The City and County of

Butte-Silver Bow
State of Montana

Comprehensive Annual Financial Report
for the Year Ended June 30, 2015

BUTTE-SILVER BOW

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THE RICHEST HILL ON EARTH

MONTANA

City and County of Butte-Silver Bow,
State of Montana

Comprehensive Annual Financial Report
For Fiscal Year Ended June 30, 2015

Prepared by:
Office of Finance and Budget Administration

BUTTE-SILVER BOW

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Introductory

Section

BUTTE-SILVER BOW

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THE RICHEST HILL ON EARTH

MONTANA

Office of Finance and Budget Administration
City and County of Butte-Silver Bow
155 West Granite Street
Butte, Montana 59701
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December 30, 2015

To the Honorable Chief Executive, Council of Commissioners, and the Citizens of the City and County of Butte-Silver Bow, Montana:

The Comprehensive Annual Financial Report of the City and County of Butte-Silver Bow, Montana, for the fiscal year ended June 30, 2015, is hereby submitted. State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the Butte-Silver Bow Government. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Butte-Silver Bow Government has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Butte-Silver Bow Government's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Butte-Silver Bow Government's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The Butte-Silver Bow Government's financial statements have been audited by Newland and Company, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Butte-Silver Bow Government for the fiscal year ended June 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City and County of Butte-Silver Bow Government's financial statements for the fiscal year ended June 30,

2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Butte-Silver Bow Government was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The single audit section, in conformity with the provisions of Government Auditing Standards and U.S. Office of Management and Budget Circular A-133, Audit of State and Local Governments, includes a schedule of federal financial assistance, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs.

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

CITY AND COUNTY OF BUTTE-SILVER BOW PROFILE

The City-County of Butte-Silver Bow is located in southwestern Montana atop the Continental Divide at an elevation of 5,530 feet above sea level. Butte is the county seat of Silver Bow County, the smallest in area of Montana's 56 counties. Silver-Bow County is ranked eighth in total population and second in population density, with 48 persons per square mile. The city is ranked fifth by population within the city boundaries. Butte-Silver Bow encompasses 718 square miles and has a population of 34,680 as estimated by the U.S. Bureau of the Census.

The city of Butte was incorporated on April 7, 1879. In November, 1976, the voters of Silver Bow County inclusive of the voters of Butte, but excluding the Town of Walkerville, approved a new charter for a consolidated City-County form of government. The charter became effective May 2, 1977. It provides for a Chief Executive Officer and a twelve member Council of Commissioners. The Chief Executive is elected at large for a four-year term and is responsible for carrying out Council policies and administering the offices of the local government. One of the chief duties of the Chief Executive is to recommend the preliminary annual operating budget to the Council of Commissioners for their approval. In addition to the Chief Executive, the executive branch of Butte-Silver Bow is comprised of all other elected officials with the exception of the Council of Commissioners.

Butte-Silver Bow is divided into twelve districts with one commissioner elected from each district for a four-year term. The terms of the commissioners are staggered with at least 6 commission seats elected every two years. The twelve commissioners constitute the Legislative Branch of Butte-Silver Bow. Per the National Association of Counties, www.naco.org, there are currently 34 city-county consolidated governments across the United States. The City and County first consolidated to address the many financial challenges faced by government. The Management, Elected Officials, and employees of the City and County continue toward assuring that cost savings, while offering increased efficiency and accountability, are being achieved by the consolidated form of government.

The government provides a wide range of services including police and fire protection, water utility and metro sewer treatment and maintenance, solid waste disposal, building and code enforcement, zoning enforcement, planning, animal control, construction and maintenance of roads and streets and other infrastructure, recreational activities, cultural and recreational opportunities, health and community enrichment, superfund and remedial activities, and general administrative services. Water, sewer and solid waste services are provided through separate departments of the City-County and therefore are included as integral parts of the City-County's financial statements. The City-County, as a primary government, is supported or works closely with certain entities to provide these services to the citizens of Butte-Silver Bow. Of these entities, the Port Authority is considered a component unit subject to the requirements for inclusion as a discretely presented component unit.

BUDGET DEVELOPMENT PROCESS

The budget of the City and County of Butte-Silver Bow serves several different purposes. For the citizens of the City and County, it presents a picture of the city-county government operations and intentions for the year. For the Council of Commissioners, it serves as a policy tool and structure for goals and objectives. For the management, of Butte-Silver Bow it is used as an operating guide and budget control tool. All departments of Butte-Silver Bow are required to submit preliminary annual operating budgets including performance measures and goals and objectives to the Chief Executive by the end of February of each year. The Chief Executive recommends an Executive Budget to the Council by the first week in July and the Council adopts the preliminary operating budget by the end of July. Many public hearings, presentations, and work sessions are held throughout the budget process in order to gather public participation and input. These meetings allow for the Chief Executive, Finance & Budget Director, and department staff to review the budget recommendations and offer justification for the requests. After the adoption of the preliminary budget, the Council of Commissioners initiates the formal public hearing process on the adoption of the final budget. The hearing may be continued from day to day, but must be concluded and the budget finally approved and adopted by resolution by the later on the first Thursday in August or within 30 calendar days of receiving certified taxable values from the State of Montana Department of Revenue.

The appropriated budget is prepared by fund, function and department. Budgetary control is maintained with the encumbrance of approved estimated purchase amounts prior to release to vendors. All unexpended appropriations lapse at fiscal year-end.

Beginning with fiscal year 2015, the budget process included a performance budget mechanism. Performance budget preparation and adoption emphasize the performance management, allowing decisions about allocations of resources to be made, in part, on the efficiency and the effectiveness of service delivery. Performance budgeting occurs when management uses data derived from performance measurement systems to support decisions encompassing the budgets. In the future, with the use of these tools, the annual budget process timeline will include the adoption of the budget prior to the start of the fiscal year or shortly thereafter. The overall goal of the City and County financial policy is to establish and maintain effective management of its financial resources.

The local government budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriation has been made. For the general fund and major special revenue funds, this comparison is presented on pages 46-49. For governmental funds, other than the general fund and the major special revenue funds, this comparison is presented in the supplementary information section for governmental funds of this report, which starts on page 140.

The mission of the Finance and Budget Office is to ensure that the city and county's financial resources are protected through sound financial management including allocation of resources consistent with community goals and providing timely, accurate, and reliable information that will assist in making informed decisions.

ECONOMIC CONDITIONS AND OUTLOOK

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Butte-Silver Bow Government operates.

Local economy

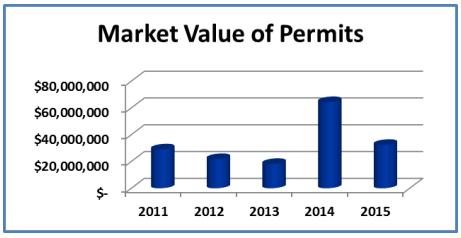
The Butte-Silver Bow economy has historically been based on mining and mineral extraction and the industries spawned by these activities. However, the economy has diversified over the years and, in the past few years, has experienced some significant changes. Butte-Silver Bow serves as the regional trade center for southwestern Montana and is unique from a transportation infrastructure standpoint in that it is the only location in the state that is at the intersection of the interstate highway system (I-90 and I-15) and is the only area in the state that is served by two railroads, the Union Pacific and Burlington Northern & Santa Fe.

NorthWestern Energy, a leading energy company in the area, continues to play a vital role as a major employer with approximately 565 employees in the Butte area. The company operates its Montana headquarters out of Butte. It also operates the Data and Customer Contact Center, its Grid Operations Control Center, the Butte and Southwest Montana Division Office, Relay Station, and other facilities in Butte. On May 22, 2014, NorthWestern Energy broke ground on a $23 million, five-story, 100,000 square foot General Office building in uptown Butte. With the construction of the building, NorthWestern Energy management announced that Butte will continue to serve as the company's Montana headquarters. NorthWestern Energy began moving employees into the facility in early December, 2015.

Montana Resources (MR), one of the Washington Companies, has operated the Butte mine since 1985, continuing the mining tradition. MR operates the successful open pit copper and molybdenum mine and currently employs over 350 people. The operations are comprised of the Continental mine, crushers and a concentrator facility where tons of raw ore are processed into high quality metal concentrates. It has maintained a strong operation despite recent declines in the market for both copper and molybdenum. MR serves an international market for these metals.

Montana Tech of the University of Montana has two campus locations in the city-county. The north campus serves the as the location for the undergraduate and graduate programs. It has earned a reputation as one of the finest science, engineering, and technical colleges in the world. Students focus on education and research in minerals, energy engineering, natural science, the environment, technology, nursing, liberal studies, technical communication, and business-economic development. The south campus is home of the Highlands College of Montana Tech. Highlands College serves the region by offering associate degrees and certificate programs, continuing education, and customized training. The combined enrollment for the north and south campuses was 2,980 for the 2015 fall semester. This is the largest enrollment in the history of the school. Placement rates for Tech graduates have averaged 97 percent for the past five years. Since its founding in 1900, Montana Tech has been a key pillar of the community.

New single family residences, multi-family residences, and commercial construction have been apparent in the community. New hotel development is also under construction. The market value of the building permits significantly increased in calendar year 2014 and remained steady through September, 2015. The large increase in 2014 was due to the valuation of the NorthWestern Energy Corporate office. However, the permits through September, 2015 remain significantly increased over 2011 through 2013. The value grew to $64 million in fiscal year 2014 inclusive of the $23 million permit for the NorthWestern Energy Corporate office. As of



September, 2015, the permits were valued at $32,377,441. This a 40.7 percent increase over the average value for calendar years 2011-2013.

Additional Economic Information

The information and charts presented in this section are from Bureau of Labor Statistics and the Bureau of Business and Economic Research (BBER). BBER is the research and public service branch of the University of Montana's School of Business Administration. The Bureau is regularly involved in a wide variety of activities, including economic analysis and forecasting. Below are the excerpts from the Bureau's forecasts contained in the spring 2015 issue of the Montana Business Quarterly relating to Silver Bow County

The economies of Butte and neighboring city, Anaconda, have long been intertwined. Copper used to be the connecting link; it was mined in Silver Bow County and refined in Deer Lodge County. But now, the connection is workers. Each day about 700 people travel from Deer Lodge County to a job in Silver Bow County. In addition, there is the reverse flow of about 450 workers who live in Silver Bow County but work in Deer Lodge County.
The Silver Bow-Deer Lodge economy also provides jobs to others living in southwestern Montana. Every day, almost 400 commute from Jefferson County, roughly 350 travel from Beaverhead County, around 300 come from Powell County and about 160 from Madison County.

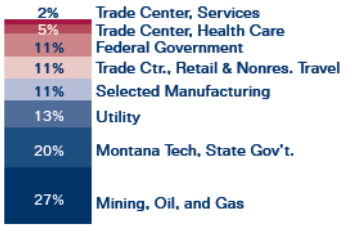
The largest basic industry is mining, accounting for roughly 27 percent of the local economic base. State government is second at 20 percent; it includes Montana Tech in Butte and the state hospital at Warm Springs. The utility industry represents about 13 percent of the economic base and mostly consists of the headquarters of Northwestern Energy with selected manufacturing representing about 11 percent.

The state government and utility industries are traditionally relatively stable and help to buffer volatility in other basic industries. Even though mining employment has remained stable since the mid-2000s, worker earnings plummeted in 2009, but have now regained their pre-recession levels. This may reflect the bonuses paid (or not paid) depending on world metals prices.

Future growth rates in the Silver Bow-Deer Lodge economy depend crucially on the price of copper and other commodities. These scenarios suggest that our forecast of roughly 2.2 to 2.5 percent growth from 2014 to 2017 may be optimistic if the commodity prices continue to move further downward and one or mines in the area are impacted.

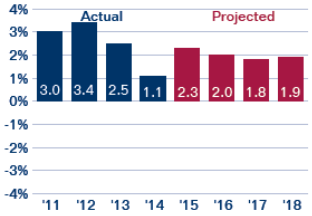
The figures below illustrate the earnings in basic industries for Silver Bow County and the Actual Projected change in nonfarm earnings in the county.

Figure 1
Earnings in Basic Industries, Silver Bow County 2012-2014
Percent of Total



Sources: Bureau of Business and Economic Research, University of Montana; Bureau of Economic Analysis, U.S. Department of Commerce.

Figure 2
Actual and Projected Change in Nonfarm Earnings, Silver Bow County, 2011-2018



Sources: Bureau of Business and Economic Research, University of Montana; Bureau of Economic Analysis, U.S. Department of Commerce.

SIGNIFICANT CHANGES DURING FISCAL YEAR 2015

Water Utility Division Basin Creek Filtration Plant Project

Maintenance and expansion of the community's general infrastructure also remains a significant focal point for the government. Major projects are accomplished on a continual basis to upgrade and improve the community's water system and sanitary and storm sewer systems. On December 5, 2014, Butte-Silver Bow broke ground on the Basin Creek Water Treatment Plant project. The treatment plant is being constructed in response to Butte-Silver Bow's loss of a filtration waiver on one of the major watersheds for the area. Once completed, the new plant will offer state of the art treatment technology utilizing membrane filtration methods. The project, estimated to total $35 million, is being funded by the State of Montana Natural Resource Damage Program grant funds. In January, 2015, contracts were awarded to HDR, Inc. for project engineering and design, and to Swank Enterprises to begin construction of the facilities. Completion is slated to occur in September, 2016.

Metro Sewer Plant upgrade

In fiscal year 2015, Butte-Silver Bow also broke ground on the Metro Sewer Phase 2 MBR Project. This upgrade entails installing membrane bioreactor technology to achieve new discharge standards which ensure the health of Silver Bow Creek. Construction of the new treatment technology will continue through 2015 and is expected to be complete in mid-2016. This $34 million project is being funded by $30 million in revenue bonds issued through the Montana State Revolving Fund (SRF) and a $4.36 million grant from the Montana Department of

Environmental Quality, Montana Pole Settlement Account. All bonds will be for a period of 25 years with a fixed rate of 2.50 percent. In October, 2014 and May, 2015 the City and County issued $10 million in bonds for the project. The final bond issue will be issued in February, 2016. The amount of the final issue is projected to be $10,268,000.

