

FY 2023 Budget Overview



Citizens of Flathead County,

We have completed the Fiscal Year (FY) 2023 budget for Flathead County. This document is designed to give you an overview of the overall budget. The complete budget document will be available on our website.

The FY 2023 budget is projecting \$118.5 million in revenue and a total of \$115.6 million in expenditures, including a 2.5% cost of living adjustment for 551.74 full-time employees. The county continues to strive to plan for future capital needs by saving within our capital funds, budgeting \$13.4 million in capital expenditures and \$7.6 million in transfers to fund future capital needs.

This report consists of a comparison of the expenditures and revenues and county property taxes over the last five years, as well as a summary of where your tax dollars are going.

As you review this report, we invite you to share your comments, concerns, and questions.

Flathead County

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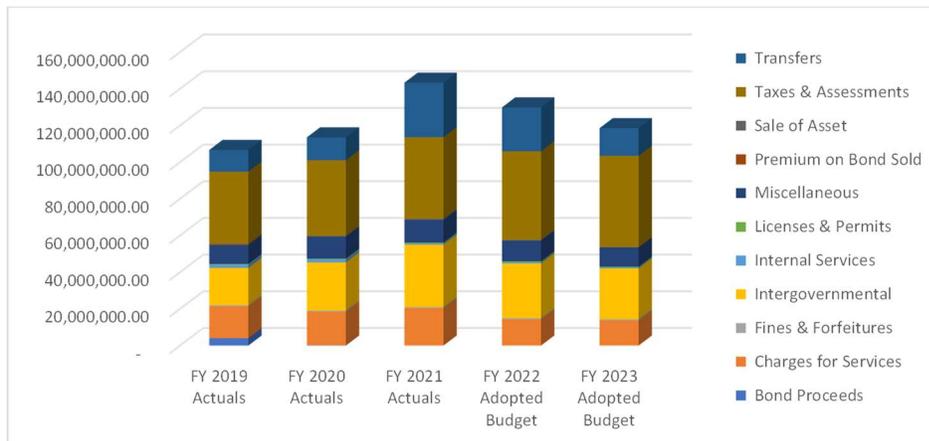
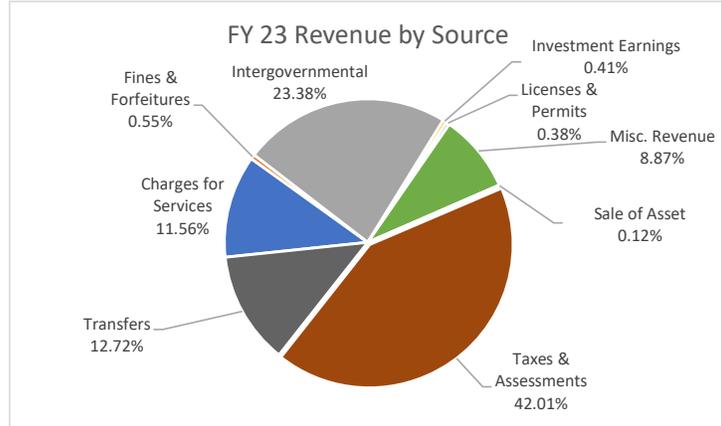
www.flathead.mt.gov/finance/

Revenue

Sources of County Funds

In FY 2023, the major sources of County Revenue include:

- 42.01% Taxes/Assessments
- 23.38% Intergovernmental (which is collected from other divisions of governments, e.g., grants)
- 12.72% Transfers to other funds; 64% of transfers are to capital project funds for future capital needs
- 11.56% Charges for Services



Summary of 5-Year Comparison

FY 2019 revenue was \$106.7 million and FY 2020 revenue was \$113.5 million. In FY 2019 we refinanced our Bond for the 911 Center, so we had bond proceeds of \$4 million. In FY 2020, an increase in intergovernmental revenue brought revenue to \$113.6 million. In FY 2021

there was an increase in transfers for future capital plans. In the budget for FY 2022 there is a decrease in intergovernmental revenue. This is due to COVID revenue decreasing, separation of the Flathead County Health Clinic, and a new funding source for the 911 Center. FY 2023 revenue decreased to \$118.5 million due to a decrease in transfers due to a completion of capital projects. We are also seeing a decrease in intergovernmental revenue due to COVID related expenses discontinuing and therefore a decrease in revenue.

