



# Town of Stevensville

# **Final Budget**

For Fiscal Year 2019

Town of Stevensville, Montana



# **TOWN OF STEVENSVILLE, MONTANA**

FISCAL YEAR 2018-2019

FINAL OPERATING AND CAPITAL BUDGET

## MAYOR

Brandon E. Dewey

(Term Exp. 12/31/2021)

## TOWN COUNCIL

Stacie Barker

(Term Exp. 12/31/2019)

Robin Holcomb

(Term Exp. 12/31/2021)

Bob Michalson

(Term Exp. 12/31/2019)

Raymond Smith

(Term Exp. 12/31/2021)

## TOWN STAFF

April VanTassel—Finance Officer

Audree Tribbensee—Town Clerk

Brian West – Town Attorney

James Marble – Chief of Police

Maureen O'Connor – Judge (Term Exp. 6/30/2022)

## GENERAL STATISTICAL INFORMATION

CLASS OF CITY/TOWN	C
COUNTY LOCATED IN	Ravalli
YEAR ORGANIZED	1899
REGISTERED VOTERS	1,012
AREA (SQ. MILES)	2
POPULATION OF CITY/TOWN	1,963
FORM OF GOVERNMENT	Mayor/Council
NUMBER OF EMPLOYEES (ELECTED)	0
NUMBER OF EMPLOYEES (NON-ELECTED)	12
MILES OF STREETS AND ALLEYS	22
MUNICIPAL WATER	
NUMBER OF CONSUMERS	823
WATER RATE PER 1,000 GALLONS	\$13.90 O&M base rate incl. 3000 gallons + \$1.85 per 1000 thereafter
SEWER RATES	\$29.79 O&M + \$20.30 bond

## **CITIZEN REVIEW AND PARTICIPATION**

---

The Town encourages open and transparent government—and offers multiple ways to access this document in an effort to better inform city residents and property owners.

- **This document is available on the Town of Stevensville’s website at [www.townofstevensville.com](http://www.townofstevensville.com), and**
- **It is also available for review in the office of the Town Clerk of the Town of Stevensville during regular business hours (8 a.m. to 5 p.m. Monday through Friday) at 206 Buck St, Stevensville, Montana, and**
- **Copies may be purchased from the Finance Department, 206 Buck St, Stevensville, Montana for \$0.25 per page.**

The public is strongly encouraged to attend all work sessions and public hearings held prior to final adoption of the budget.

- **Notices are posted on the Town’s website at [www.townofstevensville.com](http://www.townofstevensville.com).**
- **Notices are also posted at Town Hall, 206 Buck St, Stevensville, Montana**

August 9, 2018

Stevensville Town Council:

I am pleased to present to you the Final Budget for Fiscal Year 2018-2019 (FY19). This budget represents the thoughtful work of the administration and staff in developing the spending plan for our organization for the coming fiscal year.

**Overview:**

Stevensville remains a vibrant and fundamental community. In my brief tenure as Mayor of Stevensville, I have been focused on bringing forward a budget that permits the Town to live within our means, while at the same time attempts to help the Town organization cope with our community's growth and change.

**Staffing Level Changes**

Attempting to maintain our current levels of service will require additional staff this year in numerous departments.

**General Fund Positions** - Additions in the General Fund include:

<b>Department/Division</b>	<b>Position</b>	<b>Full-Time Equivalents</b>
<b>Police Department</b>	Police Clerk	0.50
<b>Total</b>		<b>0.50 FTE</b>

**Enterprise & Special Revenue Fund Positions** - Additions in the Enterprise and Special Revenue Funds include:

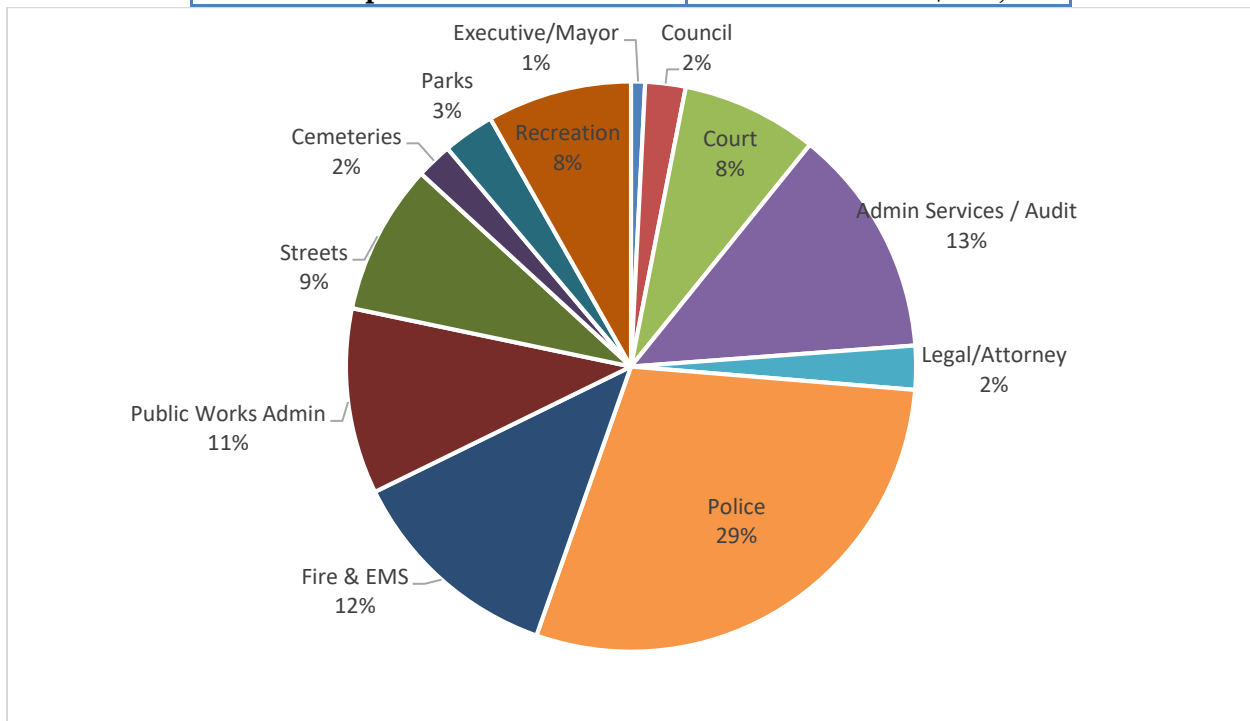
<b>Department/Division</b>	<b>Position</b>	<b>Full-Time Equivalents</b>
<b>Zoning</b>	Zoning Administrator	0.20
<b>Total</b>		<b>0.20 FTE</b>

**The General Fund:**

The Town's General Fund supports the majority of administration, public safety and public welfare operations. It's most significant source of revenue comes from local property taxes. As a result, the General Fund's operating budget and fund balance are critically important to the financial health of the town.

This year's General Fund budget has \$651,451 in expenditures, in the following areas:

Department/Division	General Fund Amount
Executive/Mayor	\$ 5,178
Council	14,921
Court	50,275
Admin Services / Audit	84,798
Legal/Attorney	16,200
Police	189,404
Fire & EMS	80,625
Public Works Admin	68,578
Streets	55,671
Cemeteries	13,277
Parks	19,044
Recreation	53,480
<b>TOTAL Expenditures</b>	<b>\$651,451</b>



As shown in the above graph, Police and Fire services combined comprise 41% (\$270,029) of the General Fund's spending. The next largest departments are Administration, Court, Public Works, Streets, and Recreation, spending roughly \$305,000 and each comprising 8-13% of the budget: Administration, Court, Public Works, Streets, and Recreation.

### **General Fund Reserve Balance:**

The Town's fiscal policy requires a minimum level of General Fund Reserves that will mitigate short-term volatility in revenues, mitigate economic downturns, sustain services in the event of an emergency, meet operation cash flow requirements, and meet the requirements for debt reserves when applicable. This budget establishes a reserve of approximately \$259,928 (40%) at the end of Fiscal Year 2019.

### **Residential City Property Taxes for FY19**

In total, the Final Budget would levy approximately 106 mills on all taxable property within the Stevensville Town limits. This represents no increase over last year. To achieve no increase in the levy we propose:

- Calculation of maximum mill levy with estimated increase in inflation factor, and estimate of newly taxable property increase of .82%.

### **General Taxes - Cost per Mill**

For the coming fiscal year, we are estimating a 1% increase in the value of taxable property across the town. Given the continued strong building permit activity and the two-year reappraisal cycle, we believe this estimate is appropriate.

### **Utility Rates**

**Water & Sewer:** Town property owners are by and large required to use the Town's water and sewer treatment systems. Three years ago, we updated our five-year funding models for both Water and Sewer Rates. The Council approved a 3% increase in Water rates and a 3% increase in sewer rates, annually. This year, we recommend an informal rate study to ensure that rates are accurate and covering the costs to operate, maintain, and replace the systems.

<b>Average Residential Customer</b>	<b>FY17 Monthly Bill 3% Increase Water 3% Increase Sewer</b>	<b>FY18 Monthly Bill 3% Increase Water 3% Increase Sewer</b>	<b>FY19 Monthly Bill 3% Increase Water 3% Increase Sewer</b>
<b>Water</b>	\$13.50 per month	\$13.90 per month	\$14.32 per month
<b>Sewer</b>	\$28.92 per month	\$29.79 per month	\$30.68 per month
<b>Total</b>	<b>\$42.42 per month</b>	<b>\$43.69 per month</b>	<b>\$45.00 per month</b>

### **Capital Improvements and Their Impact on our Operating Budget**

The Town annually prepares a five-year Capital Improvement Plan (CIP). The items that are scheduled in that plan each spring become the starting point for budget requests at budget development time. This year, capital expenditures total



over \$1.2 Million. These purchases will have varying effects on our operations this year and into the future. The largest items with the greatest impact are mainly dealing with water infrastructure that carry future maintenance costs. Some equipment will be replaced or added to the fleet in this year's capital budget.

### **In Conclusion**

The Proposed Budget was developed to continue current level operations in the growing and changing community. We are thankful to the Council, community members and staff who participated in the many processes that resulted in this Recommended Budget.

Change can be difficult, uncomfortable and challenging. Working together, we have consistently found innovative ways to maintain services and invest in our community in fiscally responsible ways. We are a resilient, enterprising and creative community. This budget is an achievable plan to provide efficient and effective services and to achieve the Council's vision and priorities for the Town of Stevensville.

Respectfully,

***Brandon E. Dewey***, Mayor

***April Van Tassel***, Finance Officer

## PLANNING PROCESSES

---

The Town plans for the long-term needs of our community through a number of efforts and studies. These documents are usually developed by consultants and staff, with numerous public hearings and advisory board meetings prior to their formal adoption by the Council. Once adopted, we work diligently to implement the recommendations and changes outlined in the plans. Here is the status of our primary planning documents:

### Town Growth Policy

- Five-year Growth Plan adopted in the Fall of 2016.

### Plans for Service Provision, Facility Expansion & Maintenance:

- Wastewater Facility Asset & Maintenance Plan— In Progress.
- Water Facility Asset & Maintenance Plan— In Progress.
- Parks, Recreation, Open Space, and Trails Plan—In Progress.

### Financial Plans:

- Annual Budget—Adopted each year.
- Capital Improvements Plan - Updated & adopted each year; recently for FY18-FY22.
- Water Rate Study (5 Years) – Updated for FY16-FY21.
- Wastewater Rate Study (5 Years) – Updated for FY16-FY21.

## FINANCIAL POLICIES

---

The overall goal of the Town's financial policies is to establish and maintain effective management of the Town's financial resources. Formal policy statements and major objectives provide the foundation for achieving this goal. Accordingly, the policies were used in guiding the preparation and management of the Town's overall budget and the major objectives to be accomplished. Please refer to Appendix A to reference the Town's Fiscal Policies.

## FINANCIAL STRUCTURE

---

To better understand this budget document a basic understanding of the structure, often-used terms, and fund types is helpful.

The Town's operating expenditures are organized in to the following hierarchical categories: Activities, Departments, Divisions, and Budget Units.

**Activity:** Activity represents the highest level of summarization used in the Town's financial structure. This level is primarily used for entity-wide financial reporting and for summarization in this budget document.

Activities
General Government
Public Safety
Public Works
Culture & Recreation

**Department:** Department is the second level of summarization used in the City's financial structure. The function classification represents a grouping of related operations and programs aimed at accomplishing a broad goal or providing a major service.

**Division:** Department can be further split into divisions which are usually associated with functioning work groups that have more limited sets of work responsibilities. Their primary purpose is organizational and budgetary accountability.

**Budget Unit:** Divisions may be further subdivided into budget units. A budget unit is used to account for a specific service performed within a division in the pursuit of individual goals and objectives. A budget unit is aimed at accomplishing a specific service or regulatory program for which a government is responsible.