American Legion Baseball Field

In March of 2015, the City and County of Butte-Silver Bow received $1,000,000 from the Dennis and Phyllis Washington Foundation and Montana Resources (MR), $50,000 from the Butte American Legion, and $25,000 from NorthWestern Energy to begin construction on the $1.5 million Legion Baseball facility to be located at the Copper Mountain Park. Construction began in May, 2015. This facility will be one of the states' most prestigious Legion Baseball fields.

Superfund Activities

During FY 2015, the Superfund Advisory Redevelopment Trust Authority (SARTA) was established to make recommendations and oversee the $14 million in funds received from BP-Atlantic Richfield Company as part of Addendum No. 3 to the Allocation and Settlement Agreement and Mutual Release of Claims. This citizens' advisory group is made up of 11 at-large voting members and 4 Ex-Officio members. The objective of the Authority is to evaluate and direct plans, programs and projects which promote redevelopment of properties affected by past mining, recommend infrastructure improvements to promote redevelopment on the impacted properties, and promote economic development and activities that provide incentives for growth within the Butte Priority Soils Operable Unit.

Continued work on Transparency and Engaging Citizen Participation in Budget Process

The local government's goal to increase transparency and accountability continued to be a goal for fiscal year 2015. The Chief Executive, Finance & Budget Director, Commissioners, and Department Heads held several public forums to gather citizen input on the budget and to explain the current budget projections. The forums also included the priorities of the Chief Executive and the Council of Commissioners. Justification was given for the budget requests and public comment was encouraged. The local government also conducted an on-line survey to gain feedback on the budget priorities and satisfaction with current services being provided. The goal of the City and County is to continue to welcome community involvement. During the fiscal year 2016 budget process, $75,000 was allocated to enable living streaming of Council meetings or ability to view at a later date.

LONG-TERM FINANCIAL PLANNING AND FUTURE PROJECTS

The construction and maintenance of the community's infrastructure and the provision of essential governmental services necessary to provide a favorable business environment are both short-term and long-term goals of the local government. Butte-Silver Bow also aggressively pursues economic development opportunities using a wide variety of tools and incentives making our community an attractive place in which to conduct business.

In the past several years, the government has established several tax increment districts, both commercial and industrial, to provide a financing vehicle to construct public infrastructure, beneficial for commercial and industrial projects. Butte-Silver Bow is continually in negotiations with prospective companies regarding potential operational sites in the community.

Road and Street Improvements

Streets and roads have been identified as the most needed infrastructure within Butte-Silver Bow by the citizens, Council of Commissioners, and Chief Executive. The fiscal year 2016 budget contains an additional $627,000 for road paving and chip sealing, $130,000 for bike lanes and restriping of streets, and $200,000 in a Federal Lands Access Program (FLAP) grant to study and design road improvements on the Moulton Reservoir Road
The Public Works Director, Operations Manager, and Budget & Finance Director will continue to explore funding options to increase the maintenance and capital projects for road improvement. The options include expansion and creation of Road Maintenance Districts, requesting an additional .2 percent be added to the local motor vehicle option tax, or requesting the voters to approve a local motor vehicle fuel tax.

Ramsay TIFID Marketing and Development

The Butte-Silver Bow Ramsay TIFID Board and staff are reviewing the feasibility of developing "condo" type facilities to lease to potential developers for manufacturing and storage. The district will also begin to actively promote a loan program to entice business opportunities within the district.

***Building Restoration and Preservation*:**

The City and County will continue efforts in the restoration and preservation of local government facilities. These projects include upgrades to the fire suppression and logical control unit upgrades in the cells in the Detention Center; paint and restoration at the Civic Center, reconstruction of the retaining wall and courtyard improvements at the Courthouse.

Urban Renewal District #2 Parking Structure

In uptown Butte, the URA (Urban Revitalization Agency) and RRA (Renovation Rehabilitation Agency) have partnered with several businesses to enhance and renovate historic buildings through a combination of grants and

loans. fiscal year 2016, will be the first year that the URA District #2 will have increment to use within the district. It is anticipated that in February, 2016, URA District #2 will issue bonds to begin construction on a six million dollar public parking structure for the uptown area.

Information Technology (IT) Upgrades

In July, 2015, Butte-Silver Bow formed a citizens' based Information Technology Advisory Committee to analyze the IT structure and functionality. The Committee has made recommendations for gaps in staffing, structure, practices, and equipment. The IT Project will be rolled-out across the local government in phases.

The goals for fiscal 2016 include Phase I lateral builds to connect to the county-wide fiber ring for those sites deemed to have high priority users and reconstruction of the internal cabling in these sites. The estimated cost of the lateral builds and internal core upgrades is $773,807 and will be financed by Interfund loan or by the State of Montana Board of Investments Intercap loan. Phase I also consists of SIP Trunking, server upgrades, and continued analysis of use of virtual desktop infrastructure where feasible.

The fiscal year 2016 budget also contains Phase I funding to replace the obsolete voting and recording equipment in the Council Chambers, with addition of equipment to enable live video streaming of the public meetings. Phase I recommendations for staffing include the addition of two new positions. One position is recommended for oversight of the network to limit the use of contracted services, and the second position will be a working management position to assist with the implementation of the new infrastructure, address phone and data security, and to lead the roll out of the IT Technology vision for the future.

Projects under design and review

In fiscal year 2015, funds were appropriated to study and review the feasibility of major projects. These projects will be potentially funded through various mechanisms including the issuance of debt, public-private partnership, redevelopment trust funds, and state or federal grants. The projects include an outdoor aquatic facility, major park, infrastructure improvements at the Courthouse, construction of a Public Works administration building, and lighting energy efficiency projects.

FINANCIAL POLICIES

The overall mission of the City-County is to be dedicated to serving the needs and well-being of our citizens by providing quality public services based on sound municipal leadership and progressive planning. The overall goal of the City-County financial policy is to establish and maintain effective management of its financial resources. The City-County manages and accounts for its financial activity in accordance with Generally Accepted Accounting Principles (GAAP), as set forth by the Governmental Accounting Standards Board (GASB).

The City and County of Butte-Silver Bow has adopted financial and budgetary policies that accomplish the following:

- Demonstrate to the citizens of Butte-Silver Bow, the investment community, and the credit rating industry that Butte-Silver Bow is committed to strong financial management and fiscal integrity;
- Set forth guidelines against which current budgetary performance can be measured;
- Provide precedents for future policy makers and financial managers for financial goals and strategies;
- Improve Butte-Silver Bow's fiscal stability by helping officials plan fiscal strategy with a consistent approach;
- Encourage fair presentation and full disclosure of the City and County's financial position and results of operations in conformity with GAAP.

Long-term debt is limited to capital improvements that cannot be financed through the use of current resources. The repayment of debt must be made within a period that does not exceed the expected useful life of the project. If it is known that certain assets will retire during the life of the project, a capital reserve fund must be established to ensure the entire asset is functional. Butte-Silver Bow does not use long-term debt for financing current operations. The Finance and Budget Director, Chief Executive, and Council of Commissioners is obligated to insure compliance with SEC Rule 15c2-12 relating to the continuing disclosure requirements for all bond issues. As outlined in the procedures adopted by the Council of Commissioners, relevant City-County employees and elected officials will have annual training on Rule 15c2-12 and specific training when appropriate. Not less than every two years, the Finance and Budget Director shall provide the Council of Commissioners, with a review and update of any rule changes and necessary amendments to Butte-Silver Bow's procedures.

Internal accounting controls are designed to provide reasonable (not absolute) assurance of the safeguarding of assets against loss, theft, or misuse. The controls are used to support the reliability of financial records. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits derived. The cost and benefit analysis requires judgment on the part of various levels of management. We are in the process of reviewing internal controls throughout the local government. We believe it is good management to review and update the internal control documentation to assure that processes are up-to-date and complete. We believe the internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City and County of Butte-Silver Bow for its

comprehensive annual financial report for the year ended June 30, 2014. This was the 25th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the comprehensive annual financial report, on a timely basis, was made possible by the dedicated service of the entire staff of the Office of Finance and Budget Administration. They have my sincere appreciation for their contributions made in the preparation of this report. Also, the Chief Executive and the Council of Commissioners have my appreciation for their leadership, commitment and support without which the development of this report would not have been possible.

Respectfully submitted,

Danette L. Gleason

Danette L. Gleason
Finance and Budget Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City and County of Butte-Silver Bow

Montana

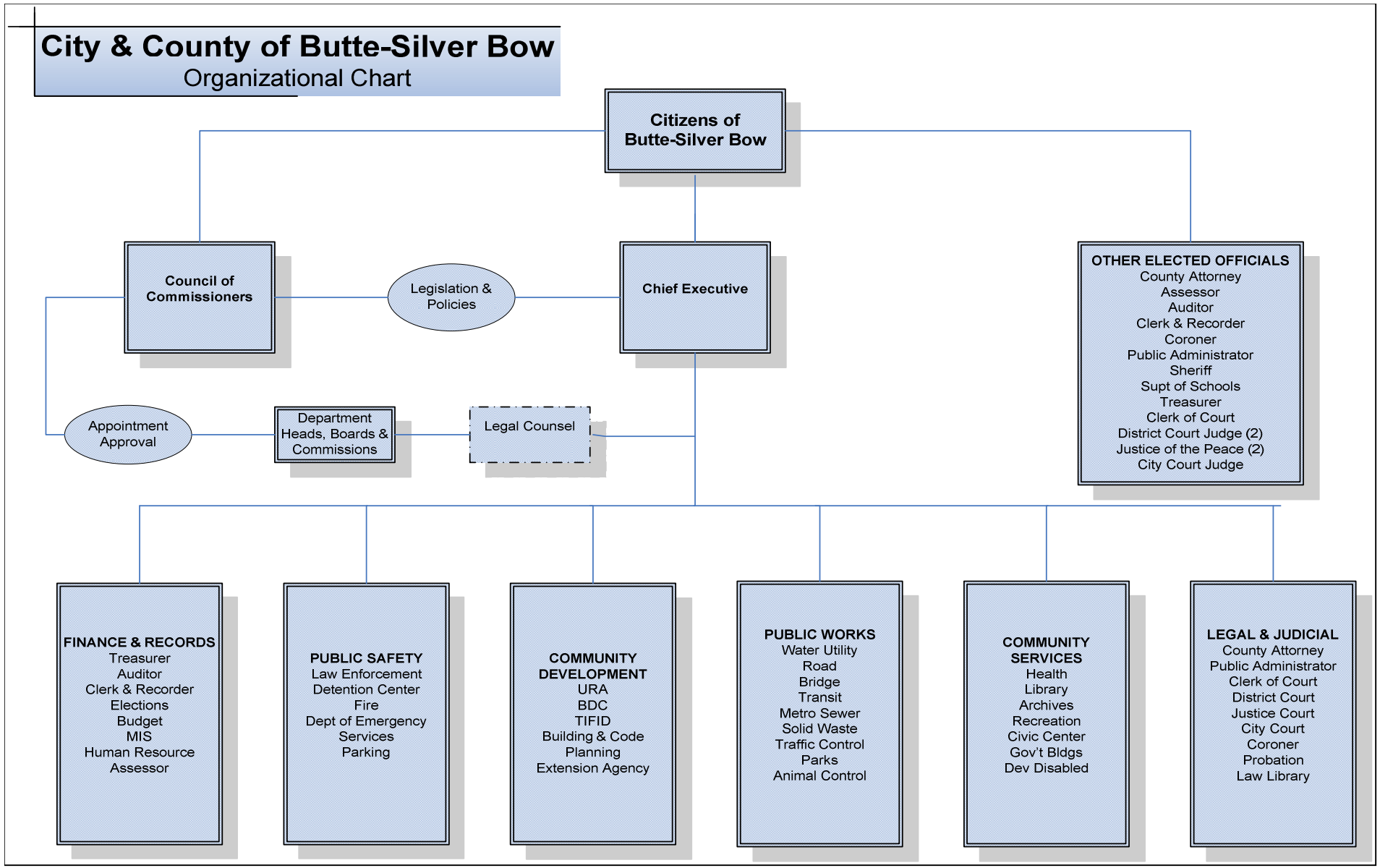
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Jeffrey R. Emer

Executive Director/CEO

City & County of Butte-Silver Bow
Organizational Chart



City and County of Butte-Silver Bow
City and County Officials
June 30, 2015

Title	Name
Chief Executive	Matt Vincent
Council of Commissioners	
Council Chair-District No.11	Cindi Shaw (Chair)
Council Member-District No. 1	Cindy Perdue-Dolan
Council Member-District No. 2	Sheryl Ralph
Council Member-District No.3	John P. Morgan
Council Member-District No.4	John Sorich
Council Member-District No.5	Dennis Henderson
Council Member-District No.6	Jim Fisher
Council Member-District No.7	Bud Walker
Council Member-District No.8	Brendan McDonough
Council Member-District No.9	Dan Foley
Council Member-District No.10	Bill Andersen
Council Member-District No.12	Dave Palmer
Department Staff	
Finance & Budget Director	Danette Gleason
Human Resource Director	Ronald Stormer
Planning Director/Superfund Coord.	Jon Sesso
Civic Center Manager	Bill Melvin
Fire Coordinator	Jeffery Miller
Public Works Director	Dave Schultz
Health Director	Karen Sullivan
URA/Community Develop. Director	Karen Byrnes
Manager of Information Technology	Linda Sajor-Joyce
Elected Officials	
County Attorney	Eileen Joyce
Treasurer	Patrick Callaghan
Sheriff	Ed Lester
Clerk & Recorder	Sally Hollis
Clerk of Courts	Lori Maloney
Auditor	Danette Harrington
Superintendent of Schools	Cathy F Maloney
Coroner	Lee LaBreche
Public Administrator	Jeanne Joki Tanner
Assessor	Dan Fisher

BUTTE-SILVER BOW

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THE RICHEST HILL ON EARTH

MONTANA

Financial

Section

BUTTE-SILVER BOW

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THE RICHEST HILL ON EARTH

MONTANA

Newland and Company
A Professional Corporation

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Post Office Box 3006
Butte, Montana 59702
(406) 494-4754
FAX: (406) 494-4958
Website: newlandandcompany.com

212 Missouri Avenue
Post Office Box 850
Deer Lodge, Montana 59722
(406) 846-3733
FAX: (406) 846-3735

INDEPENDENT AUDITOR'S REPORT

Council of Commissioners
Butte-Silver Bow
Butte, Montana 59701

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Butte-Silver Bow, Montana, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City-County's basic financial statements as listed in the table of contents.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation, and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion

on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Butte-Silver Bow, Montana, as of June 30, 2015, and the respective changes in financial position, and where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Arco Redevelopment Fund and the Ramsay TIFID for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1E-17 to the financial statements, Butte-Silver Bow adopted the provisions of *Governmental Accounting Standards Board Statement No. 68 – Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and *Governmental Accounting Standards Board Statement No. 71 – Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68* for the fiscal year ended June 30, 2015. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and on pages 21 through 36 and the Schedule of Proportionate Share of Net Pension Liability and Schedule of Contributions on page 118 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the

information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Butte-Silver Bow, Montana's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, schedules of budgetary comparison, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2015 on our consideration of Butte-Silver Bow, Montana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and

other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Butte-Silver Bow, Montana's internal control over financial reporting and compliance.

