset purchases
All Other Aggregate	3,906,806	General Government administration and services
	41,442	Law Enforcement, emergency services, and supplies
	8,151,208	Road Repair, maintenance, and supplies
	1,482,811	Public Health Services and Supplies
	167,371	Noxious Weed Management
	289,116	Animal Control
	1,785,113	Culture and recreation
	<u>559,865</u>	Parks and recreation services and supplies
Total	<u>\$69,457,371</u>	

Assigned Fund Balance

<u>Major Fund</u>	<u>Amount</u>	<u>Purpose of the Assignment</u>
General Fund	\$ 157,651	General Government administration and services
Public Safety	108,045	Law Enforcement, emergency services, and supplies
County Building - Cap Projects	80,400	Constructions and/or capital asset purchases
All Other Aggregate	4,975	General Government administration and services
	113,275	Law Enforcement, emergency services, and supplies
	125,834	Road Repair, maintenance, and supplies
	22,570	Public Health Services and Supplies
	4,245	Noxious Weed Management
	388	Animal Control
	76,644	Culture and recreation
	<u>29,655</u>	Parks and recreation services and supplies
Total	<u>\$ 723,682</u>	

NOTE 15. RESTATEMENTS

During the current fiscal year, the following adjustments relating to prior years' transactions were made to fund balance and net position.

<u>Fund</u>	<u>Amount</u>	<u>Reason for Adjustment</u>
Public Safety	\$ 39,725	Restate beginning receivables
Governmental	<u>993,915</u>	Restate beginning capital lease on graders as balloon payment not made
Total	<u>\$1,033,640</u>	

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 16. JOINT VENTURES

Joint ventures are independently constituted entities generally created by two or more governments for a specific purpose which are subject to joint control, in which the participating governments retain 1) an ongoing financial interest or 2) an ongoing financial responsibility.

Joint Venture with L&L Site Services

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, L&L Site Services. The financial interest is not material.

Law Enforcement Services

An interlocal agreement was entered into between the County and the City of Three Forks. effective July 1, 2018, expiring June 30, 2023. The County also has an interlocal agreement with Madison County effective July 1, 2020, expiring June 30, 2023. The County is to provide law enforcement services in enforcing city ordinances, statutes, and other general law enforcement for the City of Three Forks. The services provided to Madison County involve serving the Upper Village in Big Sky and providing general law enforcement services to this area. During 2022, the County received \$343,200 from the City and \$322,877 from the County for providing law enforcement services.

NOTE 17. TAX ABATEMENTS

New and Expanding Industries

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.

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, 2022, the County abated property taxes totaling \$18,940 under this program.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

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, 2022, the County did not have any taxes abated under this program.

NOTE 18. SERVICES PROVIDED FROM OTHER GOVERNMENTS

Gallatin 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 serves as a bank for such agencies as school districts, irrigation 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 Finance Department. The County has not recorded any service charges for the services it provides other governmental entities.

NOTE 19. 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. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Property and Casualty Insurance

The County is part of a public entity risk pool called the Montana Association of Counties Property and Casualty Trust (MACo PCT). The MACo PCT pool is a group self-insurance program that offers a package concept combining multiple lines of coverages designed to meet the coverage and service needs for Montana Counties and Special Districts. Liability coverages are provided for at \$750,000/claim and \$1,500,000/occurrence.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

PCT Coverage Includes:

- Public officials' errors and omissions
- Employment practices including legal advice on employment issues
- Law enforcement liability
- Auto liability
- General liability
- Defense only coverage for subdivisions approval and denials
- Property
- Faithful performance of duty
- Boiler and Machinery
- Fidelity and Crime
- Professional liability

Workers Compensation Insurance

The County is part of a public entity self-insured risk sharing pool that provides statutorily mandated workers' compensation called the Montana Association of Counties Workers' Compensation Trust (MACo WCT). Coverage is provided to member counties to protect member employees from on-the-job injuries and occupational diseases.

Health Care Insurance

The County is part of a public entity risk sharing pool that provides group health benefits for Montana Counties called the Montana Association of Counties Health Care Trust (MACo HCT). The plan provides medical, pharmacy, Vision and Dental benefits.

Self-Insurance

The County provides medical insurance coverage for its employees via a partially self-insured plan administered by First Choice Health. It provides medical and dental benefits and is operated as an Internal Service Fund. Rates are determined in consultation with the administrator based on past claim experience. The rates include a premium for a commercial stop-loss policy for when claims, in total, when any one claimant exceeds \$185,000 in covered charges during a year. This policy is with Sun Life Assurance Company. A reconciliation of claims payable follows:

Claims payable, June 30, 2021	\$ 877,828
Claims incurred	7,376,661
Claims paid	<u>7,122,673</u>
Claims payable, June 30, 2022	<u>\$1,131,816</u>

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 20. PENDING LITIGATION

The following is a list of litigation pending against the County and the amount of damages claimed by the Plaintiff. The County Attorney's evaluation as to the outcome of each case is also noted. The County has liability insurance which may cover all or part of the damages.

<u>Case</u>	<u>Damages Requested</u>	<u>Potential of Loss</u>
<i>Rockin' S7 Homeowners Association v. William Brownell and Gallatin County</i>	\$43,200	Not likely
<i>Ian Wood Brooks v. Gallatin County</i>	Unknown	Not Likely
<i>Jamie Ross v. Gallatin County</i>	Unknown	Not Likely
<i>Estate of Danniell Keith Ross v. Gallatin County, Jimmy Biggs, Clayleen Pipinich, Abram Evans, and John Does</i>	\$1.05M	Not likely
<i>Mikayla Pitts v. Gallatin County & Montana Human Rights Commission</i>	Unknown	Not Likely
<i>John Risteau v Gallatin County Solid Waste Management District</i>	Unknown	Not Likely
<i>Jacob Wagner v. Gallatin County</i>	Unknown	Not Likely

NOTE 21. 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 through loss revenue allowance, 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. During the fiscal year 2022, the County obligated \$10 million of the ARPA funds for the loss revenue allowance. Of the remaining \$12 million in ARPA revenues, the County has identified several uses in the County spending \$1,186,159 in fiscal year 2022 and an additional \$1,777,831 through June 2023. The County has until December 31, 2024 to obligate the remaining funds and the end of December 31, 2026 to have these obligations fully expended.

GALLATIN COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

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. The County completed the sale of the approved bonds in June 2023 at a premium of \$3,751,084 with a underwriters discount of \$137,750. The County received net proceeds from the sale of \$32,613,334. The bonds were sold to D.A. Davidson at an interest rate of 5.00%. The construction began in October of 2022. Total costs incurred through June 2023 equaled \$13,271,924, and is about 29% completed.

On November 8, 2022, the voters of Gallatin County approved a levy of up to 9 mills annually for the County 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 allowing the rest home to continue providing services.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Gallatin County Montana
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2022

General				
	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS	WITH FINAL
			(BUDGETARY	BUDGET
RESOURCES (INFLOWS):			BASIS) See Note A	
Taxes and assessments	\$ 9,841,806	\$ 9,841,806	\$ 10,387,051	\$ 545,245
Licenses and permits	700	700	725	25
Intergovernmental	1,339,565	1,400,065	1,803,075	403,010
Charges for services	2,734,511	2,757,011	3,489,901	732,890
Fines and forfeitures	498,500	498,500	499,744	1,244
Miscellaneous	87,850	87,850	155,936	68,086
Investment earnings	87,850	87,850	(46,439)	(134,289)
Amounts available for appropriation	<u>\$ 14,590,782</u>	<u>\$ 14,673,782</u>	<u>\$ 16,289,993</u>	<u>\$ 1,616,211</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
General government	\$ 14,673,150	\$ 14,699,680	\$ 13,329,052	\$ 1,370,628
Public safety	1,663,045	1,678,545	1,377,911	300,634
Public works	1,893,241	2,037,216	460,743	1,576,473
Social and economic services	540,426	540,426	559,590	(19,164)
Debt service - principal	500,000	500,000	205,000	295,000
Debt service - interest	45,000	45,000	9,825	35,175
Capital outlay	-	-	262,918	(262,918)
Total charges to appropriations	<u>\$ 19,314,862</u>	<u>\$ 19,500,867</u>	<u>\$ 16,205,039</u>	<u>\$ 3,295,828</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ 37,484	\$ 37,484
Transfers in	636,073	10,640,103	11,141,784	501,681
Transfers out	(484,145)	(10,484,145)	(10,633,656)	(149,511)
Total other financing sources (uses)	<u>\$ 151,928</u>	<u>\$ 155,958</u>	<u>\$ 545,612</u>	<u>\$ 389,654</u>
Net change in fund balance			<u>\$ 630,566</u>	
Fund balance - beginning of the year			<u>\$ 9,095,627</u>	
Fund balance - end of the year			<u><u>\$ 9,726,193</u></u>	

Gallatin County Montana
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2022

RID Maintenance				
	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS) See Note A	VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL</u>	<u>FINAL</u>		
RESOURCES (INFLOWS):				
Taxes and assessments	\$ 2,264,114	\$ 2,264,114	\$ 2,090,676	\$ (173,438)
Investment earnings	-	-	(508,750)	(508,750)
Amounts available for appropriation	<u>\$ 2,264,114</u>	<u>\$ 2,264,114</u>	<u>\$ 1,581,926</u>	<u>\$ (682,188)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
Public works	\$ 9,044,384	\$ 9,044,384	\$ 1,874,201	\$ 7,170,183
Total charges to appropriations	<u>\$ 9,044,384</u>	<u>\$ 9,044,384</u>	<u>\$ 1,874,201</u>	<u>\$ 7,170,183</u>
Net change in fund balance			<u>\$ (292,275)</u>	
Fund balance - beginning of the year			\$ 8,935,738	
Fund balance - end of the year			<u><u>\$ 8,643,463</u></u>	

Gallatin County Montana
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2022

Public Safety				
	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
			AMOUNTS (BUDGETARY BASIS) See Note A	
	<u>ORIGINAL</u>	<u>FINAL</u>		
RESOURCES (INFLOWS):				
Taxes and assessments	\$ 18,213,922	\$ 18,213,922	\$ 19,481,180	\$ 1,267,258
Licenses and permits	45,000	45,000	34,210	(10,790)
Intergovernmental	\$ 856,930	\$ 882,134	\$ 1,058,944	\$ 176,810
Charges for services	2,306,354	2,666,901	2,323,405	(343,496)
Fines and forfeitures	45,000	45,000	44,389	(611)
Miscellaneous	8,463	10,963	67,901	56,938
Investment earnings	50,000	50,000	(202,433)	(252,433)
Amounts available for appropriation	<u>\$ 21,525,669</u>	<u>\$ 21,913,920</u>	<u>\$ 22,807,596</u>	<u>\$ 893,676</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
Public safety	\$ 23,057,759	\$ 23,514,114	\$ 21,376,831	\$ 2,137,283
Capital outlay	3,390,909	3,678,717	866,356	2,812,361
Total charges to appropriations	<u>\$ 26,448,668</u>	<u>\$ 27,192,831</u>	<u>\$ 22,243,187</u>	<u>\$ 4,949,644</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ 39,729	\$ 39,729	\$ -
Lease proceeds	25,000	25,000	-	(25,000)
Transfers in	270,545	273,823	509,433	235,610
Transfers out	(449,024)	(449,024)	(302,289)	146,735
Total other financing sources (uses)	<u>\$ (153,479)</u>	<u>\$ (110,472)</u>	<u>\$ 246,873</u>	<u>\$ 357,345</u>
Net change in fund balance			<u>\$ 811,282</u>	
Fund balance - beginning of the year			\$ 12,933,605	
Restatements			<u>39,725</u>	
Fund balance - beginning of the year - restated			\$ 12,973,330	
Fund balance - end of the year			<u>\$ 13,784,612</u>	

Gallatin County Montana
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2022

	Federal Grant			
	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS) See Note A	VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL</u>	<u>FINAL</u>		
RESOURCES (INFLOWS):				
Intergovernmental	\$ 11,113,732	\$ 11,113,732	\$ 1,647,728	\$ (9,466,004)
Investment earnings	-	-	44,845	44,845
Amounts available for appropriation	\$ <u>11,113,732</u>	\$ <u>11,113,732</u>	\$ <u>1,692,573</u>	\$ <u>(9,421,159)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
General government	\$ 87,558	\$ 87,558	\$ 979,377	\$ (891,819)
Public works	206,251	206,251	331,143	(124,892)
Public health	394,909	394,909	337,209	57,700
Housing and community development	2,497	2,497	-	2,497
Capital outlay	21,536,259	21,536,259	-	21,536,259
Total charges to appropriations	\$ <u>22,227,474</u>	\$ <u>22,227,474</u>	\$ <u>1,647,729</u>	\$ <u>20,579,745</u>
Net change in fund balance			\$ <u>44,844</u>	
Fund balance - beginning of the year			\$ <u>373,619</u>	
Fund balance - end of the year			\$ <u><u>418,463</u></u>	

**Gallatin County Montana
Budgetary Comparison Schedule
Budget-to-GAAP Reconciliation**

Note A - Explanation of differences between budgetary inflows and outflows and GAAP Revenues and Expenditures

	<u>General</u>	<u>RID Maintenance</u>	<u>Public Safety</u>	<u>Federal Grant</u>
Sources/Inflows of resources				
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule	\$ 16,289,993	\$ 1,581,926	\$ 22,807,596	\$ 1,692,573
Combined funds (GASBS 54) revenues	<u>12,011,756</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances-governmental funds.	\$ <u>28,301,749</u>	\$ <u>1,581,926</u>	\$ <u>22,807,596</u>	\$ <u>1,692,573</u>
Actual amounts (Budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$ 16,205,039	\$ 1,874,201	\$ 22,243,187	\$ 1,647,729
Combined funds (GASBS 54) expenditures	<u>2,920,215</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ <u>19,125,254</u>	\$ <u>1,874,201</u>	\$ <u>22,243,187</u>	\$ <u>1,647,729</u>

Gallatin County, Montana
Schedules of Required Supplementary Information
SCHEDULE OF CHANGES IN THE
TOTAL OPEB LIABILITY AND RELATED RATIOS
For Fiscal Year Ended June 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability					
Service Cost	\$ 315,845	\$ 269,271	\$ 272,273	\$ 264,917	\$ 289,230
Interest	105,561	117,746	154,621	144,018	120,967
Differences in experience	(970,192)	-	208,364	-	-
Change in assumptions and inputs	933,205	284,132	(977,802)	(31,149)	(334,351)
Benefit payments	(171,299)	(170,637)	(157,192)	(161,391)	(136,199)
Net change in total OPEB liability	213,120	500,512	(499,736)	216,395	(60,353)
Total OPEB Liability - beginning	4,078,407	3,577,895	4,077,631	3,861,236	3,921,589
Total OPEB Liability - ending	\$ <u>4,291,527</u>	\$ <u>4,078,407</u>	\$ <u>3,577,895</u>	\$ <u>4,077,631</u>	\$ <u>3,861,236</u>
Covered-employee payroll	\$ 30,146,945	\$ 26,660,926	\$ 24,718,830	\$ 19,334,021	\$ 19,246,786
 Total OPEB liability as a percentage of covered -employee payroll	 14%	 15%	 14%	 21%	 20%

**The above schedule is presented by combining the required schedules from GASB 75 paragraphs 170a and 170b. The GASB requires that 10 years of information related to the OPEB liability be presented, additional data will be provided as it becomes available.*

Gallatin County, Montana
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
For the Year Ended June 30, 2022

	PERS 2022	PERS 2021	PERS 2020	PERS 2019	PERS 2018	PERS 2017	PERS 2016	PERS 2015
Employer's proportion of the net pension liability	0.981938%	1.032014%	0.998943%	0.936217%	1.158122%	1.164105%	1.151791%	1.165143%
Employer's proportionate share of the net pension liability associated with the Employer	\$ 17,804,718	\$ 27,226,707	\$ 20,881,008	\$ 19,540,174	\$ 22,555,895	\$ 19,828,734	\$ 16,100,567	\$ 14,517,810
State of Montana's proportionate share of the net pension liability associated with the Employer	\$ 5,254,663	\$ 8,582,137	\$ 6,795,037	\$ 6,539,744	\$ 302,065	\$ 242,284	\$ 197,768	\$ 177,285
Total	\$ 23,059,381	\$ 35,808,844	\$ 27,676,045	\$ 26,079,918	\$ 22,857,960	\$ 20,071,018	\$ 16,298,335	\$ 14,695,095
Employer's covered payroll	\$ 17,303,930	\$ 17,318,906	\$ 16,482,252	\$ 15,399,466	\$ 14,364,135	\$ 13,943,938	\$ 13,441,636	\$ 13,281,095
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	102.89%	157.21%	126.69%	126.89%	157.03%	142.20%	119.78%	111.22%
Plan fiduciary net position as a percentage of the total pension liability	79.91%	68.90%	73.85%	73.47%	73.75%	74.71%	78.40%	79.87%
	SRS 2022	SRS 2021	SRS 2020	SRS 2019	SRS 2018	SRS 2017	SRS 2016	SRS 2015
Employer's proportion of the net pension liability	8.0983%	8.2295%	8.3472%	8.7643%	7.9853%	8.0104%	8.1856%	8.0812%
Employer's proportionate share of the net pension liability associated with the Employer	\$ 5,898,818	\$ 10,030,666	\$ 6,961,359	\$ 6,137,260	\$ 6,076,555	\$ 14,072,501	\$ 7,890,821	\$ 3,363,154
Total	\$ 5,898,818	\$ 10,030,666	\$ 6,961,359	\$ 6,137,260	\$ 6,076,555	\$ 14,072,501	\$ 7,890,821	\$ 3,363,154
Employer's covered payroll	\$ 7,359,099	\$ 6,995,113	\$ 6,702,464	\$ 6,334,458	\$ 5,974,560	\$ 5,654,808	\$ 5,569,930	\$ 5,226,324
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	80.16%	143.40%	103.86%	96.89%	101.71%	248.86%	141.67%	64.35%
Plan fiduciary net position as a percentage of the total pension liability	86.94%	75.92%	81.89%	82.68%	81.30%	63.00%	75.40%	87.24%
	TRS 2022	TRS 2021	TRS 2020	TRS 2019	TRS 2018	TRS 2017	TRS 2016	TRS 2015
Employer's proportion of the net pension liability	0.0054%	0.0055%	0.0054%	0.0043%	0.0052%	0.0052%	0.0051%	0.0051%
Employer's proportionate share of the net pension liability associated with the Employer	\$ 88,846	\$ 123,984	\$ 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	\$ 50,061	\$ 71,731	\$ 64,057	\$ 55,302	\$ 56,031	\$ 65,256	\$ 63,117	\$ 56,237
Total	\$ 138,907	\$ 195,715	\$ 167,783	\$ 135,937	\$ 143,955	\$ 160,219	\$ 146,271	\$ 134,466
Employer's covered payroll	\$ 76,391	\$ 75,867	\$ 73,016	\$ 58,027	\$ 68,779	\$ 67,473	\$ 64,595	\$ 64,108
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	116.30%	163.42%	14206.00%	138.96%	127.84%	140.74%	128.73%	122.03%
Plan fiduciary net position as a percentage of the total pension liability	75.54%	64.95%	68.64%	69.09%	70.09%	66.69%	69.30%	70.36%

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

Gallatin County, Montana
Required Supplementary Information
Schedule of Contributions
For the Year Ended June 30, 2022

	PERS 2022	PERS 2021	PERS 2020	PERS 2019	PERS 2018	PERS 2017	PERS 2016	PERS 2015
Contractually required contributions	\$ 1,908,765	\$ 1,537,079	\$ 1,517,066	\$ 1,417,600	\$ 1,304,092	\$ 1,202,504	\$ 1,165,511	\$ 1,107,645
Contributions in relation to the contractually required contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution deficiency (excess)	\$ 1,908,765	\$ 1,537,079	\$ 1,517,066	\$ 1,417,600	\$ 1,304,092	\$ 1,202,504	\$ 1,204,751	\$ 1,165,522
County's covered payroll	\$ 21,519,335	\$ 17,303,930	\$ 17,318,906	\$ 16,482,252	\$ 15,399,466	\$ 14,364,135	\$ 13,943,938	\$ 13,441,636
Contributions as a percentage of covered payroll	8.87%	8.88%	8.76%	8.60%	8.47%	8.37%	8.64%	8.67%
	SRS 2022	SRS 2021	SRS 2020	SRS 2019	SRS 2018	SRS 2017	SRS 2016	SRS 2015
Contractually required contributions	\$ 1,047,652	\$ 963,454	\$ 919,667	\$ 882,510	\$ 846,325	\$ 604,328	\$ 586,095	\$ 565,006
Contributions in relation to the contractually required contributions	\$ 1,047,652	\$ 963,454	\$ 919,667	\$ 882,510	\$ 846,325	\$ 604,328	\$ 586,095	\$ 565,006
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 7,985,152	\$ 7,359,099	\$ 6,995,113	\$ 6,702,464	\$ 6,334,458	\$ 5,974,560	\$ 5,654,808	\$ 5,569,930
Contributions as a percentage of covered payroll	13.12%	13.09%	13.15%	13.17%	13.36%	10.12%	10.36%	10.14%
	TRS 2022	TRS 2021	TRS 2020	TRS 2019	TRS 2018	TRS 2017	TRS 2016	TRS 2015
Contractually required contributions	\$ 7,559	\$ 7,005	\$ 6,881	\$ 6,550	\$ 5,147	\$ 6,032	\$ 5,850	\$ 5,536
Contributions in relation to the contractually required contributions	\$ 7,559	\$ 7,005	\$ 6,881	\$ 6,550	\$ 5,147	\$ 6,032	\$ 5,850	\$ 5,536
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 81,539	\$ 76,391	\$ 75,867	\$ 73,016	\$ 58,027	\$ 68,779	\$ 67,473	\$ 64,595
Contributions as a percentage of covered payroll	9.27%	9.17%	9.07%	8.97%	8.87%	8.77%	8.67%	8.57%

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

Gallatin County, Montana
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Public Employees' Retirement System of Montana (PERS)

Changes of Benefit Terms

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

2013 Legislative Changes

Working Retirees - House Bill 95 - PERS, SRS, and FURS, effective July 1, 2013

- The law requires employer contributions on working retiree compensation.
- Member contributions are not required.
- Working retiree limitations are not impacted. PERS working retirees may still work up to 960 hours a year, without impacting benefits.

Highest Average Compensation (HAC) Cap - House Bill 97, effective July 1, 2013

- All PERS members hired on or after July 1, 2013, are subject to a 110% annual cap on compensation considered as part of a member's highest or final average compensation.
- All bonuses paid to PERS members on or after July 1, 2013, will not be treated as compensation for retirement purposes.

Permanent Injunction Limits Application of the GABA Reduction – Passed under House Bill 454

Guaranteed Annual Benefit Adjustment (GABA) - for PERS

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 all other adjustments to the member's benefit.

- 3% for members hired prior to July 1, 2007
- 1.5% for members hired on or after July 1, 2007 and before July 1, 2013
- Members hired on or after July 1, 2013:
 - 1.5% each year PERS is funded at or above 90%;
 - 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
 - 0% whenever the amortization period for PERS is 40 years or more.

2015 Legislative Changes

General Revisions - House Bill 101, effective January 1, 2016

Second Retirement Benefit - for PERS

- Applies to PERS members who return to active service on or after January 1, 2016. Members who retire before January 1, 2016, return to PERS-covered employment, and accumulate less than 2 years of service credit before retiring again:
 - Refund of member's contributions from second employment, plus regular interest (currently 2.5%);
 - No service credit for second employment;
 - Start same benefit amount the month following termination; and
 - GABA starts again in the January immediately following second retirement.