For example, to account for the expenses of constructing a new Wastewater Treatment Plant the Town uses the following financial structure:

**Activity:** Public Service  
**Department:** Wastewater Plant  
**Division:** Operations  
**Budget Unit:** Construction

The following table lists the Department and corresponding divisions within the Town for the current fiscal year.

Departments	Divisions and Budget Units	Budgeted Funds
Town Council	Town Council, Special Bodies (boards/committees)	General
Executive	Executive/Mayor	General
City Court	City Court	General
City Attorney	Civil Litigation, Criminal Litigation	General
Administration	Administration, Finance, Clerk	General
Facilities Maintenance	City Hall, City Hall Annex	General
Planning & Zoning	Planning, Zoning	Planning
Police	Operations, Training, Drug Forfeiture,	General, PD Training & Pension, Drug Forfeiture
Fire	Administration, Station #1, Station #2, Fire Prevention, Suppression, Emergency Medical Services	General, Fire Capital/Equipment Replacement, Ambulance Fund
Building Inspection	Operations	Building Code Enforcement
Public Works Administration	Administration, Cemetery's	General, Water, Sewer
Streets	Operations, Maintenance, Construction, Snow & Ice Removal, Traffic Signs & Markers	General, Gas Tax, Sidewalk Replacement
Water	Operations, Supply & Pumping, Purification & Treatment, Distribution,	Water
Wastewater	Operations, Collection & Transmission, Treatment & Disposal	Sewer
Parks & Recreation	Parks, Recreation	General, Jean Thomas Memorial
Airport	Operations	Airport
Community Services	Economic Development, Sustainability	General, North Stevensville TIFD, Airport TEDD, Economic Development
Non Departmental	Lighting	General, Lighting Districts
Water & Sewer Bonds	Principal & Interest	Water Bond P&I, Sewer Bond P&I

## **USEFUL TERMS**

To better assist readers in understanding the budget document, a basic knowledge of the following terms is useful:

**A FUND** is a fiscal and accounting entity with a self-balancing set of accounts recording cash, and other financial resources, together with all related liabilities and residual equities or balances, and changes therein. Funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. Funds in the government model are classified into three broad categories: governmental, proprietary, and fiduciary.

The most common reason for establishing a fund is to separately account for restricted-use revenue or to comply with State or Federal law.

**An ACCOUNT** is an organizational or budgetary breakdown which is found within town funds. Each department serves a specific function as a distinct organizational unit of government within the given fund. Its primary purpose is to facilitate organizational and budgetary accountability.

**An OBJECT OF EXPENDITURE** refers to specific, detailed expenditure classification. It relates to a specific type of item purchased or service obtained. Examples of objects of expenditure include salaries, supplies, contracted service, travel, etc.

The Town's financial operations and fund structure conform to Generally Accepted Accounting Principles (GAAP). The funds are grouped under governmental, proprietary, and fiduciary fund types. The Town's fund structure is comprised of the following funds, all of which are budgeted.

## **GOVERNMENTAL FUND TYPES**

**General Fund:** The General Fund is used to account for all financial resources of the City, except for those required to be accounted for in another fund. The General Fund supports such basic services as the Legislative Branch, Judicial Branch, General Administration, Police, Fire, Finance, Engineering, and Recreation.

**Revenue Sources:** The Town's General Fund is financed primarily by property taxes which provide nearly half of the General Fund revenue. Other revenue sources include: licenses and permits, intergovernmental revenue, charges for services, fines and forfeitures, interest on investments, operating transfers, and miscellaneous revenues.

**Special Revenue Funds:** Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditure for specific purposes. Special Revenue Funds support insurance costs, retirement costs, planning functions, and other services legally restricted for specific purposes.

**Revenue Sources:** Special Revenue Funds are supported either through property taxes or through grants or other restricted revenue sources. Examples of Special Revenue Funds supported by property taxes include employee health and comprehensive insurance funds. Examples of Special

Revenue Funds supported by grants or other restricted revenue sources include Community Development Block Grant, Housing and Urban Development, and Gas Tax Apportionment.

**Debt Service Funds:** Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The Town has no general obligation debt at this time.

Revenue Sources: Debt Service Funds are financed through property taxes and interest income.

**Capital Project Funds:** Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Revenue Sources: Capital Project Funds can be supported by special assessments, long term debt proceeds, donations, and grants.

## **PROPRIETARY FUND TYPES**

**Internal Service Funds:** Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis.

Revenue Sources: Internal Service Funds are supported through billings to other departments based on the sale of goods and the services provided.

**Enterprise Funds:** Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise Funds account for the Town's water, waste water, and airport.

Revenue Sources: Enterprise Funds are financed by user charges, penalties, and interest income.

## **FIDUCIARY FUND TYPES**

**Trust Funds:** Trust Funds are used to account for assets held by a governmental unit in a trustee capacity. These include (a) expendable trust funds, (b) permanent trust funds, and (c) pension trust funds

## THE BUDGET PROCESS

---

The Town of Stevensville budget serves several purposes.

- **For the Citizens of the Town of Stevensville, it presents a picture of the town government operations and intentions for the year.**
- **For the Town Council, it serves as a policy tool and as an expression of goals and objectives.**
- **For Town Management, it is used as an operating guide and a control mechanism.**

State statute provides the “Local Government Budget Act” in MCA 7-6-4001. This section of the law was adopted by the 2001 Legislature to replace the “Municipal Budget Law” and other various sections of code that related to city finances. The new law limits the amount of expenditures to approved appropriations, requires reporting to the State after final budgets and tax levies are adopted, and provides for a detailed preliminary and final budget adoption within the confines of the State determined property tax assessment time-table.

The Town's budget encompasses both the operating budget and the capital improvement budget. Each budget unit includes amounts appropriated for both operating expenses and capital items. The accompanying narrative explanation for each budget unit provides an explanation of capital items included in the budget.

### **BASIS OF BUDGETING**

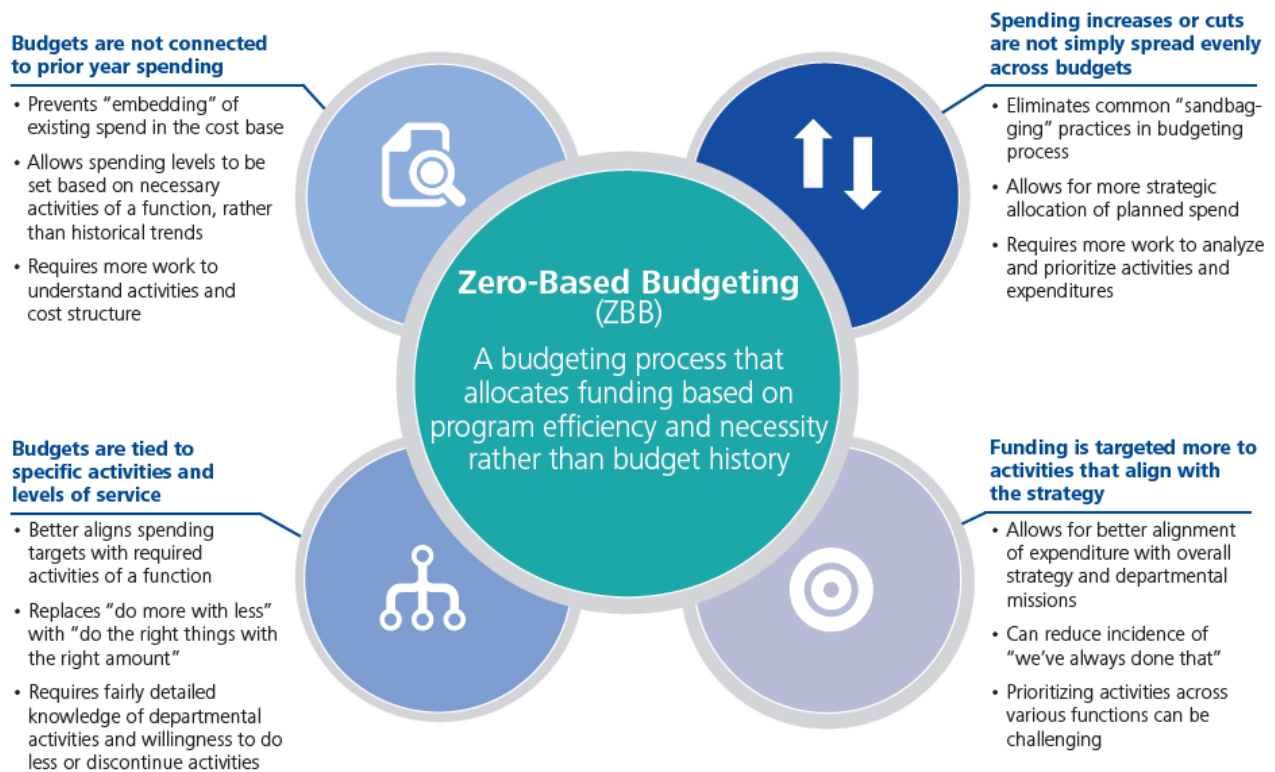
The Town's accounts are organized on the basis of funds, each of which is considered a separate entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses.

Governmental funds (the General Fund, Special Revenue, Debt Service, and Capital Projects Funds) use the modified accrual basis of budgeting and accounting. Revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized when liabilities are incurred.

Proprietary funds (Enterprise and Internal Service Funds) are budgeted on a modified accrual basis which does not include depreciation or compensated absences. Each fund's financial statements, which can be found in the Town's Annual Financial Report (AFR), are reported on the full accrual basis. In the accrual basis of accounting, revenues are recognized in the accounting period in which they are earned. Expenses are recognized in the accounting period in which they occur.

## **BUDGET DEVELOPMENT PROCESS**

The Mayor and Finance Officer implemented a zero-based budgeting strategy for this year's budgeting process. This change was well received by department staff throughout the organization. Zero based budgeting is a budgeting process that allocates funding based on program efficiency and necessity rather than budget history. As opposed to traditional budgeting, no item is automatically included in the next budget.



Our goals in zero based budgeting were the following:

- Support cost reduction by encouraging active resource allocation over automatic budget increases.
- Increase organizational efficiency by encouraging department to work together in order to actively prioritize programs.
- Improve alignment of resource allocations with strategic goals by forcing cost centers to identify program missions and priorities.
- Improve public perception through perceived increases in transparency and accountability, both internally within our organization and externally with the public.

After submitting the Mayor's Proposed Budget to the Town Council, public work sessions will be held by the Council at which time the Mayor, Finance Officer, and department staff explain the budget recommendations and underlying justification for the requests. The Council also reviews departmental requests which could not be funded, as an indication of unmet needs. During or following the work sessions, the Council may make adjustments to the proposed budget. Following any adjustments to the Mayor's budget recommendation, a budget resolution is prepared, and a public hearing is held. The



Council may again make adjustments to the budget following the public hearing, after which time, the Council passes the budget resolution in final form.

***MCA 7-6-4030 Final budget--resolution--appropriations.*** (1) *The governing body may amend the preliminary budget after the public hearing and after considering any public comment.*

(2) *The amended budget constitutes the final budget. The final budget must be balanced so that appropriations do not exceed the projected beginning balance plus the estimated revenue of each fund for the fiscal year.*

(3) *The governing body shall adopt the final budget by resolution. The resolution must:*  
(a) *authorize appropriations to defray the expenses or liabilities for the fiscal year; and*  
(b) *establish legal spending limits at the level of detail in the resolution.*

(4) *The effective date of the resolution is July 1 of the fiscal year, even if the resolution is adopted after that date.*

Appropriations are established by budget unit. The accounting system, budgeting system, and the budget document itself, however, break these classes into subclasses--thereby providing more detailed information. As an example, operating supplies, gas and oil, and subscriptions are all classified as operating expenses. The accounting and budgeting systems provide detail for these specific sub-classes. However, appropriation control is exercised only at the budget unit level.

## **PERFORMANCE BUDGETING**

Beginning with the fiscal year 2019-20 budget, the Town of Stevensville will develop a performance budget. The move to a performance budget will result in a shift in emphasis away from describing what will be purchased (inputs) towards describing what will be accomplished (outputs and outcomes). This is a practice with both an organization-wide and a budget-unit specific focus on outcomes.

## **PRESENTATION**

The financial information includes expenditure information for the last completed fiscal year, the appropriated amounts for the current year, and the recommended amounts covered by the budget. Costs are segregated into three basic classifications: salaries, wages, & benefits; operating expenses; and capital. Appropriation control is exercised only at the budget unit level and not at the individual object of expenditure level.

More specific information is presented together with the financial detail during workshops to assist in understanding the planned outcomes for each division, the purpose of each budget unit, and major changes or expenditures for the coming year.

## MONITORING AND REPORTING PROCESS

As the budget year proceeds, individual departments and the Finance Department have dual responsibility for monitoring the status of each budget unit. Department staff has primary responsibility for monitoring the status of expenditures against their budget. This responsibility includes informing the Finance Department of any significant departures from the plans anticipated in the budget.

