

Missoula County 2010 Budget

Public Budget Hearing
September 16, 2010

2008-2009 Financial Highlights

National credit crisis has had a negative affect on Missoula County

- Construction and home sales were down which has affected revenues within the following departments:
 - Building Codes Department – Fees \$207,000 under budget
 - Surveyors Office - Fees \$25,000 under budget
 - OPG – Subdivision - Fees \$27,000 under budget
 - Clerk & Recorder – Charges \$69,904 under budget
- Interest rates are depressed thereby reducing Investment Income – General Fund \$304,000 under budget.
- In the 2008 tax year (FY 2009) the County had the lowest increase in taxable values in the last ten years.

2008-2009 Financial Highlights

The County did have some unexpected windfalls

- The County received \$1,122,502 (\$694,021 in FY 2009) in PILT funds and \$590,647 (\$425,561 in FY 2009) in SRS funding. The increase was due to the passage of the Emergency Economic Stabilization Act of 2008. This represents the receipt of the County's full entitlement which is expected to continue through 2012.
- The County also received commitments of \$2,042,545 in Federal stimulus funds and \$420,574 in State stimulus funds.

2008-2009 Financial Highlights

The County did have some unexpected windfalls

- Due to the County's decline in employment the County received the lion's share of the \$225 million in American Recovery and Reinvestment Act Recovery Bonds provided to the State of Montana.
- Montana received \$90 million in Recovery Zone Economic Development bonds. Missoula County was allocated \$31 million of the State share.
- Montana received \$135 million in Recovery Zone Facility Bonds. Missoula County was allocated \$46.5 million of the State share.

2010 Missoula County Budget

Parameters with which we began the budget process

- No County mill levy (property tax) increases to the tax payer.
- Property tax revenue projections from valuation growth limited to a 1.28% increase.
- General Fund departments were required to cut operations budgets by 3.4%.
- All Departments must absorb a 12% increase in medical benefits and 5% increase in both dental and vision benefits
- Employees limited to a combined merit and cost of living salary of increase of 2.5%.

2010 Missoula County Budget

Parameters with which we began the budget process

- No salary increases for Elected Officials or Department Heads (with the exception of the \$.01 per hour increase required by statute to provide the Sheriff Deputies with a longevity increase and Elected Officials other than the Commissioners who received longevity increases)
- Departmental reserves must equal 5% of annual revenues with the exception of the General Fund and Public Safety which must maintain 12% and 8% reserves levels respectively.

2010 Missoula County Budget Challenges

- Department of Revenue Certifications were lower than projected

Projected Increase – 1.28%

Actual Increase -1.14%

Mill Levy - \$191,997

Mill Levy - \$191,317

- No County Mill Levy Increases (.30 decrease)

2008 County Levies – 176.62

2009 County Levies – 176.32

2010 Missoula County Budget Challenges

- Interest Rates are projected to remain low into the foreseeable future thereby reducing the County's income from fixed rate investments.
- There is approximately a two year lag in reporting of property values by the Department of Revenue, so lower property revenues in the future are a real possibility.

2009-2010 Missoula County Budget

- General Fund Budget = \$13,207,915

(with transfers out - \$15,207,915)

- ✓ Proposed GF expense budget equals \$13,207,915 vs. \$13,737,902 or 4% less than in FY 2009. (1.5% less if transfers out are included).

- ✓ Proposed total GF revenue budget equals \$14,588,221 (\$14,992,599 including transfers in) spending down approximately \$133,000 in reserves for one time expenditures.

- ✓ Year end General Fund reserve balance for FY 2010 is projected to be \$2,070,189

- ✓ Reserve requirement of 12% of revenues equals \$1,779,112

2009-2010 Missoula County Budget

- Total County Budget - \$88,809,363
(with transfers out - \$100,367,780)

- ✓ Proposed Expense Budget equals \$88,809,363 or a 8.6% decrease vs. the amended FY 2009 Budget of \$97,154,969 (9.6% decrease if transfers out are included).
- ✓ Proposed Total Property Tax Mill levies will be decreased by .30 to 176.32 mills.
- ✓ Budgeted personnel proposed at 721.69 FTE's vs. 732.09 in FY 2009, a reduction of 10.4 FTE's