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- For members who retire before January 1, 2016, return to PERS-covered employment and accumulate two or more years of service credit before retiring again:
 - Member receives a recalculated retirement benefit based on laws in effect at second retirement; and,
 - GABA starts in the January after receiving recalculated benefit for 12 months.
- For members who retire on or after January 1, 2016, return to PERS-covered employment and accumulate less than 5 years of service credit before retiring again:
 - Refund of member's contributions from second employment, plus regular interest (currently 2.5%);
 - No service credit for second employment
 - Start same benefit amount the month following termination; and,
 - GABA starts again in the January immediately following second retirement.
- For members who retire on or after January 1, 2016, return to PERS-covered employment, and accumulate five or more years of service credit before retiring again:
 - Member receives same retirement benefit as prior to return to service;
 - Member receives second retirement benefit for second period of service based on laws in effect at second retirement; and
 - GABA starts on both benefits in January after member receives original and new benefit for 12 months.

Revise DC Funding Laws - House Bill 107, effective July 1, 2015

Employer Contributions and the Defined Contribution Plan – for PERS and MUS-RP

The PCR was paid off effective March 2016, and the contributions of 2.37%, 0.47%, and the 1.0% increase previously directed to the PCR are now directed to the Defined Contribution or MUS-RP member's account.

2017 Legislative Changes

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

- 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.
- 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%.

Gallatin County, Montana
Notes to Required Supplementary Information
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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.

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, 2020, actuarial valuation:

General Wage Growth*	3.50%
Investment Rate of Return*	7.65%
*Includes inflation at	2.75%
Merit salary increase	0% to 8.47%
Asset valuation method	Four-year smoothed market
Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, open
Remaining amortization period	30 years
	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using Scale BB, males set back 1 year
Mortality (Healthy members)	For Males and Females: RP 2000 Combined Mortality Table, with no projections
Mortality (Disabled members)	
Admin Expense as % of Payroll	0.28%

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 actuarial administrative expenses.

Sheriffs' Retirement System of Montana (SRS)

Changes of Benefit Terms

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

2013 Legislative Changes

Working Retirees - House Bill 95 - PERS, SRS, and FURS, effective July 1, 2013

- The law requires employer contributions on working retiree compensation.
- Member contributions are not required.

Gallatin County, Montana
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- Working retiree limitations are not impacted. SRS working retirees may still work up to 480 hours a year, without returning to active service.

Highest Average Compensation (HAC) Cap - House Bill 97, effective July 1, 2013

- All SRS members hired on or after July 1, 2013 are subject to a 110% annual cap on compensation considered as part of a member's highest or final average compensation.
- All bonuses paid to SRS members on or after July 1, 2013 will not be treated as compensation for retirement purposes.

2015 Legislative Changes

There were no legislative changes with regards to SRS in 2015.

2017 Legislative Changes

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

- SRS employee contributions increase 1.25% from 9.245% to 10.495%.
- SRS employer additional contributions increase 3%, from 0.58% to 3.58%, for a total employer contributions rate of 13.115%.
- 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.

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:

Gallatin County, Montana
Notes to Required Supplementary Information
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- 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.
- 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

- 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, 2020, 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	Four-year smoothed market
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of pay, 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	0.17%

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.

The actuarial assumptions and methods utilized in the June 30, 2020, valuation, were developed in the six-year experience study for the period ending 2016.

Gallatin County, Montana
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Teachers' Retirement System of Montana (TRS)

Changes of Benefit Terms:

The following changes to the plan provision 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 GABA for Tier 1 members has also been modified as follows:

- If the most recent actuarial valuation of the System shows that the funded ratio is less than 90%, then the maximum increase that can be granted is 0.50%.
- If the funded ratio is at least 90% and the increase is not projected to cause the System's funded ratio to be less than 85%, an increase can be granted to that is greater than 0.50% but not more than 1.50%.

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

- *Final Average Compensation:* Average of earned compensation paid in five consecutive years of full-time service that yields the highest average
- *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
- *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
- *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%.
- **Annual Contribution:** 8.15% of member's earned compensation
- **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:
 - The average funded ratio of the System based on the last three annual actuarial valuations is equal to or less than 80%; and
 - The period necessary to amortize all liabilities of the System based on the latest annual actuarial valuation is greater than 20 years; and
 - 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.

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- 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
- 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 2021:

- The discount rate was lowered from 7.34% to 7.06%.
- The investment rate of return assumption was lowered from 7.34% to 7.06%.

The following changes to the actuarial assumptions were adopted in 2020:

- The discount rate was lowered from 7.50% to 7.34%.
- The investment rate of return assumption was lowered from 7.50% to 7.34%.
- The inflation rate was reduced from 2.50% to 2.40%.

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.

Gallatin County, Montana
Notes to Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability and
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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%
- Investment return assumption was reduced from 7.75% to 7.50%.
- 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.
- 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.

Gallatin County, Montana
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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	29 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

GALLATIN COUNTY, 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 libraries 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.

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.

GALLATIN COUNTY, MONTANA
SPECIAL REVENUE FUNDS

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

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 to include Churchill, Logan, Riverside, and 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.

Permissive SRS Levy Fund – Tracks the receipt of the permissive tax levy used to fund the 3% increase in employer contributions to the Sheriff Retirement System (SRS).

GALLATIN COUNTY, MONTANA
SPECIAL REVENUE FUNDS

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.

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.

State Grants Fund – Used to account for the receipt of state grant programs awarded to the county.

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.

Gas Tax – Special Road and Street Allocation Fund – Used to account for the receipt of HB 473 funds that the state collects and is 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.

GALLATIN COUNTY, MONTANA
SPECIAL REVENUE FUNDS

PILT Fund – Used to account for the receipt of federal revenue based on the federal land acreage in the county.

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.

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.

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.

Victim Witness Grant Fund – Used to account for the federal revenues and expenses associated with support of victims and witness of violent crimes.

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.

GALLATIN COUNTY, MONTANA
SPECIAL REVENUE FUNDS

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.

Drug Forfeiture 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, MONTANA
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

Fund Name:	Predatory Animal	Mosquito Districts	Zoning Districts	Lightning Districts
ASSETS				
<u>Current assets</u>				
Cash and investments	\$22,111	\$310,910	\$3,056	\$27,738
Taxes and assessments receivable, net	1,098	5,215	877	258
Lease receivable	-	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Other Receivables	-	136	12	-
<u>Noncurrent assets</u>				
Restricted Cash and Investments	\$ -	\$ -	\$ -	\$ -
Deferred Assessment Receivables	-	-	-	-
<u>Total Assets</u>	\$ 23,209	\$ 316,261	\$ 3,945	\$ 27,996
<u>LIABILITIES</u>				
<u>Current liabilities</u>				
Accounts Payable	\$ -	\$ 37,870	\$ -	\$ 1,539
Accrued interest payable	-	-	-	-
Accrued payroll	-	5,783	-	-
Due to other funds	-	-	-	-
Revenues collected in advance	-	-	-	-
Other Liabilities	-	-	-	-
<u>Total Liabilities</u>	\$ -	\$ 43,653	\$ -	\$ 1,539
<u>Deferred inflows of resources</u>				
Deferred inflows of resources - taxes and assessments	\$ 1,098	\$ 5,215	\$ 877	\$ 258
Deferred inflows of resources - other	-	-	-	-
Deferred inflows of resources - leases	-	-	-	-
<u>FUND BALANCE</u>				
<u>Fund Format:</u>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	22,111	267,005	3,068	26,199
Assigned	-	388	-	-
Unassigned	-	-	-	-
<u>Total Fund Balance</u>	\$ 22,111	\$ 267,393	\$ 3,068	\$ 26,199
<u>Total liabilities, deferred inflows of resources and fund balance</u>	\$ 23,209	\$ 316,261	\$ 3,945	\$ 27,996

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Fund Name:	Road Impact						
		Road	Fees	Noxious Weed	Fair			
ASSETS								
<u>Current assets</u>								
Cash and investments		\$8,901,240	\$237,900	\$193,524	\$1,332,708			
Taxes and assessments receivable, net		90,991	-	71	11,216			
Lease receivable		-	-	-	974,667			
Due from other funds		210	-	-	-			
Inventories		81,324	-	-	-			
Other Receivables		8,852	143	1,878	27,917			
<u>Noncurrent assets</u>								
Restricted Cash and Investments	\$	-	\$	-	\$	-		
Deferred Assessment Receivables		-	-	-	-			
Total Assets	\$	9,082,617	\$	238,043	\$	195,473	\$	2,346,508
<u>LIABILITIES</u>								
<u>Current liabilities</u>								
Accounts Payable	\$	476,875	\$	-	\$	7,509	\$	80,766
Accrued interest payable		-	-	-	-			
Accrued payroll		132,190	-	14,399	22,080			
Due to other funds		-	-	-	-			
Revenues collected in advance		-	-	-	-			
Other Liabilities		-	-	-	-			
Total Liabilities	\$	609,065	\$	-	\$	21,908	\$	102,846
<u>Deferred inflows of resources</u>								
Deferred inflows of resources - taxes and assessments	\$	90,991	\$	-	\$	71	\$	11,216
Deferred inflows of resources - other		-	-	1,878	-			
Deferred inflows of resources - leases		-	-	-	974,667			
<u>FUND BALANCE</u>								
<u>Fund Format:</u>								
Nonspendable	\$	81,324	\$	-	\$	-	\$	-
Restricted		262,238	-	-	33,099			
Committed		7,913,165	238,043	167,371	1,148,036			
Assigned		125,834	-	4,245	76,644			
Unassigned		-	-	-	-			
Total Fund Balance	\$	8,382,561	\$	238,043	\$	171,616	\$	1,257,779
<u>Total liabilities, deferred inflows of resources and fund balance</u>								
	\$	9,082,617	\$	238,043	\$	195,473	\$	2,346,508

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Fund Name:				County Wide Planning	Open Space Lands
	Park	Library				
ASSETS						
<u>Current assets</u>						
Cash and investments	\$597,784	\$637,077		\$215,326		\$3,118,092
Taxes and assessments receivable, net	4,496	25,762		6,610		36,015
Lease receivable	-	-		-		-
Due from other funds	-	-		-		-
Inventories	-	-		-		-
Other Receivables	-	-		-		1,821
<u>Noncurrent assets</u>						
Restricted Cash and Investments	\$ -	\$ -		\$ -		\$ -
Deferred Assessment Receivables	-	-		-		-
Total Assets	\$ 602,280	\$ 662,839		\$ 221,936		\$ 3,155,928
<u>LIABILITIES</u>						
<u>Current liabilities</u>						
Accounts Payable	\$ 6,906	\$ -		\$ -		\$ -
Accrued interest payable	-	-		-		-
Accrued payroll	1,358	-		-		-
Due to other funds	-	-		-		-
Revenues collected in advance	-	-		-		-
Other Liabilities	-	-		-		-
Total Liabilities	\$ 8,264	\$ -		\$ -		\$ -
<u>Deferred inflows of resources</u>						
Deferred inflows of resources - taxes and assessments	\$ 4,496	\$ 25,762		\$ 6,610		\$ 36,015
Deferred inflows of resources - other	-	-		-		-
Deferred inflows of resources - leases	-	-		-		-
<u>FUND BALANCE</u>						
<u>Fund Format:</u>						
Nonspendable	\$ -	\$ -		\$ -		\$ -
Restricted	-	-		-		-
Committed	559,865	637,077		215,326		3,119,793
Assigned	29,655	-		-		120
Unassigned	-	-		-		-
Total Fund Balance	\$ 589,520	\$ 637,077		\$ 215,326		\$ 3,119,913
Total liabilities, deferred inflows of resources and fund balance	\$ 602,280	\$ 662,839		\$ 221,936		\$ 3,155,928

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	County		Historic	Permissive
Fund Name:	Emergency	Health	Preservation	Medical Levy
ASSETS				
<u>Current assets</u>				
Cash and investments	\$42,185	\$1,167,078	\$14,683	\$74,749
Taxes and assessments receivable, net	-	35,762	-	75,104
Lease receivable	-	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Other Receivables	-	43,872	-	-
<u>Noncurrent assets</u>				
Restricted Cash and Investments	\$ -	\$ -	\$ -	\$ -
Deferred Assessment Receivables	-	-	-	-
<u>Total Assets</u>	\$ 42,185	\$ 1,246,712	\$ 14,683	\$ 149,853
<u>LIABILITIES</u>				
<u>Current liabilities</u>				
Accounts Payable	\$ -	\$ 21,777	\$ -	\$ -
Accrued interest payable	-	-	-	-
Accrued payroll	-	113,687	-	-
Due to other funds	-	-	-	-
Revenues collected in advance	-	-	-	-
Other Liabilities	-	-	-	-
<u>Total Liabilities</u>	\$ -	\$ 135,464	\$ -	\$ -
<u>Deferred inflows of resources</u>				
Deferred inflows of resources - taxes and assessments	\$ -	\$ 35,762	\$ -	\$ 75,104
Deferred inflows of resources - other	-	-	-	-
Deferred inflows of resources - leases	-	-	-	-
<u>FUND BALANCE</u>				
<u>Fund Format:</u>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	42,185	71,207	-	-
Committed	-	988,516	9,828	74,749
Assigned	-	15,763	4,855	-
Unassigned	-	-	-	-
<u>Total Fund Balance</u>	\$ 42,185	\$ 1,075,486	\$ 14,683	\$ 74,749
<u>Total liabilities, deferred inflows of resources and fund balance</u>	\$ 42,185	\$ 1,246,712	\$ 14,683	\$ 149,853

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Fund Name:			
	Drug Forfeiture	Clerk & Recorder Records Preservation	Economic Development	County Fire Control Permit
ASSETS				
<u>Current assets</u>				
Cash and investments	\$37,157	\$532,961	\$241,655	\$100,180
Taxes and assessments receivable, net	-	-	-	-
Lease receivable	-	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Other Receivables	-	-	200,000	-
<u>Noncurrent assets</u>				
Restricted Cash and Investments	\$ -	\$ -	\$ -	\$ -
Deferred Assessment Receivables	-	-	-	-
<u>Total Assets</u>	\$ 37,157	\$ 532,961	\$ 441,655	\$ 100,180
<u>LIABILITIES</u>				
<u>Current liabilities</u>				
Accounts Payable	\$ -	\$ 369	\$ -	\$ 843
Accrued interest payable	-	-	-	-
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Revenues collected in advance	-	-	-	-
Other Liabilities	-	-	-	-
<u>Total Liabilities</u>	\$ -	\$ 369	\$ -	\$ 843
<u>Deferred inflows of resources</u>				
Deferred inflows of resources - taxes and assessments	\$ -	\$ -	\$ -	\$ -
Deferred inflows of resources - other	-	-	-	-
Deferred inflows of resources - leases	-	-	-	-
<u>FUND BALANCE</u>				
<u>Fund Format:</u>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	441,655	-
Committed	37,157	532,592	-	-
Assigned	-	-	-	99,337
Unassigned	-	-	-	-
<u>Total Fund Balance</u>	\$ 37,157	\$ 532,592	\$ 441,655	\$ 99,337
<u>Total liabilities, deferred inflows of resources and fund balance</u>	\$ 37,157	\$ 532,961	\$ 441,655	\$ 100,180

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Water Quality			
	Fund Name: District	Alcohol Rehab	State Grants	Gas Tax
ASSETS				
<u>Current assets</u>				
Cash and investments	\$381,761	\$0	\$13,151	\$495,556
Taxes and assessments receivable, net	18,208	-	-	-
Lease receivable	-	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Other Receivables	1,592	209,358	-	-
<u>Noncurrent assets</u>				
Restricted Cash and Investments	\$ -	\$ -	\$ -	\$ -
Deferred Assessment Receivables	-	-	-	-
<u>Total Assets</u>	\$ 401,561	\$ 209,358	\$ 13,151	\$ 495,556
<u>LIABILITIES</u>				
<u>Current liabilities</u>				
Accounts Payable	\$ 7,373	\$ 209,358	\$ 38,400	\$ -
Accrued interest payable	-	-	-	-
Accrued payroll	13,807	-	-	-
Due to other funds	-	-	-	-
Revenues collected in advance	-	-	-	-
Other Liabilities	-	-	-	-
<u>Total Liabilities</u>	\$ 21,180	\$ 209,358	\$ 38,400	\$ -
<u>Deferred inflows of resources</u>				
Deferred inflows of resources - taxes and assessments	\$ 18,208	\$ -	\$ -	\$ -
Deferred inflows of resources - other	-	-	-	-
Deferred inflows of resources - leases	-	-	-	-
<u>FUND BALANCE</u>				
<u>Fund Format:</u>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	(25,249)	495,556
Committed	355,689	-	-	-
Assigned	6,484	-	-	-
Unassigned	-	-	-	-
<u>Total Fund Balance</u>	\$ 362,173	\$ -	\$ (25,249)	\$ 495,556
<u>Total liabilities, deferred inflows of resources and fund balance</u>	\$ 401,561	\$ 209,358	\$ 13,151	\$ 495,556

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Fund Name:				
	Gas Tax Special	Junk Vehicle	MTUPP	Noxious Weed Trust Fund Grant	911 Emergency
ASSETS					
Current assets					
Cash and investments	\$440,904	\$211,929	\$127,162	\$25,584	\$1,994,545
Taxes and assessments receivable, net	-	-	-	-	-
Lease receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Inventories	-	-	-	-	-
Other Receivables	-	-	23,903	-	1,103
Noncurrent assets					
Restricted Cash and Investments	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred Assessment Receivables	-	-	-	-	-
Total Assets	\$ 440,904	\$ 211,929	\$ 151,065	\$ 25,584	\$ 1,995,648
LIABILITIES					
Current liabilities					
Accounts Payable	\$ -	\$ 283	\$ 283	\$ -	\$ -
Accrued interest payable	-	-	-	-	783
Accrued payroll	-	1,508	3,415	-	-
Due to other funds	210	-	-	-	-
Revenues collected in advance	-	-	-	-	-
Other Liabilities	-	-	-	-	-
Total Liabilities	\$ 210	\$ 1,791	\$ 3,698	\$ -	\$ 783
Deferred inflows of resources					
Deferred inflows of resources - taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred inflows of resources - other	-	-	-	-	-
Deferred inflows of resources - leases	-	-	-	-	-
FUND BALANCE					
Fund Format:					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	440,694	210,138	147,367	25,584	1,994,865
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balance	\$ 440,694	\$ 210,138	\$ 147,367	\$ 25,584	\$ 1,994,865
Total liabilities, deferred inflows of resources and fund balance	\$ 440,904	\$ 211,929	\$ 151,065	\$ 25,584	\$ 1,995,648

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

				SW Regional Youth Detention Facility
Fund Name:	County Land Information	DNRC Grant	Crime Control	
ASSETS				
<u>Current assets</u>				
Cash and investments	\$73,013	\$69	\$6,408	\$6,034
Taxes and assessments receivable, net	-	-	-	-
Lease receivable	-	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Other Receivables	54	-	140,612	50,965
<u>Noncurrent assets</u>				
Restricted Cash and Investments	\$ -	\$ -	\$ -	\$ -
Deferred Assessment Receivables	-	-	-	-
<u>Total Assets</u>	\$ 73,067	\$ 69	\$ 147,020	\$ 56,999
<u>LIABILITIES</u>				
<u>Current liabilities</u>				
Accounts Payable	\$ -	\$ -	\$ 9,180	\$ 43,824
Accrued interest payable	-	-	-	-
Accrued payroll	-	-	7,212	-
Due to other funds	-	-	115,606	-
Revenues collected in advance	-	-	-	-
Other Liabilities	-	-	-	-
<u>Total Liabilities</u>	\$ -	\$ -	\$ 131,998	\$ 43,824
<u>Deferred inflows of resources</u>				
Deferred inflows of resources - taxes and assessments	\$ -	\$ -	\$ -	\$ -
Deferred inflows of resources - other	-	-	-	-
Deferred inflows of resources - leases	-	-	-	-
<u>FUND BALANCE</u>				
<u>Fund Format:</u>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	73,067	69	15,022	13,175
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<u>Total Fund Balance</u>	\$ 73,067	\$ 69	\$ 15,022	\$ 13,175
<u>Total liabilities, deferred inflows of resources and fund balance</u>	\$ 73,067	\$ 69	\$ 147,020	\$ 56,999

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Fund Name:	Forest Receipts - Title III	Operation Freedom from Fear	Cops Grant	Victim Witness
ASSETS					
<u>Current assets</u>					
Cash and investments		\$1,620	\$4,575	\$151,645	\$23,024
Taxes and assessments receivable, net		-	-	-	-
Lease receivable		-	-	-	-
Due from other funds		-	-	-	-
Inventories		-	-	-	-
Other Receivables		-	35,664	48,037	40,921
<u>Noncurrent assets</u>					
Restricted Cash and Investments		\$ -	\$ -	\$ -	\$ -
Deferred Assessment Receivables		-	-	-	-
Total Assets		\$ 1,620	\$ 40,239	\$ 199,682	\$ 63,945
<u>LIABILITIES</u>					
<u>Current liabilities</u>					
Accounts Payable		\$ -	\$ 259	\$ -	\$ 2,125
Accrued interest payable		-	-	-	-
Accrued payroll		-	5,463	8,355	26,984
Due to other funds		-	19,103	-	70,603
Revenues collected in advance		-	-	-	-
Other Liabilities		-	-	-	-
Total Liabilities		\$ -	\$ 24,825	\$ 8,355	\$ 99,712
<u>Deferred inflows of resources</u>					
Deferred inflows of resources - taxes and assessments		\$ -	\$ -	\$ -	\$ -
Deferred inflows of resources - other		-	-	-	-
Deferred inflows of resources - leases		-	-	-	-
<u>FUND BALANCE</u>					
<u>Fund Format:</u>					
Nonspendable		\$ -	\$ -	\$ -	\$ -
Restricted		1,620	15,414	191,327	(35,767)
Committed		-	-	-	-
Assigned		-	-	-	-
Unassigned		-	-	-	-
Total Fund Balance		\$ 1,620	\$ 15,414	\$ 191,327	\$ (35,767)
Total liabilities, deferred inflows of resources and fund balance		\$ 1,620	\$ 40,239	\$ 199,682	\$ 63,945

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

Fund Name:	Law Enforcement Block Grant	Homeland Security Grant	CDBG	DUI Program
ASSETS				
<u>Current assets</u>				
Cash and investments	\$1	\$8,142	\$247	\$159,143
Taxes and assessments receivable, net	-	-	-	-
Lease receivable	-	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Other Receivables	563	32,982	-	658
<u>Noncurrent assets</u>				
Restricted Cash and Investments	\$ -	\$ -	\$ -	\$ -
Deferred Assessment Receivables	-	-	-	-
Total Assets	\$ 564	\$ 41,124	\$ 247	\$ 159,801
<u>LIABILITIES</u>				
<u>Current liabilities</u>				
Accounts Payable	\$ -	\$ 4,038	\$ -	\$ -
Accrued interest payable	-	-	-	-
Accrued payroll	-	8,799	-	2,568
Due to other funds	1,132	30,841	-	-
Revenues collected in advance	-	-	-	-
Other Liabilities	-	-	-	-
Total Liabilities	\$ 1,132	\$ 43,678	\$ -	\$ 2,568
<u>Deferred inflows of resources</u>				
Deferred inflows of resources - taxes and assessments	\$ -	\$ -	\$ -	\$ -
Deferred inflows of resources - other	-	-	-	-
Deferred inflows of resources - leases	-	-	-	-
<u>FUND BALANCE</u>				
<u>Fund Format:</u>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	(568)	(2,554)	247	157,233
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	\$ (568)	\$ (2,554)	\$ 247	\$ 157,233
Total liabilities, deferred inflows of resources and fund balance	\$ 564	\$ 41,124	\$ 247	\$ 159,801