The Finance Department has overall responsibility for monitoring the status of all departments and funds. This is accomplished primarily through analysis of computerized budget performance reports which compare appropriation amounts on a line-item basis with actual expenditures throughout the year. These reports aid department staff in controlling costs and act as an early warning system for the Finance Department. Department staff may exercise their judgment in exceeding expenditures by object code, as long as they do not exceed the total amount appropriated for the budget unit.

The Finance Department reviews the budget reports on a monthly basis and discusses any variances from expected performance with the department staff. The Finance Department conducts in-depth quarterly budget reviews of all expenditures and revenues.

Significant changes in either expenditures or revenues require a budget revision.

## BUDGET AMENDMENT PROCESS

State statute provides a number of different ways to amend the budget. The first involves a reallocation of existing appropriations among the line items within a specific fund. The second defines a series of scenarios where the governing body has authority to amend the budget without a hearing for donations, land sales, and fee-based budgets. All other increases in appropriation authority that are not specifically permitted by statute must be approved through a public hearing process.

***MCA 7-6-4031 Budget amendment procedures. (1) The final budget resolution may authorize the governing body or a designated official to transfer appropriations between items within the same fund.***

***(2) The annual budget appropriations may be amended as provided in 7-6-4006 (3) and 7-6-4012.***

***(3) Except as provided in 7-6-4006, 7-6-4011, 7-6-4012, 7-6-4015, and 7-6-4032, or in case of an emergency under Title 10, chapter 3, a public hearing is required for an overall increase in appropriation authority.***

The Finance Officer is responsible for ensuring compliance with spending limitations imposed by the budget. Accordingly, the Finance Officer submits Budget Status Reports to the Town Council at each regular council meeting which evaluates overall revenues and expenditures in comparison to the budgeted amounts. In cases where it appears the original spending authority authorized will not prove sufficient, transfers of spending authority or additional spending authority are requested together with explanations for the requests. Public hearings for budget amendments are held as necessary.

# FINANCIAL SUMMARY

## Determination of Tax Revenue and Mill Levy Limitations Section 15-10-420, MCA Aggregate of all Funds/or General Fund FYE June 30, 2019 Town of Stevensville

Reference Line	Enter amounts in yellow cells	Auto-Calculation (If completing manually enter amounts as instructed)
(1)	Enter Ad valorem tax revenue <u>ACTUALLY assessed in the prior year</u> (from Prior Year's form Line 17)	
	\$ 271,743	\$ 271,743
(2)	Add: Current year inflation adjustment @ 0.82%	
		\$ 2,228
(3)	Subtract: Ad valorem tax revenue <u>ACTUALLY assessed in the prior year</u> for Class 1 and 2 property, (net and gross proceeds) (from Prior Year's form Line 20)- (enter as negative)	
	\$ -	\$ -
(4)	Adjusted ad valorem tax revenue	
= (1) + (2) + (3)		\$ 273,971
<b><u>ENTERING TAXABLE VALUES</u></b>		
(5)	Enter 'Total Taxable Value' - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 2	
	\$ 2,674,917	\$ 2,674,917
(6)	Subtract: 'Total Incremental Value' of all tax increment financing districts (TIF Districts) - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 6 (enter as negative)	
	\$ (31,529)	\$ (31,529)
(7)	Taxable value per mill (after adjustment for removal of TIF per mill incremental district value)	
= (5) + (6)		\$ 2,643,388
(8)	Subtract: 'Total Value of Newly Taxable Property' - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 3 (enter as negative)	
	\$ (76,553)	\$ (76,553)
(9)	Subtract: 'Taxable Value of Net and Gross Proceeds, (Class 1 & 2 properties)' - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 5 (enter as negative)	
	\$ -	\$ -
(10)	Adjusted Taxable value per mill	
= (7) + (8) + (9)		\$ 2,566,835
(11)	CURRENT YEAR calculated mill levy	
= (4) / (10)		106.73
(12)	CURRENT YEAR calculated ad valorem tax revenue	
= (7) x (11)		\$ 282,129
<b><u>CURRENT YEAR AUTHORIZED LEVY/ASSESSMENT</u></b>		
(13)	Enter total number of carry forward mills from prior year (from Prior Year's form Line 22)	
	0.00	0.00
(14)	Total current year authorized mill levy, including Prior Years' carry forward mills	
= (11) + (13)		106.73
(15)	Total current year authorized ad valorem tax revenue assessment	
= (7) x (14)		\$ 282,129
<b><u>CURRENT YEAR ACTUALLY LEVIED/ASSESSED</u></b>		
(16)	Enter number of mills actually levied in current year (Number should equal total <u>non-voted</u> mills, which includes the number of carry forward mills, actually imposed per the final approved current year budget document. <u>Do Not</u> include voted or permissive mills imposed in the current year.)	
	106.73	106.73
(17)	Total ad valorem tax revenue actually assessed in current year	
= (7) x (16)		\$ 282,129
<b><u>RECAPITULATION OF ACTUAL:</u></b>		
(18)	Ad valorem tax revenue actually assessed	
= (10) x (16)		\$ 273,958
(19)	Ad valorem tax revenue actually assessed for newly taxable property	
		\$ 8,171
(20)	Ad valorem tax revenue actually assessed for Class 1 & 2 properties (net-gross proceeds)	
		\$ -
(21)	Total ad valorem tax revenue actually assessed in current year	
= (18) + (19) + (20)		\$ 282,129
(22)	Total carry forward mills that may be levied in a subsequent year (Number should be equal to or greater than zero. A (negative) number indicates an over levy.)	
= (14) - (16)		0.00

**Town of Stevensville  
Taxable Valuation/Mill Levy  
Ten-Year History and Analysis**

**NOTE:** The analysis below includes only entity-wide levies subject to the limitations of Section 15-10-420, MCA

If applicable, a separate analysis is provided for levies subject to the limitations of Section 15-10-420, MCA that are authorized and actually imposed using a different taxable valuation.

Analyses contained in this report do not include voted or permissive levies. Voted and/or permissive mills levied in the current year are listed below.

<u>FISCAL YEAR</u>	<u>ENTITY-WIDE TAXABLE VAULTION</u>	<u>%INCREASE (DECREASE) FROM PREVIOUS YEAR</u>	<u>TOTAL CURRENT YEAR AUTHORIZED MILL LEVY (Includes Prior Year Carry Forward Mills)</u>	<u>CURRENT YEAR ACTUAL MILL LEVY</u>	<u>CARRY FORWARD MILLS AVAILABLE (May be levied in a subsequent year)</u>
			FY's 2009-2010 through 2016-2017 enter number of mills from prior year budget-page 9. FY's 2017-2018 and forward enter number of mills from line (14) of the applicable Mill Levy Determination Form.	FY's 2009-2010 through 2016-2017 enter number of mills from prior year budget - page 9. FY's 2017-2018 & forward enter number of mills from line (16) of the applicable Mill Levy Determination Form.	The Carry Forward in this column is not cumulative - the current fiscal year carry forward mills available are the full amount that may be levied in a subsequent year. These mills will be included in the next year's total authorized mill levy.
2009-2010	2,267,930		100.07	100.07	
2010 - 2011	2,295,013	1.19%	102.14	102.14	
2011 - 2012	2,481,717	8.14%	104.35	104.35	
2012 - 2013	2,534,880	2.14%	100.51	100.51	
2013 - 2014	2,599,044	2.53%	100.04	100.04	
2014 - 2015	2,544,323	-2.11%	98.66	100.36	
2015 - 2016	2,368,520	-6.91%	100.04	100.04	
2016 - 2017	2,401,982	1.41%	112.07	113.77	
2017 - 2018	2,591,958	7.91%	108.53	108.53	0.00
2018 - 2019	2,674,917	3.20%	106.73	106.73	0.00



**2018 Certified Taxable Valuation Information**  
(15-10-202, MCA)  
**Ravalli County**  
CITY OF STEVENSVILLE

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

1. 2018 Total Market Value <sup>1</sup> .....	\$	167,439,152
2. 2018 Total Taxable Value <sup>2</sup> .....	\$	2,674,917
3. 2018 Taxable Value of Newly Taxable Property.....	\$	76,554
4. 2018 Taxable Value less Incremental Taxable Value <sup>3</sup> .....	\$	2,643,388
5. 2018 Taxable Value of Net and Gross Proceeds <sup>4</sup> (Class 1 and Class 2).....	\$	-

6. TIF Districts

Tax Increment District Name	Current Taxable Value <sup>2</sup>	Base Taxable Value	Incremental Value
STEVENSVILLE AIRPORT	67,530	49,132	18,398
NORTH STEVENSVILLE IN	122,981	109,850	13,131

Total Incremental Value \$ 31,529

Preparer DEB REESMAN

Date 7/26/2018

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

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

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

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

**For Information Purposes Only**

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

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

**Town of Stevensville**  
**TAX LEVY REQUIREMENTS SCHEDULE**  
**NON-VOTED LEVIES**

Assessed/Market Valuation: 2,674,917  
 Taxable Valuation Less  
 TIF Incremental Value: 31,529  
 1 Mill Yields(10): 2,643

Fiscal Year: 2018-19  
 Page No. \_\_\_\_\_

\*Column (3) Total Requirements must equal Column (8) Total Resources

Fund #	Fund Name	(1)	(2)	(3) = (1) + (2)	(4)	(5)	(6) = (9) X (10)	(7) = (5) + (6)	(8) = (4) + (7)	(9) = (6) ÷ (10)	(11) = (4) - (1) + (7)
		Appropriations	Budgeted Cash Reserve	*should equal column (8) <b>Total Requirements</b>	Cash Available (Less current liabilities)	Non-Tax Revenues	Property Tax Revenues	Total Revenues	*should equal column (3) <b>Total Resources</b>	Mill Levy	Estimated Ending Cash Balance
1000	General Fund	651,451	259,928	911,379	256,370	372,880	282,129	655,009	911,379	2,643.39	259,928
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
				0				0	0		0
	<b>TOTAL</b>	<b>651,451</b>	<b>259,928</b>	<b>911,379</b>	<b>256,370</b>	<b>372,880</b>	<b>282,129</b>	<b>655,009</b>	<b>911,379</b>	<b>2,643.39</b>	<b>259,928</b>

\*Total Revenues compared to Total Appropriations: 3,558 \*if negative, appropriations exceed the revenues

Total Requirements compared to Total Resources 0 \*if other than zero budget is not balanced

NOTE: Budgeted Cash Reserves (a) a county's fund may not exceed one-third (33%) of the total amount appropriated and authorized to be spent from the fund during the current fiscal year; and Per MCA 7-6-4034 (b) a city's or town's fund may not exceed one-half (50%) of the total amount appropriated and authorized to be spent from the fund during the current fiscal year.

**Town of Stevensville**

**NON-LEVIED FUNDS - SUMMARY SCHEDULE**

Fiscal Year: 2018-19

Page No. \_\_\_\_\_

Fund #	Fund Name	(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)	Estimated Ending Cash Balance
		Appropriation	Budgeted Cash Reserve	Total Requirements	Cash Available (Less current liabilities)	Total Non-Tax Revenues	Total Resources	
2230	Ambulance	9070	430	9,500	0	9,500	9,500	430
2250	Planning	5,158	2,026	7,184	179	7,005	7,184	2,026
2310	Tax increment Finance Dist.	1,083	187,088	188,171	160,418	27,753	188,171	187,088
2311	Targeted Economic Dev.	11,250	758	12,008	6,483	5,525	12,008	758
2394	Building Code Enforcement	37,628	78,030	115,658	79,308	36,350	115,658	78,030
2410-24	Lighting Districts	18,014	17,230	35,244	24,294	10,950	35,244	17,230
2810	Police Training & Pension	6,885	8,441	15,326	11,618	3,708	15,326	8,441
2820	Gas Apportionment Tax	70,588	58,645	129,233	94,808	34,425	129,233	58,645
2821	BaRSAA (HB 473)	13,412	31,932	45,344	0	45,344	45,344	31,932
2889	Heyer Foundation Grant	1,667	0	1,667	1,667	0	1,667	0
2940	Economic Development	172,238	21,254	193,492	43,492	150,000	193,492	21,254
4000	Capital Improvements	47,500	43,364	90,864	90,664	200	90,864	43,364
5210	Water	1,315,640	264,333	1,579,973	1,253,768	326,205	1,579,973	264,333
5250	Water Bond P&I	91,008	347,251	438,259	252,635	185,624	438,259	347,251
5310	Sewer	357,196	354,234	711,430	354,114	357,316	711,430	354,234
5350	Sewer Bond P&I	185,815	235,098	420,913	204,595	216,318	420,913	235,098
5610	Airport	30,717	101,267	131,984	99,728	32,256	131,984	101,267
7120	Firemen's Disability	3,708	3	3,711	3	3,708	3,711	3
				0			0	0
				0			0	0
				0			0	0
	<b>TOTAL</b>	<b>2,378,577</b>	<b>1,751,384</b>	<b>4,129,961</b>	<b>2,677,774</b>	<b>1,452,187</b>	<b>4,129,961</b>	<b>1,751,384</b>