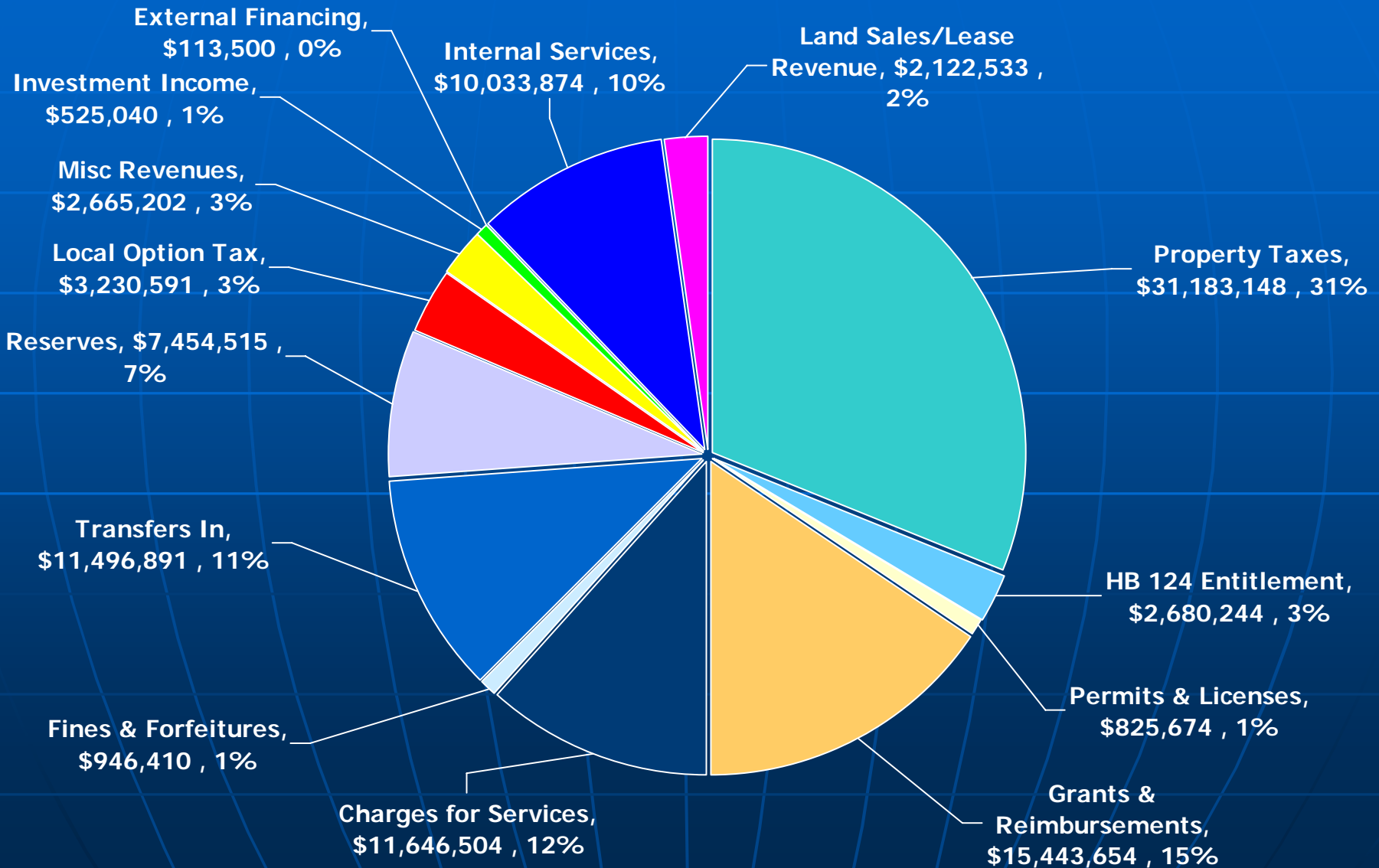
2009-2010 Missoula County Budget

- Total County Budget -\$88,809,363
(with transfers out - \$100,367,780)
- ✓ Proposed Total Personnel Budget of \$40,173,575 vs. an amended FY 2009 Personnel of \$40,461,955 or a reduction of .72%
- ✓ Proposed Total Operations Budget of \$35,548,851 vs. an amended FY 2009 Operations Budget of \$35,174,786 or an increase of 1.05%
- ✓ Proposed Total Capital Budget of \$13,086,937 vs. an amended FY 2009 Capital Budget of \$21,518,228 or a reduction of 64.43%




Sources of County Funding

\$100,367,780



2009-2010 Missoula County Budget

- Significant Enhancements to the Budget
 - ✓ \$50,000 – 650 Optical Scanner for Elections to total ballots.
 - ✓ \$462,700 – Repair of six bridges identified by Public Works as needing significant work. 
 - ✓ \$175,000 – Purchase of a Skid loader and a Front End Wheel loader (funded by the surplus of three motor graders)
 - ✓ \$50,000 – Increase County Share in Irrigation System Replacement at Larchmont Golf Course. Total project estimated between \$1.7 and \$1.8 million

2009-2010 Missoula County Budget

■ Significant Enhancements to the Budget

✓ \$1,438,167 –CTEP Projects 

✓ \$109,000 – Radial Stacker Conveyor and 3 pup type trailers to allow Public Works to return to supplying their own gravel. 

✓ \$650,000 – Two Road Graders and two Tandem Axle  Dump Trucks (replacing old high maintenance equipment)

✓ \$361,200 – Portion of which will be included in next year's CIP for the renovation of the Old Courthouse.

✓ \$897,624 – Portion of which will be included in next year's CIP to renovate the basement of the Annex to accommodate 911, Emergency Services and a portion of the EOC

Next Steps

- Formal Adoption by the Board of County Commissioners on September 23, 2009
- Questions?