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Fund Name:			
	Cancer Prevention	Public Health Emergency Prep	WIC	Maternal Child
ASSETS				
<u>Current assets</u>				
Cash and investments	\$248,632	\$119,214	\$111,381	\$130,505
Taxes and assessments receivable, net	-	-	-	-
Lease receivable	-	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Other Receivables	36,897	31,477	32,171	148,262
<u>Noncurrent assets</u>				
Restricted Cash and Investments	\$ -	\$ -	\$ -	\$ -
Deferred Assessment Receivables	-	-	-	-
<u>Total Assets</u>	\$ 285,529	\$ 150,691	\$ 143,552	\$ 278,767
<u>LIABILITIES</u>				
<u>Current liabilities</u>				
Accounts Payable	\$ 287	\$ 38,004	\$ 332	\$ 8,228
Accrued interest payable	-	-	-	-
Accrued payroll	6,117	17,823	22,615	38,388
Due to other funds	-	-	-	-
Revenues collected in advance	-	-	-	-
Other Liabilities	-	-	-	-
<u>Total Liabilities</u>	\$ 6,404	\$ 55,827	\$ 22,947	\$ 46,616
<u>Deferred inflows of resources</u>				
Deferred inflows of resources - taxes and assessments	\$ -	\$ -	\$ -	\$ -
Deferred inflows of resources - other	-	-	-	-
Deferred inflows of resources - leases	-	-	-	-
<u>FUND BALANCE</u>				
<u>Fund Format:</u>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	279,125	87,268	119,108	217,572
Committed	-	7,596	1,497	14,579
Assigned	-	-	-	-
Unassigned	-	-	-	-
<u>Total Fund Balance</u>	\$ 279,125	\$ 94,864	\$ 120,605	\$ 232,151
<u>Total liabilities, deferred inflows of resources and fund balance</u>	\$ 285,529	\$ 150,691	\$ 143,552	\$ 278,767

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Fund Name:	Communicabl e Disease	Federal Health Grant	Drug Enforcement Grant	Permissive SRS Levy	Total All Funds				
ASSETS										
<u>Current assets</u>										
Cash and investments		\$198,219	\$2,901	\$10,144	\$13,938	\$22,767,561				
Taxes and assessments receivable, net		-	-	-	561	312,244				
Lease receivable		-	-	-	-	974,667				
Due from other funds		-	-	-	-	210				
Inventories		-	-	-	-	81,324				
Other Receivables		25,390	-	-	-	1,145,240				
<u>Noncurrent assets</u>										
Restricted Cash and Investments	\$	-	\$	-	\$	-				
Deferred Assessment Receivables		-	-	-	-	-				
Total Assets	\$	223,609	\$	2,901	\$	10,144	\$	14,499	\$	25,281,246
<u>LIABILITIES</u>										
<u>Current liabilities</u>										
Accounts Payable	\$	15,283	\$	-	\$	1,735	\$	-	\$	1,013,446.00
Accrued interest payable		-	-	-	-	-	-	-	-	783
Accrued payroll		22,094	-	4,124	-	-	-	-	-	478,769
Due to other funds		-	-	-	-	-	-	-	-	237,495
Revenues collected in advance		-	-	-	-	-	-	-	-	-
Other Liabilities		-	-	-	-	-	-	-	-	-
Total Liabilities	\$	37,377	\$	-	\$	5,859	\$	-	\$	1,730,493
<u>Deferred inflows of resources</u>										
Deferred inflows of resources - taxes and assessments	\$	-	\$	-	\$	-	\$	561	\$	312,244
Deferred inflows of resources - other		-	-	-	-	-	-	-	-	1,878
Deferred inflows of resources - leases		-	-	-	-	-	-	-	-	974,667
<u>FUND BALANCE</u>										
<u>Fund Format:</u>										
Nonspendable	\$	-	\$	-	\$	-	\$	-	\$	81,324
Restricted		145,724	2,901	-	-	-	-	-	-	5,419,322
Committed		40,185	-	4,285	-	-	-	-	-	16,383,732
Assigned		323	-	-	13,938	-	-	-	-	377,586
Unassigned		-	-	-	-	-	-	-	-	-
Total Fund Balance	\$	186,232	\$	2,901	\$	4,285	\$	13,938	\$	22,261,964
<u>Total liabilities, deferred inflows of resources and fund balance</u>										
	\$	223,609	\$	2,901	\$	10,144	\$	14,499	\$	25,279,368

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
JUNE 30, 2022

		Predatory Animal			
		Budgeted			
		Original	Final	Actual	Variance
REVENUES					
Taxes and assessments	\$	10,422	\$ 10,422	\$ 16,808	\$ 6,386
Licenses and permits		-	-	-	-
Intergovernmental		-	-	-	-
Charges for services		-	-	-	-
Fines and forfeitures		-	-	-	-
Miscellaneous		-	-	-	-
Investment earnings		-	-	-	-
Internal services		-	-	-	-
Total Revenue	\$	10,422	\$ 10,422	\$ 16,808	\$ 6,386
EXPENDITURES					
General government	\$	-	\$ -	\$ -	\$ -
Public safety		-	-	-	-
Public works		-	-	-	-
Public health		26,500	26,500	19,200	(7,300)
Culture and recreation		-	-	-	-
Housing and community development		-	-	-	-
Conservation of natural resources		-	-	-	-
Debt service - principal		-	-	-	-
Debt service - interest		-	-	-	-
Miscellaneous		-	-	-	-
Capital outlay		-	-	-	-
Total Expenditures	\$	26,500	\$ 26,500	\$ 19,200	\$ (7,300)
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition	\$	-	\$ -	\$ -	\$ -
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Net Change in Fund Balance	\$	(16,078)	\$ (16,078)	\$ (2,392)	\$ 13,686
Fund Balances - Beginning (from prior year's audit)				\$ 24,503	
Fund Balance - Ending				\$ 22,111	

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
JUNE 30, 2022

		Mosquito Districts			
		Budgeted			
		Original	Final	Actual	Variance
REVENUES					
Taxes and assessments	\$	158,708	\$ 158,708	\$ 159,780	\$ 1,072
Licenses and permits		-	-	-	-
Intergovernmental		8,400	8,400	11,348	2,948
Charges for services		-	-	-	-
Fines and forfeitures		-	-	-	-
Miscellaneous		-	-	710	710
Investment earnings		100	100	725	625
Internal services		-	-	-	-
Total Revenue	\$	167,208	\$ 167,208	\$ 172,563	\$ 5,355
EXPENDITURES					
General government	\$	-	\$ -	\$ -	\$ -
Public safety		-	-	-	-
Public works		-	-	-	-
Public health		177,377	177,377	101,051	(76,326)
Culture and recreation		-	-	-	-
Housing and community development		-	-	-	-
Conservation of natural resources		-	-	-	-
Debt service - principal		-	-	-	-
Debt service - interest		-	-	-	-
Miscellaneous		-	-	-	-
Capital outlay		163,125	163,125	-	(163,125)
Total Expenditures	\$	340,502	\$ 340,502	\$ 101,051	\$ (239,451)
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition	\$	-	\$ -	\$ -	\$ -
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Net Change in Fund Balance	\$	(173,294)	\$ (173,294)	\$ 71,512	\$ 244,806
Fund Balances - Beginning (from prior year's audit)				\$ 195,881	
Fund Balance - Ending				\$ 267,393	

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
JUNE 30, 2022

		Zoning Districts			
		Budgeted		Actual	Variance
		Original	Final		
REVENUES					
Taxes and assessments	\$	54,229	\$ 54,229	\$ 55,108	\$ 879
Licenses and permits		-	-	-	-
Intergovernmental		-	-	123	123
Charges for services		-	-	-	-
Fines and forfeitures		-	-	-	-
Miscellaneous		-	-	217	217
Investment earnings		-	-	64	64
Internal services		-	-	-	-
Total Revenue	\$	54,229	\$ 54,229	\$ 55,512	\$ 1,283
EXPENDITURES					
General government	\$	-	\$ -	\$ -	\$ -
Public safety		-	-	-	-
Public works		68,265	68,265	54,942	(13,323)
Public health		-	-	-	-
Culture and recreation		-	-	-	-
Housing and community development		-	-	-	-
Conservation of natural resources		-	-	-	-
Debt service - principal		-	-	-	-
Debt service - interest		-	-	-	-
Miscellaneous		-	-	-	-
Capital outlay		-	-	-	-
Total Expenditures	\$	68,265	\$ 68,265	\$ 54,942	\$ (13,323)
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition	\$	-	\$ -	\$ -	\$ -
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Net Change in Fund Balance	\$	(14,036)	\$ (14,036)	\$ 570	\$ 14,606
Fund Balances - Beginning (from prior year's audit)				\$	2,498
Fund Balance - Ending				\$	3,068

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
JUNE 30, 2022

		Lightning Districts			
		Budgeted			
		Original	Final	Actual	Variance
REVENUES					
Taxes and assessments	\$	21,924	\$ 21,924	\$ 22,575	\$ 651
Licenses and permits		-	-	-	-
Intergovernmental		-	-	7	7
Charges for services		-	-	-	-
Fines and forfeitures		-	-	-	-
Miscellaneous		-	-	-	-
Investment earnings		-	-	-	-
Internal services		-	-	-	-
Total Revenue	\$	21,924	\$ 21,924	\$ 22,582	\$ 658
EXPENDITURES					
General government	\$	-	\$ -	\$ -	\$ -
Public safety		-	-	-	-
Public works		37,500	37,500	19,907	(17,593)
Public health		-	-	-	-
Culture and recreation		-	-	-	-
Housing and community development		-	-	-	-
Conservation of natural resources		-	-	-	-
Debt service - principal		-	-	-	-
Debt service - interest		-	-	-	-
Miscellaneous		-	-	-	-
Capital outlay		-	-	-	-
Total Expenditures	\$	37,500	\$ 37,500	\$ 19,907	\$ (17,593)
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition	\$	-	\$ -	\$ -	\$ -
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Net Change in Fund Balance	\$	(15,576)	\$ (15,576)	\$ 2,675	\$ 18,251
Fund Balances - Beginning (from prior year's audit)				\$	23,524
Fund Balance - Ending				\$	26,199

		2110 Road			
		Budgeted		Actual	Variance
		Original	Final		
REVENUES					
Taxes and assessments	\$	3,901,467	\$ 3,901,467	\$ 4,152,180	\$ 250,713
Licenses and permits		-	-	-	-
Intergovernmental		1,003,851	1,003,851	767,213	(236,638)
Charges for services		15,000	15,000	118,406	103,406
Fines and forfeitures		-	-	-	-
Miscellaneous		-	-	451,597	451,597
Investment earnings		25,000	25,000	32,405	7,405
Internal services		-	-	-	-
<u>Total Revenue</u>	\$	4,945,318	\$ 4,945,318	\$ 5,521,801	\$ 576,483
EXPENDITURES					
General government	\$	-	\$ -	\$ -	\$ -
Public safety		-	-	-	-
Public works		5,672,929	5,697,929	\$4,099,814	(1,598,115)
Public health		-	-	-	-
Culture and recreation		-	-	-	-
Housing and community development		-	-	-	-
Conservation of natural resources		-	-	-	-
Debt service - principal		-	4,376	-	(4,376)
Debt service - interest		300	1,083	-	(1,083)
Miscellaneous		-	-	0	-
Capital outlay		3,154,928	3,129,928	\$635,851	(2,494,077)
<u>Total Expenditures</u>	\$	8,828,157	\$ 8,833,316	\$ 4,735,665	\$ (4,097,651)
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition	\$	-	\$ -	\$ 31,597	\$ 31,597
Transfers in		57,836	62,995	95,113	32,118
Transfers out		-	-	-	-
Net Change in Fund Balance	\$	(3,825,003)	\$ (3,825,003)	\$ 912,846	\$ 4,737,849
Fund Balances - Beginning (from prior year's audit)				\$ 7,469,715	
Fund Balance - Ending				\$ 8,382,561	

2111
Road Impact Fees

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	11,316	11,316
Investment earnings	100	100	982	882
Internal services	-	-	-	-
Total Revenue	\$ 10,100	\$ 10,100	\$ 12,298	\$ 2,198

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	\$200,141	200,141	8,338	(191,803)
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 200,141	\$ 200,141	\$ 8,338	\$ (191,803)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (190,041)	\$ (190,041)	\$ 3,960	\$ 194,001

Fund Balances - Beginning (from prior year's audit)

\$ 234,083

Fund Balance - Ending

\$ 238,043

2140
Noxious Weed

REVENUES

	Budgeted		Actual	Variance
	<u>Original</u>	<u>Final</u>		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	37,300	37,300	40,614	3,314
Charges for services	6,000	6,000	19,497	13,497
Fines and forfeitures	-	-	-	-
Miscellaneous	1,786	1,786	4,706	2,920
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 45,086	\$ 45,086	\$ 64,817	\$ 19,731

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	417,410	417,410	\$403,629	(13,781)
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	4,377	-	(4,377)
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	38,902	38,902	-	(38,902)
Total Expenditures	\$ 456,312	\$ 460,689	\$ 403,629	\$ (57,060)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	329,145	333,522	329,145	(4,377)
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (82,081)	\$ (82,081)	\$ (9,667)	\$ 72,414

Fund Balances - Beginning (from prior year's audit)

\$ 181,283

Fund Balance - Ending

\$ 171,616

		2160 Fair			
		Budgeted		Actual	Variance
		Original	Final		
REVENUES					
Taxes and assessments	\$	520,067	\$ 520,067	\$ 537,192	\$ 17,125
Licenses and permits		-	-	-	-
Intergovernmental		41,000	41,000	57,297	16,297
Charges for services		1,208,963	1,208,963	1,450,729	241,766
Fines and forfeitures		-	-	-	-
Miscellaneous		214,755	214,755	363,253	148,498
Investment earnings		-	-	-	-
Internal services		-	-	-	-
<u>Total Revenue</u>	\$	1,984,785	\$ 1,984,785	\$ 2,408,471	\$ 423,686
EXPENDITURES					
General government	\$	-	\$ -	\$ -	\$ -
Public safety		-	-	-	-
Public works		-	-	-	-
Public health		-	-	-	-
Culture and recreation		1,813,154	1,819,154	\$1,846,096	26,942
Housing and community development		-	-	-	-
Conservation of natural resources		-	-	-	-
Debt service - principal		50,683	50,683	\$50,000	(683)
Debt service - interest		37,385	37,385	\$30,913	(6,472)
Miscellaneous		-	-	-	-
Capital outlay		256,000	250,000	\$51,506	(198,494)
<u>Total Expenditures</u>	\$	2,157,222	\$ 2,157,222	\$ 1,978,515	\$ (178,707)
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition	\$	-	\$ -	\$ -	\$ -
Transfers in		22,531	22,531	19,371	(3,160)
Transfers out		-	-	-	-
Net Change in Fund Balance	\$	(149,906)	\$ (149,906)	\$ 449,327	\$ 599,233
Fund Balances - Beginning (from prior year's audit)				\$ 808,452	
Fund Balance - Ending				\$ 1,257,779	

		2210 Park			
		Budgeted		Actual	Variance
		Original	Final		
REVENUES					
Taxes and assessments		\$ 218,725	\$ 218,725	\$ 224,525	\$ 5,800
Licenses and permits		-	-	-	-
Intergovernmental		-	-	-	-
Charges for services		-	-	-	-
Fines and forfeitures		-	-	-	-
Miscellaneous		-	-	2,158	2,158
Investment earnings		-	-	-	-
Internal services		-	-	-	-
<u>Total Revenue</u>		<u>\$ 218,725</u>	<u>\$ 218,725</u>	<u>\$ 226,683</u>	<u>\$ 7,958</u>
EXPENDITURES					
General government		\$ -	\$ -	\$ -	\$ -
Public safety		-	-	-	-
Public works		-	-	-	-
Public health		-	-	-	-
Culture and recreation		351,496	351,496	\$117,987	(233,509)
Housing and community development		-	-	-	-
Conservation of natural resources		-	-	-	-
Debt service - principal		-	-	-	-
Debt service - interest		-	-	-	-
Miscellaneous		-	-	-	-
Capital outlay		690,000	690,000	\$50,510	(639,490)
<u>Total Expenditures</u>		<u>\$ 1,041,496</u>	<u>\$ 1,041,496</u>	<u>\$ 168,497</u>	<u>\$ (872,999)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition		\$ -	\$ -	\$ 20,000	\$ 20,000
Transfers in		193,805	193,805	193,805	-
Transfers out		-	-	-	-
Net Change in Fund Balance		\$ (628,966)	\$ (628,966)	\$ 271,991	\$ 900,957
Fund Balances - Beginning (from prior year's audit)				<u>\$ 317,529</u>	
Fund Balance - Ending				<u>\$ 589,520</u>	

		2220 Library			
		Budgeted			
		Original	Final	Actual	Variance
REVENUES					
Taxes and assessments		\$ 1,147,403	\$ 1,147,403	\$ 1,168,073	\$ 20,670
Licenses and permits		-	-	-	-
Intergovernmental		78,000	78,000	89,571	11,571
Charges for services		-	-	-	-
Fines and forfeitures		-	-	-	-
Miscellaneous		-	-	-	-
Investment earnings		-	-	-	-
Internal services		-	-	-	-
<u>Total Revenue</u>		<u>\$ 1,225,403</u>	<u>\$ 1,225,403</u>	<u>\$ 1,257,644</u>	<u>\$ 32,241</u>
EXPENDITURES					
General government		\$ -	\$ -	\$ -	\$ -
Public safety		-	-	-	-
Public works		-	-	-	-
Public health		-	-	-	-
Culture and recreation		1,216,657	1,216,657	1,214,740	(1,917)
Housing and community development		-	-	-	-
Conservation of natural resources		-	-	-	-
Debt service - principal		-	-	-	-
Debt service - interest		-	-	-	-
Miscellaneous		-	-	-	-
Capital outlay		214,547	214,547	-	(214,547)
<u>Total Expenditures</u>		<u>\$ 1,431,204</u>	<u>\$ 1,431,204</u>	<u>\$ 1,214,740</u>	<u>\$ (216,464)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition		\$ -	\$ -	\$ -	\$ -
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Net Change in Fund Balance		\$ (205,801)	\$ (205,801)	\$ 42,904	\$ 248,705
Fund Balances - Beginning (from prior year's audit)				<u>\$ 594,173</u>	
Fund Balance - Ending				<u>\$ 637,077</u>	

2250
County Wide Planning

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ 272,046	\$ 272,046	\$ 269,159	\$ (2,887)
Licenses and permits	-	-	-	-
Intergovernmental	3,000	3,000	19,251	16,251
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	669	669
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 275,046	\$ 275,046	\$ 289,079	\$ 14,033

EXPENDITURES

General government	\$ 200,038	\$ 200,038	\$ 12,836	\$ (187,202)
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 200,038	\$ 200,038	\$ 12,836	\$ (187,202)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	(222,236)	(222,236)	(222,236)	-
Net Change in Fund Balance	\$ (147,228)	\$ (147,228)	\$ 54,007	\$ 201,235

Fund Balances - Beginning (from prior year's audit)

\$ 161,319

Fund Balance - Ending

\$ 215,326

2255
Open Space Lands

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ 1,465,771	\$ 1,465,771	\$ 1,795,643	\$ 329,872
Licenses and permits	45,000	45,000	42,700	(2,300)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	71	71
Investment earnings	-	-	12,508	12,508
Internal services	-	-	-	-
Total Revenue	\$ 1,510,771	\$ 1,510,771	\$ 1,850,922	\$ 340,151

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	16,830	16,830	\$117,680	100,850
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	3,487,430	3,487,430	\$1,478,097	(2,009,333)
Total Expenditures	\$ 3,504,260	\$ 3,504,260	\$ 1,595,777	\$ (1,908,483)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	(38,806)	(38,806)	(38,305)	501
Net Change in Fund Balance	\$ (2,032,295)	\$ (2,032,295)	\$ 216,840	\$ 2,249,135

Fund Balances - Beginning (from prior year's audit)

\$ 2,903,073

Fund Balance - Ending

\$ 3,119,913

2260
County Emergency

REVENUES								
Taxes and assessments	\$	-	\$	-	\$	-		
Licenses and permits		-		-		-		
Intergovernmental		-		-		-		
Charges for services		-		-		-		
Fines and forfeitures		-		-		-		
Miscellaneous		-		-		-		
Investment earnings		-		-		-		
Internal services		-		-		-		
Total Revenue	\$	-	\$	-	\$	-		
EXPENDITURES								
General government	\$	-	\$	-	\$	-		
Public safety		6,325		98,144		\$98,143	(1)	
Public works		-		-		-	-	
Public health		-		-		-	-	
Culture and recreation		-		-		-	-	
Housing and community development		-		-		-	-	
Conservation of natural resources		-		-		-	-	
Debt service - principal		-		-		-	-	
Debt service - interest		-		-		-	-	
Miscellaneous		-		-		-	-	
Capital outlay		-		-		-	-	
Total Expenditures	\$	6,325	\$	98,144	\$	98,143	\$	(1)
OTHER FINANCING SOURCES (USES)								
Proceeds from the sale of general capital asset disposition	\$	-	\$	-	\$	-	\$	-
Transfers in		-		-		-		-
Transfers out		-		-		-		-
Net Change in Fund Balance	\$	(6,325)	\$	(98,144)	\$	(98,143)	\$	1
Fund Balances - Beginning (from prior year's audit)				\$	140,328			
Fund Balance - Ending				\$	42,185			

		2270 Health			
		Budgeted		Actual	Variance
		Original	Final		
REVENUES					
Taxes and assessments	\$	1,676,937	\$ 1,676,937	\$ 1,724,679	\$ 47,742
Licenses and permits		261,485	261,485	301,308	39,823
Intergovernmental		140,000	140,000	217,906	77,906
Charges for services		360,052	360,052	330,839	(29,213)
Fines and forfeitures		-	-	-	-
Miscellaneous		-	-	13,240	13,240
Investment earnings		-	-	3,957	3,957
Internal services		-	16,890	-	(16,890)
Total Revenue	\$	2,438,474	\$ 2,455,364	\$ 2,591,929	\$ 136,565
EXPENDITURES					
General government	\$	-	\$ -	\$ -	\$ -
Public safety		-	-	-	-
Public works		-	-	-	-
Public health		2,663,375	2,742,745	\$2,474,362	(268,383)
Culture and recreation		-	-	-	-
Housing and community development		-	-	-	-
Conservation of natural resources		-	-	-	-
Debt service - principal		4,760	4,760	-	(4,760)
Debt service - interest		-	-	-	-
Miscellaneous		-	-	-	-
Capital outlay		-	-	\$5,010	5,010
Total Expenditures	\$	2,668,135	\$ 2,747,505	\$ 2,479,372	\$ (268,133)
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition	\$	-	\$ -	\$ -	\$ -
Transfers in		-	62,480	111,678	49,198
Transfers out		(108,943)	(108,943)	(63,255)	45,688
Net Change in Fund Balance	\$	(338,604)	\$ (338,604)	\$ 160,980	\$ 499,584
Fund Balances - Beginning (from prior year's audit)				\$ 914,506	
Fund Balance - Ending				\$ 1,075,486	

2361
Historic Preservation

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	2,470	2,470
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ -	\$ -	\$ 2,470	\$ 2,470

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	19,000	19,000	\$3,176	(15,824)
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 19,000	\$ 19,000	\$ 3,176	\$ (15,824)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	5,000	5,000	5,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (14,000)	\$ (14,000)	\$ 4,294	\$ 18,294

Fund Balances - Beginning (from prior year's audit)

\$ 10,389

Fund Balance - Ending

\$ 14,683

2372

Permissive Medical Levy

		Budgeted			
		Original	Final	Actual	Variance
REVENUES					
Taxes and assessments	\$	3,599,363	\$ 3,602,911	\$ 3,699,622	\$ 96,711
Licenses and permits		-	-	-	-
Intergovernmental		-	-	-	-
Charges for services		-	-	-	-
Fines and forfeitures		-	-	-	-
Miscellaneous		-	-	-	-
Investment earnings		-	-	-	-
Internal services		-	-	-	-
Total Revenue	\$	3,599,363	\$ 3,602,911	\$ 3,699,622	\$ 96,711
EXPENDITURES					
General government	\$	-	\$ -	\$ -	\$ -
Public safety		-	-	-	-
Public works		-	-	-	-
Public health		-	-	-	-
Culture and recreation		-	-	-	-
Housing and community development		-	-	-	-
Conservation of natural resources		-	-	-	-
Debt service - principal		-	-	-	-
Debt service - interest		-	-	-	-
Miscellaneous		-	-	\$3,548	3,548
Capital outlay		-	-	-	-
Total Expenditures	\$	-	\$ -	\$ 3,548	\$ 3,548
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition	\$	-	\$ -	\$ -	\$ -
Transfers in		-	-	-	-
Transfers out		(3,677,978)	(3,681,526)	(3,677,978)	3,548
Net Change in Fund Balance	\$	(78,615)	\$ (78,615)	\$ 18,096	\$ 96,711
Fund Balances - Beginning (from prior year's audit)				\$ 56,653	
Fund Balance - Ending				\$ 74,749	