**\*Total Revenues compared to Total Appropriations:**

(926,390)

\*if negative appropriations exceed revenues

**Total Requirements compared to Total Resources**

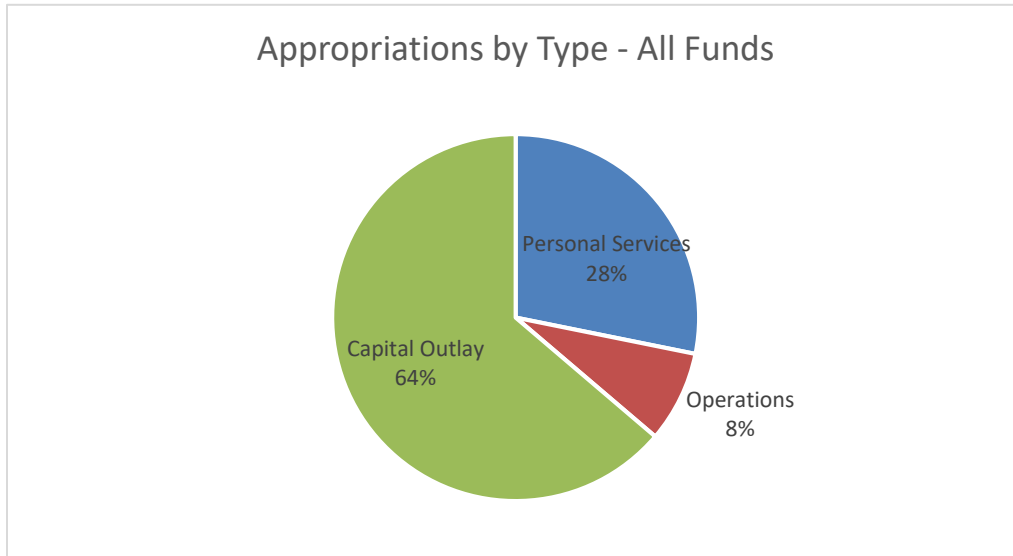
0

\*if other than zero budget is not balanced

## APPROPRIATIONS BY TYPE

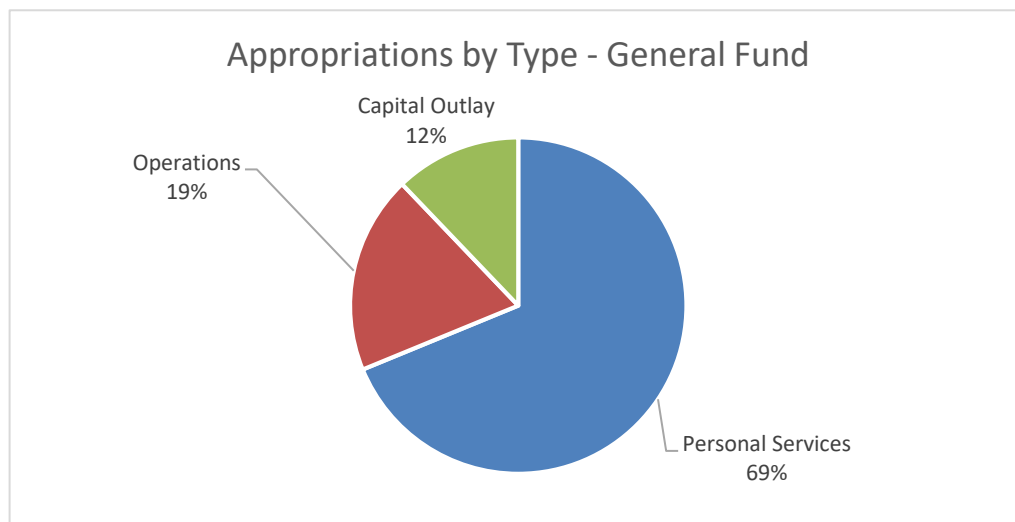
---

Expenditures, often called “Appropriations,” are classified under one of three major categories: Personnel & Benefits, Operating Expenses, and Capital. The graph below shows the relative percentage of FY19 budget expenditures for the major categories in all funds, combined.



In governmental agencies, salaries, wages (personnel) and benefits normally represent the largest of these categories. However, due to the significant investment in infrastructure, cities have a much higher percentage of the budget devoted to operating and capital costs than most other governmental agencies.

**APPROPRIATIONS BY TYPE: GENERAL FUND ONLY**— Using those same classifications of expenditure, the relative percentages of budgeted expenditures for the General Fund are shown below. As you can see, the General Fund is comprised of a much higher percentage of Personnel & Benefit costs compared to all funds, as a whole. The General Fund supports very little capital improvements, compared to all funds, as a whole.

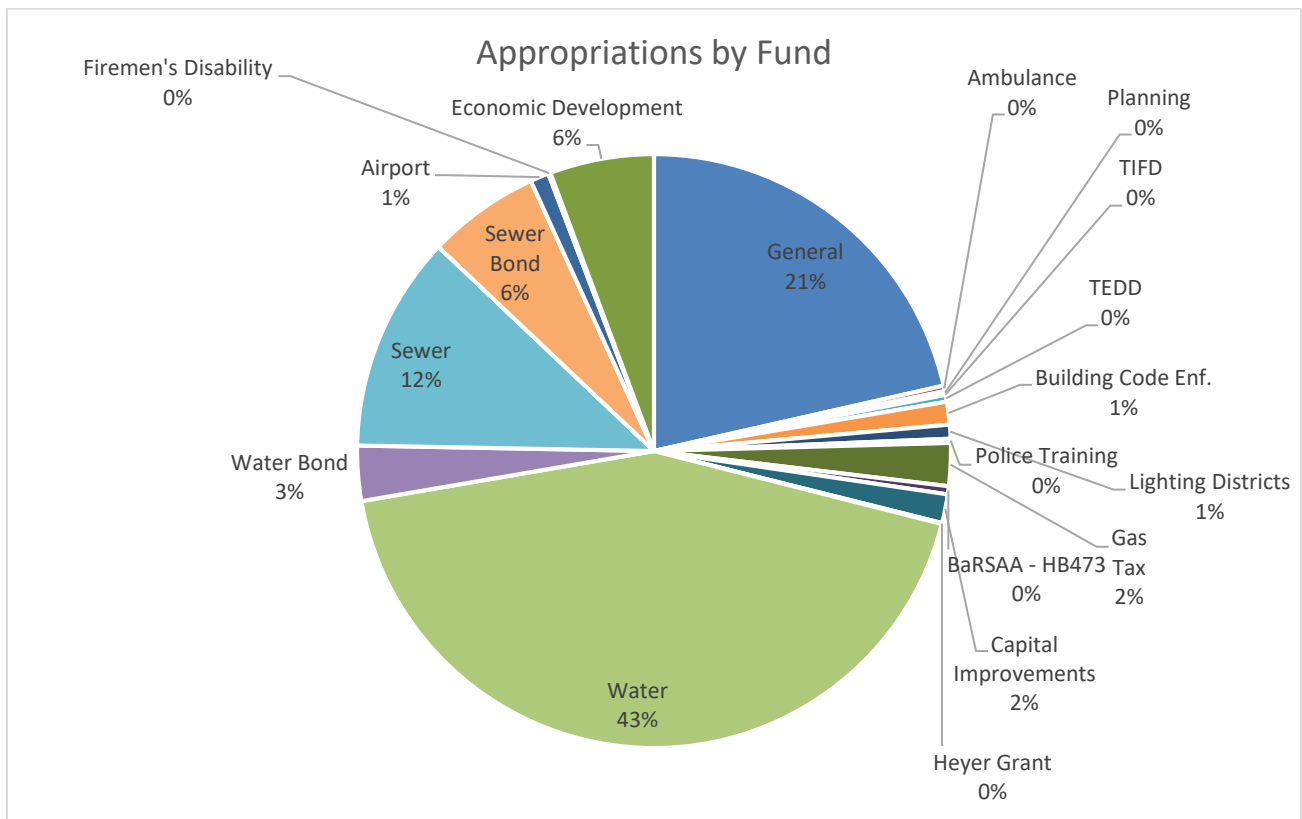




## APPROPRIATIONS BY FUND

As shown, Enterprise Funds and the General Fund account for 83% of the total expenditures of the City.

- The General Fund is the City's primary operating account for general government operations.
- Enterprise funds consist of Water, Wastewater, and Airport Funds. These funds operate on a self-supporting basis.



Appropriations by Fund

Special Revenue Funds, include a variety of fee supported funds including funds supporting building inspections, street maintenance and lighting. The Town's Gas Tax allocation is also included.

Debt Service Funds make up the remainder of the Town's appropriations.

## REVENUES BY SOURCE

---

Charges for Services and Property Taxes account for 57% of the total revenues of the Town. The majority of Charges for Services are derived from the City's utilities (Enterprise funds) consisting of Water & Wastewater. Property Taxes are primarily to the benefit of the General Fund, Lighting Districts and Airport Fund.

The General Fund is much more reliant on Property Taxes and Intergovernmental revenue than all funds, as a whole.

## LEGAL DEBT LIMIT

---

**General Obligation (G.O.) Debt Limit:** The Town’s legal debt limit for general obligation (G.O.) indebtedness is established by state statute. Total general obligations may not exceed 2.5% of the Town’s total market value, as established each August by the Department of Revenue. Our most recent valuation showed Total Market Value of \$163.8 Million. We are estimating an increase of 1.0% for the coming year.

**Revenue-backed Debt:** There remains no statutory cumulative limit on the amount of debt a city can issue that is backed by the revenue streams of various operations, known as “Revenue Bonds”.

**Special District Debt:** There is no statutory limit on the amount of debt a city can issue that is backed by assessments from special improvement districts (including lighting districts) known as “SID or SLID Bonds”. Other Special District Debt is subject to specific limitations, set forth in statute

Legal Debt Limit—G.O.	Estimated June 30, 2018	Estimated June 30, 2019
Statutory G.O. Debt Limit—2.5% of Valuation	\$4,095,486	\$4,185,978
Less: Outstanding G.O. Bonds	(\$0.00)	(\$0.00)
Less: Loans Payable	(\$0.00)	(\$0.00)
Plus: Fund Balances Reserved for Debt Payment	-	-
<b>Equals: Legal Debt Margin</b>	<b>\$4,095,486</b>	<b>\$4,185,978</b>

Fund Summary of Revenues  
For the Year: 2018 - 2019  
All Funds

Account	Previous Year Actual	Final Budget
-----	-----	-----
1000 GENERAL	586,843	372,880
2230 Ambulance		9,500
2250 PLANNING	452	7,005
2310 Tax Increment Finance District	1	0
2311 Targeted Economic Development District	13	25
2390 Drug Fines-Forfeitures Account	1	0
2394 BUILDING CODE ENFORCEMENT	53,605	36,350
2410 Dayton Lighting #1 District 55	67	0
2420 Peterson Addn Lighting #2 District 80		1,750
2430 Geo Smith Lighting #3 District 76	79	0
2440 Creekside Lighting #4 District 77		1,400
2450 Twin Creeks Lighting #5 District	6,740	7,800
2810 POLICE TRAINING & PENSION	3,888	3,708
2820 GAS APPORTIONMENT TAX	34,327	34,425
2821 BaRSAA (HB 473)		45,344
2889 Heyer Foundation Grant	1,667	0
2940 Economic Development	960	150,000
4000 CAPITAL IMPROVEMENTS	6,678	200
4001 Sidewalk Improvements	26	24
4002 Fire Engine Capital Improvement	1,395	46
5210 WATER	346,065	326,205
5250 WATER BOND Principal & Interest	184,881	185,624
5310 SEWER	353,513	357,316
5350 SEWER BOND PRINCIPAL & INTEREST	220,854	216,318
5610 AIRPORT	169,896	32,256
5620 Airport Project	125,740	0
7120 FIREMEN'S DISABILITY	3,888	3,708
<b>Grand Total:</b>	<b>2,101,579</b>	<b>1,791,884</b>

## REVENUE TRENDS & ANALYSIS

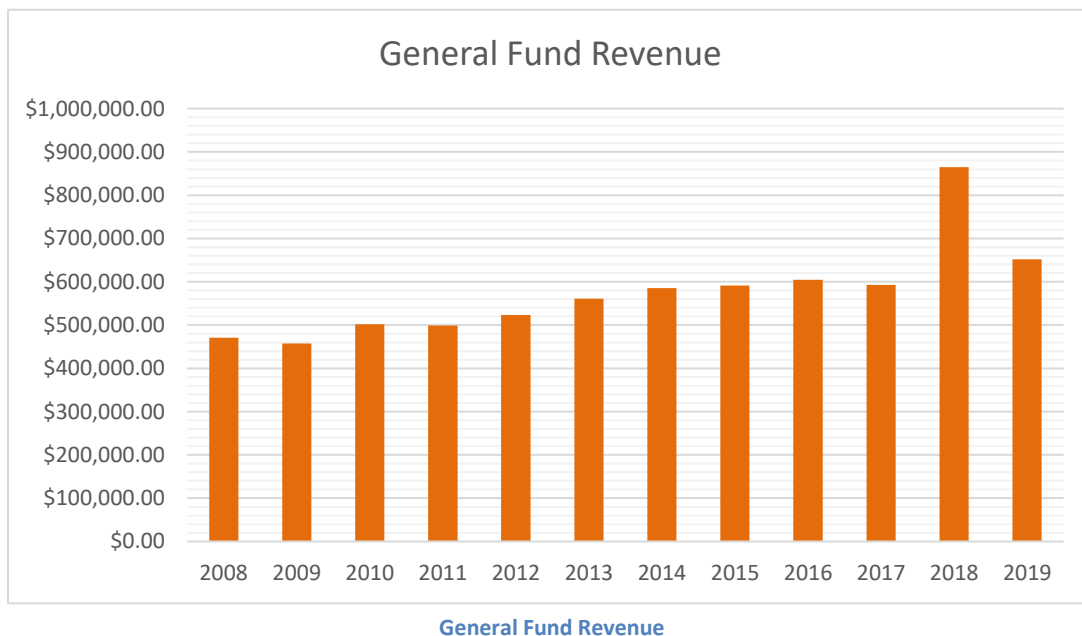
---

Revenues are estimated for every fund of the Town each year. This summary of revenue estimates is supported by detailed revenue estimates for each fund, as described later in the tables titled “Revenue & Expenditure Details”.