Sincerely,

Newland & Company

NEWLAND AND COMPANY
A Professional Corporation

Butte, Montana
December 29, 2015

BUTTE-SILVER BOW

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THE RICHEST HILL ON EARTH

MONTANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City and County of Butte-Silver Bow, Montana's (the City and County) comprehensive annual financial report, the City and County's management is pleased to provide this narrative discussion and analysis of the financial activities of the City and County for the fiscal year ended June 30, 2015. We discuss and analyze the City and County's financial performance within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The City and County's assets exceeded its liabilities by $213,992,904 (net position) for the fiscal year reported.

- Total net position are comprised of the following:

  (1) Net investment in capital assets is $156,327,188, which includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of these capital assets.
  (2) Net position of $65,455,850 is restricted by constraints imposed from outside the City and County such as debt covenants, grantors, laws, or regulations.
  (3) Due to the implementation of GASB 68, the unrestricted net position decreased from $18,777,227 to ($7,790,134).

- The City and County's governmental funds reported total ending fund balance of $71,724,010 this year. This compares to the prior year ending fund balance of $67,954,904 showing an increase of $3,769,106 during the current fiscal year. Total net unassigned fund balance of $4,985,229 at June 30, 2015 shows a $1,063,572 increase from the prior year.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $5,886,489, or 20.9% of total general fund expenditures in fiscal year 2015. The percentage at June 30, 2014 was 20.3%,

- Overall, the City and County continues to maintain a strong financial position, in spite of a somewhat depressed, although recovering, economy.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the City and County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The City and County also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The City and County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City and County's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position.* This is the government-wide statement of position presenting information that includes all of the City and County's assets and liabilities, with the difference reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City and County as a whole is improving or deteriorating. Evaluation of the overall health of the City and County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of City and County infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the City and County's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when we receive or pay out cash. An important purpose of the design of the statement of activities is to show the financial reliance of the City and County's distinct activities or functions on revenues provided by the City and County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City and County that are principally supported by property taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, public health, social and economic services, housing and community development and culture and recreation. Business-type activities primarily include the water, sewer and solid waste.

The internal service funds are reported with governmental activities at the government-wide financial reporting level.

The government-wide financial statements include one discretely presented component unit, the Port of Montana Port Authority. This Authority issued separate financial statements and a copy is available from the City and County.

The government-wide financial statements are presented on pages 39 & 40 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City and County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City and County's most significant funds, rather than the City and County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The City and County has three kinds of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City and County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The budgetary comparison statements are included as "basic financial information" for the general fund and one major special revenue fund, the Ramsey TIFID Fund.

The basic governmental fund financial statements are presented on pages 42-45 of this report.

Individual fund information for nonmajor governmental funds is found in combining statements in a later section of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the City and County charges customers a fee. The City and County proprietary funds are classified as enterprise funds and internal service funds. These enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the City and County for a variety of services, primarily utility services. The basic enterprise fund financial statements are presented on pages 51-55 of this report.

Fiduciary funds are classified as Agency Funds and Investment Trust Funds. These funds are reported on pages 58-59 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 64 of this report.

Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the City and County's budget presentations. Budgetary comparison schedules for the nonmajor special revenues funds and the other governmental funds can be found in the supplementary section of this report. These schedules demonstrate compliance with the City and County's adopted and final revised budget.

In addition, combining statements and schedules for nonmajor funds, including budgetary schedules, are presented in this section of this report beginning on page 126.

Financial Analysis of the City and County as a Whole

The City and County's net position at fiscal year-end is $213,992,904. The following table provides a summary of the City and County's net position comparing June 30, 2015 with June 30, 2014.

Summary of Net Position
(dollars in thousands)

	Governmental Activities		Business-Type Activities		Total		% of Total	
	2015	2014	2015	2014	2015	2014	2015	2014
Assets:								
Current assets	$ 77,248	$ 74,738	$ 16,226	$ 12,827	$ 93,474	$ 87,565	31%	32%
Non-current assets	99,361	96,390	101,747	87,375	201,108	183,765	68%	68%
Deferred outflows	1,905	-	344	-	2,249	-	1%	0%
Total assets	178,514	171,128	118,317	100,202	296,831	271,330	100%	100%
Liabilities:								
Current liabilities	7,794	8,151	4,621	3,019	12,415	11,170	15%	25%
Long-term liabilities	45,510	29,617	18,966	3,096	64,476	32,713	78%	75%
Deferred inflows	5,031	-	1,070	-	6,101	-	7%	0%
Total liabilities	58,335	37,768	24,657	6,115	82,992	43,883	100%	100%
Net position:								
Net investment in capital assets	71,867	66,024	84,460	81,199	156,327	147,223	73%	65%
Restricted	64,243	59,552	1,213	1,895	65,456	61,447	31%	27%
Unrestricted	(15,778)	7,784	7,987	10,993	(7,791)	18,777	-4%	8%
Total net position	$ 120,332	$ 133,360	$ 93,660	$ 94,087	$ 213,992	$ 227,447	100%	100%

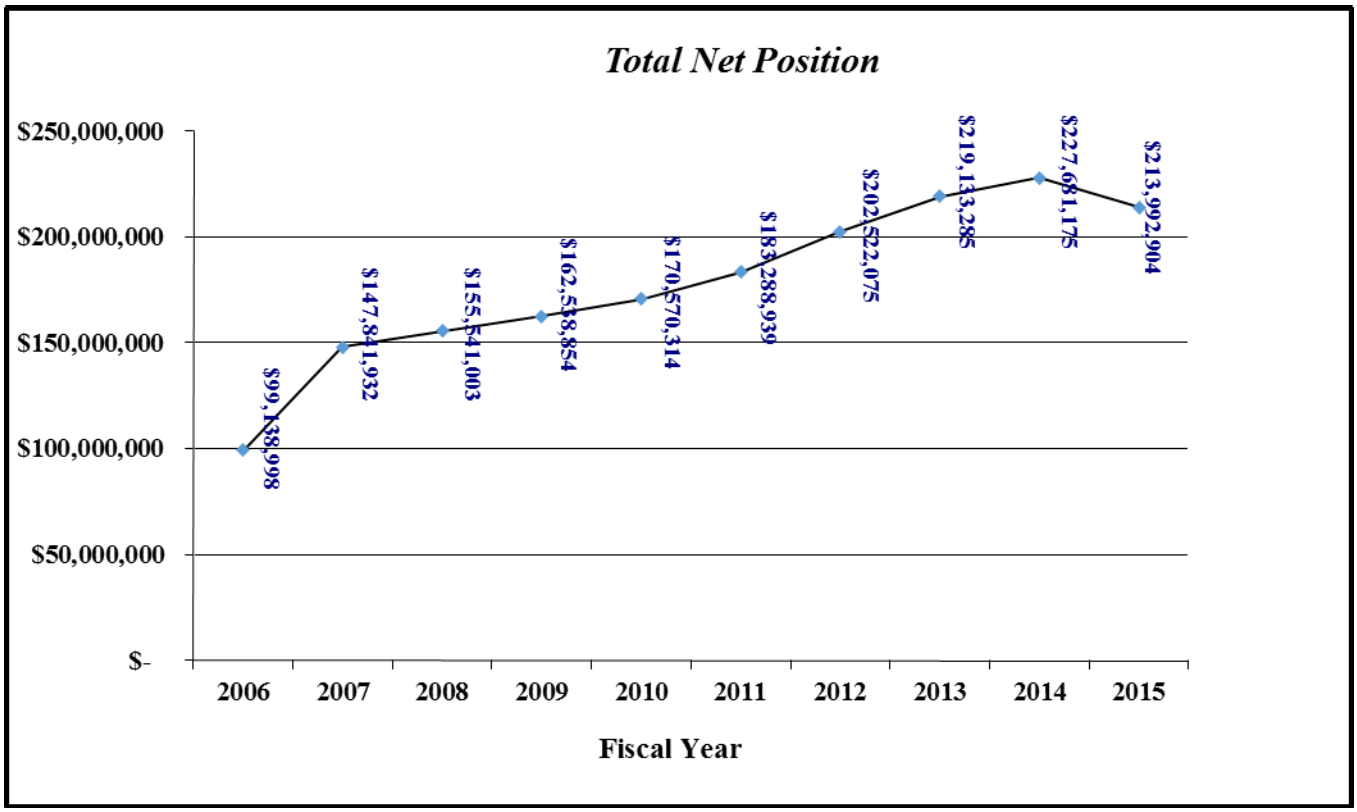
The City and County continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 9.9 to 1 (as compared to 9.2 to 1 at June 30, 2014) and 3.5 to 1 (as compared to 4.2 to 1 at June 30, 2014) for business type activities. For the City and County overall, the current ratio is 7.5 to 1 (as compared to 8.0 to 1 at June 30, 2014). These ratios are strong. The classification of assets and liabilities between current and non-current as a percentage, is very similar in both years presented.

The City and County reported positive balances in total net position for both governmental and business-type activities. Net position for governmental activities increased $8,271,010 (before prior period adjustment of $21,298,092) in this fiscal year as compared to a $6,721,756 increase in fiscal year 2014. In business-type activities, net position increased $4,575,255 (before prior period adjustment of $5,001,770) in fiscal year 2015 as compared to an increase of $1,591,460 for business-type activities in fiscal year 2014. The City and County's overall financial position improved during fiscal year 2015 by $12,846,265, before the prior period adjustment of $26,299,862.

Note that approximately 56.3% of the governmental activities' total assets are tied up in capital as compared to 49.4% at June 30, 2014. The City and County uses these capital assets to provide services to its citizens. However, with business type activities, the City and County has spent approximately 83.7% of its total assets on capital. Capital assets in the business-type activities provide utility services, and they generate revenues for these funds.

The following chart reports the total net position balances from fiscal year 2006 - 2015.

Note that over the last ten years, total net position continues to increase, which is a positive financial indicator. The large increase in fiscal 2007 relates to the addition of infrastructure retroactively.



The following table presents the details of the changes in net position for fiscal years 2015 and 2014.

Summary of Changes in Net Assets
(in Thousands)

	Governmental Activities		Business-type Activities		Total	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**
Revenues:						
Program:						
Charges for services & fines	$ 9,938	$ 7,725	$ 17,538	$ 17,051	$ 27,476	$ 24,776
Operating grants	14,117	15,772	121	504	14,238	16,276
Capital grants	7,447	3,744	6,214	1,924	13,661	5,668
General:						
Taxes	30,565	33,223	-	-	30,565	33,223
Investment earnings	255	200	26	28	281	228
Other	597	717	118	158	715	875
Total revenues	62,919	61,381	24,017	19,665	86,936	81,046
Program expenses:						
General government	14,930	15,461	-	-	14,930	15,461
Public safety	17,500	16,684	-	-	17,500	16,684
Public works	8,069	8,983	-	-	8,069	8,983
Public health	4,353	2,867	-	-	4,353	2,867
Social and economic services	288	273	-	-	288	273
Culture and recreation	4,379	4,056	-	-	4,379	4,056
Housing and community development	4,548	5,468	-	-	4,548	5,468
Interest	1,023	1,114	-	-	1,023	1,114
Water Utility Division	-	-	10,899	9,709	10,899	9,709
Metro Sewer Operations	-	-	4,565	4,446	4,565	4,446
Solid Waste	-	-	2,774	2,661	2,774	2,661
Other enterprise activities	-	-	762	1,012	762	1,012
Total expenses	55,090	54,906	19,000	17,828	74,090	72,734
Excess	7,829	6,475	5,017	1,837	12,846	8,312
Transfers	442	246	(442)	(246)	-	-
Change in net position	8,271	6,721	4,575	1,591	12,846	8,312
Beginning net position,	133,360	126,639	94,087	92,496	227,447	219,135
Prior perod adjustment	(21,299)	-	(5,002)	-	(26,301)	-
Ending net position, restated	$ 120,332	$ 133,360	$ 93,660	$ 94,087	$ 213,992	$ 227,447

GOVERNMENTAL REVENUES

The City and County is heavily reliant on property taxes to support governmental operations. Property taxes equal 46.9% of the revenues for governmental activities, as compared to 52.2% in fiscal year 2014.