2390
Drug Forfeiture

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	(2,270)	(2,270)
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ -	\$ -	\$ (2,270)	\$ (2,270)

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	54	54	\$100	46
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 54	\$ 54	\$ 100	\$ 46

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	(29,215)	(29,215)	-	29,215
Net Change in Fund Balance	\$ (29,269)	\$ (29,269)	\$ (2,370)	\$ 26,899

Fund Balances - Beginning (from prior year's audit)

\$ 39,527

Fund Balance - Ending

\$ 37,157

2393

Clerk & Recorder Records Preservation

REVENUES								
Taxes and assessments	\$	-	\$	-	\$	-	\$	-
Licenses and permits		-		-		-		-
Intergovernmental		-		-		-		-
Charges for services		155,000		155,000		191,563		36,563
Fines and forfeitures		-		-		-		-
Miscellaneous		-		-		-		-
Investment earnings		-		-		-		-
Internal services		-		-		-		-
<u>Total Revenue</u>	\$	155,000	\$	155,000	\$	191,563	\$	36,563
EXPENDITURES								
General government	\$	190,111	\$	190,111		\$101,288	\$	(88,823)
Public safety		-		-		-		-
Public works		-		-		-		-
Public health		-		-		-		-
Culture and recreation		-		-		-		-
Housing and community development		-		-		-		-
Conservation of natural resources		-		-		-		-
Debt service - principal		-		-		-		-
Debt service - interest		-		-		-		-
Miscellaneous		-		-		-		-
Capital outlay		279,719		279,719		\$15,697		(264,022)
<u>Total Expenditures</u>	\$	469,830	\$	469,830	\$	116,985	\$	(352,845)
OTHER FINANCING SOURCES (USES)								
Proceeds from the sale of general capital asset disposition	\$	-	\$	-	\$	-	\$	-
Transfers in		-		-		-		-
Transfers out		-		-		-		-
Net Change in Fund Balance	\$	(314,830)	\$	(314,830)	\$	74,578	\$	389,408
Fund Balances - Beginning (from prior year's audit)					\$	458,014		
Fund Balance - Ending					\$	532,592		

		2395					
		Economic Development					
		Budgeted		Actual	Variance		
		Original	Final				
REVENUES							
Taxes and assessments	\$	-	\$	-	\$	-	
Licenses and permits		-		-		-	
Intergovernmental		-		-		-	
Charges for services		-		-		-	
Fines and forfeitures		-		-		-	
Miscellaneous		-		181,449		181,449	
Investment earnings		-		-		-	
Internal services		-		-		-	
Total Revenue	\$	-	\$	-	\$	181,449	
EXPENDITURES							
General government	\$	-	\$	-	\$	-	
Public safety		-		-		-	
Public works		-		-		-	
Public health		-		-		-	
Culture and recreation		-		-		-	
Housing and community development		45,487		45,487		\$156	(45,331)
Conservation of natural resources		-		-		-	-
Debt service - principal		-		-		-	-
Debt service - interest		-		-		-	-
Miscellaneous		-		-		-	-
Capital outlay		-		-		-	-
Total Expenditures	\$	45,487	\$	45,487	\$	156	\$ (45,331)
OTHER FINANCING SOURCES (USES)							
Proceeds from the sale of general capital asset disposition	\$	-	\$	-	\$	-	-
Transfers in		-		-		-	-
Transfers out		-		-		-	-
Net Change in Fund Balance	\$	(45,487)	\$	(45,487)	\$	181,293	\$ 226,780
Fund Balances - Beginning (from prior year's audit)				\$	260,362		
Fund Balance - Ending				\$	441,655		

2398
County Fire Control Permit

		Budgeted						
		Original	Final	Actual	Variance			
REVENUES								
Taxes and assessments	\$	-	\$	-	\$	-		
Licenses and permits		15,000	15,000	16,954		1,954		
Intergovernmental		-	-	-		-		
Charges for services		-	-	-		-		
Fines and forfeitures		-	-	-		-		
Miscellaneous		-	-	-		-		
Investment earnings		-	-	-		-		
Internal services		-	-	-		-		
Total Revenue	\$	15,000	\$	15,000	\$	16,954	\$	1,954
EXPENDITURES								
General government	\$	-	\$	-	\$	-	\$	-
Public safety		73,636	73,636	10,036		(63,600)		
Public works		-	-	-		-		
Public health		-	-	-		-		
Culture and recreation		-	-	-		-		
Housing and community development		-	-	-		-		
Conservation of natural resources		-	-	-		-		
Debt service - principal		-	-	-		-		
Debt service - interest		-	-	-		-		
Miscellaneous		-	-	-		-		
Capital outlay		-	-	-		-		
Total Expenditures	\$	73,636	\$	73,636	\$	10,036	\$	(63,600)
OTHER FINANCING SOURCES (USES)								
Proceeds from the sale of general capital asset disposition	\$	-	\$	-	\$	-	\$	-
Transfers in		-	-	-		-		
Transfers out		-	-	-		-		
Net Change in Fund Balance	\$	(58,636)	\$	(58,636)	\$	6,918	\$	65,554
Fund Balances - Beginning (from prior year's audit)					\$	92,419		
Fund Balance - Ending					\$	99,337		

2790
Water Quality District

		Budgeted		Water Quality District	
		Original	Final	Actual	Variance
REVENUES					
Taxes and assessments	\$	293,048	\$ 293,048	\$ 306,601	\$ 13,553
Licenses and permits		-	-	-	-
Intergovernmental		-	-	4,863	4,863
Charges for services		2,700	2,700	2,700	-
Fines and forfeitures		-	-	-	-
Miscellaneous		6,325	6,325	805	(5,520)
Investment earnings		400	400	1,617	1,217
Internal services		-	-	-	-
Total Revenue	\$	302,473	\$ 302,473	\$ 316,586	\$ 14,113
EXPENDITURES					
General government	\$	-	\$ -	\$ -	\$ -
Public safety		-	-	-	-
Public works		-	-	-	-
Public health		382,869	382,869	348,862	(34,007)
Culture and recreation		-	-	-	-
Housing and community development		-	-	-	-
Conservation of natural resources		-	-	-	-
Debt service - principal		-	-	-	-
Debt service - interest		-	-	-	-
Miscellaneous		-	-	-	-
Capital outlay		394,188	394,188	16,182	(378,006)
Total Expenditures	\$	777,057	\$ 777,057	\$ 365,044	\$ (412,013)
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition	\$	-	\$ -	\$ -	\$ -
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Net Change in Fund Balance	\$	(474,584)	\$ (474,584)	\$ (48,458)	\$ 426,126
Fund Balances - Beginning (from prior year's audit)				\$ 410,631	
Fund Balance - Ending				\$ 362,173	

2800
Alcohol Rehab

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	200,000	362,874	362,874	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 200,000	\$ 362,874	\$ 362,874	\$ -

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	200,000	362,874	362,874	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 200,000	\$ 362,874	\$ 362,874	\$ -

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ -

Fund Balances - Beginning (from prior year's audit)

\$ -

Fund Balance - Ending

\$ -

**2801
State Grants**

	Budgeted					
	Original	Final	Actual	Variance		
REVENUES						
Taxes and assessments	\$ -	\$ -	\$ -	\$ -		
Licenses and permits	-	-	-	-		
Intergovernmental		134,000	134,000			
Charges for services	-	-	-	-		
Fines and forfeitures	-	-	-	-		
Miscellaneous	-	-	-	-		
Investment earnings	-	-	-	-		
Internal services	-	-	-	-		
Total Revenue	\$ -	\$ 134,000	\$ 134,000	\$ -		
EXPENDITURES						
General government	\$ -	\$ -	\$ -	\$ -		
Public safety	-	4,000	2,606	(1,394)		
Public works	-	-	-	-		
Public health	-	-	-	-		
Culture and recreation	-	-	-	-		
Housing and community development	-	302,400	302,400			
Conservation of natural resources	-	-	-	-		
Debt service - principal	-	-	-	-		
Debt service - interest	-	-	-	-		
Miscellaneous	-	-	-	-		
Capital outlay	-	10,000	10,370	370		
Total Expenditures	\$ -	\$ 316,400	\$ 315,376	\$ (1,024)		
OTHER FINANCING SOURCES (USES)						
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -		
Transfers in	-	-	-	-		
Transfers out	-	-	-	-		
Net Change in Fund Balance	\$ -	\$ (182,400)	\$ (181,376)	\$ 1,024		
Fund Balances - Beginning (from prior year's audit)			\$ 156,127			
Fund Balance - Ending			\$ (25,249)			

**2820
Gas Tax**

	Budgeted			
	Original	Final	Actual	Variance
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	340,600	340,600	343,228	2,628
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 340,600	\$ 340,600	\$ 343,228	\$ 2,628
EXPENDITURES				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	340,000	340,000	255,138	(84,862)
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 340,000	\$ 340,000	\$ 255,138	\$ (84,862)
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ 600	\$ 600	\$ 88,090	\$ 87,490
Fund Balances - Beginning (from prior year's audit)			\$ 407,466	
Fund Balance - Ending			\$ 495,556	

2821
Gas Tax Special

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	394,755	762,565	440,904	(321,661)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 394,755	\$ 762,565	\$ 440,904	\$ (321,661)

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	419,435	419,435	352,321	(67,114)
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 419,435	\$ 419,435	\$ 352,321	\$ (67,114)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	35,292	35,292	-	(35,292)
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ 10,612	\$ 378,422	\$ 88,583	\$ (289,839)

Fund Balances - Beginning (from prior year's audit)

\$ 352,111

Fund Balance - Ending

\$ 440,694

**2830
Junk Vehicle**

	Budgeted			
	Original	Final	Actual	Variance
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	206,778	206,778	104,478	(102,300)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 206,778	\$ 206,778	\$ 104,478	\$ (102,300)
EXPENDITURES				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	187,431	187,431	42,714	(144,717)
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	75,000	75,000	9,590	(65,410)
Total Expenditures	\$ 262,431	\$ 262,431	\$ 52,304	\$ (210,127)
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (55,653)	\$ (55,653)	\$ 52,174	\$ 107,827
Fund Balances - Beginning (from prior year's audit)			\$ 157,964	
Fund Balance - Ending			\$ 210,138	

**2836
MTUPP**

	Budgeted			
	Original	Final	Actual	Variance
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	119,514	119,514	119,514	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
<u>Total Revenue</u>	\$ 119,514	\$ 119,514	\$ 119,514	\$ -
EXPENDITURES				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	141,609	141,609	112,531	(29,078)
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
<u>Total Expenditures</u>	\$ 141,609	\$ 141,609	\$ 112,531	\$ (29,078)
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	7,357	7,357
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (22,095)	\$ (22,095)	\$ 14,340	\$ 36,435
Fund Balances - Beginning (from prior year's audit)			\$ 133,027	
Fund Balance - Ending			\$ 147,367	

2840

Noxious Weed Trust Fund Grant

	Budgeted			
	Original	Final	Actual	Variance
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	374,231	7,500	7,500	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 374,231	\$ 7,500	\$ 7,500	\$ -
EXPENDITURES				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	456,312	25,608	16	(25,592)
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 456,312	\$ 25,608	\$ 16	\$ (25,592)
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (82,081)	\$ (18,108)	\$ 7,484	\$ 25,592
Fund Balances - Beginning (from prior year's audit)			\$ 18,100	
Fund Balance - Ending			\$ 25,584	

2850
911 Emergency

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	605,000	605,000	640,573	35,573
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	7,518	7,518
Internal services	-	-	-	-
Total Revenue	\$ 605,000	\$ 605,000	\$ 648,091	\$ 43,091

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	115,900	215,070	185,165	(29,905)
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	35,476	35,476	-	(35,476)
Debt service - interest	4,516	4,516	-	(4,516)
Miscellaneous	-	-	-	-
Capital outlay	1,240,948	1,141,778	10,934	(1,130,844)
Total Expenditures	\$ 1,396,840	\$ 1,396,840	\$ 196,099	\$ (1,200,741)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (791,840)	\$ (791,840)	\$ 451,992	\$ 1,243,832

Fund Balances - Beginning (from prior year's audit)

\$ 1,542,873

Fund Balance - Ending

\$ 1,994,865

County Land Information

	Budgeted			
	Original	Final	Actual	Variance
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	90,000	90,000	89,708	(292)
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	284	284
Internal services	-	-	-	-
Total Revenue	\$ 90,000	\$ 90,000	\$ 89,992	\$ (8)
EXPENDITURES				
General government	\$ 41,500	\$ 41,500	1,880	\$ (39,620)
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 41,500	\$ 41,500	\$ 1,880	\$ (39,620)
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	(36,500)	(40,530)	(40,530)	-
Net Change in Fund Balance	\$ 12,000	\$ 7,970	\$ 47,582	\$ 39,612
Fund Balances - Beginning (from prior year's audit)			\$ 25,485	
Fund Balance - Ending			\$ 73,067	

**2865
DNRC Grant**

	Budgeted			
	Original	Final	Actual	Variance
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	1,839	1,839
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ -	\$ -	\$ 1,839	\$ 1,839
EXPENDITURES				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ -	\$ -	\$ 1,839	\$ 1,839
Fund Balances - Beginning (from prior year's audit)			\$ (1,770)	
Fund Balance - Ending			\$ 69	

2870
Crime Control

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	316,363	316,363	288,501	(27,862)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 316,363	\$ 316,363	\$ 288,501	\$ (27,862)

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	259,324	257,969	257,966	(3)
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	33,158	\$33,158	-
Total Expenditures	\$ 259,324	\$ 291,127	\$ 291,124	\$ (3)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	1,983	1,983
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ 57,039	\$ 25,236	\$ (640)	\$ (25,876)

Fund Balances - Beginning (from prior year's audit)

\$ 15,662

Fund Balance - Ending

\$ 15,022

2871

SW Regional Youth Detention Facility**REVENUES**

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	105,000	111,144	131,952	20,808
Charges for services	-	-	3,630	3,630
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 105,000	\$ 111,144	\$ 135,582	\$ 24,438

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	105,000	132,370	132,370	-
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 105,000	\$ 132,370	\$ 132,370	\$ -

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	21,226	21,226	-
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ -	\$ -	\$ 24,438	\$ 24,438

Fund Balances - Beginning (from prior year's audit)**\$ (11,263)****Fund Balance - Ending****\$ 13,175**

2902
Forest Receipts - Title III

		Budgeted				
		Original	Final	Actual	Variance	
REVENUES						
Taxes and assessments	\$	-	\$	-	\$	-
Licenses and permits		-	-	-	-	-
Intergovernmental		-	-	-	-	-
Charges for services		-	-	-	-	-
Fines and forfeitures		-	-	-	-	-
Miscellaneous		-	-	-	-	-
Investment earnings		-	-	-	-	-
Internal services		-	-	-	-	-
Total Revenue	\$	-	\$	-	\$	-
EXPENDITURES						
General government	\$	-	\$	-	\$	-
Public safety		-	-	-	-	-
Public works		-	-	-	-	-
Public health		-	-	-	-	-
Culture and recreation		-	-	-	-	-
Housing and community development		-	-	-	-	-
Conservation of natural resources		-	-	-	-	-
Debt service - principal		-	-	-	-	-
Debt service - interest		-	-	-	-	-
Miscellaneous		-	-	-	-	-
Capital outlay		-	-	-	-	-
Total Expenditures	\$	-	\$	-	\$	-
OTHER FINANCING SOURCES (USES)						
Proceeds from the sale of general capital asset disposition	\$	-	\$	-	\$	-
Transfers in		-	-	-	-	-
Transfers out		(1,620)	(1,620)	-		1,620
Net Change in Fund Balance	\$	(1,620)	\$	(1,620)	\$	-
Fund Balances - Beginning (from prior year's audit)				\$	1,620	
Fund Balance - Ending				\$	1,620	

		2915			
		Operation Freedom from fear			
		<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
		<u>Original</u>	<u>Final</u>		
REVENUES					
Taxes and assessments		\$ -	\$ -	\$ -	\$ -
Licenses and permits		-	-	-	-
Intergovernmental		145,236	94,718	94,718	-
Charges for services		-	-	-	-
Fines and forfeitures		-	-	-	-
Miscellaneous		-	-	-	-
Investment earnings		-	-	-	-
Internal services		-	-	-	-
Total Revenue		\$ 145,236	\$ 94,718	\$ 94,718	\$ -
EXPENDITURES					
General government		\$ -	\$ -	\$ -	\$ -
Public safety		161,825	194,789	194,789	-
Public works		-	-	-	-
Public health		-	-	-	-
Culture and recreation		-	-	-	-
Housing and community development		-	-	-	-
Conservation of natural resources		-	-	-	-
Debt service - principal		-	-	-	-
Debt service - interest		-	-	-	-
Miscellaneous		-	-	-	-
Capital outlay		-	-	-	-
Total Expenditures		\$ 161,825	\$ 194,789	\$ 194,789	\$ -
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition		\$ -	\$ -	\$ -	\$ -
Transfers in		1,370	99,525	99,525	-
Transfers out		-	-	-	-
Net Change in Fund Balance		\$ (15,219)	\$ (546)	\$ (546)	\$ -
Fund Balances - Beginning (from prior year's audit)				\$ 15,960	
Fund Balance - Ending				\$ 15,414	

2916
Cops Grant

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	135,009	135,009	162,325	27,316
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 135,009	\$ 135,009	\$ 162,325	\$ 27,316

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	247,690	247,690	182,411	(65,279)
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 247,690	\$ 247,690	\$ 182,411	\$ (65,279)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	19,176	19,176
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (112,681)	\$ (112,681)	\$ (910)	\$ 111,771

Fund Balances - Beginning (from prior year's audit)

\$ 192,237

Fund Balance - Ending

\$ 191,327

2917
Victim Witness

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	283,000	283,000	316,652	33,652
Charges for services	-	-	-	-
Fines and forfeitures	55,000	55,000	33,561	(21,439)
Miscellaneous	-	-	174	174
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 338,000	\$ 338,000	\$ 350,387	\$ 12,387

EXPENDITURES

General government	\$ 504,908	\$ 504,908	\$ 489,068	\$ (15,840)
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	4,590	4,590	-	(4,590)
Total Expenditures	\$ 509,498	\$ 509,498	\$ 489,068	\$ (20,430)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	152,143	152,143	135,125	(17,018)
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (19,355)	\$ (19,355)	\$ (3,556)	\$ 15,799

Fund Balances - Beginning (from prior year's audit)

\$ (32,211)

Fund Balance - Ending

\$ (35,767)

2918

Law Enforcement Block Grant

	<u>Budgeted</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	25,000	86,147	73,049	(13,098)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
<u>Total Revenue</u>	\$ 25,000	\$ 86,147	\$ 73,049	\$ (13,098)
EXPENDITURES				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	25,000	86,147	75,069	(11,078)
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
<u>Total Expenditures</u>	\$ 25,000	\$ 86,147	\$ 75,069	\$ (11,078)
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	1,979	1,979
Transfers out	(53,000)	(53,000)	-	53,000
Net Change in Fund Balance	\$ (53,000)	\$ (53,000)	\$ (41)	\$ 52,959
Fund Balances - Beginning (from prior year's audit)			\$ (527)	
Fund Balance - Ending			\$ (568)	

2927

Homeland Security Grant

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	168,411	240,188	181,604	(58,584)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
<u>Total Revenue</u>	\$ 168,411	\$ 240,188	\$ 181,604	\$ (58,584)
EXPENDITURES				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	153,959	225,736	173,371	(52,365)
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	6,209	6,209
<u>Total Expenditures</u>	\$ 153,959	\$ 225,736	\$ 179,580	\$ (46,156)
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	13	13
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ 14,452	\$ 14,452	\$ 2,037	\$ (12,415)
Fund Balances - Beginning (from prior year's audit)			\$ (4,591)	
Fund Balance - Ending			\$ (2,554)	

2940
CDBG Grants

REVENUES

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	430,000	-	(430,000)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ -	\$ 430,000	\$ -	\$ (430,000)

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	430,000	-	(430,000)
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ -	\$ 430,000	\$ -	\$ (430,000)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ -

Fund Balances - Beginning (from prior year's audit)

\$ 247

Fund Balance - Ending

\$ 247

**2950
DUI Program**

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	55,000	55,000	36,905	(18,095)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	5,000	5,000	24	(4,976)
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 60,000	\$ 60,000	\$ 36,929	\$ (23,071)

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	83,299	83,299	66,843	(16,456)
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	87,589	87,589	-	(87,589)
Total Expenditures	\$ 170,888	\$ 170,888	\$ 66,843	\$ (104,045)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (110,888)	\$ (110,888)	\$ (29,914)	\$ 80,974

Fund Balances - Beginning (from prior year's audit)

\$ 187,147

Fund Balance - Ending

\$ 157,233

2968
Cancer Prevention

	Budgeted					
	Original	Final	Actual	Variance		
REVENUES						
Taxes and assessments	\$ -	\$ -	\$ -	\$ -		
Licenses and permits	-	-	-	-		
Intergovernmental	177,835	177,835	175,834	(2,001)		
Charges for services	-	-	-	-		
Fines and forfeitures	-	-	-	-		
Miscellaneous	-	-	41,000	41,000		
Investment earnings	-	-	-	-		
Internal services	-	-	-	-		
Total Revenue	\$ 177,835	\$ 177,835	\$ 216,834	\$ 38,999		
EXPENDITURES						
General government	\$ -	\$ -	\$ -	\$ -		
Public safety	-	-	-	-		
Public works	-	-	-	-		
Public health	317,835	317,835	238,753	(79,082)		
Culture and recreation	-	-	-	-		
Housing and community development	-	-	-	-		
Conservation of natural resources	-	-	-	-		
Debt service - principal	-	-	-	-		
Debt service - interest	-	-	-	-		
Miscellaneous	-	-	-	-		
Capital outlay	-	-	-	-		
Total Expenditures	\$ 317,835	\$ 317,835	\$ 238,753	\$ (79,082)		
OTHER FINANCING SOURCES (USES)						
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -		
Transfers in	-	-	-	-		
Transfers out	-	-	-	-		
Net Change in Fund Balance	\$ (140,000)	\$ (140,000)	\$ (21,919)	\$ 118,081		
Fund Balances - Beginning (from prior year's audit)			\$ 301,044			
Fund Balance - Ending			\$ 279,125			

2969

Public Health Emergency Prep**REVENUES**

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	388,319	453,319	345,312	(108,007)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 388,319	\$ 453,319	\$ 345,312	\$ (108,007)

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	455,871	520,871	436,122	(84,749)
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 455,871	\$ 520,871	\$ 436,122	\$ (84,749)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	30,058	30,058
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (67,552)	\$ (67,552)	\$ (60,752)	\$ 6,800

Fund Balances - Beginning (from prior year's audit)\$ 155,616**Fund Balance - Ending**\$ 94,864

**2971
WIC**

	Budgeted			
	Original	Final	Actual	Variance
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	347,217	347,217	367,918	20,701
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 347,217	\$ 347,217	\$ 367,918	\$ 20,701
EXPENDITURES				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	430,152	430,152	394,800	(35,352)
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 430,152	\$ 430,152	\$ 394,800	\$ (35,352)
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	4,625	4,625
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (82,935)	\$ (82,935)	\$ (22,257)	\$ 60,678
Fund Balances - Beginning (from prior year's audit)			\$ 142,862	
Fund Balance - Ending			\$ 120,605	

2973
Maternal Child

	Budgeted			
	Original	Final	Actual	Variance
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	775,577	775,577	738,241	(37,336)
Charges for services	30,000	35,000	29,718	(5,282)
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 805,577	\$ 810,577	\$ 767,959	\$ (42,618)
EXPENDITURES				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	850,852	855,852	770,889	(84,963)
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 850,852	\$ 855,852	\$ 770,889	\$ (84,963)
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	19,750	19,750
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (45,275)	\$ (45,275)	\$ 16,820	\$ 62,095
Fund Balances - Beginning (from prior year's audit)			\$ 215,331	
Fund Balance - Ending			\$ 232,151	