This section of the budget highlights major governmental and enterprise funds of the Town: the General Fund, along with Water, Wastewater enterprises. Trends of these funds and individual revenues are shown together with estimates for the coming year. Together, these three funds comprise over \$1.2 Million (69%) of the total estimated revenues of the Town.

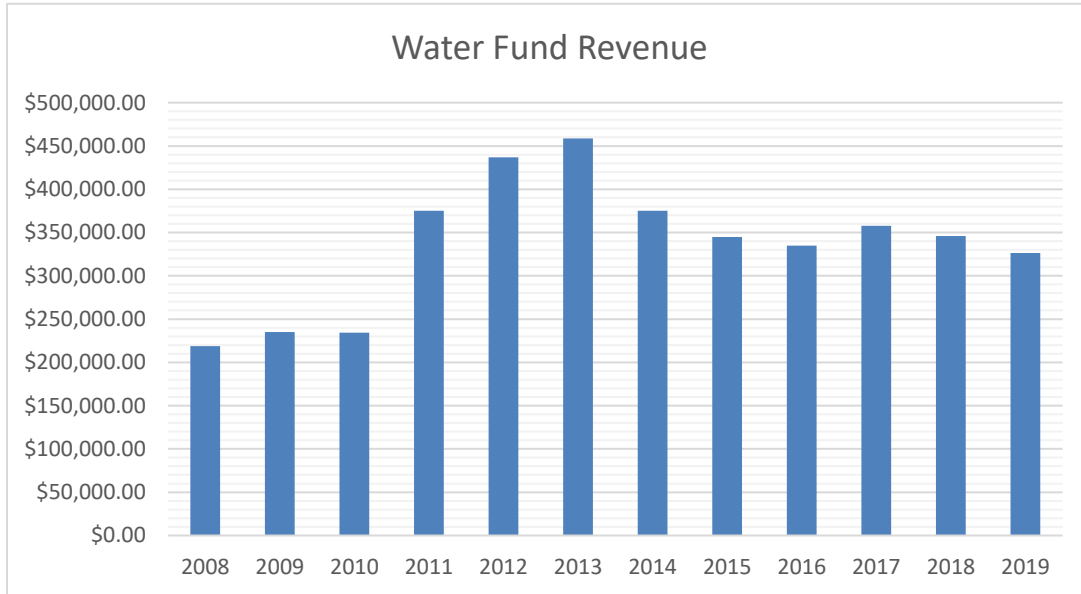
### GENERAL FUND

The General Fund is used to account for all financial resources of the Town, except for those required to be accounted for in another fund. Major functions supported by general fund revenues include: Administration, Police and Fire services, Court, Parks, Recreation, and Streets. Revenue is estimated to be \$642,801 for the budget year.



## WATER FUND

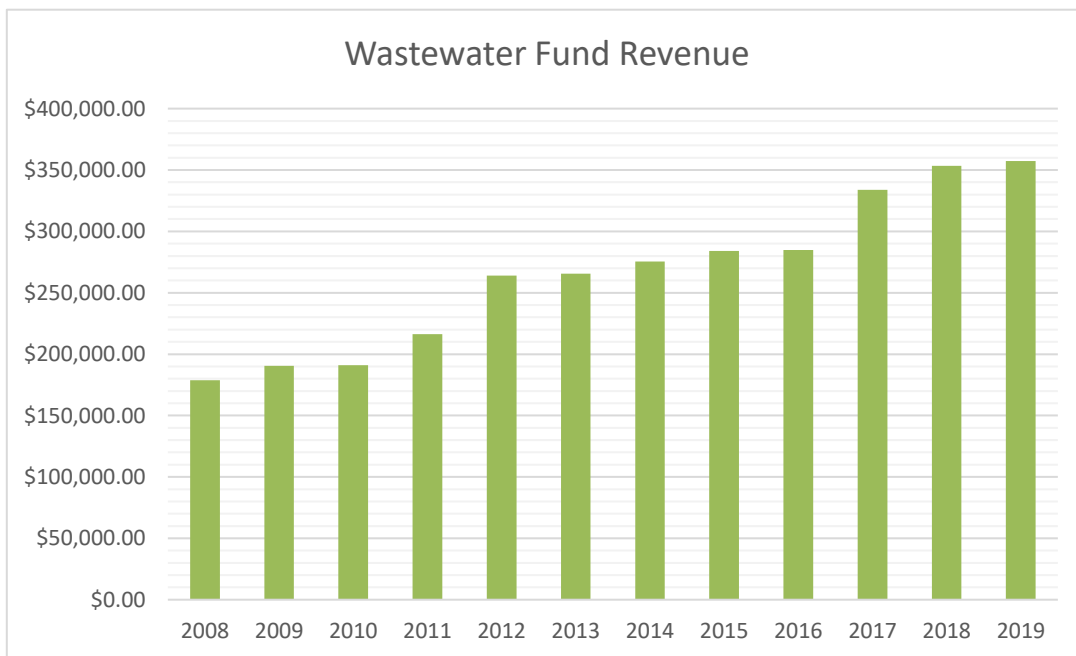
Shown on the graph are total water fund revenues, estimated at \$326,205 for the budget year. As depicted by the graph, water fund revenues have steadily increased as the result of both an increase in the customer base and as the result of regular rate changes.



Water Fund Revenues

## WASTEWATER FUND

Revenues in the Wastewater Fund have, in general, been increasing over the past 10 years, and are estimated at \$357,316 for the budget year.



Wastewater Fund Revenues

Summary of Appropriations by Fund and Object  
For the Year: 2018 – 2019

Fund	Personal Services	Operating & Maintenance	Capital Outlay	Transfers	Total
1000 GENERAL	296,461	82,149	52,333	639	651,451
2230 Ambulance					9,070
2250 PLANNING	4,064	921			5,158
2310 Tax Increment Finance District	500	83			1,083
2311 Targeted Economic Development District				11,250	11,250
2394 BUILDING CODE ENFORCEMENT	25,396	5,884			37,628
2410 Dayton Lighting #1 District 55					3,275
2420 Peterson Addn Lighting #2 District 80					2,896
2430 Geo Smith Lighting #3 District 76					3,620
2440 Creekside Lighting #4 District 77					2,923
2450 Twin Creeks Lighting #5 District					5,300
2810 POLICE TRAINING & PENSION					6,885
2820 GAS APPORTIONMENT TAX			70,588		70,588
2821 BaRSAA (HB 473)			13,412		13,412
2889 Heyer Foundation Grant					1,667
2940 Economic Development	1,260	178			172,238
4000 CAPITAL IMPROVEMENTS			25,900	21,600	47,500

5210 WATER	_____	102,645	31,592	1,023,333		1,315,640
5250 WATER BOND Principal & Interest	_____					91,008
5310 SEWER	_____	102,645	31,592	33,333		357,196
5350 SEWER BOND PRINCIPAL & INTEREST	_____					185,815
5610 AIRPORT	_____	5,592	1,585			30,717
7120 FIREMEN'S DISABILITY	_____					3,708
Total:	_____	538,563	153,984	1,218,899	33,489	3,030,028



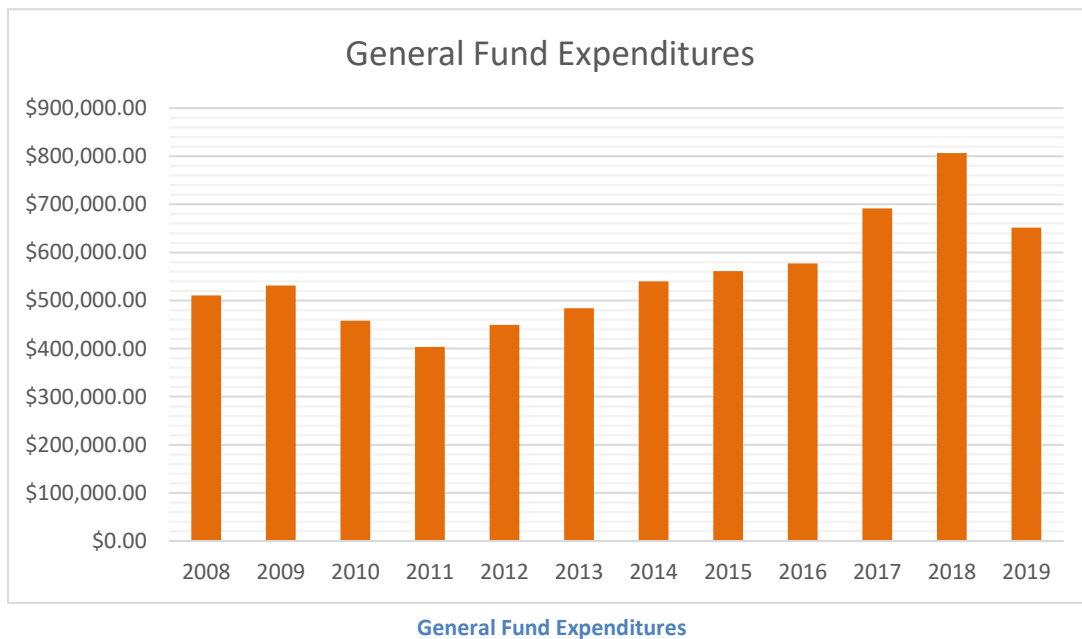
## EXPENDITURE TRENDS & ANALYSIS

---

This section provides a historical trend analysis of the expenditures of the largest funds of the Town. Increases and decreases in fund expenditure levels is a natural occurrence. The most important point is to understand what factors are causing fund expenditure levels to change. General Fund expenditures tend to be more stable, due to the fact that most costs are personnel that are both predictable and steady. In enterprise funds and construction funds, large fluctuations will occur due to the fact that these funds are infrastructure intense and large expenditures are sporadic, depending on the projects involved. The three funds described below encompass \$1.4 Million (76%) of the total expenditures for FY19.

### GENERAL FUND

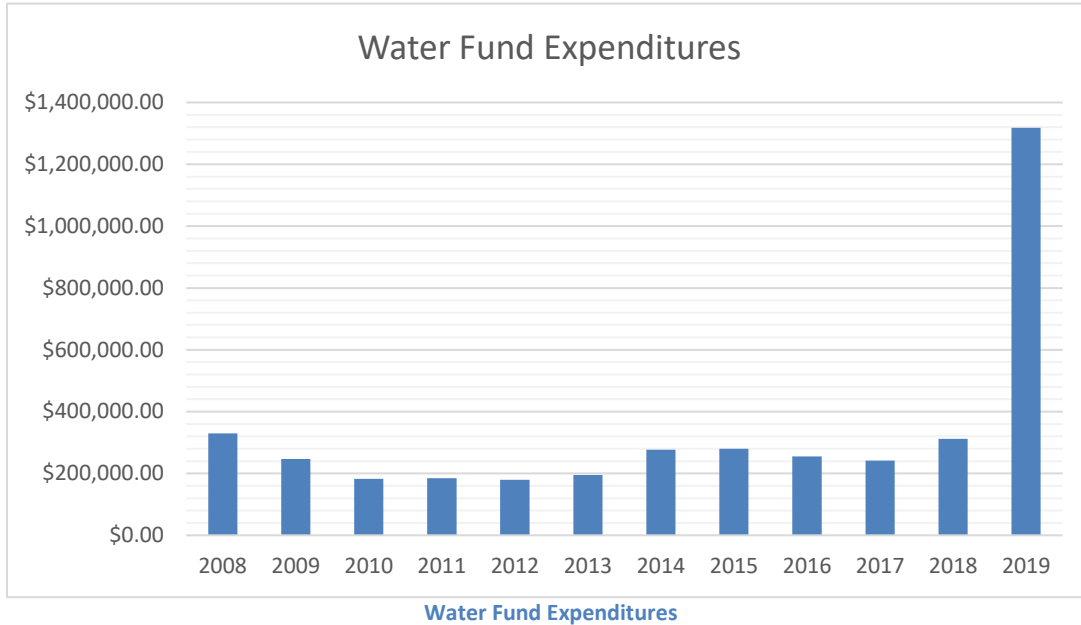
The General Fund is used to account for all financial resources of the City, except for those required to be accounted for in another fund. Major functions supported by General Fund revenues include: City Administration, Police and Fire services, Court, Parks, Recreation, and Library. Expenditures total \$651,541 for this fiscal year.