Operating grant revenue for general government includes the following major sources:

Project	Grantor	Amount
Payment in in Lieu of Taxes (PILT)	United State Department of Interior	$ 543,350
FEMA - Disaster and Emergency Service Operating Grant	United States Department of Homeland Security	80,489
State of Montana Planning Grant	State of Montana	48,698
State of Montana DUI Grants	State of Montana Department of Administration	48,633
State of Montana Metal Mines License Tax	State of Montana Department of Revenue	261,017
State of Montana Entitlement Share Payments'	State of Montana Department of Revenue	4,735,349
State of Montana Earmarked Alcohol Funds	State of Montana Department of Revenue	75,041
State of Montana Pension behalf payments	State of Montana	408,415
Southwest Montana Juvenile Detention Grant	State of Montana -Board of Crime Control	67,957

In the Housing & community development function, the following relates to the major capital grant:

Project	Grantor	Amount
Road and Bridge Project for the Ramsay TIFID - Silcon Mountain Tech Park & Port of Montana Project	State of Montana Department of Transportation Project	$ 4,528,398

Because of the City and County's healthy financial position, we have been able to earn $255,327 in investment earnings to support governmental activities. Also, note that program revenues cover 57.2% of governmental operating expenses as compared to 50% in fiscal year 2014.

These are high percentages. This means that the government's taxpayers and the City and County are other general revenues fund only 42.8% of the governmental activities in fiscal year 2015.

GOVERNMENTAL FUNCTIONAL EXPENSES

Public safety costs comprise 31.8% of the total governmental expenses, as compared to 30.4% in fiscal year 2014. These public safety costs increased 4.9% or by approximately $816,000 at the government-wide financial reporting level. General government expenses make up 27.1% of the total governmental expenses, as compared to 28.2% in fiscal year 2014. Public works is the third largest costly function, totaling over $8 million or 14.7% of total expenses, as compared to 16.4% in fiscal year 2014.

The following table presents the cost of each of the City and County's functions, including the net costs (i.e., total cost less revenues generated by the activities).

The net costs illustrate the financial burden that was placed on the City and County's taxpayers by each of these functions.

Governmental Activities

	Fiscal Year 2015		Fiscal Year 2014	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	$ 14,929,889	$ (495,365)	$ 15,461,234	$ (702,488)
Public safety	17,499,981	14,556,872	16,683,675	14,327,932
Public works	8,069,104	3,017,156	8,982,667	3,760,447
Public health	4,353,244	1,602,714	2,867,355	605,907
Social and economic services	287,730	246,725	273,380	233,797
Culture and recreation	4,379,444	3,921,742	4,056,301	3,443,040
Housing and community development	4,548,435	(284,108)	5,467,638	4,881,725
Interest	1,023,475	1,023,475	1,114,344	1,114,344
Total	$ 55,091,302	$ 23,589,211	$ 54,906,594	$ 27,664,704

As indicated, we finance a large percentage of the City and County's costs through program revenues. Of the net costs to taxpayers, public safety makes up over 61.7% of the total amount as compared to 52.34% in fiscal year 2014.

As a change in accounting principles, the City and County was required in fiscal 2015 to report a portion of the unfunded pension liability. For governmental activities, a liability was recorded of $21,298,092, which reduced our net position by the same amount.

BUSINESS-TYPE ACTIVITIES

In total, the enterprise funds reported a $4,575,255 increase in net position; this increase was reduced by prior period adjustments for pensions of $5,001,770. This year the City and County reported a total operating gain of $782,858 as compared to $97,619 in fiscal year 2014. Operating revenues are up $443,342 over fiscal year 2014 or 2.6%. Operating expenses were $241,897 less than fiscal year 2014, or 1.4%. The explanations for these changes are highlighted in the proprietary fund section below.

Financial Analysis of the City and County's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of $71,724,010. Of this year-end total, just $4,985,229 is unassigned indicating availability for continuing City and County service requirements. Legally restricted fund balances include $24.9 million for public works and $18.7 million for housing and community development.

The total ending fund balances of governmental funds show an increase of $3,769,106 or 5.5% over the prior year. A large portion of this increase relates to the Ramsay TIFID fund or $1.7 million and $1.9 million in the general fund.

Major Governmental Funds

The General Fund - The general fund is the City and County's primary operating fund and the largest source of day-to-day service delivery. The general fund's fund balance increased by $1,948,019 or 33.3%. In fiscal year 2014, the fund balance decreased by $237,680.

The general fund's ending unassigned fund balance of $5,886,489 is considered adequate, representing the equivalent of 20.9% of annual expenditures. This percentage compares to 20.2% at June 30, 2014. Maintaining an unassigned fund balance in the general fund is necessary in order to provide for cash flow problems and provide resources for unforeseen emergency expenditures.

Total revenues increased $3,761,053 or 14.6% above fiscal year 2014. In fiscal year 2014, total revenues increased 2.4%. Real property tax revenues increased $2,226,804 or 19.67% above the prior year. This increase relates to a slight increase in the number of mills levied over the prior year.

Fines and forfeitures decreased $57,357 or 14.8% due to decrease fine collections. Charges for services decreased $308,700 or 18.2% over fiscal year 2015. The Board of Prison revenue decreased by $291,667 because Butte-Silver Bow Detention Center was full to capacity with local inmates, therefore, was not able to house Federal or State Prisoners to earn revenue to assist with funding the detention budget.

Also, the Athletic Board/Park & Recreation revenue and golf membership fees decreased by $50,539. The softball league and volleyball recreation programs saw a decrease in the participation in these programs. The newly hired Parks & Recreation Director and Special Events Coordinator are working on adding activities and changing the structure of the current activities to increase participation.

Health insurance premium revenue increased by $234,239.A group of eight union labor employees joined the self-funded health insurance in fiscal year 2015.

Private grants and donations increased $1,065,579. Miscellaneous revenues decreased $78,328 or 37.8%. Most other general fund revenues were comparable to fiscal year 2014 amounts. The Dennis and Phyllis Washington Foundation and Montana Resources (MR) gave $1,000,000 to assist with building a new Legion Baseball facility at the Copper Mountain Park Complex. Also contributing to the project was the Butte American Legion Baseball and North Western Energy, whom contributed $50,000 and $25,000 respectively

The expenditures side reports an increase of $2,468,635 or 9.6% over the prior year. Last year the expenditures increased $732,716 or 2.8% over the June 30, 2014 amounts. General government expenditures increased $942,078 or 15.1%. The major increase was due to the increase in Salaries and Benefits. Salaries increased by 2.0% or $584,031 and benefits increased by $366,063 for total increase of $950,094. Therefore, property taxes had to be increase to cover these additional costs.

The public safety expenditures increased $608,033 or 6.1% relating to:

- The major increase was due to the increase in Salaries and Benefits. Salaries increased by 2.0% or $584,031 and benefits increased by $366,063 for total increase of $950,094. Therefore, property taxes had to be increased to cover these additional costs.

Culture and recreation costs increased $304,775 or 12.1%, caused by the following:

- Major increase was due to the increase in Salaries and Benefits. Salaries increased by 2.0% the total increase for salaries was $154,479 and benefits increased by $105,195 for total increase of $259,675. Therefore, property taxes had to be increased to cover these additional costs**.**
- Non-capital assets increased by $22,793 in the Parks and Recreation Department. For safety purposes, small equipment was replaced in fiscal year 2015.
- Professional Services increased in the Parks and Recreation Department by $18,200. This increase was to cover the costs for preliminary pool designs.
- Operating Supplies increased by $5,000 in the Public Library for additional programming.

Most other functional expenditures were similar to those amounts reported in fiscal year 2014.

Other Major Governmental Funds - The City and County maintains a large number of individual funds, either because they are legally mandated or considered necessary to track the costs of certain programs. The City and County reports one other major governmental fund (besides the general fund) as described briefly below:

Ramsay TIFID Industrial Fund – This fund accounts for the tax collection and economic development activities of the tax increment financing industrial district, located just southwest of the intersection of I-90 and I-15 near the town of Ramsey.

The revenues consist primarily of property taxes totaling $5 million. Property taxes decreased $1,061,509 or 17.5% below those of fiscal year 2014. The decrease is due to the impairment of the book value of the REC Advanced Silicon's plant, the market value of the property declined by $2,713,897,912 for a taxable decrease of $2,666,098 or a loss of tax revenue of $1,652,927. Additional construction within the district assisted to offset the property tax loss.

The intergovernmental revenue in the Ramsay TIFD was from the Montana Department of Transportation totaling $4,528,398. These funds were used to construct and revamp the German Gulch Road and to replace a bridge. The Ramsay also received $140,000 in State of Montana Entitlement funding.

Before transfers out, this fund incurred expenditures of $5,211,059. The majority of these expenditures relate to:

- $114,000 was for professional services related to architecture on various projects within the district and for legal fees associated with a road within the district.
- $150,000 was allocated in grants to businesses currently in the district for infrastructure improvements and an additional $50,000 was used as a match on a project with the Butte Local Development Corporation.
- $265,553 relates to administrative costs to operate the district. This includes the salary for staffing, supplies, outdoor advertising, and printing of marketing materials.
- Capital outlay expenditures totaled $4,678,632. This expenditure relates to a $4.6 million to construct and revamp the German Gulch Road and to replace a bridge

Transfers out of $2,744,876, consisted of $1,937,220 transferred to the Debt Service Fund to cover annual debt service payments; $235,185 to the General Fund for administrative and overhead charges; $157,471 to Fire Services per contract agreement for Fire Service; and $400,000 to the Ramsay TIFID District revolving loan fund.

The fund balance in this fund increased $1,715,098. The ending fund balance in this fund totals $20,101,827.

ARCO Redevelopment Fund – The revenue in this fund is just $14,588 in investment earnings. Expenditures totaled $212,558 and transfers out totaled $310,696. The ending fund of this fund totaled $14,084,351. These funds are to be invested for future redevelopment and maintenance of the sites in the areas around Butte reclaimed by ARCO (currently BP Oil). Superfund Advisory Redevelopment Trust Authority (SARTA) will review potential projects each budget cycle and make recommendation to which expenditures will be made. Currently there are six categories on how the money has to be expended in the future. The expenditure will be for maintenance of parks and trails; festivals; and redevelopment of sites such as help businesses or residents build on the reclaimed land. There is an agreement in place with ARCO on the allowable expenditures, but no date on how long the funds should last. It just states a long-term. The funds are invested with the State of Montana.

More specifically, the funds are to be used as follows: (1) Development of Mine Waste Source Areas with at least $2,000,0000 allocated to these projects; (2) Historic Preservation projects consist of at least $1,0000,000; (3) Development of Open Space and Recreation Areas at least $1,000,000; (4) Health Initiatives at least $1,000,000 (5) minimum of $500,000 on Festivals; (6) $1,000,000 on Silver Lake Water System Improvements, and (7) the remaining funds can be allocated to Community and Economic Development activities or allocated back to the funds previously stated. The Chief Executive, in fiscal year 2015, appointed SARTA, to oversee the expenditures within this fund. SARTA is a citizen's advisory group made up of eleven at large voting members and four Ex-Officio members. The objective of the Authority is to evaluate and direct plans, programs and projects, which promote redevelopment of properties affected by past mining, recommend infrastructure improvements to promote redevelopment on the impacted properties, and promote economic development and activities that provide incentives for growth within the Butte Priority Soils Operable Unit.

Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. The City and County maintain eight such funds, with the three major funds being the Water Utility Division, the Metro Sewer Operations and the Solid Waste program. During the year, these three funds transferred cash to the General Fund in the amounts of $226,394, $217,540 and $119,051, respectively. These transfers relate to numerous administrative services provided by the General Fund.

As a change in accounting principles, the City and County was required in fiscal 2015 to report a portion of the unfunded pension liability. For business-type activities, a liability was recorded of $5,001,770, which reduced our net position by the same amount.

Water Utility Division **-** The operating revenues in fiscal year 2015 decreased $168,801 or 1.9% below the prior fiscal year. because of the expiration of a contract under a court decree. Per the contract, $238,000 was annually allocated to the Water Utility Division as outlined in the contract and per the court decree from 1992. The customer does not use potable water for most of the operations. This customer is connected to the Silver Lake Water System. Under the new service arrangement, revenues generated from the use of the Silver Lake System, will be properly matched to the cost to deliver water to this large customer.

This fund recognized capital grants as follows:

Project	Grantor	Amount
Basin Water Treatment Plant Constrution Project. This is a $36 million project funded by the Montana Department of Natuarl Resource and Damages Program	State of Montana Department of Natural Resource & Damages Program (NRPDP)	$ 5,630,132
Water Line Replacement Project	State of Montana Department of Natural Resource & Damages Program (NRPDP)	569,867
		$ 6,199,999

Operating expenses decreased by $139,105 or 1.5% less than fiscal year 2014. The operating loss for this fund is $165,947 as compared $136,251 in fiscal year 2014.

The decrease in operating expense was was attributed to decrease in fuel costs as result of the drop in oil and gas globally and savings in utility costs.

The unrestricted net position of this fund is a deficit of ($514,826) due to the reporting of the net pension liability.

Metro Sewer Operations **–** Operating revenues increased $550,323 or 10.4% over the fiscal year 2014. Effective July 1, 2014, the Metro Sewer rates were increased by 10% per unit. The rate increase, which was approved by Council Resolution No.13-40 in the spring, 2013, was the second increase of four approved increases. The rate increases are required to meet the bond debt service and covenants on the $34 million plant upgrades.

Operating expenses increased $34,971 or 1%.

The fund reported a total increase in net position of $1,077,229, before the addition of the net pension liability. At June 30, 2015, this fund reported $16,816,413 in net position.

Solid Waste Program – The operating revenue in fiscal year 2015 was up $163,939 from the prior fiscal year. Operating expenses were up $112,781 or 4.2% above the fiscal year 2014 amount. An operating loss of $477,630 is recognized. Total net position decreased $581,958 from fiscal year 2014 amount, before the addition of net pension liability of $446,736.