2976
Communicable Disease

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	57,099	1,119,828	1,106,448	(13,380)
Charges for services	416,280	416,280	303,649	(112,631)
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	2,453	2,453
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 473,379	\$ 1,536,108	\$ 1,412,550	\$ (123,558)

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	630,550	1,693,279	1,368,772	(324,507)
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	3,000	3,000	-	(3,000)
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 633,550	\$ 1,696,279	\$ 1,368,772	\$ (327,507)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	108,943	108,943	1,465	(107,478)
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (51,228)	\$ (51,228)	\$ 45,243	\$ 96,471

Fund Balances - Beginning (from prior year's audit)

\$ 140,989

Fund Balance - Ending

\$ 186,232

2979

Federal Health Grant

	Budgeted			
	Original	Final	Actual	Variance
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	67,008	67,008	4	(67,004)
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 67,008	\$ 67,008	\$ 4	\$ (67,004)
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (67,008)	\$ (67,008)	\$ (4)	\$ 67,004
Fund Balances - Beginning (from prior year's audit)			\$ 2,905	
Fund Balance - Ending			\$ 2,901	

2990

Drug Enforcement Grant

REVENUES

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	218,594	218,594	221,825	3,231
Charges for services	-	-	-	-
Fines and forfeitures	12,993	12,993	-	(12,993)
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 231,587	\$ 231,587	\$ 221,825	\$ (9,762)

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	423,489	423,489	381,774	(41,715)
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ 423,489	\$ 423,489	\$ 381,774	\$ (41,715)

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	182,943	182,943	159,501	(23,442)
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ (8,959)	\$ (8,959)	\$ (448)	\$ 8,511

Fund Balances - Beginning (from prior year's audit)

\$ 4,733

Fund Balance - Ending

\$ 4,285

2373

Permissive SRS Levy

REVENUES

	Budgeted		Actual	Variance
	Original	Final		
Taxes and assessments	\$ 31,975	\$ 31,975	\$ 29,925	\$ (2,050)
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	-	-
Internal services	-	-	-	-
Total Revenue	\$ 31,975	\$ 31,975	\$ 29,925	\$ (2,050)

EXPENDITURES

General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Public health	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Conservation of natural resources	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -

OTHER FINANCING SOURCES (USES)

Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Transfers out	(31,975)	(31,975)	(15,987)	15,988
Net Change in Fund Balance	\$ -	\$ -	\$ 13,938	\$ 13,938

Fund Balances - Beginning (from prior year's audit)

\$ -

Fund Balance - Ending

\$ 13,938

Gallatin County, 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, MONTANA
COMBINING BALANCE SHEET – NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2022

Fund #:	3040	3050	3205	3400	
Fund Name:	Open Space Bond	Detention Center	Intercap Loan	Rural Revolving	Total All Funds
<u>ASSETS</u>					
<u>Current assets</u>					
Cash and investments	\$ 436,803	\$ 124,073	\$ 20	\$ 1,152,806	\$ 1,713,702
Taxes and assessments receivable, net	35,761	52,661	-		88,422
Other Receivables	944	1,185	-	694	2,823
<u>Noncurrent assets</u>					
Restricted cash and investments	-	-	-	-	-
Total Assets	\$ 473,508	\$ 177,919	\$ 20	\$ 1,153,500	\$ 1,804,947
<u>LIABILITIES</u>					
Noncurrent portion of lease liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Deferred inflows of resources</u>					
Deferred inflows of resources - taxes and ass	\$ 35,761	\$ 52,661	\$ -	\$ -	\$ 88,422
Total Deferred Inflows of Resources	\$ 35,761	\$ 52,661	\$ -	\$ -	\$ 88,422
<u>FUND BALANCE</u>					
<u>Fund Format:</u>					
Restricted	\$ 437,747	\$ 125,258	\$ 20	\$ 1,153,500	1,716,525
Unassigned	-	-	-	-	-
Total Fund Balance	\$ 437,747	\$ 125,258	\$ 20	\$ 1,153,500	\$ 1,716,525
Total liabilities, deferred inflows of resources and fund balance	\$ 473,508	\$ 177,919	\$ 20	\$ 1,153,500	\$ 1,716,525

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
BUDGET TO ACTUAL
JUNE 30, 2022

3040				
Open Space Bond				
	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes and assessments	\$ 1,366,456	\$ 1,366,456	\$ 1,781,543	\$ 415,087
Intergovernmental	3,000	3,000	-	(3,000)
Investment earnings	-	-	3,115	3,115
Internal services	-	-	-	-
Total Revenues	\$ 1,369,456	\$ 1,369,456	\$ 1,784,658	\$ 415,202
EXPENDITURES				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Debt service - principal	1,005,000	1,005,000	1,005,000	-
Debt service - interest	202,750	202,750	202,750	-
Miscellaneous	-	-	-	-
Total Expenditures	\$ 1,207,750	\$ 1,207,750	\$ 1,207,750	\$ -
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 500	\$ 500	\$ -	\$ (500)
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ 162,206	\$ 162,206	\$ 576,908	\$ 414,702
Fund Balances - Beginning (from prior year's audit)			<u>\$ (139,161)</u>	
Fund Balance - Ending			<u>\$ 437,747</u>	

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
BUDGET TO ACTUAL
JUNE 30, 2022

	3050			
	Detention			
	Budgeted			
	Original	Final	Actual	Variance
REVENUES				
Taxes and assessments	\$ 2,502,683	\$ 2,502,683	\$ 2,511,480	\$ 8,797
Intergovernmental	4,500	4,500	-	(4,500)
Investment earnings	3,000	3,000	3,961	961
Internal services	-	-	-	-
Total Revenues	\$ 2,510,183	\$ 2,510,183	\$ 2,515,441	\$ 5,258
EXPENDITURES				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Debt service - principal	1,675,000	1,675,000	1,675,000	-
Debt service - interest	633,800	633,800	633,800	-
Miscellaneous	-	-	-	-
Total Expenditures	\$ 2,308,800	\$ 2,308,800	\$ 2,308,800	\$ -
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
Net Change in Fund Balance	\$ 201,383	\$ 201,383	\$ 206,641	\$ 5,258
Fund Balances - Beginning (from prior year's audit)			\$ (81,383)	
Fund Balance - Ending			\$ 125,258	

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
BUDGET TO ACTUAL
JUNE 30, 2022

	3205							
	Intercap							
	Budgeted							
	Original		Final		Actual		Variance	
REVENUES								
Taxes and assessments	\$	-	\$	-	\$	-	\$	-
Intergovernmental		-		-		-		-
Investment earnings		-		-		-		-
Internal services		-		-		-		-
Total Revenues	\$	-	\$	-	\$	-	\$	-
EXPENDITURES								
General government	\$	-	\$	-	\$	-	\$	-
Public safety		-		-		-		-
Debt service - principal		-		-		-		-
Debt service - interest		-		-		-		-
Miscellaneous		-		-		-		-
Total Expenditures	\$	-	\$	-	\$	-	\$	-
OTHER FINANCING SOURCES (USES)								
Transfers in	\$	-	\$	-	\$	-	\$	-
Transfers out		-		-		-		-
Net Change in Fund Balance	\$	-	\$	-	\$	-	\$	-
Fund Balances - Beginning (from prior year's audit)					\$	20		
Fund Balance - Ending					\$	20		

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
BUDGET TO ACTUAL
JUNE 30, 2022

	3400			
	Rural			
	Budgeted			
	Original	Final	Actual	Variance
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Investment earnings	6,000	6,000	4,794	(1,206)
Internal services	-	-	-	-
Total Revenues	\$ 6,000	\$ 6,000	\$ 4,794	\$ (1,206)
EXPENDITURES				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Miscellaneous	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	(881,470)	(881,470)	-	881,470
Net Change in Fund Balance	\$ (875,470)	\$ (875,470)	\$ 4,794	\$ 880,264
Fund Balances - Beginning (from prior year's audit)			\$ 1,148,706	
Fund Balance - Ending			\$ 1,153,500	

Gallatin County, 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 revenues for the tracking of expenses approved by the federal granting agency.

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2022

	4200	4310	4331	4350	4430	4140	TOTAL NON-MAJOR CAPITAL PROJECTS
	CP - RID Funds	CTEP Projects	Junk Vehicle - Cap Improvements	TSEP - Construction Fund	CDBG - Grants	Open Space Bond Program	
ASSETS							
Current assets							
Cash and investments	\$ 20,746	\$ 2,236	\$ 200,641	\$ -	\$ -	\$ 960,161	\$ 1,183,784
Taxes and assessments receivable, net	-	-	-	-	-	-	-
Other Receivables	-	-	121	-	-	52,897	53,018
Total Assets	-	-	-	-	-	-	-
LIABILITIES							
Current liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ 260	\$ -	\$ -	\$ 260
Due to other funds	-	-	-	23,913	628	-	24,541
Accrued payroll	-	-	-	-	-	-	-
Total Liabilities	\$ -	\$ -	\$ -	\$ 24,173	\$ 628	\$ -	\$ 24,801
Deferred inflows of resources							
Deferred inflows of resources - taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total deferred inflows of resources	-	-	-	-	-	-	-
FUND BALANCE							
Fund Format:							
Restricted	\$ 20,746	\$ 2,236	\$ 200,762	\$ (24,173)	\$ (628)	\$ 1,013,058	\$ 1,212,001
Unassigned	-	-	-	-	-	-	-
Total Fund Balance	\$ 20,746	\$ 2,236	\$ 200,762	\$ (24,173)	\$ (628)	\$ 1,013,058	\$ 1,212,001
Total liabilities, deferred inflows of resources and fund balance	\$ 20,746	\$ 2,236	\$ 200,762	\$ -	\$ -	\$ 1,013,058	\$ 1,236,802

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET TO ACTUAL
JUNE 30, 2022

		4200			
		CP - RID Funds			
		Budgeted		Actual	Variance
		Original	Final		
REVENUES					
Taxes and assessments		\$ -	\$ -	\$ -	\$ -
Intergovernmental		-	-	-	-
Miscellaneous		-	-	-	-
Investment earnings		-	-	-	-
<u>Total Revenue</u>		\$ -	\$ -	\$ -	\$ -
EXPENDITURES					
Public works		\$ -	\$ -	\$ -	\$ -
Culture and recreation		-	-	-	-
Conservation of natural resources					
Capital outlay		-	-	-	-
<u>Total Expenditures</u>		\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition		\$ -	\$ -	\$ -	\$ -
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Net Change in Fund Balance		\$ -	\$ -	\$ -	\$ -
Fund Balances - Beginning (from prior year's audit)		<u>\$ 20,746</u>			
Fund Balance - Ending		<u>\$ 20,746</u>			

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET TO ACTUAL
JUNE 30, 2022

		4310			
		CTEP Projects			
		Budgeted		Actual	Variance
		Original	Final		
REVENUES					
Taxes and assessments		\$ -	\$ -	\$ -	\$ -
Intergovernmental		-	-	-	-
Miscellaneous		-	-	-	-
Investment earnings		-	-	-	-
<u>Total Revenue</u>		\$ -	\$ -	\$ -	\$ -
EXPENDITURES					
Public works		\$ -	\$ -	\$ -	\$ -
Culture and recreation		-	-	-	-
Conservation of natural resources		-	-	-	-
Capital outlay		-	-	-	-
<u>Total Expenditures</u>		\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition		\$ -	\$ -	\$ -	\$ -
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Net Change in Fund Balance		\$ -	\$ -	\$ -	\$ -
Fund Balances - Beginning (from prior year's audit)				<u>\$ 2,236</u>	
Fund Balance - Ending				<u>\$ 2,236</u>	

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET TO ACTUAL
JUNE 30, 2022

		4331			
		Junk Vehicle - Cap Improvements			
		Budgeted		Actual	Variance
		Original	Final		
REVENUES					
Taxes and assessments		\$ -	\$ -	\$ -	\$ -
Intergovernmental		-	-	-	-
Miscellaneous		-	-	-	-
Investment earnings		-	-	762	-
Total Revenue		\$ -	\$ -	\$ 762	\$ -
EXPENDITURES					
Public works		\$ -	\$ -	\$ -	\$ -
Culture and recreation		-	-	-	-
Conservation of natural resources		-	-	-	-
Capital outlay		200,000	200,000	-	-
Total Expenditures		\$ 200,000	\$ 200,000	\$ -	\$ -
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of general capital asset disposition		\$ -	\$ -	\$ -	\$ -
Transfers in		65,842	65,842	-	-
Transfers out		-	-	-	-
Net Change in Fund Balance		\$ (134,158)	\$ (134,158)	\$ 762	\$ -
Fund Balances - Beginning (from prior year's audit)		\$ 200,000			
Fund Balance - Ending		\$ 200,762			

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET TO ACTUAL
JUNE 30, 2022

		4350			
		TSEP - Construction Fund			
		Budgeted		Actual	Variance
	REVENUES	Original	Final		
	Taxes and assessments	\$ -	\$ -	\$ -	\$ -
	Intergovernmental	434,088	434,088	(18,027)	-
	Miscellaneous	-	-	-	-
	Investment earnings	-	-	-	-
	Total Revenue	\$ 434,088	\$ 434,088	\$ (18,027)	\$ -
	EXPENDITURES				
	Public works	\$ 224,929	\$ 224,929	\$ 936	\$ -
	Culture and recreation	-	-	-	-
	Conservation of natural resources	-	-	-	-
	Capital outlay	912,084	912,084	43,153	-
	Total Expenditures	\$ 1,137,013	\$ 1,137,013	\$ 44,089	\$ -
	OTHER FINANCING SOURCES (USES)				
	Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
	Transfers in	702,925	702,925	11,336	-
	Transfers out	-	-	-	-
	Net Change in Fund Balance	\$ -	\$ -	\$ (50,780)	\$ -
Fund Balances - Beginning (from prior year's audit)				\$ 26,607	
Fund Balance - Ending				\$ (24,173)	

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET TO ACTUAL
JUNE 30, 2022

		4430						
		CDBG - Grants						
		Budgeted		Actual	Variance			
		Original	Final					
REVENUES								
Taxes and assessments	\$	-	\$	-	\$	-		
Intergovernmental		-		-		-		
Miscellaneous		-		-		-		
Investment earnings		-		-		-		
Total Revenue	\$	-	\$	-	\$	-		
EXPENDITURES								
Public works	\$	-	\$	-	66	\$	-	
Culture and recreation		-		-			-	
Conservation of natural resources		-		-			-	
Capital outlay		-		-			-	
Total Expenditures	\$	-	\$	-	66	\$	-	
OTHER FINANCING SOURCES (USES)								
Proceeds from the sale of general capital asset disposition	\$	-	\$	-	\$	-	\$	-
Transfers in		-		-		-		-
Transfers out		-		-		-		-
Net Change in Fund Balance	\$	-	\$	-	\$	(66)	\$	-
Fund Balances - Beginning (from prior year's audit)				<u>\$</u>		(562)		
Fund Balance - Ending				<u>\$</u>		(628)		

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET TO ACTUAL
JUNE 30, 2022

	4140					
	Open Space Bond Program					
	Budgeted					
	Original	Final		Actual		Variance
REVENUES						
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -	-
Intergovernmental	-	302,173		4,452		-
Miscellaneous	-	-		-		-
Investment earnings	-	-		4,515		-
<u>Total Revenue</u>	\$ -	\$ 302,173	\$ -	8,967	\$ -	-
EXPENDITURES						
Public works	\$ -	\$ -	\$ -	\$ -	\$ -	-
Culture and recreation	1,435	19,426		11		-
Conservation of natural resources	-	-		331,971		-
Capital outlay	1,282,542	1,566,724		9,905		-
<u>Total Expenditures</u>	\$ 1,283,977	\$ 1,586,150	\$ -	341,887	\$ -	-
OTHER FINANCING SOURCES (USES)						
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -	\$ -	-
Transfers in	-	-		-		-
Transfers out	-	-		-		-
Net Change in Fund Balance	\$ (1,283,977)	\$ (1,283,977)	\$ -	(332,920)	\$ -	-
Fund Balances - Beginning (from prior year's audit)				<u>\$ 1,345,978</u>		
Fund Balance - Ending				<u>\$ 1,013,058</u>		

GALLATIN COUNTY, MONTANA
PROPRIETARY FUNDS

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.

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – PROPRIETARY FUNDS
June 30, 2022

	<u>5412</u>
	<u>West</u>
	<u>Yellowstone</u>
	<u>Refuse</u>
	<u>District</u>
<u>ASSETS</u>	
<u>Current assets</u>	
Cash and investments	\$ 1,285,546
Taxes and assessments receivable, net	1,688
Other Receivables	136,698
<u>Noncurrent assets</u>	
Capital assets - depreciable, net	1,507,186
<u>Deferred outflows of resources</u>	
Deferred outflows of resources - pensions	40,361
Deferred outflows of resources - OPEB	8,332
<u>Total Assets and Deferred outflows of resources</u>	<u>\$ 2,979,811</u>
<u>LIABILITIES</u>	
<u>Current Liabilities</u>	
Accounts payable	\$ 81,351
Accrued payroll	16,755
Current portion of compensated absences payable	21,199
<u>Noncurrent Liabilities</u>	
Other post employment benefits	\$ 27,626
Noncurrent portion of compensated absences	17,415
Net pension liability	151,737
<u>Total Liabilities</u>	<u>\$ 316,083</u>
<u>Deferred inflows of resources</u>	
Deferred inflows of resources - pensions	\$ 66,530
Deferred inflows of resources - OPEB	10,821
<u>Total Liabilities and deferred inflows of resources</u>	<u>\$ 393,434</u>
<u>NET POSITION</u>	
<u>Government Wide Format</u>	
Net Investment in capital assets	\$ 1,507,186
Unrestricted	1,079,191
<u>Total Net position</u>	<u>\$ 2,586,377</u>
<u>Total Liabilities, Deferred inflows of Resources</u>	
<u>and Net position</u>	<u>\$ 2,979,811</u>

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET TO ACTUAL
June 30, 2022

	5412			
	West Yellowstone Refuse District			
	Budgeted			
	Original	Final	Actual	Variance
OPERATING REVENUES				
Charges for Services	\$ 642,750	\$ 642,750	\$ 698,423	\$ 55,673
Miscellaneous revenues	1,500	1,500	3,073	1,573
Investment earnings	13,000	13,000	-	(13,000)
Total Revenues	\$ 657,250	\$ 657,250	\$ 701,496	\$ 44,246
OPERATING EXPENSES				
Personnel services	\$ 365,316	\$ 365,316	\$ 259,638	\$ (105,678)
Supplies	47,700	47,700	19,540	(28,160)
Purchased services	564,157	564,157	478,794	(85,363)
Fixed charges	79,766	79,766	35,056	(44,710)
Depreciation	270,001	270,001	169,069	(100,932)
Capital Outlay	682,776	682,776	-	(682,776)
Total Expenditures	\$ 2,009,716	\$ 2,009,716	\$ 962,097	\$ (1,047,619)
NON-OPERATING REVENUES				
Intergovernmental revenue	\$ -	\$ -	\$ 12,982	\$ 12,982
Interest revenue	(100)	(100)	(17,367)	(17,267)
Change in net assets	\$ (1,352,466)	\$ (1,352,466)	\$ (264,986)	\$ 1,091,865
Net Position - Beginning			\$ 2,851,363	
Net Position - Ending			\$ 2,586,377	

Gallatin County, 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 not covered by insurance companies associated with property and liability coverages.

GALLATIN COUNTY, MONTANA
COMBINING BALANCE SHEET – INTERNAL SERVICE FUNDS
June 30, 2022

	6010	6050	6070	6090	6110	6120	Total Non-
	Motor Pool	Employee Health Ins.	Central Maintenance	Communications (Phone System)	Copier Reserve	Liability Insurance	Major Internal Service Funds
ASSETS							
Current assets							
Cash and investments	\$ 101,706	\$ 10,639,459	\$ 1,259,741	\$ 338,453	\$ 191,584	\$ 828,746	\$ 13,359,689
Other Receivables	-	81,895	10,647	-	129	505	93,176
Noncurrent assets							
Capital assets - construction in progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital assets - depreciable, net	17,771	-	10,824	182,683	56,242	-	267,520
Deferred outflows of resources							
Deferred outflows of resources - pensions	\$ -	\$ -	\$ 113,658	\$ -	\$ -	\$ -	\$ 113,658
Deferred outflows of resources - OPEB	-	-	20,468	-	-	-	20,468
Total Assets and Deferred outflows of resources	\$ 119,477	\$ 10,721,354	\$ 1,415,338	\$ 521,136	\$ 247,955	\$ 829,251	\$ 13,854,511
LIABILITIES							
Current Liabilities							
Accounts payable	\$ 789	\$ 1,035,498	\$ 101,525	\$ -	\$ 4,458	\$ 2,460	\$ 1,144,730
Accrued payroll	-	-	34,143	-	-	-	34,143
Current portion of compensated absences	-	-	54,103	-	-	-	54,103
Non-Current Liabilities							
Other post employment benefits	-	-	67,867	-	-	-	67,867
Non-Current portion of compensated absences	-	-	35,620	-	-	-	35,620
Net pension liability	-	-	427,291	-	-	-	427,291
Deferred inflows of resources							
Deferred inflows of resources - pensions	-	-	189,071	-	-	-	189,071
Deferred inflows of resources - OPEB	-	-	26,584	-	-	-	26,584
Total Liabilities and deferred inflows of resources	\$ 789	\$ 1,035,498	\$ 936,204	\$ -	\$ 4,458	\$ 2,460	\$ 1,979,409
NET POSITION							
Net investment in capital assets	\$ 17,771	\$ -	\$ 10,824	\$ 182,683	\$ 56,242	\$ -	\$ 267,520
Unrestricted	100,917	9,685,856	468,310	338,453	187,255	826,791	11,607,582
Total Net position	\$ 118,688	\$ 9,685,856	\$ 479,134	\$ 521,136	\$ 243,497	\$ 826,791	\$ 11,875,102
Total Liabilities, Deferred inflows of Resources and Net position	\$ 119,477	\$ 10,721,354	\$ 1,415,338	\$ 521,136	\$ 247,955	\$ 829,251	\$ 13,854,511

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
BUDGET TO ACTUAL
June 30, 2022

	6010			
	Motor Pool			
	Budgeted			
	Original	Final	Actual	Variance
OPERATING REVENUES				
Charges for services	\$ -	\$ -	\$ -	\$ -
Miscellaneous revenues	-	-	-	-
Internal Services	21,200	21,200	17,580	(3,620)
Total Revenue	\$ 21,200	\$ 21,200	\$ 17,580	\$ (3,620)
OPERATING EXPENSES				
Personnel services	\$ -	\$ -	\$ -	\$ -
Supplies	15,200	15,200	8,200	(7,000)
Purchased services	8,099	8,099	690	(7,409)
Fixed charges	3,664	3,664	2,019	(1,645)
Depreciation	-	-	4,484	4,484
Medical Expense	-	-	-	-
Capital Expense	52,976	50,226	-	(50,226)
Total Expenditures	\$ 79,939	\$ 77,189	\$ 15,393	\$ (11,570)
NON-OPERATING Revenues (Expenses)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue	-	-	-	-
Interest Revenue	-	2,750	-	(2,750)
Transfers in	-	-	-	-
SPECIAL AND EXTRAORDINARY ITEMS				
Gain (loss) on sale of capital assets	-	-	-	-
Net Change in Fund Balance	\$ (58,739)	\$ (53,239)	\$ 2,187	\$ 5,200
Net Position - Beginning (from prior year's audit)			\$ 116,501	
Net Position - Ending			\$ 118,688	

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
BUDGET TO ACTUAL
June 30, 2022