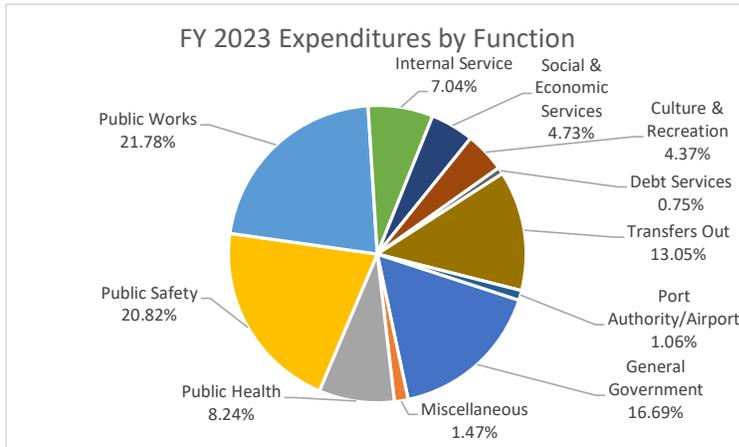
	FY 2022 Budget	FY 2023 Budget	Change
Charges for Services	14,285,035	13,703,701	(581,334)
Fines & Forfeitures	648,910	648,200	(710)
Intergovernmental	29,864,465	27,711,019	(2,153,446)
Investment Earnings	672,494	486,662	(185,832)
Licenses & Permits	477,850	454,050	(23,800)
Misc. Revenue	11,251,986	10,519,533	(732,453)
Sale of Asset	464,944	140,000	(324,944)
Taxes & Assessments	48,266,239	49,804,703	1,538,464
Transfer in	23,939,097	15,078,702	(8,860,395)
	129,871,021	118,546,569	(11,324,452)

Expenditures

Use of County Funds

Expenditures are the funds spent to provide service to citizens.

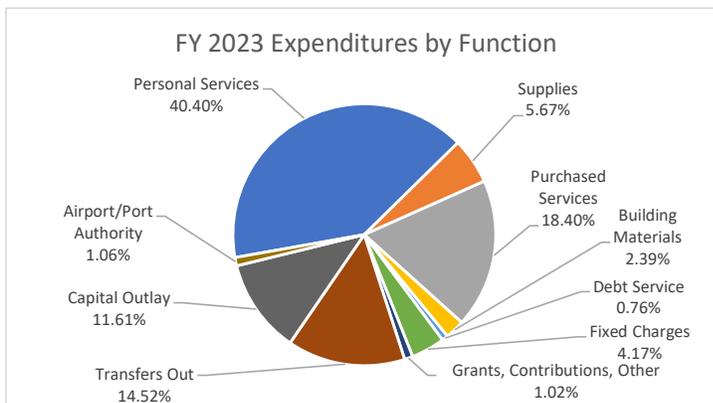
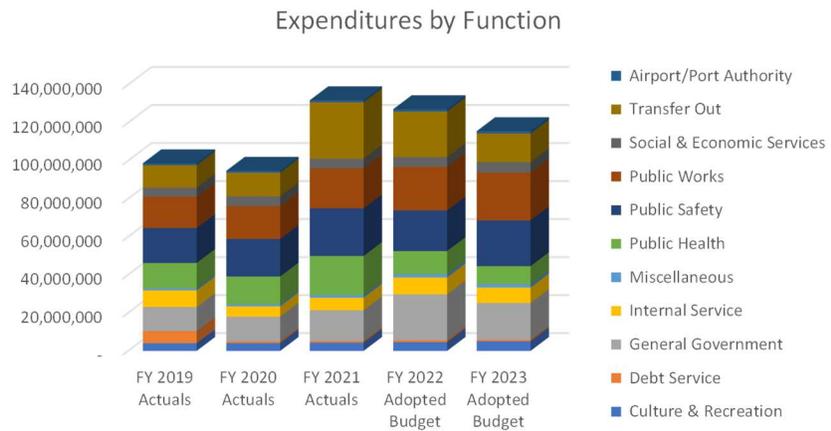
- 21.78% of expenditures are for Public Works operations. Some of the departments are Roads, Bridge, Noxious Weed, and Solid Waste.
- 20.28% of expenditures are for Public Safety services. Some of these departments are Sheriff Office, Detention, Search and Rescue, and Fire Service Area.
- 16.69% of expenditures are for General Government services. Some of these departments are Commissioners, Clerk & Recorder, Finance, Human Resources and County Attorney.