General Fund Budgetary Highlights

The total revenue budget was amended upward $735,358 and the total expenditure appropriation was amended upward by $1,144,799.

In total, revenues realized were $1,230,531 over projected revenues. Real property taxes were $605,856 above the final budget amount and personal property and motor vehicle taxes were $76,042 over the budget. During fiscal year 2015, protested taxes with respect to four large telecommunication companies, were resolved. The resolution of the protested resulted in the recognizing the revenue in the amount of $450,000 in the general fund. It was not known when these taxes would be resolved, thus not anticipated as revenue in the fiscal year 2015 budget process. The revenue projections also were also underestimated by $150,000 resulting from the property tax revenues from the sunset of the Urban Renewal District #1.

Licenses and permits were $192,080 or 18.6% over budget. The licenses and permits increased by $75,000 for the required permitting of the construction of the $23 million North Western Energy Corporate office. The remaining increase is a result of the increase in residential and commercial building permits issued in fiscal year 2015.

Intergovernmental revenue was $403,095 or 7.5% below the final budget. The pension payments made on behalf of the local government by the State of Montana are estimated figures base on the covered payroll amounts. During fiscal year 2015, the projections for these payments were over stated by $404,000. The on behalf revenue estimate was calculated on all payroll verses the amount covered under the various pension programs. This resulted in the over projection of the revenues to be contributed by the State of Montana.

Grants and contributions were $588,562 above the final budget. Butte-Silver Bow received $1,075,000 from contributors for the Legion Baseball Field. During the preparation of the fiscal year 2015 budget, management was aware that donation would be made to the project, but prior to the adoption of the final budget, exact amounts were known. Management conservatively estimated the revenues and aligned the expenditure accordingly.

On the expenditure side, only 93.3% of the budget was expended. The general government function was $481,894 or 4.1% below the appropriation. In the general governmental function, benefits were $238,700 under the projected benefits. In addition, professional services and other purchased services were $292,000 under budget. The variance being a result in the delay of work to be completed on information technology project within the Courthouse and the delay on the transportation master plan project.

Public safety costs were $895,444 or 8.5% below the final appropriation. In the Public Safety costs, salaries and benefits were over projected by $871,000. The over projection was due to a delay in the hiring officers under the Universal Hiring Grant, and the over projection on the overtime hours within the Detention Center budget. The projected budget also included the cost of four officers that were higher ranking and had significant more longevity announcing retirement in fiscal year 2015. These officers were replaced with new unconfirmed officers that are at entry-level pay and significantly less longevity pay.

Capital Assets and Debt Administration

Capital Assets

The City and County's net investment in capital assets for governmental and business-type activities as of June 30, 2015 and 2014, were $198,131,725 and $180,835,193 respectively. The net investment in the governmental activities increased by approximately $3 million and the business-type activities increased approximately $14 million as compared to the June 30, 2014 balances. See Note 3-D for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

The following table provides a summary of capital assets at June 30, 2015 and 2014.

Capital Assets

	Governmental Activities		Business Activities		Total	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**
Non-depreciable assets:						
Land	$ 4,249,347	$ 4,249,347	$ 1,332,721	$ 1,332,721	$ 5,582,068	$ 5,582,068
Construction in progress	456,038	2,118,797	20,797,663	4,646,862	21,253,701	6,765,659
Total non-depreciable	4,705,385	6,368,144	22,130,384	5,979,583	26,835,769	12,347,727
Depreciable assets:						
Buildings	37,802,034	37,519,250	31,984,047	31,968,175	69,786,081	69,487,425
Improvements other than buildings	9,751,867	9,164,988	103,111,252	101,186,703	112,863,119	110,351,691
Machinery and equipment	26,502,918	25,374,499	1,295,091	117,028	27,798,009	25,491,527
Infrastructure	92,996,018	85,118,832	10,823,627	10,515,069	103,819,645	95,633,901
Total depreciable assets	167,052,837	157,177,569	147,214,017	143,786,975	314,266,854	300,964,544
Less accumulated depreciation	72,397,271	67,156,195	70,573,627	65,320,881	142,970,898	132,477,076
Book value - depreciable assets	94,655,566	90,021,374	76,640,390	78,466,094	171,295,956	168,487,468
Percentage depreciated	43%	43%	48%	45%	45%	44%
Total capital assets net	$ 99,360,951	$ 96,389,518	$ 98,770,774	$ 84,445,677	$ 198,131,725	$ 180,835,195

At June 30, 2015, the depreciable capital assets for governmental activities were 43% depreciated. This amount is the same as the June 30, 2014 percentage. With the City and County's business type activities, 48% of the asset values were depreciated at June 30, 2015 compared to 45% at June 30, 2014. In both instances, the minimal change in the percentage depreciated is a positive indicator.

The construction in progress amount for governmental activities includes:

American Legion Baseball Complec at Copper Moutain Park	$ 227,208
Boiler Replacement at Motherlode	11,404
Monumental Sign At MT Connections Park	45,667
Clark Chateau Construction Project	11,813
New Buidling for Big Butte Volunteer Fire Department	62,469
At-Grade Crossing Project	11,077
Sidewalk Improvement Project	50,099
Sign Project at Butte Public Archives	4,708
Security System at Butte Public Archives	8,105
Scoreboard and big screens at the Civic Center	23,488
	$ 456,038

The major increase in the governmental activities improvements other than buildings capital asset costs relate to:

New well at Father Sheehan Park Complex	$	44,950
Network Gabling and Upgrades at Health Department		9,600
Database for Superfund Projects and Record Retention		34,945
Upgrades to electrical, wiring and other improvements at Mine Yards		147,517
Tunnel Improvements at Mining Museum		163,368
Irrigation Project at Belmont Mine and Park area		96,434
Skyline Park Interpretive Signs and Picnic area Improvement		85,079
Emergency Management Software		45,000
	$	626,892

The major increase in the governmental activities machinery and equipment capital asset costs relate to:

Equipment for Parks Department - Truck and Backhoe	$	58,109
Police Vehicles		78,913
Video Monitoring Equipment for Detention Center		29,877
Land Planning Scanner and Plotter		14,086
Equipment for Courthouse IT Distribution Layer Improvements		45,853
Kubota and Mower-Weed Department		25,118
Fire Alaram System Upgrade at Civic Center		80,580
4 Mini Conversion Vans for Para Transity System		178,217
Copier for Fire Services		4,995
Trucks for Road Department		44,853
Upgrade to 911 Emergency Phone System		38,704
Smart Boards, Phone System, Computer Equipment, & Data Room Racks and Storage Equipment at the Emergency Operation Control Center,		139,971
Generator for Emergency Operations Control Center		154,000
Shelving and Storage Equipment for Public Archives		10,598
Dump Truck for Centeral Equipment		75,500
Duar Patch Truck - Centeral Equipment		88,066
Fire Department Rescue Unit		175,613
	$	1,243,053

The major increase in the governmental activities infrastructure capital asset costs relate to:

Road and Street Infrastructure Improvements	$	583,018
Superfund Infrastructure Improvements to Stromwater		197,735
Bridge Replacement in Rasamy TIFID		3,578,465
Roadk Improvements in Ramsay TIFID		2,911,565
Expansion of Greenway Trail System		571,483
Electrical System Upgrade in Ramsay TIFID		34,919
	$	7,877,186

The construction in progress amount for business-type activities includes:

Construction of Basin Creek Water Treatment	$	5,630,132
Big Hole Transmission Line		1,296,552
Telemetry Upgrades at Water Treatment Plants		252,678
Water Line Replacement Projects		50,152
Metro Sewer Phase 2 MBR Project - Plant Upgrades		13,568,149
	$	20,797,663

The major additions to the business-type activities improvements other than buildings relate to:

Fiber and Network wiring and cabling Project for Public Works Administration Building	$	24,949
Water Utility Billing Software		42,324
Silver Lake Intake Replacement		21,843
Construct Difficult Load Area at Landfill		48,666
Water Main Renewal Projects		1,021,423
Sanitary Sewer Main Repacement Projects		591,521
Metro Collection and CIPP Lining Project		173,503
Montana Tech Lift Station		11,203
Sofware for Sanitary Camera		15,095
	$	1,950,526

The major increase in the business-type activities machinery and equipment capital asset costs relate to:

Copier for Public Works Administraton Building	$	9,512
Truck for Metro Sewer Operations		30,000
Bull Litter Screen Equipment for Landfill		31,845
Truck for Landfill		31,245
Trucks and Vehilces for Water Utility Divison		76,500
Dumpt Truck for Water Utility Division		82,211
Trench Roller for Water Utility Division		32,372
Caterillar Compactor for Water Utility Division		67,480
	$	361,165

The major increase in the business-type activities infrastructure capital asset costs relate to:

Water Line Replacement Infrastructure	$	457,250
Stormwater Improvements		720,813
	$	1,178,063

Long-term Debt

At the end of the fiscal year, the City and County had total long-term debt outstanding of $69,253,197. Of this amount, $14,553,520 is backed by the full faith and credit of the City and County (general obligation bonds and notes) with debt service fully funded by voter-approved property taxes. The other major component is $12,775,000 supported by tax increment financing.

The following schedule includes the June 30, 2015 and 2014 outstanding long-term debt.

Outstanding Borrowings

	Governmental Activities		Business-type Activities		Totals		% Change
	2015	2014	2015	2014	2015	2014	
General obligation bonds	$ 13,702,268	$ 14,946,468	$ -	$ -	$ 13,702,268	$ 14,946,468	-8.3%
Tax increment debt	12,775,000	14,170,000	-	-	12,775,000	14,170,000	-9.8%
Revenue bonds	-	-	14,310,779	3,246,387	14,310,779	3,246,387	340.8%
General obligation notes	851,252	1,041,610	-	-	851,252	1,041,610	-18.3%
SID bonds	-	-	-	-	-	-	100.0%
Capital leases	165,236	207,103	7,398	-	172,634	207,103	-16.6%
Net pensiom liability	18,062,850	-	4,132,214	-	22,195,064	-	-
Post closure	-	-	384,188	809,954	384,188	809,954	-52.6%
OPEB	391,719	-	-	-	391,719	-	-
Compensated absences	3,610,878	3,447,674	859,415	350,471	4,470,293	3,798,145	17.7%
Total	$ 49,559,203	$ 33,812,855	$ 19,693,994	$ 4,406,812	$ 69,253,197	$ 38,219,667	81.2%

See Note 3-H for additional information about the City and County's long-term debt.

Economic Conditions Affecting the City and County

The City and County is located in southwestern Montana with Butte being the county seat. Our county is the smallest county in the state in square miles.

The economy of the City and County historically has been based on mining and mineral extraction and the industries they spawned. However, the economy has diversified over the years and in the most recent few years has experienced significant changes. Local businesses are expanding facilities and services, particularly in the areas of engineering and research and development. Fortunately, the housing and mortgage problems facing the rest of the nation have had little impact on the local real estate market. The realty sector of the community reports that the City and County real estate market remains strong. Although the worldwide recession has caused fluctuations in the price of copper, Montana Resources, Inc. continues operations and remains a major employer in the area.

The City and County serves as the regional trade and medical center for southwestern Montana and it is unique from a transportation infrastructure standpoint in that it is the only location in the state that is at the intersection of the interstate highway system (I-90 and I-15) and is the only area in the state that is served by two railroads, the Union Pacific and Burlington Northern & Santa Fe.

Contacting the City and County's Financial Management

This financial report is designed to provide a general overview of the City and County's finances, comply with finance-related laws and regulations, and demonstrate the City and County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City and County's Finance and Budget Director at the Butte-Silver Bow Courthouse, Butte, Montana or call (406) 497-6323.

Basic Financial Statements

BUTTE-SILVER BOW

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MONTANA

City and County of Butte-Silver Bow, Montana
Statement of Net Position
June 30, 2015