The increase in expenditure levels of the General Fund can be tied to the growth trend of our community. With this increase in property and population, there is a need for additional General Fund services. Staffing increases to handle citizen demands bring salary and health insurance expenditure increases. Expanding our buildings to accommodate more citizens and employees results in an increase to building maintenance costs.

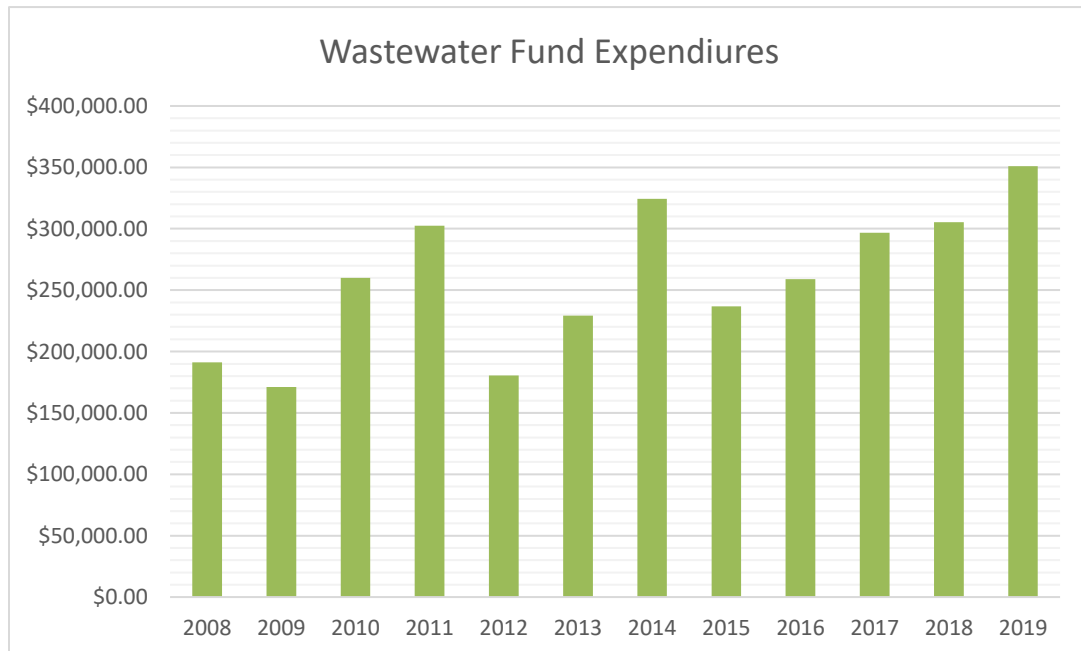
## WATER FUND

The following chart depicts the trend in the Water Fund and shows the result of sporadic large improvement projects undertaken in FY13. This year's increase is largely due to plan to upgrade the Town's water reservoir which is a \$1.0 million expenditure.



## WASTEWATER FUND

The Wastewater Fund has also spent substantial dollars on capital improvements over the past ten years, including significant Wastewater Treatment Facility expansion.



## FUND BALANCES/WORKING CAPITAL TRENDS & ANALYSIS

---

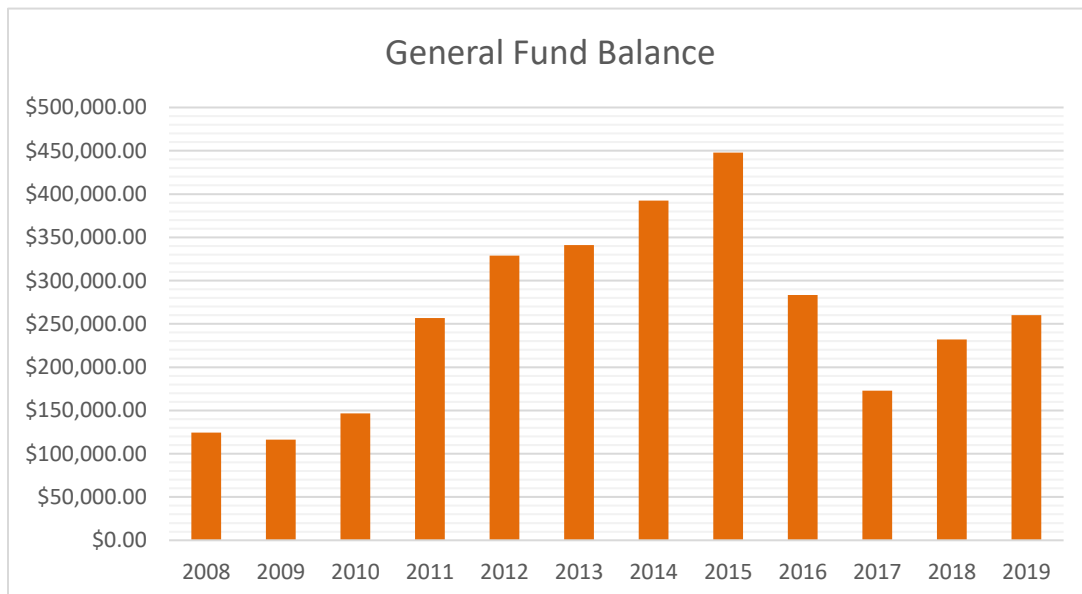
There are two fund types that are used to account for the Town’s operating funds. One is governmental fund types and the other is proprietary fund types. The best measure of a governmental fund types’ financial condition is fund balance (assets minus liabilities). The best measure of a propriety fund types’ financial condition is working capital (current assets minus current liabilities).

Increases and decreases in a funds’ financial position is a natural occurrence. The most important point is to understand what factors are causing a funds’ financial position to change. General Fund balances will generally be more stable, due to the fact that most costs are personnel that are both predictable and steady. In enterprise funds, large fluctuations will occur due to the fact that these funds are infrastructure intense and large expenditures are sporadic.

### GENERAL FUND

The General Fund is used to account for all financial resources of the Town, except for those required to be accounted for in another fund. Major functions supported by General Fund revenues include: Administration, Police and Fire services, Court, Parks, Recreation, and Streets.

The graph below shows that the Town has maintained its General Fund balance between \$100,000 and \$425,000 over the past ten years.



General Fund - Fund Balance

There is considerable overlap between the Town’s “backward looking” AFR (Annual Financial Report) and “forward looking” annual budget. During the budget process, before a fiscal year is completed, we are forced to estimate how much both the current (FY18) and future (FY19) reserve amounts will be.

Fund / Account	Previous FTE	Previous Budget	Previous Actual	Authorized FTE	(100) Personal Services	(200-800) Operating & Maintenance	(900) Capital Outlay	Final Budget
<b>1000 GENERAL FUND</b>								
410200								
410200 Executive Services		5,537	5,095		2,625	2,553	0	5,178
410211 Council		14,601	14,472		10,376	4,545	0	14,921
Subtotal:		20,138	19,567		13,001	7,098	0	20,099
410300								
410360 City/Municipal Court		55,285	50,796		23,479	26,796	0	50,275
Subtotal:		55,285	50,796		23,479	26,796	0	50,275
410500								
410530 Yearly Audit		10,450	10,450		0	4,110	0	4,110
410550 Administration		59,357	55,993		64,576	8,174	0	72,750
Subtotal:		69,807	66,443		64,576	12,284	0	76,860
410600 Elections								
410600 Elections		1,250	1,222		0	0	0	0
Subtotal:		1,250	1,222		0	0	0	0
411100 Legal Services								
411100 Legal Services		17,546	17,254		0	16,200	0	16,200
Subtotal:		17,546	17,254		0	16,200	0	16,200
411200 Facilities Administration								
411201 Town Hall/Annex Building		6,702	6,553		0	7,938	0	7,938
Subtotal:		6,702	6,553		0	7,938	0	7,938
Group:		170,728	161,835		101,056	70,316	0	171,372
420000 Public Safety								
420100 Law Enforcement Services								
420100 Law Enforcement Services		244,733	242,842		148,772	35,632	5,000	189,404
Subtotal:		244,733	242,842		148,772	35,632	5,000	189,404
420400 Fire Protection & Control								
420410 Fire Department - Administration		160,852	160,076		25,937	5,335	0	31,272
420421 Fire Department - Facilities Station 1		522	491		0	600	0	600
420422 Fire Department - Facilities Station 2		1,080	717		0	964	5,000	5,964
420440 Fire Department - Fire Prevention		820	817		0	250	0	250
420460 Fire Department - Suppression		35,725	35,477		0	42,539	0	42,539
Subtotal:		198,999	197,578		25,937	49,688	5,000	80,625
Group:		450,277	446,516		174,709	85,320	10,000	270,029

Fund / Account	Previous FTE	Previous Budget	Previous Actual	Authorized FTE	Personal Services	Operating & Maintenance	Capital Outlay	Final Budget
430000 Public Works								
430100 Public Works Administration								
430100 Public Works Administration		45,756	44,862		59,123	9,455	0	68,578
Subtotal:		45,756	44,862		59,123	9,455	0	68,578
430200 Road & Street Services								
430200 Road & Street Services		13,345	13,387		0	18,699	23,333	42,032
430263 Street Lighting		12,000	11,782		0	13,000	0	13,000
Subtotal:		25,345	25,169		0	31,699	23,333	55,032
430900 Cemetery Services								
430900 Cemetery Services		8,029	6,992		2,723	3,554	7,000	13,277
Subtotal:		8,029	6,992		2,723	3,554	7,000	13,277
Group:		79,130	77,023		61,846	44,708	30,333	136,887
460400 Park & Recreation Services								
460430 Parks		13,193	12,158		0	12,044	7,000	19,044
460450 Spectator Recreation - Pool		46,827	45,586		40,999	7,481	5,000	53,480
Subtotal:		60,020	57,744		40,999	19,525	12,000	72,524
Group:		60,020	57,744		40,999	19,525	12,000	72,524
520000 Other Financing Uses								
521000 Interfund Operating Transfers Out								
521000 Interfund Operating Transfers Out		73,978	73,978		0	639	0	639
Subtotal:		73,978	73,978		0	639	0	639
Group:		73,978	73,978		0	639	0	639
<b>Fund:</b>		<b>834,133</b>	<b>817,096</b>		<b>378,610</b>	<b>220,508</b>	<b>52,333</b>	<b>651,451</b>

**2230 Ambulance**

420000 Public Safety								
420700								
420730 Emergency Medical Services		0	0		0	9,070	0	9,070
Subtotal:		0	0		0	9,070	0	9,070
Group:		0	0		0	9,070	0	9,070
<b>Fund:</b>		<b>0</b>	<b>0</b>		<b>0</b>	<b>9,070</b>	<b>0</b>	<b>9,070</b>

Fund / Account -----	Previous FTE -----	Previous Budget -----	Previous Actual -----	Authorized FTE -----	Personal Services -----	Operating & Maintenance -----	Capital Outlay -----	Final Budget -----
<b>2250 PLANNING</b>								
410200								
410210 Administration		484	566		4,985	173	0	5,158
Subtotal: _____		484	566	_____	4,985	173	0	5,158
Group: _____		484	566	_____	4,985	173	0	5,158
<b>Fund: _____</b>		<b>484</b>	<b>566</b>	_____	<b>4,985</b>	<b>173</b>	<b>0</b>	<b>5,158</b>
<b>2310 Tax Increment Finance District</b>								
410000 General Government								
410200 Executive Services								
410210 Administration		47,041	1,915		583	500	0	1,083
Subtotal: _____		47,041	1,915	_____	583	500	0	1,083
Group: _____		47,041	1,915	_____	583	500	0	1,083
<b>Fund: _____</b>		<b>47,041</b>	<b>1,915</b>	_____	<b>583</b>	<b>500</b>	<b>0</b>	<b>1,083</b>
<b>2311 Targeted Economic Development District</b>								
520000 Other Financing Uses								
521000 Interfund Operating Transfers Out								
521000 Interfund Operating Transfers Out		14,325	14,325		0	11,250	0	11,250
Subtotal: _____		14,325	14,325	_____	0	11,250	0	11,250
Group: _____		14,325	14,325	_____	0	11,250	0	11,250
<b>Fund: _____</b>		<b>15,525</b>	<b>14,325</b>	_____	<b>0</b>	<b>11,250</b>	<b>0</b>	<b>11,250</b>
<b>2394 BUILDING CODE ENFORCEMENT</b>								
420000 Public Safety								
420500								
420531 Building Inspector		47,302	43,261		31,280	6,348	0	37,628
Subtotal: _____		47,302	43,261	_____	31,280	6,348	0	37,628
Group: _____		47,302	43,261	_____	31,280	6,348	0	37,628
<b>Fund: _____</b>		<b>47,302</b>	<b>43,261</b>	_____	<b>31,280</b>	<b>6,348</b>	<b>0</b>	<b>37,628</b>