	6050			
	Employee Health Ins.			
	Budgeted			
	Original	Final	Actual	Variance
OPERATING REVENUES				
Charges for services	\$ -	\$ -	\$ -	\$ -
Miscellaneous revenues	-	-	81,615	81,615
Internal Services	5,697,000	5,697,000	8,474,548	2,777,548
Total Revenue	\$ 5,697,000	\$ 5,697,000	\$ 8,556,163	\$ 2,859,163
OPERATING EXPENSES				
Personnel services	\$ -	\$ -	\$ 22,434	\$ 22,434
Supplies	60	60	558	498
Purchased services	219,700	219,700	429,772	210,072
Fixed charges	1,535,277	1,535,277	1,099,297	(435,980)
Depreciation	-	-	-	-
Medical Expense	8,300,000	8,300,000	6,090,212	7,222,028
Capital Expense	-	-	-	-
Total Expenditures	\$ 10,055,037	\$ 10,055,037	\$ 7,642,273	\$ (202,976)
NON-OPERATING Revenues (Expenses)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue	-	-	-	-
Interest Revenue	30,000	30,000	(142,084)	(172,084)
Transfers in	1,000,000	1,000,000	2,078,238	1,078,238
SPECIAL AND EXTRAORDINARY ITEMS				
Gain (loss) on sale of capital assets	-	-	-	-
Net Change in Fund Balance	\$ (3,328,037)	\$ (3,328,037)	\$ 2,850,044	\$ 3,968,293
Net Position - Beginning (from prior year's audit)			\$ 6,835,812	
Net Position - Ending			\$ 9,685,856	

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
BUDGET TO ACTUAL
June 30, 2022

	6070			
	Central Maintenance			
	Budgeted			
	Original	Final	Actual	Variance
OPERATING REVENUES				
Charges for services	\$ -	\$ -	\$ 136,840	\$ 136,840
Miscellaneous revenues	-	-	18,657	18,657
Internal Services	-	-	1,814,079	1,814,079
Total Revenue	\$ -	\$ -	\$ 1,969,576	\$ 1,969,576
OPERATING EXPENSES				
Personnel services	\$ 725,824	\$ 725,824	\$ 702,791	\$ (23,033)
Supplies	151,950	151,950	141,690	(10,260)
Purchased services	1,145,933	1,145,933	1,041,055	(104,878)
Fixed charges	70,054	70,054	91,478	21,424
Depreciation	1,200	1,200	3,078	1,878
Medical Expense	-	-	-	-
Capital Expense	847,823	829,199	-	(829,199)
Total Expenditures	\$ 2,942,784	\$ 2,924,160	\$ 1,980,092	\$ (944,068)
NON-OPERATING Revenues (Expenses)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue	-	-	36,558	36,558
Interest Revenue	17,413	36,037	(15,890)	(51,927)
Transfers in	-	-	5,000	5,000
SPECIAL AND EXTRAORDINARY ITEMS				
Gain (loss) on sale of capital assets	-	-	-	-
Net Change in Fund Balance	\$ (2,925,371)	\$ (2,888,123)	\$ 15,152	\$ 2,903,275
Net Position - Beginning (from prior year's audit)				\$ 463,982
Net Position - Ending				\$ 479,134

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
BUDGET TO ACTUAL
June 30, 2022

		6090				
		Communications (Phone System)				
		Budgeted		Actual	Variance	
		Original	Final			
OPERATING REVENUES						
Charges for services	\$	-	\$	-	\$	-
Miscellaneous revenues		-		-		-
Internal Services		-		-		-
Total Revenue	\$	-	\$	-	\$	-
OPERATING EXPENSES						
Personnel services	\$	-	\$	-	\$	-
Supplies		-		-		-
Purchased services		-		-		-
Fixed charges		-		-		-
Depreciation		-		65,139		65,139
Medical Expense		-		-		-
Capital Expense		-		-		-
Total Expenditures	\$	-	\$	-	\$	65,139
NON-OPERATING Revenues (Expenses)						
Proceeds from the sale of general capital asset disposition	\$	-	\$	-	\$	-
Intergovernmental revenue		-		-		-
Interest Revenue		-		(4,913)		(4,913)
Transfers in		-		-		-
SPECIAL AND EXTRAORDINARY ITEMS						
Gain (loss) on sale of capital assets		-		-		-
Net Change in Fund Balance	\$	-	\$	-	\$	(70,052)
Net Position - Beginning (from prior year's audit)				\$		591,188
Net Position - Ending				\$		521,136

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
BUDGET TO ACTUAL
June 30, 2022

6110				
Copier Reserve				
	Budgeted		Actual	Variance
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ -	\$ -	\$ -	\$ -
Miscellaneous revenues	-	-	-	-
Internal Services	68,512	68,512	66,805	(1,707)
Total Revenue	\$ 68,512	\$ 68,512	\$ 66,805	\$ (1,707)
OPERATING EXPENSES				
Personnel services	\$ -	\$ -	\$ -	\$ -
Supplies	10,125	10,125	9,999	(126)
Purchased services	39,512	39,512	52,825	13,313
Fixed charges	-	-	1,600	1,600
Depreciation	-	-	11,124	11,124
Medical Expense	-	-	-	-
Capital Expense	137,396	137,396	-	(137,396)
Total Expenditures	\$ 187,033	\$ 187,033	\$ 75,548	\$ 25,911
NON-OPERATING Revenues (Expenses)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue	-	-	-	-
Interest Revenue	-	-	(2,230)	(2,230)
Transfers in	-	-	-	-
SPECIAL AND EXTRAORDINARY ITEMS				
Gain (loss) on sale of capital assets	-	-	(102)	(102)
Net Change in Fund Balance	\$ (118,521)	\$ (118,521)	\$ (11,075)	\$ (29,950)
Net Position - Beginning (from prior year's audit)			<u>\$ 254,572</u>	
Net Position - Ending			\$ 243,497	

GALLATIN COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
BUDGET TO ACTUAL
June 30, 2022

6120				
Liability Insurance				
	Budgeted		Actual	Variance
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ -	\$ -	\$ -	\$ -
Miscellaneous revenues	-	-	7,417	7,417
Internal Services	150,000	150,000	-	(150,000)
Total Revenue	\$ 150,000	\$ 150,000	\$ 7,417	\$ (142,583)
OPERATING EXPENSES				
Personnel services	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-
Purchased services	11,000	11,000	-	(11,000)
Fixed charges	929,535	929,535	73,873	(855,662)
Depreciation	-	-	-	-
Medical Expense	-	-	-	-
Capital Expense	-	-	-	-
Total Expenditures	\$ 940,535	\$ 940,535	\$ 73,873	\$ (866,662)
NON-OPERATING Revenues (Expenses)				
Proceeds from the sale of general capital asset disposition	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue	-	-	-	-
Interest Revenue	-	-	(9,670)	(9,670)
Transfers in	-	-	-	-
SPECIAL AND EXTRAORDINARY ITEMS				
Gain (loss) on sale of capital assets	-	-	-	-
Net Change in Fund Balance	\$ (790,535)	\$ (790,535)	\$ (76,126)	\$ 714,409
Net Position - Beginning (from prior year's audit)			<u>\$ 902,917</u>	
Net Position - Ending			\$ 826,791	

STATISTICS AND DIAGRAMS

GALLATIN COUNTY, MONTANA
NET POSITION BY COMPONENT

Last Ten Fiscal Years

(accrual basis of accounting)

(amounts expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Investment in capital assets, net of related debt	94,609	94,357	94,046	90,225	91,771	94,356	99,522	103,495	111,802	118,199
Restricted	-	17,260	16,826	26,890	16,211	18,878	19,213	21,962	51,571	54,326
Unrestricted	43,114	28,346	11,862	12,014	22,057	19,398	20,657	26,631	(1,722)	13,179
Total governmental activities net position	137,723	139,963	122,734	129,130	130,039	132,632	139,392	152,088	161,652	185,704
Business-type activities										
Investment in capital assets, net of related debt	7,889	9,015	9,463	9,482	9,527	9,679	11,526	11,398	12,062	12,098
Restricted	2,115	2,115	2,161	2,329	2,503	2,689	2,762	2,908	3,116	57,676
Unrestricted	10,507	10,098	6,692	8,089	9,150	9,625	10,406	12,397	14,152	28,326
Total business-type activities net position	20,510	21,227	18,316	19,900	21,180	21,993	24,694	26,704	29,330	98,101
Primary government										
Investment in capital assets, net of related debt	102,498	103,372	103,509	99,707	101,298	104,035	111,048	114,893	123,864	130,297
Restricted	2,115	19,375	18,987	29,220	18,714	21,567	21,975	24,870	54,688	112,002
Unrestricted	53,621	38,444	18,554	20,103	31,207	29,023	31,064	39,028	12,431	41,506
Total primary government net position	158,233	161,190	141,050	149,030	151,219	154,625	164,086	178,792	190,982	283,805

GALLATIN COUNTY, MONTANA
CHANGE IN NET POSITION

(accrual basis of accounting)

(amounts expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	9,838	10,139	10,200	10,027	12,529	12,324	13,423	15,916	20,619	17,834
Public safety	16,934	17,621	17,954	17,293	20,488	21,131	22,474	26,659	29,604	25,153
Public works	11,043	17,215	12,192	5,629	13,396	10,138	9,273	10,077	8,674	10,070
Public health	3,606	3,597	3,899	4,179	5,268	5,540	5,792	5,481	6,136	6,987
Social and economic	495	492	471	472	537	518	551	577	521	625
Culture and recreation	1,899	2,000	1,972	1,976	2,446	2,609	2,818	3,104	2,868	3,390
Housing & Comm. Dev.	414	156	108	490	1,161	436	561	209	249	327
Conservation of Nat. Res.	146	147	114	132	127	62	113	284	281	458
Miscellaneous / Unallocated	-	-	-	-	-	-	-	-	448	1,163
Interest on long-term debt	2,638	2,082	1,975	3,559	1,708	1,546	1,430	1,384	1,056	220
Total governmental activities	47,014	53,449	48,885	43,758	57,660	54,303	56,434	63,692	70,455	66,228
Business-type activities:										
Gallatin county landfill	3,019	3,041	2,708	2,581	2,814	3,052	2,663	6,859	4,326	4,593
Rest home	5,813	5,921	5,978	6,112	6,064	6,871	6,987	4,070	6,897	5,750
West Yellowstone Refuse	859	992	949	979	1,182	1,126	1,195	1,062	1,075	962
Total business-type activities	9,691	9,953	9,635	9,672	10,060	11,049	10,844	11,991	12,299	11,305
Total primary government expenses	56,705	63,402	58,520	53,429	67,720	65,352	67,277	75,683	82,754	77,533
Program Revenues										
Governmental activities:										
Charges for services:										
General government	2,032	2,342	2,828	3,657	3,611	4,403	3,480	4,012	5,010	4,427
Public safety	2,708	3,981	3,760	2,845	4,139	2,275	2,424	2,446	3,651	2,714
Public works	83	101	80	102	74	77	47	23	2,035	2,299
Public health	357	441	480	614	612	1,111	990	951	791	969
Social and economic	-	-	-	-	-	-	-	-	-	-
Culture and recreation	560	588	570	643	752	859	801	745	615	1,598
Housing & Comm. Dev.	231	487	537	589	592	2	-	-	-	-
Conservation of Nat. Res.	106	95	85	70	63	61	89	86	46	45
Operating Grants and contributions	7,205	5,573	5,465	7,017	6,451	6,258	10,432	18,203	15,802	21,031
Capital grants and contributions	244	6,658	3,046	147	190	830	492	661	1,190	190
Total governmental activity revenue	13,526	20,266	16,851	15,686	16,484	15,876	18,755	27,129	29,140	33,275
Business-type activities										
Charges for services:										
Gallatin county landfill	3,536	3,823	4,254	4,444	4,738	5,286	5,699	5,995	6,784	7,073
Rest home	5,283	5,227	4,827	5,211	5,398	5,506	5,818	5,524	5,016	2,828
West Yellowstone Refuse	786	863	804	770	789	947	828	659	622	700
Operating Grants and contributions	420	180	141	208	222	253	224	668	396	720
Total business-type activity revenue	10,025	10,092	10,026	10,633	11,147	11,991	12,569	12,846	12,818	11,320
Total primary government revenue	23,551	30,358	26,877	26,319	27,631	27,868	31,324	39,974	41,958	44,595
Net (expense) revenue										
Governmental activities:	(33,488)	(33,184)	(32,034)	(28,072)	(41,176)	(38,426)	(37,679)	(36,563)	(41,315)	(32,953)
Business-type activities	334	139	391	961	1,087	942	1,726	855	519	15
Total primary government (expense) revenue	(33,154)	(33,044)	(31,643)	(27,110)	(40,089)	(37,484)	(35,953)	(35,708)	(40,796)	(32,938)

GALLATIN COUNTY, MONTANA
CHANGE IN NET POSITION (Continued)

(accrual basis of accounting)

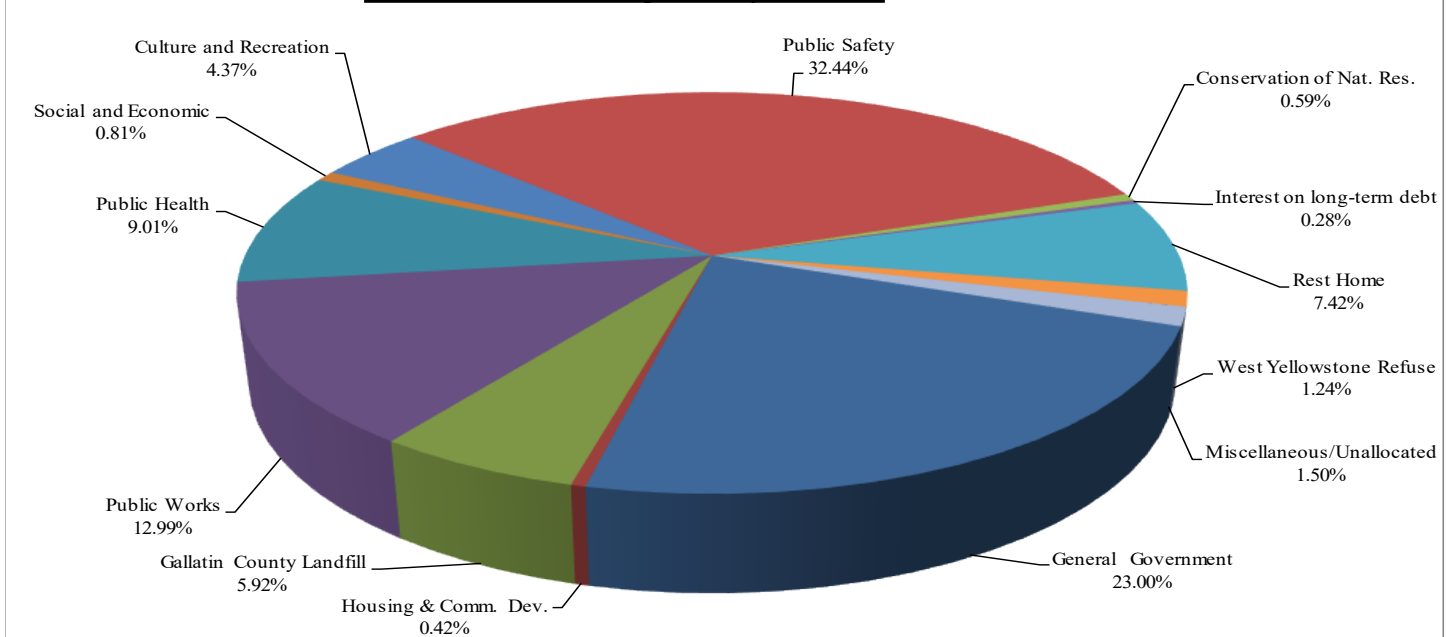
(amounts expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property Taxes	31,088	32,028	33,425	34,018	35,674	37,073	40,552	44,044	41,435	45,532
Local option tax	-	-	-	-	-	-	-	-	5,968	6,485
Other taxes	-	-	-	-	-	-	-	-	-	-
Unrestricted grants/contributions	2,444	2,692	3,009	3,185	3,189	3,199	7	8	296	974
Investment earnings	(579)	628	527	628	262	394	1,725	1,080	382	(895)
Miscellaneous	569	104	(20)	2,531	3,002	2,795	3,364	3,836	881	580
Sale/disposal of Fixed assets	(1,014)	11	18	53	(41)	(105)	(895)	(77)	(521)	(156)
Other						(9)	(311)	(10)	4,329	3,452
Total governmental activities	32,508	35,464	36,959	40,415	42,086	43,346	44,442	48,881	52,769	55,972
Business-type activities:										
Taxes	-	1	-	2	-	-	296	1,044	1,959	1,623
Unrestricted grants/contributions	-	-	84	214	242	65	-	-	-	-
Investment earnings	(161)	276	162	190	59	79	523	92	(33)	(374)
Miscellaneous / Other						20	447	19	182	38
Sale/disposal of Fixed assets	(8)	261	39	217	(108)	(2)	(290)	-	-	(37)
Total business-type activities	(168)	538	285	622	193	163	976	1,155	2,108	1,251
Total primary government expenses	32,340	36,002	37,244	41,038	42,279	43,509	45,418	50,036	54,877	57,222
Change in Net Position										
Governmental activities:	(980)	2,280	4,925	12,343	910	4,920	6,763	12,318	11,454	23,019
Business-type activities	166	677	676	1,584	1,280	1,105	2,701	2,009	2,627	1,251
Total primary government	(814)	2,957	5,601	13,927	2,190	6,025	9,465	14,327	14,081	24,269

Government-Wide Expenses by Function

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	9,838	10,139	10,200	10,027	12,529	12,324	13,423	15,916	20,619	17,834
Housing & Comm. Dev.	414	156	108	490	1,161	436	561	209	249	327
Gallatin County Landfill	3,019	3,041	2,708	2,581	2,814	3,052	2,663	6,859	4,326	4,593
Public Works	11,043	17,215	12,192	5,629	13,396	10,138	9,273	10,077	8,674	10,070
Public Health	3,606	3,597	3,899	4,179	5,268	5,540	5,792	5,481	6,136	6,987
Social and Economic	495	492	471	472	537	518	551	577	521	625
Culture and Recreation	1,899	2,000	1,972	1,976	2,446	2,609	2,818	3,104	2,868	3,390
Public Safety	16,934	17,621	17,954	17,293	20,488	21,131	22,474	26,659	29,604	25,153
Conservation of Nat. Res.	146	147	114	132	127	62	113	284	281	458
Interest on long-term debt	2,638	2,082	1,975	3,559	1,708	1,546	1,430	1,384	1,056	220
Rest Home	5,813	5,921	5,978	6,112	6,064	6,871	6,987	4,070	6,897	5,750
West Yellowstone Refuse	859	992	949	979	1,182	1,126	1,195	1,062	1,075	962
Miscellaneous/Unallocated	-	-	-	-	-	-	-	-	448	1,163
	56,705	63,402	58,520	53,429	67,720	65,352	67,277	75,683	82,754	77,533

Government-Wide Expenses by Function



GALLATIN COUNTY, MONTANA
FUND BLANCES OF GOVERNMENTAL FUNDS

(modified accrual basis of accounting)

(amounts expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund										
Nonspendable	142	131	129	137	112	118	97	104	89	105
Restricted	409	488	563	702	710	833	777	1,604	865	655
Unrestricted										
Committed	2,529	3,078	3,753	4,285	4,420	4,946	5,323	5,505	12,990	14,137
Assigned	328	306	477	628	548	588	619	94	31	158
Unassigned					-	-	-	-	-	-
Total general fund	3,408	4,003	4,922	5,752	5,790	6,485	6,817	7,307	13,975	15,055
All other governmental funds										
Nonspendable	68	65	70	67	1,075	64	45	61	51	81
Restricted	8,341	9,233	9,212	18,751	8,195	11,257	12,226	13,122	7,377	8,348
Unrestricted										
Committed	19,912	21,760	26,163	23,555	33,714	34,581	34,433	11,551	14,658	16,384
Assigned	101	36	76	160	84	81	227	13	126	378
Unassigned	-	-	-	-	-	-	-	-	(271)	-
Total all other governmental funds	28,422	31,094	35,521	42,533	43,068	45,983	46,931	24,747	21,941	25,190
Total all governmental funds	31,830	35,097	40,443	48,285	48,858	52,468	53,748	32,054	35,916	40,245

GALLATIN COUNTY, MONTANA
FUND BLANCES OF GOVERNMENTAL FUNDS

(modified accrual basis of accounting)

(amounts expressed in thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues:											
Taxes/assessments	31,312	31,790	32,635	34,705	33,775	35,876	37,574	41,047	43,462	50,128	55,392
Licenses and permits	291	308	300	316	390	384	378	353	400	471	396
Intergovernmental	8,217	9,786	14,845	11,402	9,637	10,222	11,401	10,924	18,865	20,528	24,188
Charges for services	3,779	4,947	6,405	6,996	7,329	7,010	6,606	6,877	7,178	8,638	8,755
Fines and forfeitures	634	540	598	664	728	669	701	690	593	576	575
Miscellaneous	1,121	581	538	271	2,923	3,002	2,847	3,364	3,836	1,650	1,327
Interest earnings	276	(179)	509	411	558	237	372	1,517	951	388	(906)
Contributions/donations	4	22	102	22	90	65	16	7	8	-	-
Total revenues	45,635	47,795	55,931	54,787	55,429	57,465	59,895	64,779	75,292	82,379	89,727
Expenditures:											
General government	8,574	8,902	9,139	9,625	10,027	10,537	10,611	12,048	13,802	15,137	15,941
Public safety	14,342	14,735	15,498	16,490	17,293	17,959	19,088	20,286	24,561	27,667	24,531
Public works	6,237	7,612	13,342	8,247	5,629	7,777	5,820	6,898	7,414	6,552	7,904
Public health	3,264	3,439	3,410	3,866	4,179	4,745	5,113	5,686	5,170	6,117	6,965
Social and economic	456	456	447	461	472	529	512	545	571	518	624
Culture and recreation	1,680	1,755	1,854	1,835	1,976	2,261	2,400	2,621	2,858	2,663	3,182
Housing & Comm. Dev.	41	349	74	86	490	1,128	406	536	184	224	303
Conservation of Nat. Res.	102	136	134	110	139	110	47	102	273	271	450
Miscellaneous	-	-	-	-	-	-	-	-	-	448	220
Debt Service		85									
Principal	5,263	3,584	3,693	3,946	3,559	4,397	3,776	4,644	4,544	3,740	3,712
Interest	2,376	2,158	2,082	1,975	4,062	1,874	1,704	1,588	1,460	1,342	1,163
Capital outlay	4,339	1,901	3,224	2,698	4,677	6,822	5,628	6,713	5,980	12,397	7,364
Leased capital outlay	-	-	-	-	-	-	-	-	-	-	1,363
Total expenditures	46,674	45,112	52,897	49,339	52,503	58,139	55,105	61,669	66,818	77,076	73,722
Excess of revenues											
 over (under) expenditures	(1,039)	2,683	3,034	5,448	2,926	(674)	4,790	3,025	8,473	5,311	16,006
Other financing source (uses)											
Transfers in	2,713	2,463	2,904	3,024	2,336	3,941	2,635	3,033	3,659	4,678	12,932
Transfers out	(3,552)	(3,161)	(3,851)	(3,911)	(3,384)	(4,750)	(3,816)	(4,796)	(5,494)	(6,821)	(15,011)
Proceeds from long-term debt	300	2,140	1,150	765	5,807	1,863	-	-	732	-	-
Proceeds from sale of capital assets	2	12	11	-	-	-	1	17	67	104	173
Lease proceeds	-	-	-	-	-	-	-	-	-	-	1,363
Gain (Loss) on sale of investments	-	-	20	20	156	193	-	-	-	-	-
Total other financing sources (uses)	(537)	1,454	233	(102)	4,915	1,247	(1,180)	(1,746)	(1,036)	(2,039)	(543)
Net Change in fund balances	(1,575)	4,137	3,267	5,346	7,842	573	3,610	1,279	7,437	3,271	15,463
Debt service as a percentage of											
 noncapital expenditures	18.04%	13.29%	11.63%	12.69%	15.93%	12.22%	11.08%	11.34%	9.87%	7.86%	7.35%

GALLATIN COUNTY, MONTANA
ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY

(amounts expressed in thousands)