	Primary Government			Component Unit
	Governmental Activities	**Business-Type Activities**	**Total**	**Port of Montana Port Authority**
Assets				
Current Assets				
Cash and cash equivalents (Note 3A)	$ 11,562,462	$ 5,000,606	$ 16,563,068	$ 2,904,520
Investments	43,663,211	6,720,369	50,383,580	-
Receivables (Note 3B):				
Accounts	1,473,471	2,811,430	4,284,901	196,358
Property taxes	1,868,563	-	1,868,563	14,197
Special assessments	508,317	1,337,403	1,845,720	-
Notes	4,990,562	-	4,990,562	-
Interfund	(27,374)	27,374	-	-
Primary government	-	-	-	58,529
Inventory (Note 1-E-4)	2,099	-	2,099	-
Prepaid items (Note I-E-4)	-	29	29	12,948
Restricted assets (Note 1-E-5)	13,207,131	329,110	13,536,241	122,651
Total Current Assets	77,248,442	16,226,321	93,474,763	3,309,203
Non-Current Assets				
Restricted cash and cash equivalents (Note 1-E-5)	-	1,811,483	1,811,483	-
Restricted investments (Note 1-E-5)	-	1,165,000	1,165,000	-
Capital assets (Note 3C)				
Nondepreciable	4,705,385	22,130,384	26,835,769	353,253
Depreciable, net	94,655,566	76,640,390	171,295,956	4,678,776
Total Non-Current Assets	99,360,951	101,747,257	201,108,208	5,032,029
Total Assets	176,609,393	117,973,578	294,582,971	8,341,232
Deferred Outflow of Resources				
Deferred outflows from pensions	1,905,358	343,925	2,249,283	15,989
Total deferred outflows of resources	1,905,358	343,925	2,249,283	15,989
Liabilities				
Current Liabilities				
Vouchers payable	1,288,968	2,823,109	4,112,077	-
Accounts payable	75,471	212,953	288,424	35,797
Due to others	230,917	-	230,917	7,722
Accrued wages and benefits payable	785,502	179,783	965,285	26,745
Customer deposits	-	137,538	137,538	-
Accrued interest payable - customer deposits	-	21,592	21,592	-
Performance bonds payable	172,348	-	172,348	-
Accrued interest payable	522,084	116,191	638,275	13,126
Unearned revenue	-	401,554	401,554	7,230
Claims payable	516,727	-	516,727	-
Revenue bonds payable	-	534,000	534,000	27,873
Closure and postclosure care payable	-	19,209	19,209	-
Compensated absences payable	1,356,182	171,883	1,528,065	50,000
General obligation bonds payable	1,260,214	-	1,260,214	-
General obligation notes payable	195,429	-	195,429	-
Tax increment bonds payable	1,370,000	-	1,370,000	-
Capital leases payable	44,137	3,171	47,308	-
Total Current Liabilities	7,817,979	4,620,983	12,438,962	168,493
Noncurrent Liabilities (net of current portion):				
Closure and postclosure care payable	-	364,979	364,979	-
Revenue bonds payable	-	13,776,779	13,776,779	623,020
Compensated absences payable	2,254,695	687,532	2,942,227	27,070
General obligation bonds payable	12,442,055	-	12,442,055	-
General obligation notes payable	655,823	-	655,823	-
Tax increment bonds payable	11,405,000	-	11,405,000	-
Capital leases payable	121,099	4,227	125,326	-
Other post-employment benefits	391,719	-	391,719	-
Net pension liability	18,062,850	4,132,214	22,195,064	232,183
Total Noncurrent Liabilities	45,333,241	18,965,731	64,298,972	882,273
Total Liabilities	53,151,220	23,586,714	76,737,934	1,050,766
Deferred Inflow of Resources				
Deferred inflows from pensions	5,030,988	1,070,427	6,101,415	59,992
Total Deferred inflow of resources	5,030,988	1,070,427	6,101,415	59,992
Net Position				
Net investment in capital assets (Note 3J)	71,867,193	84,459,995	156,327,188	4,381,136
Restricted for:				
General government	4,135,409	-	4,135,409	-
Public safety	2,205,265	-	2,205,265	-
Public works	24,891,851	-	24,891,851	-
Social and economic services	39,150	-	39,150	-
Cultural and recreation	492,442	-	492,442	-
Housing and community development	18,724,402	-	18,724,402	-
Economic development - ceased mining operations	7,844,763	-	7,844,763	-
Debt service - bond restrictions	2,412,886	1,213,000	3,625,886	122,651
Capital projects	2,651,773	-	2,651,773	-
Self funded health insurance	844,909	-	844,909	-
Unrestricted	(15,777,502)	7,987,367	(7,790,134)	2,742,676
Total Net Position	$ 120,332,542	$ 93,660,362	$ 213,992,904	$ 7,246,463

See accompanying notes to the basic financial statements

City and County of Butte-Silver Bow, Montana
Statement of Activities
For the Fiscal Year Ended June 30, 2015

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
					Primary Government			
Function/Program	**Expenses**	**Charges for Services and Sales and Fines**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-Type Activities**	**Total**	**Component Unit**
Primary Government								
General government	$ 14,929,889	$ 7,581,958	$ 6,790,717	$ 1,052,579	$ 495,365	$ -	$ 495,365	$ -
Public safety	17,499,981	431,589	2,179,133	332,387	(14,556,872)	-	(14,556,872)	-
Public works	8,069,104	1,383,520	2,152,521	1,515,908	(3,017,156)	-	(3,017,156)	-
Public health	4,353,244	152,214	2,592,319	5,997	(1,602,714)	-	(1,602,714)	-
Social and economic services	287,730	-	41,005	-	(246,725)	-	(246,725)	-
Cultural and recreation	4,379,444	317,799	128,090	11,813	(3,921,742)	-	(3,921,742)	-
Housing and community development	4,548,435	70,671	233,474	4,528,398	284,108	-	284,108	-
Interest	1,023,475	-	-	-	(1,023,475)	-	(1,023,475)	-
Total Governmental Activities	55,091,302	9,937,751	14,117,260	7,447,081	(23,589,211)	-	(23,589,211)	-
Business-Type Activities:								
Community facilties	51,241	53,485	-	-	-	2,244	2,244	-
Home health	16,884	-	-	-	-	(16,884)	(16,884)	-
Small business incubator	157,757	98,517	1,132	-	-	(58,108)	(58,108)	-
Water utility division	10,898,536	8,604,483	67,821	6,214,625	-	3,988,393	3,988,393	-
Metro sewer operations	4,565,633	5,804,864	41,134	-	-	1,280,365	1,280,365	-
Solid waste	2,774,180	2,278,652	10,858	-	-	(484,670)	(484,670)	-
Storm water system project	141,092	348,812	69	-	-	207,789	207,789	-
Silver lake water system	301,735	348,956	36	-	-	47,257	47,257	-
MR infrastructure project	92,680	-	-	-	-	(92,680)	(92,680)	-
Total Business-Type Activities	18,999,738	17,537,769	121,050	6,214,625	-	4,873,706	4,873,706	-
Total - Primary Government	$ 74,091,040	$ 27,475,520	$ 14,238,310	$ 13,661,706	$ (23,589,211)	$ 4,873,706	$ (18,715,505)	$ -
Component Units								
Port of Montana Port Authority	$ 1,222,141	$ 1,218,816	$ -	$ 6,565	-	-	-	$ 3,240
		General Revenues						
		Property taxes levied for general purposes			29,531,545	-	29,531,545	198,031
		Franchise taxes			399,416	-	399,416	-
		Motor fuel taxes			634,392	-	634,392	-
		Investment earnings			255,327	26,036	281,363	27,420
		Gain on the sale of capital assets			-	13,272	13,272	-
		Miscellaneous			597,095	104,687	701,782	-
		Transfers			442,446	(442,446)	-	-
		Total General Revenues and Transfers			31,860,221	(298,451)	31,561,770	225,451
		Change in Net Position			8,271,010	4,575,255	12,846,265	228,691
		Net position, beginning of year, as previouly stated			133,359,624	94,086,877	227,446,501	7,298,821
		Prior period adjustment (Note 4-G)			(21,298,092)	(5,001,770)	(26,299,862)	(281,049)
		Net position, beginning of year, as restated			112,061,532	89,085,107	201,146,639	7,017,772
		Total Net Position, End of Year			$ 120,332,542	$ 93,660,362	$ 213,992,904	$ 7,246,463

See accompanying notes to the basic financial statements

Governmental Funds

Major Governmental Funds

General Fund

The general fund is used to account for resources traditionally associated with government, which are not required legally or by sound financial management to be accounted for in another fund. Principal sources of revenue are property taxes, state and local shared revenues, licenses and permits and charges for services provided to other funds. Principal expenditures in the general fund are made for public safety, public works and general government operations.

Ramsay Tax Increment Financing District (TIFID)

The Ramsay TIFID was established by resolution for a twenty-year period on May 20, 1992 to allow for the development of infrastructure to attract industrial development within the TIFID. The TIFID is located south of the city adjacent to the Port of Montana, Port Authority, an intermodal transportation facility, which has been reported within the financial statements as a discretely presented component unit. The major source of revenue is the property taxes generated from within the boundaries of the TIFID. All property tax with the exception of seven (7) mills exempt per state statue and Butte-Silver Bow ordinance is captured within this fund. The major expenditure is a transfer to the debt service fund for repayment of the debt with the remaining expenditures related to further development of infrastructure for economic development activities.

ARCO Redevelopment Fund

The ARCO Redevelopment Fund is financed through a superfund settlement agreement between the City and County British Petroleum (BP), formally known as Atlantic Richfield Company (ARCO). These resources are being used for land management, time critical soils removal, the establishment of water quality testing, conduct health studies, study the municipal underground water system, and for the operation and maintenance of reclaimed mine site (source areas) and storm water structures.

City and County of Butte-Silver Bow, Montana
Balance Sheet
Governmental Funds
June 30, 2015

	General	Ramsay TIFID	ARCO Redevelopment Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 80,737	$ 708,541	$ 56,769	$ 9,922,737	$ 10,768,784
Investments	4,405,642	19,409,030	14,077,616	5,770,923	43,663,211
Restricted cash	95,787	-	-	3,586,161	3,681,948
Restricted investments	1,818,438	-	-	7,706,745	9,525,183
Receivables:					
Accounts	371,504	-	-	1,093,009	1,464,513
Property taxes	1,002,585	74,220	-	791,758	1,868,563
Special assessments	178	-	-	508,139	508,317
Loans	-	-	-	4,990,562	4,990,562
Interfund	2,177,013	-	-	830,000	3,007,013
Inventory	2,099	-	-	-	2,099
Total Assets	$ 9,953,983	$ 20,191,791	$ 14,134,385	$ 35,200,034	$ 79,480,193
Liabilities					
Liabilities					
Vouchers payable	475,128	12,395	50,000	636,144	1,173,667
Accounts payable	48,933	-	-	26,538	75,471
Accrued salaries and benefits	455,178	3,349	34	283,950	742,511
Performance bonds payable	170,348	-	-	2,000	172,348
Due to others	917	-	-	230,000	230,917
Interfund payable	-	-	-	2,984,387	2,984,387
Total Liabilities	1,150,504	15,744	50,034	4,163,019	5,379,301
Deferred Inflow of Resources					
Unavailable revenue-property taxes and specials assessments	1,002,765	74,220	-	1,299,897	2,376,882
Total Deferred inflow of resources	1,002,765	74,220	-	1,299,897	2,376,882
Fund Balances					
Restricted	1,914,225	20,101,827	14,084,351	28,142,447	64,242,850
Assigned	-	-	-	2,495,931	2,495,931
Unassigned	5,886,489	-	-	(901,260)	4,985,229
Total Fund Balances	7,800,714	20,101,827	14,084,351	29,737,118	71,724,010
Total Liabilities, Deferred Inflow and Fund Balances	$ 9,953,983	$ 20,191,791	$ 14,134,385	$ 35,200,034	$ 79,480,193

See accompanying notes to the basic financial statements

City and County of Butte-Silver Bow, Montana
Reconciliation of the Governmental Funds Balance Sheet to
The Government-wide Statement of Net Position
June 30, 2015

Total Governmental Fund Balances			$ 71,724,010
Amounts reported for *governmental activities* in the government-wide statement of net position are different because:			
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds (exclusive of internal service funds' capital assets).			
	Cost	$ 166,195,636	
	Less accumulated depreciation	(68,029,524)	98,166,112
Other noncurrent assets are not available to pay for current-period expenditures and therefore are deferred in the funds - special assessments sales, and property taxes.			2,376,880
The current acquisition of net assets that is applicable to future reporting periods related to pension liabilities.			(4,753,936)
The current consumption of the net asset is not applicable to current reporting period related to future pension obligations.			1,816,341
The internal service funds are used by management to charge the costs of the maintenance of the vehicle fleet, janitorial services, the personnel and payroll functions, computer operations, and the telephone and GIS to individual funds. The assets and liabilities of the internal service funds are included in governmental activities column on the government-wide statement of net position.			303,361
Interfund receivables and payables between governmental funds are reported on the governmental fund's balance sheet but eliminated on the government-wide statement of net position.			
	Interfund receivables	$ (2,407,014)	
	Interfund payables	2,407,014	-
Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net position. Net of bond prfemium and exclusive of internal service funds' long-term debt.			
	Long-term debt	$ (27,493,757)	
	Compensated absences	(3,382,606)	
	Claims	(516,727)	
	Accrued interest on long-term debt	(522,084)	
	Post-employment health benefits	(391,719)	
	Net pension liability	(16,993,332)	(49,300,225)
Net Position of Governmental Activities			$ 120,332,542

See accompanying notes to the basic financial statements

City and County of Butte-Silver Bow, Montana
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2015

	General	Ramsay TIFID	ARCO Redevelopment Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	$ 15,147,977	$ 4,988,855	$ -	$ 10,862,202	$ 30,999,034
Special assessments	-	-	-	1,532,277	1,532,277
Licenses and permits	1,035,080	-	-	1,303	1,036,383
Intergovernmental	5,379,376	4,668,972	-	8,667,099	18,715,447
Charges for services	1,388,312	-	-	1,169,891	2,558,203
Self-funded health insurance contributions	4,781,786	-	-	-	4,781,786
Fines and forfeitures	331,210	-	-	123,895	455,105
Private grants and donations	1,153,062	-	-	2,498,506	3,651,568
Investment earnings	71,258	11,206	14,588	157,290	254,342
Increase(Decrease) in investments to fair market value	-	-	-	985	985
Rent	38,613	-	-	17,718	56,331
Miscellaneous	128,630	2,000	-	398,774	529,404
Total Revenues	29,455,304	9,671,033	14,588	25,429,940	64,570,865
Expenditures					
Current:					
General government	11,809,683	-	-	2,607,887	14,417,570
Public safety	10,540,227	-	-	6,593,211	17,133,438
Public works	567,266	-	215,558	5,968,427	6,751,251
Public health	1,830,584	-	-	2,538,095	4,368,679
Social and economic services	127,714	-	-	165,852	293,566
Cultural and recreation	2,822,465	-	-	1,197,517	4,019,982
Housing and community development	-	532,427	-	1,626,567	2,158,994
Capital Outlay	469,859	4,678,632	-	3,108,932	8,257,423
Debt Service:					
Principal	41,867	-	-	2,805,572	2,847,439
Interest	10,527	-	-	1,082,934	1,093,461
Total Expenditures	28,220,192	5,211,059	215,558	27,694,994	61,341,803
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,235,112	4,459,974	(200,970)	(2,265,054)	3,229,062
Other Financing Sources (Uses)					
Insurance proceeds	97,598	-	-	-	97,598
Proceeds from the sale of capital assets	-	-	-	-	-
Issuance of general obligation notes	-	-	-	-	-
Transfers in	1,248,600	-	-	3,491,972	4,740,572
Transfers out	(633,291)	(2,744,876)	(310,696)	(609,263)	(4,298,126)
Total Other Financing Sources (Uses)	712,907	(2,744,876)	(310,696)	2,882,709	540,044
Net Change in Fund Balances	1,948,019	1,715,098	(511,666)	617,655	3,769,106
Fund Balances, Beginning of Year	5,852,695	18,386,729	14,596,017	29,119,463	67,954,904
Fund Balances, End of Year	$ 7,800,714	$ 20,101,827	$ 14,084,351	$ 29,737,118	$ 71,724,010