Fund / Account -----	Previous FTE -----	Previous Budget -----	Previous Actual -----	Authorized FTE -----	Personal Services -----	Operating & Maintenance -----	Capital Outlay -----	Final Budget -----
<b>2410 Dayton Lighting #1 District 55</b>								
430000 Public Works								
430200 Road & Street Services								
430263 Street Lighting		3,200	2,979		0	3,275	0	3,275
Subtotal: _____		3,200	2,979	_____	0	3,275	0	3,275
Group: _____		3,200	2,979	_____	0	3,275	0	3,275
<b>Fund: _____</b>		<b>3,200</b>	<b>2,979</b>	_____	<b>0</b>	<b>3,275</b>	<b>0</b>	<b>3,275</b>
<b>2420 Peterson Addn Lighting #2 District 80</b>								
430000 Public Works								
430200 Road & Street Services								
430263 Street Lighting		2,300	2,166		0	2,896	0	2,896
Subtotal: _____		2,300	2,166	_____	0	2,896	0	2,896
Group: _____		2,300	2,166	_____	0	2,896	0	2,896
<b>Fund: _____</b>		<b>2,300</b>	<b>2,166</b>	_____	<b>0</b>	<b>2,896</b>	<b>0</b>	<b>2,896</b>
<b>2430 Geo Smith Lighting #3 District 76</b>								
430000 Public Works								
430200 Road & Street Services								
430263 Street Lighting		3,500	3,306		0	3,620	0	3,620
Subtotal: _____		3,500	3,306	_____	0	3,620	0	3,620
Group: _____		3,500	3,306	_____	0	3,620	0	3,620
<b>Fund: _____</b>		<b>3,500</b>	<b>3,306</b>	_____	<b>0</b>	<b>3,620</b>	<b>0</b>	<b>3,620</b>
<b>2440 Creekside Lighting #4 District 77</b>								
430000 Public Works								
430200 Road & Street Services								
430263 Street Lighting		1,050	2,502		0	2,923	0	2,923
Subtotal: _____		1,050	2,502	_____	0	2,923	0	2,923
Group: _____		1,050	2,502	_____	0	2,923	0	2,923
<b>Fund: _____</b>		<b>1,050</b>	<b>2,502</b>	_____	<b>0</b>	<b>2,923</b>	<b>0</b>	<b>2,923</b>

Fund / Account -----	Previous FTE -----	Previous Budget -----	Previous Actual -----	Authorized FTE -----	Personal Services -----	Operating & Maintenance -----	Capital Outlay -----	Final Budget -----
<b>2450 Twin Creeks Lighting #5 District</b>								
430000 Public Works								
430200 Road & Street Services								
430263 Street Lighting		5,500	4,841		0	5,300	0	5,300
Subtotal: _____		5,500	4,841	_____	0	5,300	0	5,300
Group: _____		5,500	4,841	_____	0	5,300	0	5,300
<b>Fund: _____</b>		<b>5,500</b>	<b>4,841</b>	<b>_____</b>	<b>0</b>	<b>5,300</b>	<b>0</b>	<b>5,300</b>
 <b>2810 POLICE TRAINING &amp; PENSION</b>								
420000 Public Safety								
420100 Law Enforcement Services								
420100 Law Enforcement Services		3,716	2,747		0	6,885	0	6,885
Subtotal: _____		3,716	2,747	_____	0	6,885	0	6,885
Group: _____		3,716	2,747	_____	0	6,885	0	6,885
<b>Fund: _____</b>		<b>3,716</b>	<b>2,747</b>	<b>_____</b>	<b>0</b>	<b>6,885</b>	<b>0</b>	<b>6,885</b>
 <b>2820 GAS APPORTIONMENT TAX</b>								
430000 Public Works								
430200 Road & Street Services								
430200 Road & Street Services		116,500	23,543		0	0	70,588	70,588
Subtotal: _____		116,500	23,543	_____	0	0	70,588	70,588
Group: _____		116,500	23,543	_____	0	0	70,588	70,588
<b>Fund: _____</b>		<b>116,500</b>	<b>23,543</b>	<b>_____</b>	<b>0</b>	<b>0</b>	<b>70,588</b>	<b>70,588</b>
 <b>2821 BaRSAA (HB 473)</b>								
430000 Public Works								
430200 Road & Street Services								
430200 Road & Street Services		0	0		0	0	13,412	13,412
Subtotal: _____		0	0	_____	0	0	13,412	13,412
Group: _____		0	0	_____	0	0	13,412	13,412
<b>Fund: _____</b>		<b>0</b>	<b>0</b>	<b>_____</b>	<b>0</b>	<b>0</b>	<b>13,412</b>	<b>13,412</b>



Fund / Account -----	Previous FTE -----	Previous Budget -----	Previous Actual -----	Authorized FTE -----	Personal Services -----	Operating & Maintenance -----	Capital Outlay -----	Final Budget -----
<b>2889 Heyer Foundation Grant</b>								
420000 Public Safety								
420400 Fire Protection & Control								
420460 Fire Department - Suppression		1,667	0		0	1,667	0	1,667
Subtotal:		1,667	0		0	1,667	0	1,667
Group:		1,667	0		0	1,667	0	1,667
		<b>1,667</b>	<b>0</b>		<b>0</b>	<b>1,667</b>	<b>0</b>	<b>1,667</b>
<b>2940 Economic Development</b>								
410000 General Government								
410500								
410550 Administration		8,250	5,576		1,438	170,800	0	172,238
Subtotal:		8,250	5,576		1,438	170,800	0	172,238
Group:		8,250	5,576		1,438	170,800	0	172,238
		<b>8,250</b>	<b>5,576</b>		<b>1,438</b>	<b>170,800</b>	<b>0</b>	<b>172,238</b>
<b>4000 CAPITAL IMPROVEMENTS</b>								
410000 General Government								
411200 Facilities Administration								
411201 Town Hall/Annex Building		10,800	0		0	0	15,500	15,500
Subtotal:		10,800	0		0	0	15,500	15,500
Group:		10,800	0		0	0	15,500	15,500
420400 Fire Protection & Control								
420400 Fire Protection & Control		2,640	0		0	0	0	0
420421 Fire Department - Facilities Station		0	0		0	0	5,400	5,400
420460 Fire Department - Suppression		70,390	71,658		0	0	0	0
Subtotal:		73,030	71,658		0	0	5,400	5,400
Group:		93,680	92,308		0	0	5,400	5,400
460000 Culture and Recreation								
460400 Park & Recreation Services								
460430 Parks		0	0		0	0	5,000	5,000
460450 Spectator Recreation - Pool		7,000	0		0	0	0	0
Subtotal:		7,000	0		0	0	5,000	5,000
Group:		7,000	0		0	0	5,000	5,000
520000 Other Financing Uses								
521000 Interfund Operating Transfers Out								
521000 Interfund Operating Transfers Out		0	0		0	21,600	0	21,600
Subtotal:		0	0		0	21,600	0	21,600
Group:		0	0		0	21,600	0	21,600
		<b>111,480</b>	<b>92,308</b>		<b>0</b>	<b>21,600</b>	<b>25,900</b>	<b>47,500</b>

Fund / Account -----	Previous FTE -----	Previous Budget -----	Previous Actual -----	Authorized FTE -----	Personal Services -----	Operating & Maintenance -----	Capital Outlay -----	Final Budget -----
<b>5210 WATER</b>								
430500 Water Utilities								
430510 Administration		203,175	197,597		134,237	38,505	23,333	196,075
430530 Source of Supply & Pumping (Wells)		64,758	64,453		0	65,223	1,000,000	1,065,223
430540 Purification and Treatment (Plant)		20,508	20,290		0	22,695	0	22,695
430550 Transmission & Distribution (Lines)		23,350	22,923		0	31,647	0	31,647
Subtotal:		311,791	305,263		134,237	158,070	1,023,333	1,315,640
Group:		311,791	305,263		134,237	158,070	1,023,333	1,315,640
<b>Fund:</b>		<b>311,791</b>	<b>305,263</b>		<b>134,237</b>	<b>158,070</b>	<b>1,023,333</b>	<b>1,315,640</b>
<b>5250 WATER BOND Principal &amp; Interest</b>								
490000 Debt Service Reserve								
490200 Revenue Bonds								
490200 Revenue Bonds		91,008	91,008		0	91,008	0	91,008
Subtotal:		91,008	91,008		0	91,008	0	91,008
Group:		91,008	91,008		0	91,008	0	91,008
<b>Fund:</b>		<b>91,008</b>	<b>91,008</b>		<b>0</b>	<b>91,008</b>	<b>0</b>	<b>91,008</b>
<b>5310 SEWER</b>								
430600 Sewer Utilities								
430610 Administration		189,099	186,928		134,237	43,860	23,333	201,430
430630 Collection & Transmission - Main		16,100	15,458		0	30,990	0	30,990
430640 Treatment and Disposal - Plants		92,050	83,539		0	114,776	10,000	124,776
Subtotal:		316,814	305,490		134,237	189,626	33,333	357,196
Group:		316,814	305,490		134,237	189,626	33,333	357,196
<b>Fund:</b>		<b>316,814</b>	<b>305,490</b>		<b>134,237</b>	<b>189,626</b>	<b>33,333</b>	<b>357,196</b>
<b>5350 SEWER BOND PRINCIPAL &amp; INTEREST</b>								
490200 Revenue Bonds								
490200 Revenue Bonds		189,528	189,528		0	185,815	0	185,815
Subtotal:		189,528	189,528		0	185,815	0	185,815
Group:		189,528	189,528		0	185,815	0	185,815
<b>Fund:</b>		<b>189,528</b>	<b>189,528</b>		<b>0</b>	<b>185,815</b>	<b>0</b>	<b>185,815</b>

Fund / Account -----	Previous FTE -----	Previous Budget -----	Previous Actual -----	Authorized FTE -----	Personal Services -----	Operating & Maintenance -----	Capital Outlay -----	Final Budget -----
<b>5610 AIRPORT</b>								
430300 Airport								
430300 Airport		21,046	18,114		7,177	11,853	0	19,030
Subtotal:	_____	21,046	18,114	_____	7,177	11,853	0	19,030
Group:	_____	21,046	18,114	_____	7,177	11,853	0	19,030
490000 Debt Service Reserve								
490500 Other Debt Service Payments								
490500 Other Debt Service Payments		16,039	16,038		0	11,687	0	11,687
Subtotal:	_____	16,039	16,038	_____	0	11,687	0	11,687
Group:	_____	16,039	16,038	_____	0	11,687	0	11,687
<b>Fund:</b>	_____	<b>116,456</b>	<b>34,152</b>	_____	<b>7,177</b>	<b>23,540</b>	<b>0</b>	<b>30,717</b>
<b>7120 FIREMEN'S DISABILITY</b>								
510000 Miscellaneous								
510300 Other Unallocated Costs								
510300 Other Unallocated Costs		3,715	3,888		0	3,708	0	3,708
Subtotal:	_____	3,715	3,888	_____	0	3,708	0	3,708
Group:	_____	3,715	3,888	_____	0	3,708	0	3,708
<b>Fund:</b>	_____	<b>3,715</b>	<b>3,888</b>	_____	<b>0</b>	<b>3,708</b>	<b>0</b>	<b>3,708</b>
<b>Grand Total:</b>		<b>2,247,228</b>	<b>1,947,728</b>	_____	<b>692,547</b>	<b>1,118,582</b>	<b>1,218,899</b>	<b>3,030,028</b>

**SCHEDULE OF PERSONNEL LEVELS**  
**OPERATING FUNDS**  
**ELECTIVE AND NON-ELECTIVE EMPLOYEES**

<b>FUND</b>	<b>15-16 FY PERMANENT FULL-TIME EMPLOYEES</b>	<b>16-17 FY PERMANENT FULL-TIME EMPLOYEES</b>	<b>17-18 FY PERMANENT FULL-TIME EMPLOYEES</b>	<b>CURRENT FY PERMANENT FULL-TIME EMPLOYEES</b>
General	9	9	8	8
Airport				
Library				
Ambulance				
Cemetery				
Planning				
Water	2	2	2	2
Sewer	1	1	2	2
Solid Waste				
Gas/Electric				

<b>Total City/Town Employees</b>	12	12	12	12
----------------------------------	----	----	----	----

## **LONG RANGE FINANCIAL PLANS**

### **Town Long Range Financial Plan**

**Capital Plans:** For less than a decade the Town has prepared a 5-Year Capital Improvement Plan (CIP). The plan is prepared in the fall for the ensuing five (5) fiscal years. This fall, we will be preparing the FY20-FY24 Capital Improvement Plan.