FISCAL YEAR	REAL PROPERTY	PERSONAL PROPERTY	MOBILE HOMES	CENTRALLY ASSESSED	TAX INCREMENT DISTRICT	TOTAL TAXABLE ASSESSED VALUE
2008	167,823	8,627	1,380	20,308	(1,035)	197,103
2009	179,273	9,314	1,340	20,557	(1,223)	209,262
2010	194,498	9,661	1,216	19,991	(2,870)	222,497
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
2021	330,198	3,690	1,328	40,023	(8,861)	375,239
2022	401,532	4,050	1,925	41,725	(12,181)	449,232

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

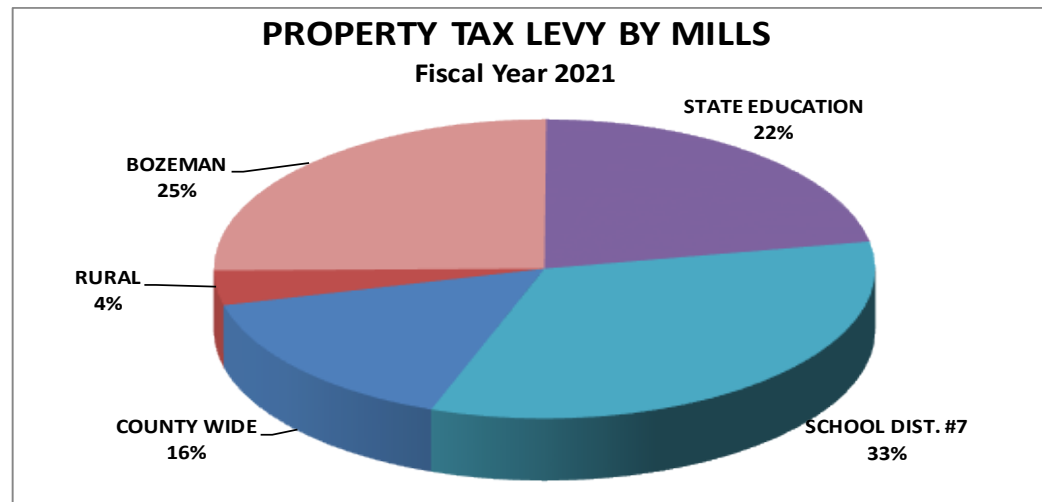
FISCAL YEAR	TOTAL COUNTY MARKET VALUE	TOTAL COUNTY TAXABLE VALUE	COUNTY OPEN SPACE TAXABLE VALUE
2008	6,105,440,980	196,866,339	190,388,900
2009	6,641,798,174	209,638,913	203,197,000
2010	7,303,040,362	223,244,509	217,532,000
2011	7,779,879,169	230,919,537	225,562,849
2012	8,272,189,432	235,791,352	231,490,476
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
2021	23,557,118,941	366,377,004	365,024,934
2022	28,519,967,224	437,050,671	437,549,401

Note: The Taxable Values shown above exclude valuations for tax increment financing districts

Source: Department of Revenue Montana Certified Values - Online CSV

GALLATIN COUNTY, 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	SUBTOTAL COUNTY WIDE LEVIES	RURAL (Road / Library) Levies	TOTAL DIRECT	CITY OF BOZEMAN	STATE EDUCATION LEVIES	SCHOOL DISTRICT NO. 7	
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
2021	20.76	9.06	44.76	27.05	101.63	24.53	126.16	165.62	144.24	219.35	655.37
2022	16.85	9.37	36.99	28.77	91.98	21.47	113.45	154.12	138.79	186.85	593.21

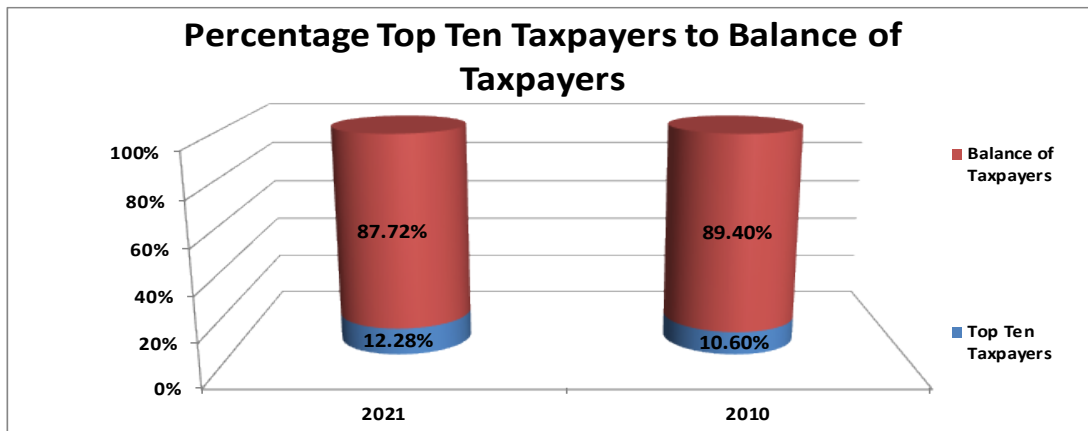


**GALLATIN COUNTY, MONTANA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT TAX YEAR AND NINE YEARS PREVIOUS**

TAX YEAR ----->	2021			2010		
TAXPAYER	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF COUNTY TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF COUNTY TAXABLE ASSESSED VALUE
Northwestern Energy	31,385	1	8.57%	14,755	1	6.61%
SP Hotel Owner LLC	4,576	2	1.25%	-	-	-
Montana Rail Link	2,069	3	0.56%	1,457	4	0.65%
Verizon Wireless/Cellco	1,543	4	0.42%	-	-	-
Plate MT I Propco LLC	1,155	5	0.32%	-	-	-
Lumen Technologies Inc.	1,002	6	0.27%	-	-	-
Charter Communications Inc.	964	7	0.26%	-	-	-
GCC Three Forks LLC or Holnar	952	8	0.26%	-	-	-
Luzenac America, Inc.	704	9	0.19%	906	5	0.41%
GKT Bozeman Gateway LLC	623	10	0.17%	-	-	-
Harry Daum				524	10	0.23%
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>44,974</u>		<u>12.28%</u>	<u>23,673</u>		<u>10.60%</u>
County Taxable Value	366,377			223,245		

Source: Gallatin County Treasurer

	2021	2010
Top Ten Taxpayers	12.28%	10.60%
Balance of Taxpayers	87.72%	89.40%

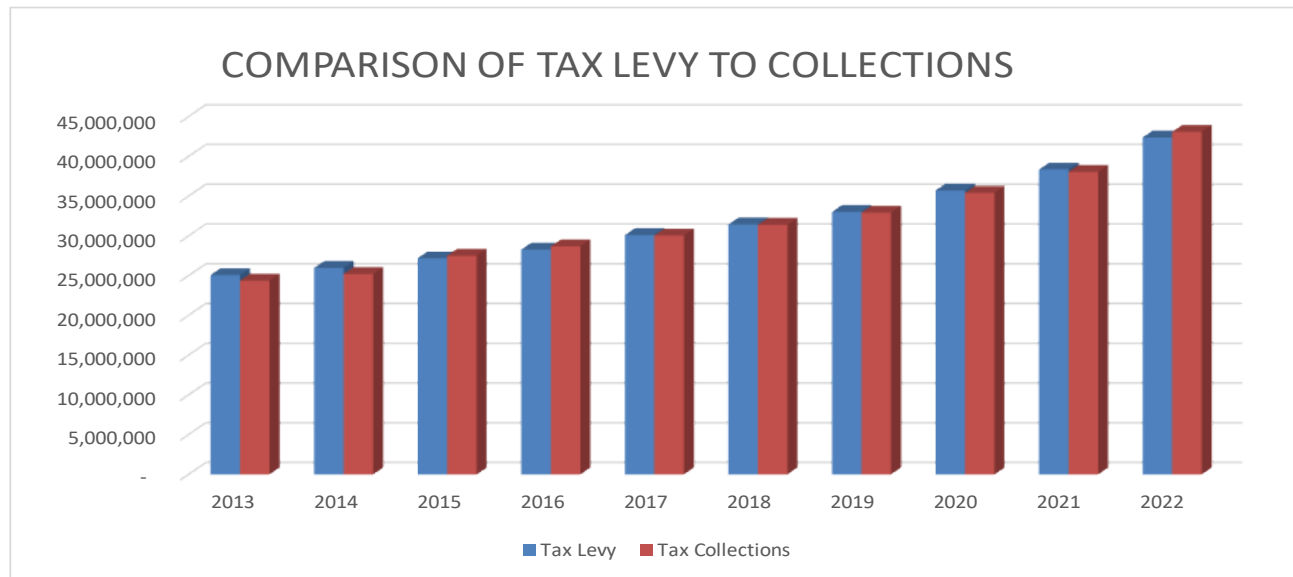


**GALLATIN COUNTY, MONTANA
REAL PROPERTY TAXES AND COLLECTIONS
GOVERNMENTAL FUND TYPES**

LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30	TOTAL TAX LEVY FOR FISCAL YEAR (1)	COLLECTION WITHIN THE FISCAL YEAR OF THE LEVY		DELINQUENT TAX COLLECTIONS	TOTAL COLLECTIONS FOR YEAR	
		AMOUNT COLLECTED	PERCENTAGE OF LEVY		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%
2021	38,389,205	37,002,477	96.39%	1,075,657	38,078,134	99.19%
2022	42,402,411	41,701,365	98.35%	1,426,795	43,128,160	101.71%

SOURCE: Gallatin County Treasurer's Office



GALLATIN COUNTY, MONTANA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities				Business-Type Activities				
	General Obligation Bonds	Special Assessment Debt	Contracts / Loans	Capital Leases (2)	Revenue Bonds	Closure / Post Closure	Total Primary Government	% of Personal Income (1)	% / Capita (1)
2012	42,825	8,226	3,721	1,158	1,306	1,728	58,963	0.020%	\$ 64
2013	43,099	7,528	3,004	1,039	938	1,755	57,363	0.019%	\$ 61
2014	41,872	7,108	2,230	917	813	1,880	54,820	0.018%	\$ 56
2015	39,410	7,374	1,367	796	685	1,963	51,595	0.017%	\$ 51
2016	38,953	7,182	890	1,614	563	2,122	51,324	0.160%	\$ 49
2017	35,435	6,732	948	2,989	313	2,231	48,648	0.170%	\$ 45
2018	33,270	6,244	-	3,003	313	2,409	45,239	0.170%	\$ 41
2019	30,275	5,814	-	1,784	-	2,250	40,123	0.006%	\$ 35
2020	27,295	5,614	-	1,152	-	2,553	36,614	0.001%	\$ 32
2021	24,175	5,152	-	994	-	2,846	33,166	0.000%	\$ 28
2022	21,190	4,696	-	836	-	3,176	29,898	0.000%	\$ 25

(1) See the Schedule for Demographic Statistics for personal income and population data. Personal income equals estimated population multiplied by per capita income.

(2) The capital lease amount for FY 2022 is an estimate and will updated when the AFR is complete.

Source: Note 7 to Consolidated Annual Financial Report

GALLATIN COUNTY, 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 ¹	Per Capita ²
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	16.24%	\$ 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
2021	24,175	(139)	24,314	6.48%	\$ 20.73
2022	21,190	561	20,629	4.59%	\$ 17.15

NOTE: Details regarding the County's outstanding debt are in the notes to the financial statements.

¹ See Schedule "Assessed Value and Actual Value of Taxable Property for data.

² Populations data can be found in schedule, "Demographic Statistics".

Source for Amount Available is from Trial Balance from CAFR for Fund 3040 and 3050

GALLATIN COUNTY, MONTANA
LEGAL DEBT MARGIN CALCULATIONS

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Calculation of Legal Debt Margins											
Assessed Value	8,217,172	8,712,241	9,834,392	9,834,392	15,030,550	15,409,943	18,137,153	18,969,273	22,773,138	23,557,119	29,374,624
Allowed debt percentage	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Debt Limit	205,429	217,806	245,860	245,860	375,764	385,249	453,429	474,232	569,328	588,928	734,366
Outstanding debt applicable to limit	49,689	49,151	47,114	43,691	41,457	39,372	39,740	35,159	31,262	27,698	26,722
Legal Debt margin	155,740	168,655	198,746	202,169	334,307	345,877	413,689	439,073	538,067	561,230	707,644
Outstanding debt applicable to limit as a percentag of debt limit	24.19%	22.57%	19.16%	17.77%	11.03%	10.22%	8.76%	7.41%	5.49%	4.70%	3.64%

(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, MONTANA
RURAL IMPROVEMENT DISTRICT DEBT AND REVOLVING FUND

Last Ten Fiscal Years

FISCAL YEAR	RURAL IMPROVEMENT BOND OUTSTANDING	AMOUNT NEEDED FOR 5%	REVOLVING FUND CASH	REVOLVING FUND %
2010	4,681,000	234,050	766,111	16.37%
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	5,613,696	280,685	1,142,773	20.36%
2021	5,151,701	257,585	1,148,706	22.30%
2022	4,695,962	234,798	1,152,806	24.55%

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

FISCAL YEAR	SPECIAL ASSESSMENT	DEBT SERVICE REQUIREMENTS		
		PRICIPAL	INTEREST	COVERAGE
2010	556,753	374,000	168,319	102.66%
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%
2021	414,450	376,995	287,747	62.35%
2022	779,043	510,739	307,103	95.26%

(1) Special Assessment Collections include debt service charges collected and interest.
maintain between 5% and 10% in the RID Revolving Fund

GALLATIN COUNTY, MONTANA
RURAL SPECIAL DISTRICT ASSESSMENTS BILLING & COLLECTIONS

FISCAL YEAR	RID	RID SPECIAL ASSESSMENT	RID CURRENT YEAR	%
	ASSESSMENTS BILLING	COLLECTIONS	DELINQUENCY	
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%
2021	773,325	697,578	75,747	9.79%
2022	761,791	720,308	761,791	100.00%

Note: The RID Special Assessment Collections exclude collections from previous years.

Statement of Changes
in Fund Balance - RSID Revolving Fund

	Audited FY 2015	Audited FY 2016	Audited FY 2017	Audited FY 2018	Audited FY 2019	Audited FY 2020	Audited FY 2021	Unaudited FY 2022
Beginning Balance July 1	\$ 1,078,923	\$ 1,099,311	\$ 1,088,017	\$ 1,092,817	\$ 1,099,973	\$ 1,091,269	\$ 1,142,773	\$ 1,148,706
Property Taxes	7	-	-	-	-	-	-	-
Investment Earnings	8,329	9,701	11,662	14,665	16,943	16,222	5,973	4,793
Transfer In, Bond Proceeds	38,250	5,350	18,150	-	-	36,600	-	-
Expenditures	<u>26,198</u>	<u>26,345</u>	<u>25,012</u>	<u>7,509</u>	<u>25,446</u>	<u>1,318</u>	<u>40</u>	<u>-</u>
Receipts Over Disbursements	20,388	(11,294)	4,800	7,156	(8,503)	51,504	5,933	4,793
Ending Balance - June 30	\$ 1,099,311	\$ 1,088,017	\$ 1,092,817	\$ 1,099,973	\$ 1,091,470	\$ 1,142,773	\$ 1,148,706	\$ 1,153,500
Assets:								
Cash / Investments	\$ 1,098,133	\$ 1,088,016	\$ 1,090,382	\$ 1,096,521	\$ 1,089,282	\$ 1,142,773	\$ 1,148,706	\$ 1,152,806
Receivables	1,178	1,788	2,527	3,334	2,072	24	-	694
Total Assets	\$ 1,099,311	\$ 1,089,804	\$ 1,092,909	\$ 1,099,855	\$ 1,091,354	\$ 1,142,796	\$ 1,148,706	\$ 1,153,500
Total Liabilities	\$ -	\$ 1,788	\$ 93	\$ 83	\$ -	\$ -	\$ -	\$ -
Fund Balance (Restricted)	1,090,503	1,090,503	1,090,503	1,099,772	1,090,503	1,142,773	1,090,503	1,090,503
Fund Balance (Committed)	<u>8,808</u>	<u>(2,487)</u>	<u>2,313</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,204</u>	<u>62,997</u>
TOTAL FUND BALANCE	1,099,311	1,088,016	1,092,816	1,099,772	1,090,503	1,142,773	1,148,706	1,153,500
TOTAL LIABILITIES/FUND BALANCE	\$ 1,099,311	\$ 1,089,804	\$ 1,092,909	\$ 1,099,855	\$ 1,090,503	\$ 1,142,773	\$ 1,148,706	\$ 1,153,500

There were no new Rural Improvement District Bonds issued in FY 2022.

Summary of Outstanding Rural Special Improvement Districts							
June 30, 2022							
Bond Issue	Original Issue	Maturity Date	Bonds Issued	Bonds Outstanding	Cash Balance	Assessments Outstanding	Delinquent Assessments
RSID 391	2006	2026	395,000	90,000	39,733	65,224	423
RSID 393	2007	2028	900,000	105,000	(28,665)	190,638	1,684
RSID 395	2010	2030	1,765,000	635,000	72,243	824,630	3,148
RSID 396	2010	2030	4,715,000	2,445,000	110,949	2,562,255	37,236
RSID 605	2015	2035	610,000	365,335	13,055	425,356	1,140
RSID 606	2015	2035	155,000	92,683	3,792	103,380	-
RSID 607	2016	2032	107,000	64,508	2,787	74,812	-
RSID 608	2017	2031	243,000	143,390	5,070	154,964	109
RSID 609	2017	2031	74,000	43,666	688	49,885	-
RSID 610	2017	2031	46,000	27,144	7,432	24,807	-
RSID 612	2020	2035	400,000	357,509	5,207	351,834	775
RSID 615	2020	2035	332,000	296,727	62,034	231,267	723
TOTAL			9,742,000	4,665,961	294,326	5,059,051	45,238

GALLATIN COUNTY, MONTANA DEMOGRAPHIC ACTIVITY

Last Ten Fiscal Years

FISCAL YEAR	ESTIMATED POPULATION (a)	BIRTHS (b)	DEATHS (b)	ESTIMATED PER CAPITA PERSONAL INCOME (a)	PERSONAL INCOME (a) (in millions of 2012 dollars)
2012	92,506	1,117	479	35,293	3,933
2013	94,421	1,133	544	35,356	4,077
2014	97,029	1,305	504	38,079	4,406
2015	100,334	1,368	515	40,159	4,801
2016	104,072	1,391	592	40,237	5,080
2017	107,810	1,207	510	40,738	5,368
2018	111,548	1,261	566	51,220	5,662
2019	113,642	1,239	606	56,140	5,872
2020	115,433	1,201	635	58,068	6,072
2021	117,268	1,197	648	60,401	6,281
2022	120,281	1,228	708	64,804	6,702

Source: (a) Woods & Poole (b) Clerk & Records Office

GALLATIN COUNTY, MONTANA Business Activity

Last Ten Fiscal Years

FISCAL YEAR	YELLOWSTONE PARK - RECREATION	BUILDING PERMITS (in thousands)	AIRLINE PASSENGERS (Deboardings)	ELECTRICAL CONNECTIONS	NATURAL GAS CONNECTIONS
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
2021	4,860,242	586,496	966,492	1,546	831
2022	3,290,242	793,024	1,129,016	1,424	670

Source: irma.nps.gov

SCHOOLS				EMPLOYMENT STATISTICS	
FISCAL YEAR	PUBLIC SCHOOL ENROLLMENT (1)	PRIVATE/HOME SCHOOL ENROLLMENT (1)	UNIVERSITY ENROLLMENT (2)	EMPLOYED (3)	UNEMPLOYMENT RATE (3)
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%
2021	13,602	2,680	16,841	72,116	2.40%
2022	14,162	2,478	16,688	76,435	1.90%

Sources: (1) Gallatin County Superintendent of Schools (2) University of Montana (3) Montana Department of Labor & Industry

GALLATIN COUNTY, MONTANA

FULL-TIME EQUIVALENT COUNT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

FUNCTION / PROGRAM	2010	2015	2016	2017	2018	2019	2020	2021	2022
GENERAL GOVERNMENT									
Legislative services	5.00	4.00	4.50	4.52	4.50	4.50	4.77	4.75	4.75
Judicial services	34.57	34.90	35.40	35.90	36.88	30.38	37.81	38.50	38.75
Administrative services	21.75	22.15	23.15	21.90	22.78	22.68	25.13	24.09	26.88
Financial services	24.96	26.17	27.50	29.50	30.50	39.89	31.62	31.33	31.50
Election & record services	13.75	12.75	12.75	12.75	12.75	13.17	12.81	12.75	13.67
Planning services	7.75	8.15	9.07	9.65	9.90	2.75	9.90	9.90	10.65
Legal services	21.00	21.00	21.83	22.75	23.36	23.00	24.81	25.00	25.00
Other general government	2.57	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
PUBLIC SAFETY									
Law enforcement services	59.41	63.51	64.00	68.00	61.63	34.47	72.36	81.75	84.79
Detention services	30.43	53.50	53.83	55.50	65.25	67.75	68.36	70.30	64.30
Animal control	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Dispatch & Law records	30.00	32.75	32.50	33.50	35.25	37.00	38.17	38.00	44.00
Other public safety services	2.57	-	2.79	2.79	2.79	2.79	2.79	2.79	2.79
PUBLIC WORKS									
Bridge maintenance	7.36	7.41	7.41	7.06	7.06	7.06	6.76	6.76	8.71
Road and street maintenance	25.11	26.14	26.14	26.99	27.49	72.60	28.24	28.24	26.24
Facilities administration	3.12	6.74	6.74	6.74	7.00	-	7.81	7.73	7.48
Solid waste	20.50	18.00	18.00	19.00	19.00	57.26	20.03	23.38	23.38
Weed spraying services	2.25	2.75	2.75	2.75	2.75	-	2.75	3.00	3.00
PUBLIC HEALTH									
Health administration	3.83	3.00	3.00	4.25	4.50	1.00	5.54	5.50	6.00
Health environmental services	10.17	10.00	10.92	11.75	12.75	5.00	14.00	14.00	14.00
Health human services	16.80	21.40	24.30	26.87	28.60	8.56	28.42	29.75	30.95
Nursing home	102.90	107.68	98.88	85.28	73.09	-	76.41	79.45	81.30
RECREATION AND OTHER									
Extension	4.00	3.00	3.00	3.25	3.25	0.50	3.25	0.38	1.50
Fair	10.00	9.00	8.50	7.50	7.10	3.25	7.81	7.75	7.75
Parks	1.10	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06
TOTAL	<u>461.89</u>	<u>496.06</u>	<u>500.02</u>	<u>501.26</u>	<u>501.24</u>	<u>436.68</u>	<u>532.61</u>	<u>548.16</u>	<u>560.45</u>