Summary of 5-year Comparison

FY 2019 expenditure were \$98.7 million, and FY 2020 actual expenditures were \$94.8 million. The main decrease was in costs within our internal service fund for Health Insurance. FY 2021 actual expenditures increased to \$131.8 million and this was mainly due to COVID and increase in expenditure costs. Public Health expenses increased \$6 million. We also saw an increase in transfers out

to save for future capital expenditures within the County. FY 2022 final budget decreased to \$127.1 million due to COVID expenditures not continuing. FY 2023 budget is planned to decrease to \$115.5 million. The decrease is due to transfers out decreases 8.8 million due to capital projects being finished.



The biggest portion of the county budget is personal services (salary and benefits) making up 40.4% of the budget. Purchased services and transfer out each make up 18.4% of expenditures. Purchased Services are goods and services acquired through outside vendors. Transfers out are transfers between funds and most commonly transfer to capital expenditure funds to save for future purchases and projects.

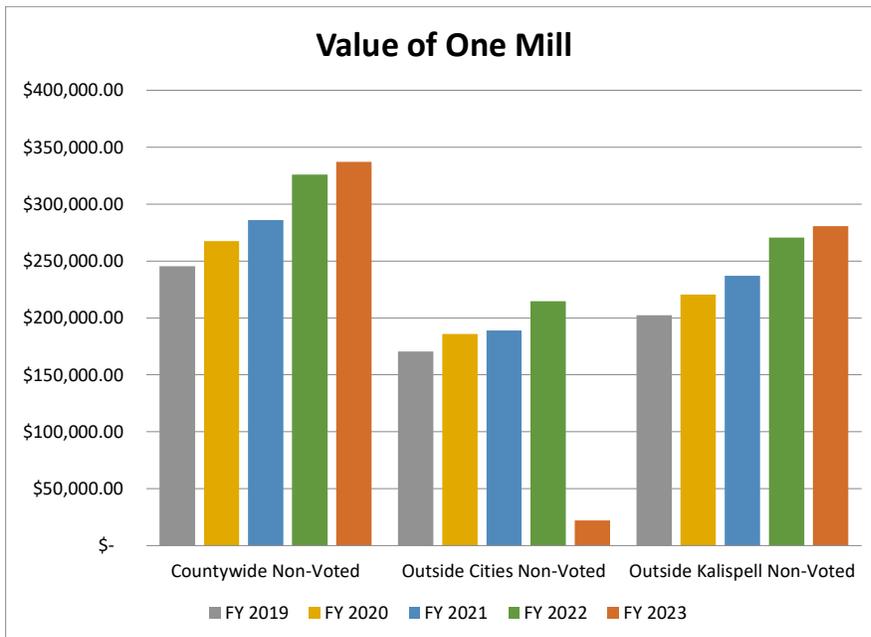
Property Taxes

Mill Value

	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
Countywide Non-Voted	\$ 245,447.61	\$ 267,502.12	\$ 285,935.02	\$ 325,886.36	\$ 337,023.56
Outside Cities Non-Voted	\$ 170,398.55	\$ 186,016.92	\$ 189,049.39	\$ 214,511.56	\$ 222,050.33
Outside Kalispell Non-Voted	\$ 202,579.30	\$ 220,376.30	\$ 236,963.74	\$ 270,673.15	\$ 280,403.70

Number of Mills Levied

	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
Countywide Non-Voted	114.42	108.41	110.15	95.22	96.46
Outside Cities Non-Voted	26.14	24.71	25.07	22.96	23.25
Outside Kalispell Non-Voted	4.90	5.99	5.99	4.99	3.99



The Countywide levy is used for the operations of the “family of funds”. The “family of funds” include: General Fund, Poor Fund, Bridge, Noxious Weed, County Fair, District Court, Compensated Insurance, Park, Library, Area on Aging, 4H/Extension, Sheriff, Retirement, Group Insurance, Juvenile Detention, Airport and Port Authority. The Outside Cities levy is for the Road and Planning funds. Outside Kalispell levy is for the operations of the City-County Health Department. The county has six other tax levies that are used to collect tax dollars. These are: Mosquito, Search &

Rescue, EMS Program, Special EMS, Permissive Medical Levy, Transportation, Sheriff Retirement, and General Obligation Bonds.

Expenditures Per Capita- By Function

Based on the FY 2022 population of 104,354 divided by the total expenditures (less transfers) of \$85.4 million, the county spends \$818.65 per capita. The graph to the right shows approximately how much we spend on each function per citizen.