Over the years, the plan has grown to encompass capital improvement and replacement plans for all of the Town's funds that require capital spending:

- **General Fund**
- **Building Inspection Fund**
- **Fire Capital & Equipment Fund**
- **Water Fund**
- **Wastewater Fund**
- **Airport Fund**
- **Sidewalk Replacement Fund**

## **APPENDIX**

---

The Appendix includes:

- **Fiscal Policies**
- **Glossary of Terms**

## GLOSSARY OF KEY TERMS

---

<b>ACCRUAL BASIS</b>	A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.
<b>AMERICAN RECOVERY &amp; REINVESTMENT ACT (ARRA)</b>	Federal legislation signed in early 2009. Commonly referred to as the “Stimulus Bill” or “stimulus.”
<b>APPROPRIATION</b>	Legal authorization granted by Town Council to make expenditures and incur obligations.
<b>ARRA</b>	See “American Recovery & Reinvestment Act”
<b>ASSESSED VALUATION</b>	A value that is established for real and personal property for use as a basis for levying property taxes. (For the Town of Stevensville, Property values are established by the Montana Department of Revenue.)
<b>ASSET</b>	Resources owned or held by a government having monetary value.
<b>AVAILABLE (UNDESIGNATED) FUND BALANCE.</b>	Refers to the funds remaining from the prior years which are available for appropriation and expenditure in the current year
<b>BALANCED BUDGET</b>	Refers to a government budget with revenues equal to expenditures.
<b>BOND</b>	A written promise to pay a sum of money on a specific date at a specified interest rate. The most common types of bonds are general obligation, revenue, and special assessment district bonds. These are most frequently used for construction of large capital projects such as buildings, streets, and water and waste water lines.
<b>BOND RATING</b>	An evaluation of a bond issuer’s credit quality and perceived ability to pay the principal and interest on time and in full.
<b>BOND REFINANCING</b>	The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.
<b>BUDGET</b>	Plan of financial operation, embodying an estimate of proposed expenditures for a given period (budget is for a fiscal year July 1—June 30) and the proposed means of financing them. Upon approval by Council, the budget resolution is the legal basis for incurring expenditures.

**BUDGET AMENDMENT** A procedure to revise the appropriation ordinance through action by the Town Council

**BUDGET CALENDAR** The schedule of key dates or milestones which the Town follows in the preparation, adoption, and administration of the budget.

**BUDGET MESSAGE** The opening section of the budget which provides the Town Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and recommendations regarding the financial policy for the upcoming period.

**BUDGETARY BASIS** This refers to the form of accounting utilized throughout the budget process. These generally take one of three forms: GAAP, Cash, and Modified Accrual.

**BUDGETARY CONTROL** The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

**CAPITAL BUDGET** The Capital Budget comprises the capital improvements that are funded in the current budget year.

**CAPITAL EXPENDITURE** The item has a unit cost over \$5,000, benefits future periods, has a normal useful life of 5 years or more, has an identity that does not change with use (i.e., retains its identity throughout its useful life), and is identifiable and can be separately accounted for. Improvements to existing assets must add life and value to be included as a capital item.

#### **CAPITAL IMPROVEMENTS**

Expenditures related to the acquisition, expansion, or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

#### **CAPITAL IMPROVEMENTS PLAN (CIP)**

A plan for capital expenditures needed to maintain, replace, and expand the Town's heavy equipment and public infrastructure (for example streets, parks, buildings, etc.) The CIP projects these capital equipment and infrastructure needs for a set number of years (5 years for Town of Stevensville's Program) and updated annually to reflect the latest priorities, cost estimates and changing financial estimates or strategies. The first year of the adopted CIP becomes the basis of the City's capital budget.

**CAPITAL OUTLAY** Items that cost more than \$5,000 and have a useful life of five years or more.

<b>CAPITAL PROJECT</b>	New facility, technology system, land or equipment acquisition, or improvements to existing facilities beyond routine maintenance. Capital projects are included in the CIP and become fixed assets.
<b>CASH BASIS</b>	A basis of accounting in which transactions are recognized only when cash is increased or decreased.
<b>CDBG</b>	Community Development Block Grant.
<b>CIP</b>	See Capital Improvement Program.
<b>CONTINGENCY</b>	A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.
<b>CONTRACTED SERVICES</b>	Expenditures for services performed by firms, individuals, not other departments.
<b>DEBT LIMIT</b>	The maximum amount of gross or net debt which is legally permitted.
<b>DEBT RATIO</b>	Ratios which provide a method of assessing debt load and the ability to repay debt which plays a part in the determination of credit ratings. They are also used to evaluate the Town's debt position over time and against its own standards and policies.
<b>DEBT SERVICE</b>	Payment of principal and interest related to long term loans or bonds.
<b>DEBT SERVICE FUND</b>	A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
<b>DEBT SERVICE FUND REQUIREMENT</b>	The amounts of revenue which must be provided for a Debt Service Fund so that all principal and interest payments can be made in full on schedule.
<b>DEFICIT</b>	The excess of an entity's liabilities over its assets or the excess of expenditures over revenues during a single accounting period.
<b>DEPARTMENT</b>	A major administrative division of the Town which indicates overall management responsibility for an operation or a group of related operations within a functional area.
<b>DEPRECIATION</b>	Expiration in the service life of fixed assets, attributable to wear and tear, deterioration, action of physical elements, inadequacy, and obsolescence.
<b>DIVISION</b>	A group of homogenous cost centers within a department.



<b>ENTERPRISE FUND</b>	A fund established to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
<b>ESTIMATE</b>	The most recent prediction of current year revenue and expenditures. Estimates are based upon many months of actual expenditure and revenue information and are prepared to consider the impact of unanticipated costs or other economic changes.
<b>ESTIMATED REVENUE</b>	The amount of projected revenue to be collected during the fiscal year.
<b>EXPENDITURES</b>	Decreases in net financial resources.
<b>FISCAL YEAR</b>	The time period signifying the beginning and ending period for recording financial transactions. The Town's fiscal year begins on July 1 and ends on June 30 of each year.
<b>FIXED ASSETS</b>	Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.
<b>FTE</b>	See Full Time Equivalent.
<b>FULL FAITH AND CREDIT</b>	A pledge of a government's taxing power to repay debt obligations.
<b>FULL TIME EQUIVALENT</b>	Also referred to as FTE. The yearly personnel hours worked by a position divided by the total available work hours for a full year (2080).
<b>FUND</b>	An accounting entity with a self-balancing set of accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.
<b>FUND BALANCE</b>	The excess of assets over liabilities. The beginning fund balance is the residual funds brought forward from the previous fiscal year.

***Non-spendable fund balance*** –Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).

***Restricted fund balance*** -- Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation.

**Committed fund balance** -- Amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

**Assigned fund balance** -- Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

**Unassigned fund balance** -- Amounts that are available for any purpose; these amounts are reported only in the General Fund.

**GAAP** See Generally Accepted Accounting Principles.

**GENERAL FUND** The fund used to account for all of the Town's financial resources except those required to be accounted for in another fund.

**GENERAL OBLIGATION BONDS**

(G.O. Bonds) Bonds for the payment of which the full faith and credit of the issuing government are pledged. These bonds usually require voter approval and finance a variety of public projects such as roads, buildings, parks and improvements.

**GOAL** A statement of broad direction, purpose or intent based on the needs of the community.

**G.O. BONDS** See General Obligation Bonds.

**GOVERNMENTAL FUNDS**

Funds generally used to account for tax-supported activities. Governmental funds include: general, special revenue, debt service, capital projects, and permanent funds.

**GRANT** A contribution by one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function (e.g. public safety or drug enforcement,) but is sometimes for general purposes.

**IMPROVEMENT DISTRICT**

Special assessment districts formed by property owners who desire and are willing to pay for mutually enjoyed improvements such as lighting or street maintenance.

**INFRASTRUCTURE** Facilities that support the daily life and growth of the city, for example, streets, public buildings, wastewater treatment, parks.

**INTERGOVERNMENT REVENUE**

Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

**INTERNAL SERVICE FUND**

A fund used to account for the financing of goods or services provided by one department or agency to other departments on a cost-reimbursement basis.

**LEASE-PURCHASE AGREEMENT**

Contractual agreements which are termed "leases", but which in substance amount to purchase contracts for equipment and machinery.

**LEVY**

(Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or service charges imposed by a government.

**LINE-ITEM BUDGET**

A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specific category.

**LONG-TERM DEBT**

Debt with a maturity of more than one year after the date of issuance.

**MANDATE**

Legislation passed by the state or federal government requiring action or provision of services and/or programs by the Town. Examples include the Americans with Disabilities Act, which requires such actions as physical facility improvements and provision of specialized equipment for public recreation and transportation.

**MILL LEVY**

Rate applied to Assessed Valuation to determine property taxes. A mill is 1/10th of a penny or \$1.00 of tax for each \$1,000 of assessed valuation.

**OBJECT**

As used in expenditure classification, this term applies to the article purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples are personnel services, contracted services, and supplies and materials.

**OBJECTIVE**

Desired outcome-oriented accomplishments that can be measured and achieved within a given time frame, and advances the activity or organization toward a corresponding goal.

<b>OPERATING BUDGET</b>	The portion of the budget pertaining to daily operations that provides basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, and services.
<b>ORDINANCE</b>	A formal legislative enactment by the Town Council. If it is not in conflict with any higher form of law, such as state statute or constitutional provision, it has the full force and effect of law within the boundaries of the Town.
<b>OUTSTANDING BONDS</b>	Bonds not yet retired through principal payment.
<b>OVERLAPPING DEBT</b>	The Town's proportionate share of the debt of other local governmental units which either overlap it or underlie it. The debt is generally apportioned based on relative assessed value.
<b>PAYMENT IN LIEU OF TAXES</b>	Also referred to as PILT. Payments made in lieu of taxes from another government or entity.
<b>PERFORMANCE BUDGET</b>	A budget that focuses on departmental goals and objectives rather than line items, programs, or funds. Workload and unit cost data are collected in order to assess effectiveness and efficiency of services.
<b>PERSONNEL SERVICES</b>	Items of expenditures in the operating budget for salaries and wages paid for services performed by Town employees, as well as the fringe benefit costs.
<b>PROPERTY TAX</b>	A levy upon each \$100 of assessed valuation of real and personal property within the Town of Stevensville.
<b>PROPRIETARY FUND</b>	Funds that focus on the determination of operating income, changes in net position (or cost recovery) financial position, and cash flows. Proprietary funds include enterprise and internal service funds.
<b>RESOLUTION</b>	A special or temporary order of a legislative body (Town Council) requiring less legal formality than an ordinance or statute.
<b>RESOURCES</b>	Total amounts available for appropriation including estimated revenues, fund transfers, and beginning fund balances.
<b>REVENUE</b>	Funds that the government receives as income. It includes items such as tax payments, fees for specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.
<b>REVENUE BONDS</b>	Bonds sold for constructing a project that will produce revenue for the government. That revenue is pledged to pay the principal and interest of the bond.

**RISK MANAGEMENT** An organized attempt to protect a government's assets against accidental loss in the most economical method.

**SPECIAL IMPROVEMENT DISTRICT (SID)**

An area defined and designated for improvements, often financed with bond proceeds that specifically benefit the property owners within the area of the district. Debt is repaid through annual assessments to property owners.

**SPECIAL REVENUE FUND**

A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or of major capital projects) that are legally restricted to expenditure for specified purposes.

**STATE SHARED REVENUE**

Revenues levied and collected by the state but shared with local governments as determined by state government. Entitlement funds received by the Town from the state of Montana is the largest State Shared Revenue.

**TAXES**

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not refer to specific charges made against particular property for current or permanent benefits, such as special assessments.

**TIF**

Tax Increment Financing. A method of using incremental increases in property tax values to fund the improvements or efforts of a designated area.

**TRANSFERS IN/OUT**

Amounts transferred from one fund to another to assist in financing the services from the recipient fund.

**UNRESERVED FUND BALANCE**

The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

**USER CHARGES OR FEES**

The payment of a fee for direct receipt of a public service by the party benefiting from the service.

**WORKING CAPITAL**

The different between current assets and current liabilities.

**WORKLOAD INDICATOR**

A unit of work to be done (e.g. number of permit applications received for the number of burglaries to be investigated.)

**WRF**

Water Reclamation Facility; commonly referred to in the past as a Wastewater Treatment Plant.