See accompanying notes to the basic financial statements

City and County of Butte-Silver Bow, Montana
Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures and Changes in Fund Balances to the Government-wide Statement of Activities
For the Fiscal Year Ended June 30, 2015

Net Changes In Fund Balances - Total Governmental Funds			$ 3,769,106
Amounts reported for governmental activities in the government-wide statement of activities are different because:			
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.			
	Depreciation expense	$ (5,880,743)	
	Capital outlay	8,257,423	2,376,680
Governmental funds report asset disposals as sales of capital assets for the cash received. In the statement of activities, those gains and losses must be adjusted by the assets basis, net of depreciation.			(5,769)
Some revenues reorted in the statement of activities do not require the use of current financial resouces therefore, are not reported as revenue in governmental funds			1,431,707
Governmental funds do not report liability for other post-employment health benefits.			(391,719)
Certain special assessment revenues and property tax revenues in the government-wide statement of activities do not provide current financial resources and are not reported as revenues in the governmental fund operating statement.			
	Balance @ 6/30/14	$ (3,870,956)	
	Balance @ 6/30/15	2,376,880	(1,494,076)
Contributions to the pension plans in the current fiscal year are deferred outflows in the Statement of Net Position			(737,939)
Repayment of long-term debt principal is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the government-wide statement of net assets.			2,847,439
Accrued interest on long-term debt is reported in the government-wide statement of activities, but does not require the use of financial resources and therefore is not reported as reported as an expenditures in governmental funds.			
	Balance @ 6/30/14	$ 568,084	
	Balance @ 6/30/15	(522,084)	46,000
Compensated absences and comp time are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
	Balance @ 6/30/14	$ 3,228,707	
	Balance @ 6/30/15	(3,382,606)	(153,899)
Claims payable are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
	Balance @ 6/30/14	$ 559,684	
	Balance @ 6/30/15	(516,727)	42,957
Amortization of debt issuance costs, deferred bond refunding and debt premiums are not reported at the fund level but are reported in the government wide statement of activities.			23,986
The internal service funds used by management to charge the costs of the operation of the vehicle fleet, janitorial services, the personnel and payroll functions, computer operations, and the telephone and GIS to individual funds are not reported in the government-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated.			516,538
Transfers between governmental funds are reported on the governmental fund operating statement but are eliminated on the government-wide statement of net position.			
	Transfers in	$ (4,177,587)	
	Transfers out	4,177,587	-
Change In Net Position Of Governmental Activities			$ 8,271,010

See accompanying notes to the basic financial statements

City and County of Butte Silver Bow, Montana
Statement of Revenues, Expenditures And Changes In Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes:				
Real property	$ 13,116,177	$ 12,939,359	$ 13,545,215	$ 605,856
Personal property	65,000	241,818	235,418	(6,400)
Motor vehicle-Local Option Tax	1,250,000	1,250,000	1,332,442	82,442
Tax title and property tax sale	21,867	21,867	34,902	13,035
Total Taxes	14,453,044	14,453,044	15,147,977	694,933
Licenses and permits	843,000	843,000	1,035,080	192,080
Intergovernmental	5,700,113	5,782,471	5,379,376	(403,095)
Charges for services	1,302,191	1,449,191	1,388,312	(60,879)
Fines and forfeits	360,000	360,000	331,210	(28,790)
City/County and employee health insurance contributions	4,638,117	4,638,117	4,781,786	143,669
Investment earnings	14,500	14,500	71,258	56,758
Private grants and contributions	58,500	564,500	1,153,062	588,562
Rental	44,500	44,500	38,613	(5,887)
Miscellaneous	75,450	75,450	128,630	53,180
Total Revenues	27,489,415	28,224,773	29,455,304	1,230,531
Expenditures:				
Current:				
General government	12,369,828	12,291,577	11,809,683	481,894
Public safety	11,074,142	11,435,671	10,540,227	895,444
Public works	613,837	616,274	567,266	49,008
Public health	1,637,694	1,944,975	1,830,584	114,391
Social and economic services	155,712	155,712	127,714	27,998
Cultural and recreation	2,933,919	2,953,206	2,822,465	130,741
Capital Outlay	275,228	807,744	469,859	337,885
Debt Service				
Principal	41,870	41,870	41,867	3
Interest	10,530	10,530	10,527	3
Total Expenditures	29,112,760	30,257,559	28,220,192	2,037,367
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (1,623,345)	$ (2,032,786)	$ 1,235,112	$ 3,267,898

(Continued)

City and County of Butte Silver Bow, Montana
Statement of Revenues, Expenditures And Changes In Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Other Financing Sources (Uses)				
Insurance proceeds	$ -	$ -	$ 97,598	$ 97,598
Transfers in:				
Metro Sewer	226,394	226,394	217,540	(8,854)
Solid Waste	104,051	104,051	104,051	-
Water Utility Division	217,540	217,540	226,394	8,854
Ramsay TIFID #2	235,185	235,185	235,185	-
Uptown Revitalization Agency fund	9,193	9,193	9,193	-
NRDP Greenway Project	50,000	50,000	46,573	(3,427)
Arco Redevelopment Trust	150,000	150,000	50,000	(100,000)
Arco Lead	22,539	22,539	22,539	-
Hard Rock Mine Trust	128,454	128,454	128,454	-
Highway Abandonment	147,196	147,196	147,196	-
Civic Center Renovation	676	676	676	-
Local Law Enforcement Block Grant	783	783	783	-
Reclamation Projects	60,016	60,016	60,016	-
Transfers out:				
Public Archives	(309,063)	(309,063)	(309,063)	-
Community Development	(142,906)	(142,906)	(142,906)	-
Montana Historic Preservation	(12,000)	(12,000)	(12,000)	-
Arco Planning Grant	(55,033)	(55,033)	(55,033)	-
Home Health	(105,539)	(105,539)	(105,539)	-
Crime Control fund	(8,750)	(8,750)	(8,750)	-
Total Other Financing Sources (Uses)	718,736	718,736	712,907	(5,829)
Net Change in Fund Balances	$ (904,609)	$ (1,314,050)	1,948,019	$ 3,262,069
Fund Balances Beginning of Year			5,852,695	
Fund Balances End of Year			$ 7,800,714	

See accompanying notes to the basic financial statements (Concluded)

City and County of Butte-Silver Bow, Montana
Ramsay TIFID Fund
Statement of Revenues, Expenditures And Changes In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes - real property	$ 4,434,338	$ 4,434,338	$ 4,920,304	$ 485,966
Personal property	-	-	68,551	68,551
Rent	-	-	-	-
Intergovernmental	48,167	48,167	4,668,972	4,620,805
Interest revenue	10,000	10,000	11,206	1,206
Miscellaneous	-	-	2,000	2,000
Total Revenues	4,492,505	4,492,505	9,671,033	5,178,528
Expenditures				
Current:				
Housing and community development	4,814,807	4,814,808	532,427	4,282,381
Capital Outlay	13,600,000	13,600,000	4,678,632	8,921,368
Total Expenditures	18,414,807	18,414,808	5,211,059	13,203,749
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,922,302)	(13,922,303)	4,459,974	18,382,277
Other Financing (Uses)				
Transfers out:				
General fund	(235,185)	(235,185)	(235,185)	-
ASiMI bond fund	(1,937,220)	(1,937,220)	(1,937,220)	-
Fire fund	(157,471)	(157,471)	(157,471)	-
TIFID revolving loan	(400,000)	(400,000)	(400,000)	-
Small business incubator	(15,000)	(15,000)	(15,000)	-
Total Other Financing (Uses)	(2,744,876)	(2,744,876)	(2,744,876)	-
Net Change in Fund Balances	$ (16,667,178)	$ (16,667,179)	1,715,098	$ 18,382,277
Fund Balances Beginning of Year			18,386,729	
Fund Balances End of Year			$ 20,101,827	

See accompanying notes to the basic financial statements

City and County of Butte-Silver Bow, Montana
Arco Redevelopment Fund
Statement of Revenues, Expenditures And Changes In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ 5,500	$ 5,500	$ 14,588	$ 9,088
Total Revenues	5,500	5,500	14,588	9,088
Expenditures				
Current:				
Public Works	720,763	460,067	215,558	244,509
Capital Outlay	100,000	100,000	-	100,000
Total Expenditures	820,763	560,067	215,558	344,509
Excess (Deficiency) of Revenues Over (Under) Expenditures	(815,263)	(554,567)	(200,970)	353,597
Other Financing (Uses)				
Transfers out:				
General fund	(150,000)	(150,000)	(50,000)	100,000
Arco Historic Preservation	-	(260,696)	(260,696)	-
Total Other Financing (Uses)	(150,000)	(410,696)	(310,696)	100,000
Net Change in Fund Balances	$ (965,263)	$ (965,263)	(511,666)	$ 453,597
Fund Balances Beginning of Year			14,596,017	
Fund Balances End of Year			$ 14,084,351	

See accompanying notes to the basic financial statements

Proprietary Fund Financial Statements

Major Funds Business Type Activities-Enterprise Funds

Water Utility Division

The Water Utility Division accounts for the local government's activities of the construction and maintenance of the Butte-Silver Bow water system. Revenues are derived from user fees. The Water Utility Divisions average active connection in fiscal year 2014 was 12,775.

Metro Sewer Division

The Metro Sewer Division accounts for the local government's sewage treatment and disposal operations. Revenue is derived from special assessments. The metro sewer had 50,208 billable units in fiscal year 2014**.**

Solid Waste Division

The Solid Waste Division was established to account for the construction and operation of the County's landfill and solid waste collection activities. Revenues are derived from user fees and special assessments. The Solid Waste Department special assessment billing includes 12,468 units for collection and 21,937 units for disposal in fiscal year 2014. Citizens outside of the collection district are also assessed for disposal.

City and County of Butte-Silver Bow, Montana
Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-type Activities Enterprise Funds					Governmental Activities
	Water Utility Division	**Metro Sewer Operations**	**Solid Waste**	**Other Enterprise Funds**	**Total**	**Internal Service Funds**
Assets						
Current Assets:						
Cash and cash equivalents	$ 2,029,002	$ 1,667,374	$ 325,461	$ 978,769	$ 5,000,606	$ 793,678
Investments	104,432	1,797,055	4,263,783	555,099	6,720,369	-
Restricted:						
Cash and cash equivalents	329,110	-	-	-	329,110	-
Receivables:						
Accounts	2,269,857	3,000	179,345	359,228	2,811,430	8,957
Special assessments	7,434	972,155	295,474	62,340	1,337,403	-
Interfund	-	433,008	194,366	-	627,374	-
Inventory	-	-	-	-	-	-
Prepaid expenses	29	-	-	-	29	-
Total Current Assets	4,739,864	4,872,592	5,258,429	1,955,436	16,826,321	802,635
Noncurrent Assets:						
Restricted investments	1,165,000	-	-	-	1,165,000	-
Restricted cash and cash equivalents	79,605	704,316	1,027,562	-	1,811,483	-
Capital assets:						
Nondepreciable	7,648,224	13,736,201	740,526	5,433	22,130,384	40,000
Depreciable, net	56,947,011	13,715,010	2,762,652	3,215,717	76,640,390	1,154,840
Total Noncurrent Assets	65,839,840	28,155,527	4,530,740	3,221,150	101,747,257	1,194,840
Total Assets	70,579,704	33,028,119	9,789,169	5,176,586	118,573,578	1,997,475
Deferred Outflows of Resources						
Deferred outflows from pensions	192,958	117,058	30,718	3,191	343,925	89,017
Total deferred outflows of resources	$ 192,958	$ 117,058	$ 30,718	$ 3,191	$ 343,925	$ 89,017

(Continued)

City and County of Butte-Silver Bow, Montana
Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-type Activities Enterprise Funds					Governmental Activities
	Water Utility Division	**Metro Sewer Operations**	**Solid Waste**	**Other Enterprise Funds**	**Total**	**Internal Service Funds**
Liabilities						
Current Liabilities:						
Vouchers payable	$ 582,306	$ 1,918,762	$ 252,827	$ 69,214	$ 2,823,109	$ 115,299
Accounts payable	212,953	-	-	-	212,953	-
Accrued wages and benefits payable	95,392	53,951	22,043	8,397	179,783	42,991
Compensated absences payable	93,996	59,384	17,952	551	171,883	11,414
Accrued interest payable	31,605	84,586	-	-	116,191	-
Unearned revenue	401,554	-	-	-	401,554	-
Interfund payable	600,000	-	-	-	600,000	50,000
Customer deposits payable	137,538	-	-	-	137,538	-
Accrued interest payable-customer deposit	21,592	-	-	-	21,592	-
Closure and postclosure care payable	-	-	19,209	-	19,209	-
Capital lease payable	3,171	-	-	-	3,171	-
Revenue bonds payable	97,000	437,000	-	-	534,000	-
Total Current Liabilities	2,277,107	2,553,683	312,031	78,162	5,220,983	219,704
Noncurrent Liabilities (net of current portion):						
Closure and postclosure care payable	-	-	364,979	-	364,979	-
Compensated absences payable	375,986	237,534	71,810	2,202	687,532	216,857
Capital lease payable	4,227	-	-	-	4,227	-
Revenue bonds payable	2,010,000	11,766,779	-	-	13,776,779	-
Net pension liability	2,318,372	1,406,438	369,071	38,333	4,132,214	1,069,518
Total Noncurrent Liabilities	4,708,585	13,410,751	805,860	40,535	18,965,731	1,286,375
Total Liabilities	6,985,692	15,964,434	1,117,891	118,697	24,186,714	1,506,079
Deferred Inflow of Resources						
Deferred inflows from pensions	600,561	364,330	95,606	9,930	1,070,427	277,052
Total Deferred inflow of resources	600,561	364,330	95,606	9,930	1,070,427	277,052
Net Position						
Net Investment in capital assets (Note 3J)	62,488,235	15,247,432	3,503,178	3,221,150	84,459,995	1,194,840
Restricted for debt service	1,213,000	-	-	-	1,213,000	-
Unrestricted	(514,826)	1,568,981	5,103,212	1,830,000	7,987,367	(891,479)
Total Net Position	$ 63,186,409	$ 16,816,413	$ 8,606,390	$ 5,051,150	$ 93,660,362	$ 303,361