Source: Gallatin County Finance Office

GALLATIN COUNTY, MONTANA
OPERATING INDICATORS BY FUNCTION / PROGRAM

Last Ten Fiscal Years

FUNCTION / PROGRAM	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GENERAL GOVERNMENT											
Registered Voters	65,109		71,021	65,722	68,883	73,259	74,761	78,078	88,553	87,601	90,465
Property Transactions											
Filings with Clerk & Recorder	30,562	34,604	30,662	31,410	33,478	32,245	33,605	30,907	38,314	52,247	40,080
Deeds Recorded	4,525	5,620	5,704	6,184	6,414	6,627	6,500	6,054	6,230	8,129	6,983
Property Tax Information											
Real Taxes Billed	128,575,814	133,107,370	142,000,872	149,088,398	153,629,085	163,834,054	178,446,431	192,190,508	215,388,482	224,145,500	247,231,324
Real Taxes Collected - w/Delinquency	130,006,433	135,875,106	145,205,907	149,856,320	153,198,506	163,391,812	174,554,255	191,709,312	211,843,334	223,371,041	251,592,026
Real Taxes Protested	1,700,155	1,482,659	1,162,867	7,428	200,020	220,191	58,428	6,222	50,778	8,586	38,978
Total Outstanding	7,222,725	5,110,757	4,672,995	3,476,511	3,567,185	2,821,864	3,892,176	481,196	3,545,148	774,459	(4,360,703)
Number of Bills Sent	48,149	48,112	48,437	48,933	49,106	49,981	50,865	52,005	54,362	55,445	56,409
Redemption & Tax Deeds	1,129,632	2,112,487	2,545,034	1,627,040	1,392,296	1,317,292	753,782	693,840	667,556	724,061	1,038,114
Motor Vehicle - Titles Processed	26,788	28,465	29,790	32,030	37,907	37,036	37,072	39,019	35,835	45,845	42,760
Registrations Processed	62,694	69,534	84,608	88,445	90,114	70,373	71,854	83,349	84,294	87,557	88,108
Justice Court											
Cases Filed	8,092	7,356	7,894	8,054	8,260	7,472	7,931	8,225	7,513	7,437	8,636
Fines & Forfeitures	400,184	430,756	455,303	437,403	504,207	443,524	456,372				
Charges Filed	7,785	6,835	7,642	8,189	8,329	7,051	7,614	6,884	6,604	7,360	8,087
County Attorney											
Felonies	385	437	548	487	653	708	699	728	727	832	571
Involuntary Commitments	50	69	77	69	60	67	70	39	68	94	82
Juvenile Cases	189	150	199	204	241	280	191	273	247	145	111
PUBLIC SAFETY											
Sheriff											
Arrests			4,503	4,457	4,332	4,944	1,021	5,566	4,815	4,542	4,493
Prisoner Days	41,978	45,625	62,537	59,754	47,559	53,813	57,493	64,916	56,508	58,208	49,968
Average Daily Population -DC	115	125	164	159	147	154	153	178	154	159	137
Calls Dispatched	25,366	32,286	33,749	44,159	46,852	48,001	46,525	43,958	40,664	43,312	40,481
Citations			1,488	848	1,690	1,592	702	702	1,253	1,023	922
Dispatch / Fire											
Events Processed	102,910	110,254	102,628	106,930	111,877	117,823	140,424	129,659	121,684	131,358	140,772
Fire Dispatches	5,941	6,775	6,685	7,307	8,552	9,172	17,915	10,065	9,902	9,993	10,697
9-1-1 Calls Answered	29,521	31,712	30,414	29,721	25,666		18,599	25,628	30,392	34,315	34,823
PUBLIC WORKS											
Refuse Disposal											
Refuse disposed of	105,665	103,474	108,213	120,408	123,229	130,280	146,866	155,123	161,140	173,226	179,776
Recycling - (tons diverted)	2,479	3,301	3,126	3,207	3,148	2,890	3,013	3,051	3,242	3,420	3,181
Other Materials Diverted	4,019	5,081	5,074	7,717	8,855	9,872	9,840	11,456	10,773	12,212	15,834
Road / Bridge											
Road Resurfaced (miles)			8	-	4	-	6	6	2	-	1
Bridge Repairs / Replaced (hours)	1,434	1,896	1,870	763	2,151	707	785	2,428	1,283	2,147	1,514
Junk Vehicle Hauled	96	75	30	67	88	103	76	92	85	107	82
Noxious Weed spray (acres)	4,560	4,560	4,560	5,128	4,232	4,574	4,632	4,354	4,410	4,400	4,665
PUBLIC HEALTH											
Septic System Permits Issued	200	226	271	302	351	303	395	335	350	440	438
Licensed Establishment Inspections	1,723	1,617	1,743	1,637	1,502	1,474	1,502	1,485	1,004	482	1,151
Communicable Disease Cases	998	1,398	1,107	1,528	1,194	1,893	1,790	2,451	2,741	15,614	24,285
Immunizations Administered	10,313	8,712	9,533	7,616	9,095	7,483	7,449	5,646	5,202	43,016	10,683
RECREATION AND OTHER											
County Fair Attendees	49,000	49,300	51,875	27,000	39,015	43,073	44,335	37,590	-	48,246	40,100
Winterfest Attendees	8,900	9,500	8,923	1,576	-	-	-	-	-	-	-
4-H Participants	509	537	575	635	637	639	620	645	523	573	625

Comparison of Budgeted Taxes

<u>Taxes Budgeted</u>	<u>FY 2010</u>	<u>FY 2015</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
County Operating Taxes	\$ 16,343,857	\$ 18,808,855	\$ 23,082,863	\$ 25,345,937	\$ 28,932,591	\$ 30,513,388	\$ 31,321,694
Road and Library Taxes	3,153,566	3,762,770	4,626,481	4,857,714	5,018,596	5,221,346	5,535,473
Open Space & Park Voted Levy	-	-	1,331,823	1,589,033	1,650,211	1,966,727	2,033,541
Permissive/Bond Funds	3,941,648	5,077,427	6,202,096	6,606,316	6,647,028	7,452,507	8,923,504
<u>Mill Levies</u>							
County Operating Taxes	73.20	74.35	78.04	71.83	78.96	69.82	69.31
Road and Library Taxes	25.23	76.29	27.75	24.59	24.53	21.47	21.97
Open Space & Park Voted Levy	-	-	4.50	4.50	4.50	4.50	4.50
Permissive/Bond Funds	17.80	20.15	21.02	18.74	18.16	17.66	19.74
<u>Taxable Valuations</u>							
County Operating Valuations	223,244	252,964	295,802	352,837	366,377	437,051	451,904
Open Space	-	-	295,802	351,398	365,025	365,025	452,543
Road and Library Valuations	125,025	143,113	166,725	197,527	204,664	243,193	251,913

SINGLE AUDIT SECTION

Gallatin County
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

<i>Cluster Title/Federal Grantor/Pass-through Grantor /Program</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor Number</i>	<i>Federal Expenditures</i>	<i>Passed-through to Subrecipients (\$)</i>
Forest Service Schools and Roads Cluster				
<u>United States Department of Agriculture</u>				
<i>Passed through Montana Department of Administration</i>				
Schools and Roads - Grants to States (Footnote 4)	10.665	N/A	\$ 174,356	\$ -
Total United States Department of Agriculture			\$ 174,356	\$ -
Total Forest Service Schools and Roads Cluster			\$ 174,356	\$ -
Highway Safety Cluster				
<u>Department of Transportation</u>				
<i>Passed through Montana Department of Transportation</i>				
State and Community Highway Safety	20.600	111892	\$ 8,054	\$ -
State and Community Highway Safety	20.600	111210	1,869	-
National Priority Safety Programs	20.616	111892	4,356	-
National Priority Safety Programs	20.616	111210	1,006	-
Total Department of Transportation			\$ 15,285	\$ -
Total Highway Safety Cluster			\$ 15,285	\$ -
Other Programs				
<u>Department of Homeland Security</u>				
<i>Passed through Montana Disaster and Emergency Services</i>				
Emergency Management Performance Grants	97.042	EMD-2021-EP-00003	\$ 130,000	\$ -
Emergency Management Performance Grants	97.042	20EMPG-R-SP-Gallatin	15,000	-
Homeland Security Grant Program	97.067	20 HS-GAL-EOC	6,579	-
Homeland Security Grant Program	97.067	21HSGALSAM	63,487	-
Homeland Security Grant Program (Footnote 6)	97.067	20HS-GA: MAMA	104,363	-
Homeland Security Grant Program	97.067	20HS-GAL-SAM	5,360	-
Total Department of Homeland Security			\$ 324,789	\$ -
<u>Department of the Interior</u>				
<i>Passed through Montana Department of Fish Wildlife and Parks</i>				
Outdoor Recreation Acquisition, Development and Planning	15.916	LWCF LW180748	\$ 4,452	\$ -
Total Department of the Interior			\$ 4,452	\$ -
<u>United States Department of Justice</u>				
<i>Direct</i>				
Coronavirus Emergency Supplemental Funding Program	16.034	N/A	\$ 28,155	\$ -
Public Safety Partnership and Community Policing Grants	16.710	N/A	162,325	-
Edward Byrne Memorial Justice Assistance Grant Program (Footnote 7)	16.738	N/A	13,329	-
<i>Passed through Montana Board of Crime Control</i>				
Coronavirus Emergency Supplemental Funding Program	16.034	21-CV01-92766	31,407	-
Crime Victim Assistance	16.575	20-V01-92585	245,834	-
Violence Against Women Formula Grants	16.588	W02-747	94,718	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	G01-699	221,825	164,383
Total United States Department of Justice			\$ 797,593	\$ 164,383
<u>Department of Transportation</u>				
<i>Direct</i>				
Airport Improvement Program and COVID-19 Airports Programs	20.106	N/A	\$ 244,735	\$ -
National Infrastructure Investments	20.933	N/A	331,142	-
Total Department of Transportation			\$ 575,877	\$ -

Gallatin County
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022 - Continued

<i>Cluster Title/Federal Grantor/Pass-through Grantor /Program</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor Number</i>	<i>Federal Expenditures</i>	<i>Passed-through to Subrecipients (\$)</i>
Department of Health and Human Services				
<i>Passed through Montana Department of Public Health and Human Services</i>				
Public Health Emergency Preparedness	93.069	20-07-6-11-022-0	\$ 125,902	\$ -
Immunization Cooperative Agreements	93.268	22-07-4-31-116-0	1,068,270	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	20-07-6-11-022-0	196,813	-
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	20-07-6-11-022-0	22,597	-
Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	93.426	22-07-3-01-007-0	28,350	-
Innovative State and Local Public Health Strategies to prevent and Manage Diabetes and Heart Disease and Stroke-	93.435	22-07-3-01-007-0	35,500	-
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	20-25-5-41-174-0	192,591	-
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	22-25-5-41-174-0	366,085	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	22-07-3-01-007-0	61,649	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	22-07-451-015-0	23,405	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	N/A	11,674	-
Maternal and Child Health Services Block Grant to the States	93.994	21-25-5-01-017-0	44,262	-
Maternal and Child Health Services Block Grant to the States	93.994	22-25-5-01-017-0	62,964	-
<i>Passed through National Environmental Health Association</i>				
Food and Drug Administration Research	93.103	G-OATR-202111-01472	1,965	-
Food and Drug Administration Research	93.103	G-BDEV-202110-01350	547	-
Food and Drug Administration Research	93.103	G-OAME-202110-01352	10,727	-
<i>Passed through Healthy Mothers Health Babies The Montana Coalition</i>				
Injury Prevention and Control Research and State and Community Based Programs	93.136	N/A	5,000	-
<i>Direct</i>				
Provider Relief Fund and American Rescue Plan (ARP)				
Rural Distribution (Footnote 5)	93.498	N/A	289,320	-
<i>Passed through Yellowstone City County Health Department Riverstone Health</i>				
HIV Care Formula Grants	93.917	N/A	3,097	-
Total Department of Health and Human Services			\$ 2,550,718	\$ -

Gallatin County
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022 - Continued

<i>Cluster Title/Federal Grantor/Pass-through Grantor /Program</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor Number</i>	<i>Federal Expenditures</i>	<i>Passed-through to Subrecipients (\$)</i>
<u>Department of the Treasury</u>				
<i>Direct</i>				
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS (Footnote 7)	21.027		\$ 11,186,158	\$ 909,428
Total Department of Health and Human Services			\$ 11,186,158	\$ 909,428
<u>United States Department of Agriculture</u>				
<i>Passed through Montana Department of Public Health and Human Services</i>				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	22-25-5-21-009-0	\$ 252,222	\$ -
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	21-25-5-21-009-0	96,509	-
WIC Farmers' Market Nutrition Program (FMNP)	10.572	22-25-5-21-009-0	1,098	-
WIC Grants To States (WGS)	10.578	21-25-5-21-009-0	5,058	-
WIC Grants To States (WGS)	10.578	22-25-5-21-009-0	13,030	-
Total United States Department of Agriculture			\$ 367,917	\$ -
<u>Various Agencies – 2</u>				
<i>Passed through Montana Department of Secretary</i>				
2018 HAVA Election Security Grants	90.404		\$ 62,669	\$ -
Total Various Agencies – 2			\$ 62,669	\$ -
Total Other Programs			\$ 15,870,173	\$ 1,073,811
Total Federal Financial Assistance			\$ 16,059,814	\$ 1,073,811

The accompanying notes are an integral part of this schedule

GALLATIN COUNTY, MONTANA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Fiscal Year Ended June 30, 2022

Note 1: Basis of Presentation:

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the County under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified 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.

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:

\$174,356 was reported in the Road Fund and represents 66 2/3 percent of the total amount of \$261,533 received by the County. The remaining \$81,177 which represents 33 1/3 percent was distributed directly to the countywide school levy funds as required by state statute.

Note 5:

The Rest Home was awarded \$416,267.18 in FY '20 from HRSA for General Distribution and Targeted Distribution formula funding for Covid infection response. We had a remaining balance of \$411,750.62 to carry forward and we received additional funding in FY21 and FY 22 for a total award of \$845,629. On the FY 22 SEFA, \$289, 320 in expenses were reported to correspond to the Q2 2020 calendar year of the PRF funds reported March 2022.

Note 6: Subrecipients

Of the federal expenditures presented in the schedule, Gallatin County provided federal awards to the subrecipients as follows:

<i>Program Name</i>	<i>Assistance Listing</i>	<i>Subrecipient</i>	<i>Amount</i>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	City of Bozeman	\$72,716
Edward Byrne Memorial Justice Assistance Grant Program	16.738	City of Helena	\$31,365
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Lewis & Clark County Sheriff's Office	\$31,558
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Park County Sheriff's Office	<u>\$28,744</u>
<i>Total Edward Byrne Memorial Justice Assistance Grant Program</i>			<u>\$164,383</u>
Coronavirus State and Local Recovery Funds	21.027	Greater Gallatin United Way	\$296,292
Coronavirus State and Local Recovery Funds	21.027	MSU Gallatin College	\$122,779
Coronavirus State and Local Recovery Funds	21.027	One Valley Community Foundation	<u>\$490,357</u>
<i>Total Coronavirus State and Local Recovery Funds</i>			<u>\$909,428</u>

Denning, Downey & Associates, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

1740 U.S. Hwy 93 South – P.O. Box 1957 Kalispell, MT 59903-1957

**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***

County Commissioners
Gallatin County
Bozeman, 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, business-type activities, each major fund, and the aggregate remaining fund information of Gallatin County, Montana, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Gallatin County’s basic financial statements and have issued our report thereon dated August 15, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Gallatin County, Montana’s internal control over financial reporting (internal control) as 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 Gallatin County, Montana’s internal control. Accordingly, we do not express an opinion on the effectiveness of Gallatin County’s internal control over financial reporting.

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 were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be material weaknesses listed as item(s) 2022-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Gallatin County's financial statements are free of 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 determination of financial statement amounts. 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 *Governmental Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item(s) 2022-002 and 2022-003.

Gallatin County's Response to Findings

Gallatin County's response to the findings identified in our audit is described in the Auditee's Corrective Action Plan. Gallatin County's response was not subject 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.

Denning, Downey and Associates, CPA's, P.C.

August 15, 2023

Denning, Downey & Associates, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

1740 U.S. Hwy 93 South, P.O. Box 1957, Kalispell, MT 59903-1957

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE**

County Commissioners
Gallatin County
Bozeman, Montana

Report on Compliance for each Major Federal Program

Opinion on Each Major Federal Program

We have audited Gallatin County's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Gallatin County's Major federal programs for the year ended June 30, 2022. Gallatin County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Gallatin County's 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, 2022.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Gallatin County's and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Gallatin County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Gallatin County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Gallatin County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Gallatin County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Gallatin County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Gallatin County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Gallatin County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances 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 items 2022-003. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Gallatin County's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Gallatin County's response was not subjected to other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on 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 types 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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 requirement of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Denning, Downey and Associates, CPA's, P.C.

August 15, 2023

GALLATIN COUNTY, MONTANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Fiscal Year Ended June 30, 2022

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued	<i>Unmodified</i>
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(s) identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	Yes

Federal Awards

Internal control over major federal programs:	
Material weakness(es) identified?	No
Significant deficiency(s) identified	None Reported
Type of auditor’s report issued on compliance for major programs:	<i>Unmodified</i>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)	Yes

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds
93.268	Immunization Cooperative Agreements

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

Section II – Financial Statement Findings

2022-001 Cash Reconciliations (Repeated 2018-001, 2019-001, 2020-001 and 2021-001)

Condition:

The County was not performing monthly cash reconciliations of its bank statements and cash balances in accounting records.

Context:

The auditor noted these issues in the prior year's audits and did not receive a final cash reconciliation for fiscal year ending June 30, 2022, until May 2023. Timely reconciliations were not being completed through the fiscal year of 2022.

Criteria:

Adequate control procedures should require that the cash of the County be reconciliation on a monthly basis and be presented to the Commissioners.

Effect:

The internal controls of the County are weakened increasing the risk of misappropriation of assets or misstatements due to error. There is an unreconciled balance at the end of fiscal year 2022 equal to \$23,991, which represents an immaterial amount to the overall cash.

Cause:

The County did no complete a cash reconciliation on a monthly basis during fiscal year 2022.

Recommendation:

The County should implement policies and procedures to ensure a cash reconciliation is completed on monthly basis, and the cash reconciliation be presented to Commissioners for review once prepared.

2022-002 Annual Financial Report (AFR) (repeated 2021-003, 2020-002 and 2019-002)

Condition:

The County did not file an AFR with the MT Local Government Services Bureau.

Context:

Review of the State website, communication with the County indicated that an AFR was never filed with the MT Local Government Services Bureau. The County historically has submitted its audit in lieu of the AFR, but since 2019 has not been ready to have its audit completed timely.

Criteria:

Montana Code Annotated (MCA) 2-7-503(1) states "The governing body or managing or executive officer of a local government entity, other than a school district or associated cooperative, shall ensure that a financial report is made every year."

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

Effect:

The County is not in compliance with MCA 2-7-503(1), further effective May 2, 2019, if a local government entity fails to file an AFR with the department of Local Government Services Bureau as required by 2-7-501(1) a person identified in subsection (2) of this section who has received a written determination from the department under 2-7-524(3) or (4)(b) may bring a cause of action against the local government entity for failure to comply with the local government entity's fiduciary requirements, MCA 2-7-523(1).

Cause:

The County has not had processes in place to ensure that timely cash reconciliations are completed to be able to close out its fiscal year in reasonable time to complete audit by the AFR due date.

Recommendation:

We recommend the County complete an AFR for all future years within 6 months of their fiscal year end as required by MCA.

Section III – Federal Award Findings and Questioned Costs

2022-003 Audit report deadline (Repeated 2021-004, 2020-003, and 2019-003)

CFDA Title:	Coronavirus Relief Fund and Immunization
CFDA Number:	21,027 and 93.268
Federal Award Number:	N/A and 22-07-4-31-116-0
Federal Agency:	Department of Treasury and U.S. Department of Health and Human Services
Pass-through Entity:	Montana Department of Administration Local Government Services and Montana Department of Public Health and Human Services

Condition:

Montana local governments with a June 30th fiscal year end must submit their audit report to the MT Department of Administration and the Federal Clearing house by March 31st, following the fiscal year end. The County did not have an audit completed until August 2023.

Context:

Per review of the audit compliance requirements for both the State of Montana and the Federal government.

Criteria:

The audit for the fiscal year ended June 30th, 2022, was due to the State and the Federal government by March 31, 2023, as required by MT Administrative Rules 2.4.411 and the Federal Uniform Guidance/A-133 rules.

Effect:

The County was over a year late in completing their fiscal year 2022 audit.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

Cause:

The County did not complete its 2021 audit until March 2023 in order to finish the close out of its fiscal year 2022 year to be ready for audit.

Recommendation:

We recommend the County complete their annual audits in compliance with MT Administrative Rules 2.4.411 and federal rules described in the Uniform Guidance/A-133.

Denning, Downey & Associates, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

1740 U.S. Hwy 93 South, P.O. Box 1957, Kalispell, MT 59903-1957

REPORT ON PRIOR AUDIT REPORT RECOMMENDATIONS

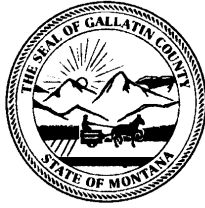
County Commissioners
Gallatin County
Bozeman, Montana

The prior audit report contained four recommendations. The action taken on each recommendation is as follows:

<u>Recommendation</u>	<u>Action Taken</u>
2021-001 Cash Reconciliation	Repeated
2021-002 Payroll Accrual and Related Controls	Implemented
2021-003 Annual Financial Report (AFR)	Repeated
2021-004 Audit Report Deadline	Repeated

Denning, Downey and Associates, CPA's, P.C.

August 15, 2023



County of Gallatin

311 W. Main, Courthouse • Bozeman, Montana 59715

Contact Person:

Justine Swanson, Chief Financial Officer

Expected Completion Date of Corrective Action Plan:

March 31, 2023

CORRECTIVE ACTION PLAN

FINDING 2022-001: Cash Reconciliation (Repeated 2018-001, 2019-001, 2020-001, and 2021-001)

Response:

Gallatin County is working towards monthly cash reconciliations to start in July of 2023.

This finding is related to the issue of timeliness of cash reconciliations started in FY 2018. At the time, the Treasurer's Office was responsible for the cash reconciliation process. During the preparation of the FY 2018 audit, the Treasurer's Office was involved in the financial accounting software transition project. The project was under-resourced stretching staff in several offices and departments beyond what was reasonable. The software transition was prioritized, and the timeliness of the FY 2018 audit suffered as a result. In FY 2019, the first fiscal year in the new software, staff encountered implementation issues that were time consuming. There was also a large software related cash reconciliation issue that took 9 months to resolve. The subsequent FY 2020 through FY 2022 audits suffered as a result.

On May 4, 2021, the Commission passed resolution 2021-050 delegating certain duties of the Gallatin County Treasurer's Office to the Board of County Commissioners. The duties were then assigned to the Finance Department and three additional staff members were hired that constituted our Revenue Team. Over the next several months, a transition plan was put in place. The Revenue team took over responsibility for, among other things, the cash reconciliation process. Since taking over responsibility for cash reconciliations, the new team has identified the cash reconciliation error in FY 2019, completed the cash reconciliations for FY 2020 and FY 2021 despite not being hired until June and July of 2021, completed the cash reconciliation for FY 2022, and has made significant improvements to our processes for accuracy and efficiency.

It is impossible to prepare monthly cash reconciliations without a solid starting point. Since taking over the cash reconciliation process and inheriting a process that was behind by three years, the Revenue Team has not had an accurate cash balance to work with, making monthly cash reconciliations impossible. Through their considerable efforts, and with assistance from other offices and departments, the Revenue Team now has all annual cash reconciliations complete and timely and have time to devote to starting monthly cash reconciliations in July 2023.

FINDING 2022-002: Annual Financial Report (AFR) (Repeated 2021-003, 2020-002 and 2019-002)

Response:

Gallatin County issued the FY 2022 audit as of August 15, 2023. We have already issued an RFP for audit services for FY 2023 that closes in September. As part of that RFP, we are asking for assistance with preparing the FY 2023 Annual Financial Report by the State's December 31st deadline. Our ability to meet the AFR deadline for FY 2023 will be dependent upon the responses we receive. If the external auditor selected to work with the County believes it to be feasible to complete the AFR by December 31st, Gallatin County will make every effort possible to meet that deadline.

FINDING 2022-003: Audit Report Deadline (Repeated 2021-004, 2020-003 and 2019-003)

Response:

As stated above, the delays that Gallatin County has experienced in issuing our annual audit report in a timely manner stem from a financial software transition in FY 2019. The software implementation put us behind on our audits and we have spent several years working to get caught up. The County is happy to report that with the issuance of our FY 2022 audit, we are now in a position to have our FY 2023 audit submitted in time to meet the March 31st deadline.

STATUS OF PRIOR AUDIT FINDINGS

FINDING 2021-001: Cash Reconciliation (Repeated 2020-001, 2019-001, and 2018-001)

Response: See response above for audit finding 2022-001.

FINDING 2021-002: Payroll Accrual and Related Controls

Response: Implemented

FINDING 2021-003: Annual Financial Report (AFR) (Repeated 2020-002 and 2019-002)

Response: See response above for audit finding 2022-002.

FINDING 2021-004: Audit Report Deadline (Repeated 2020-003 and 2019-003)

Response: See response above for audit finding 2022-003.