See accompanying notes to the basic financial statements (Concluded)

City and County of Butte-Silver Bow, Montana
Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Business-type Activities Enterprise Funds					Governmental Activities
	Water Utility Division	**Metro Sewer Operations**	**Solid Waste**	**Other Enterprise Funds**	**Total**	**Internal Service Funds**
Operating Revenues						
Charges for services	$ 8,604,483	$ 5,804,864	$ 2,278,652	$ 796,285	$ 17,484,284	$ 3,436,389
Rent revenue	-	-	-	53,485	53,485	-
Miscellaneous	72,552	13,030	17,898	1,207	104,687	11,360
Total Operating Revenues	8,677,035	5,817,894	2,296,550	850,977	17,642,456	3,447,749
Operating Expenses						
Personal services	3,078,002	1,911,412	669,914	133,260	5,792,588	1,673,486
Operation and maintenance	2,058,672	1,499,528	1,745,152	431,480	5,734,832	1,090,036
Depreciation	3,706,308	1,070,107	359,114	196,649	5,332,178	195,406
Amortization	-	-	-	-	-	-
Total Operating Expenses	8,842,982	4,481,047	2,774,180	761,389	16,859,598	2,958,928
Operating Income (Loss)	(165,947)	1,336,847	(477,630)	89,588	782,858	488,821
Non-Operating Revenues (Expenses)						
Interest expense	(83,925)	(84,586)	-	-	(168,511)	-
Bond debt forgiven	-	-	-	-	-	-
Insurance reimbursement	13,272	-	-	-	13,272	-
Gain(loss) on disposal of an asset	-	-	-	-	-	(3,662)
Investment earnings	20,134	1,374	3,865	663	26,036	-
Intergovernmental	67,821	41,134	10,858	1,237	121,050	31,379
Total Non-Operating Revenues (Expenses)	17,302	(42,078)	14,723	1,900	(8,153)	27,717
Income (Loss) Before Capital Grants & Transfers	(148,645)	1,294,769	(462,907)	91,488	774,705	516,538
Capital grants	6,214,625	-	-	-	6,214,625	-
Capital grant expense	(1,971,629)	-	-	-	(1,971,629)	-
Transfers in	-	-	-	120,539	120,539	-
Transfers out	(226,394)	(217,540)	(119,051)	-	(562,985)	-
Change in Net Position	3,867,957	1,077,229	(581,958)	212,027	4,575,255	516,538
Net position, beginning of year, as previouly stated	62,124,686	17,441,584	9,635,084	4,885,523	94,086,877	1,081,402
Prior period adjustment (Note 4-G)	(2,806,234)	(1,702,400)	(446,736)	(46,400)	(5,001,770)	(1,294,579)
Net position, beginning of year, as restated	59,318,452	15,739,184	9,188,348	4,839,123	89,085,107	(213,177)
Total Net Position, End of Year	$ 63,186,409	$ 16,816,413	$ 8,606,390	$ 5,051,150	$ 93,660,362	$ 303,361

See accompanying notes to the basic financial statements

City and County of Butte-Silver Bow, Montana
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Business-type Activities Enterprise Funds					Governmental Activities
	Water Utility Division	Metro Sewer Operations	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
Increase (Decrease) in Cash and Cash Equivalents						
Cash Flows from Operating Activities						
Cash received from customers	$ 8,786,430	$ 5,739,390	$ 2,286,598	$ 814,273	$ 17,626,691	$ -
Cash received from interfund services provided	-	-	-	-	-	3,446,562
Cash payments for personal services	(3,055,645)	(1,877,909)	(647,500)	(125,261)	(5,706,315)	(1,664,468)
Cash payments for goods and services	(3,095,937)	(1,528,406)	(1,646,379)	(439,382)	(6,710,104)	(1,075,638)
Net Cash Provided by Operating Activities	2,634,848	2,333,075	(7,281)	249,630	5,210,272	706,456
Cash Flows from Noncapital Financing Activities						
Receipt of insurance proceeds	13,272	-	-	-	13,272	-
Interfund loans disbursements	-	-	-	-	-	-
Payments on interfund loans	-	-	-	-	-	-
Interest expense on customer deposits	(13,389)	-	-	-	(13,389)	-
Transfers in	-	-	-	31,884	31,884	-
Transfers out	(226,394)	(217,540)	(119,051)	-	(562,985)	-
Net Cash Flows from Noncapital Financing Activities	(226,511)	(217,540)	(119,051)	31,884	(531,218)	-
Cash Flows from Capital and Related Financing Activities						
Capital grants	6,214,625	-	-	-	6,214,625	-
Capital grant expenses	(1,971,629)	-	-	-	(1,971,629)	-
Principal paid on revenue bonds payable	(1,539,387)	-	-	-	(1,539,387)	-
Principal paid on capital leases	(2,122)	-	-	-	(2,122)	-
Interest paid on revenue bonds	(82,321)	-	-	-	(82,321)	-
State of Montana bond forgiveness	-	-	-	-	-	-
Proceeds from issuance of bonds	-	12,203,779	-	-	12,203,779	-
Proceeds from capital lease	9,512	-	-	-	9,512	
Proceeds (payment) on interfund loan	-	51,115	131,363	-	182,478	(25,000)
Proceeds from the sale of capital assets	-	-	-	-	-	-
Payments for capital acquisitions	(3,757,444)	(12,285,641)	(111,757)	(246,144)	(16,400,986)	(175,258)
Net Cash (Used in) Capital and Related Financing Activities	(1,128,766)	(30,747)	19,606	(246,144)	(1,386,051)	(200,258)
Cash Flows from Investing Activities						
Investment earnings	20,134	1,374	3,865	663	26,036	-
Net Increase (Decrease) in Cash and Cash Equivalents	1,299,705	2,086,162	(102,861)	36,033	3,319,039	506,198
Cash and Cash Equivalents - Beginning of Year	2,407,444	2,082,583	5,719,667	1,497,835	11,707,529	287,480
Cash and Cash Equivalents - End of Year	$ 3,707,149	$ 4,168,745	$ 5,616,806	$ 1,533,868	$ 15,026,568	$ 793,678
Reconciliation to Statement of Net Position						
Cash and cash equivalents	$ 2,029,002	$ 1,667,374	$ 325,461	$ 978,769	$ 5,000,606	$ 793,678
Investments	104,432	1,797,055	4,263,783	555,099	6,720,369	-
Restricted cash and investments	1,573,715	704,316	1,027,562	-	3,305,593	-
Total	$ 3,707,149	$ 4,168,745	$ 5,616,806	$ 1,533,868	$ 15,026,568	$ 793,678

(continued)

City and County of Butte-Silver Bow, Montana
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Business-type Activities Enterprise Funds					Governmental Activities
	Water Utility Division	**Metro Sewer Operations**	**Solid Waste**	**Other Enterprise Funds**	**Total**	**Internal Service Funds**
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities						
Operating Income (Loss)	$ (165,947)	$ 1,336,847	$ (477,630)	$ 89,588	$ 782,858	$ 488,821
Adjustments:						
Depreciation	3,706,308	1,070,107	359,114	196,649	5,332,178	195,406
Bond issue cost adjustment	-	-	-	-	-	-
Intergovernmental revenue on-behalf payments	67,821	41,134	10,858	1,237	121,050	31,379
Adjustments to pension expense	(80,259)	(48,690)	(12,777)	(1,328)	(143,054)	(37,026)
(Increase) Decrease in Assets:						
Accounts receivable	117,179	16,064	(11,876)	(8,091)	113,276	(1,186)
Special assessments receivables	8,227	(94,568)	1,924	-	(84,417)	-
Inventory	(1,307,902)	-	-	3,028	(1,304,874)	-
Prepaid expenses	9,028	-	-	-	9,028	-
Increase (Decrease) in Liabilities:						
Vouchers payable	46,389	(28,878)	65,056	(11,518)	71,049	14,397
Accounts payable	212,953	-	-	-	212,953	-
Accrued expenses	-	-	33,717	-	33,717	5,361
Accrued wages and benefits payable	11,520	11,141	4,964	5,433	33,058	-
Customer deposits	(8,163)	-	-	-	(8,163)	-
Compensated absences	25,542	29,918	19,369	(25,368)	49,461	9,304
Unearned revenue	(7,848)	-	-	-	(7,848)	-
Net Cash Provided by Operating Activities	$ 2,634,848	$ 2,333,075	$ (7,281)	$ 249,630	$ 5,210,272	$ 706,456
Noncash Capital Activities:						
Construction costs included in accounts and vouchers payable	$ 678,649	$ 1,870,501	$ -	$ 56,738	$ 2,549,150	$ 3,153

See accompanying notes to the basic financial statements (concluded)

BUTTE-SILVER BOW

M

THE RICHEST HILL ON EARTH

MONTANA

Fiduciary Funds

City and County of Butte-Silver Bow, Montana
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2015

	Investment Trust	Agency
Assets		
Cash and cash equivalents	$ -	$ 10,920,441
Investments	24,398,853	469,026
Receivables	-	1,810,897
Land acquired by tax deed	-	226,640
Total Assets	24,398,853	13,427,004
Liabilities		
Accounts payable	-	838,423
Vouchers payable	-	2,180
Accrued interest payable	-	19,990
Due to others	24,398,853	225,540
Due to other governments	-	12,278,937
Due to component unit	-	61,934
Total Liabilities	$ 24,398,853	$ 13,427,004

See accompanying notes to the basic financial statements

City and County of Butte-Silver Bow, Montana
Statement of Changes in Fiduciary Net Position
Investment Trust Funds
For the Fiscal Year Ended June 30, 2015

Additions		
Shares and investments purchased	$	319,949,741
Investment earnings		126,203
Total Additions		320,075,944
Deductions		
Shares and investments redeemed		308,193,289
Investment earnings distributed		-
Total Deductions		308,193,289
Change in Net Position		11,882,655
Net Position Beginning of Year		12,516,198
Net Position End of Year	$	24,398,853

See accompanying notes to the basic financial statements

BUTTE-SILVER BOW

M

THE RICHEST HILL ON EARTH

MONTANA

City and County of Butte-Silver Bow, Montana
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

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The City and County of Butte-Silver Bow, State of Montana (City and County) was incorporated as a municipal corporation May 2, 1977. The consolidation combined the governments operations from the county of Silver-Bow, which was incorporated on February 16, 1881 and the city of Butte, which was incorporated on April 4, 1879. Under the charter of the consolidated government an elected Chief Executive and twelve-member Council of Commissioners govern the City and County. The day-to-day affairs of the government are conducted under the supervision of the Chief Executive and several other elected officials, directors, and supervisory positions.

The City and County provides a wide range of services to its residents, including public safety, planning, zoning, building inspection, elections, document recording, various infrastructure, social services, health, cultural and recreation, general administrative services, residential and commercial water and waste water system, landfill services, housing rehabilitation, and economic development functions.

Note 1 - Summary of Significant Accounting Policies

The accompany financial statements of the City and County are presented in conformity with Generally Accepted Accounting Principles (GAAP) for state and local governments in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), the accepted standard-setting body for governmental accounting and financial reporting. In June 1999, the GASB issued Statement 34 *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments* (GASB 34). GASB 34 established new financial reporting requirements for state and local governments throughout the United States. The GASB 34 statements are referred to as the Government-wide Financial Statements.

The most significant of the City and County's accounting policies are described below.

1-A. Reporting Entity

The reporting entity, as required by United States GAAP, is comprised of the primary government, component units and other organizations which the City and County is considered to be financially accountable. The inclusion of these entities ensures that the financial statements are not misleading. The primary government of the City and County consists of all funds, departments, boards and agencies that are not legally separate from the City and County.

Component Units
Component units are legally separate organizations for which the City and County is financially accountable. The Governmental Accounting Standards Board has set forth the criteria to be considered in determining financial accountability in Statement 14, *The Financial Reporting Entity* and Statement 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No 14 and No. 34*. The City and County is financially accountable for an organization if the City and County appoints a voting majority of the organization's governing board and (1) the City and County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the City and County is legally entitled to or can otherwise access the organization's resources; the City and County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City and County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the City and County in that the City and County approves the budget, levies their taxes or issues their debt.

The component unit columns included on the government-wide financial statements identifies the financial data of the City and County's discretely presented component unit. It is reported separately to emphasize that it is legally separate from the County.

A brief description of the discretely presented component unit follows:

The Port of Montana Authority (Port Authority) - The Port Authority is an intermodal transportation facility, which provides transloading services to over-the-road and rail carriers within the county region. The Port Authority was created by resolution on May 7, 1986, pursuant to authority granted by the 1985 Montana Legislative Assembly. A board appointed by the City and County's Chief Executive and confirmed by the Council of Commissioners manages the Port.

(This page continued on the subsequent page)

The Port Authority is fiscally dependent upon the City and County to levy taxes if necessary and further, the City and County has secured a revenue bond issued by the Port Authority.

Separately issued financial statements for the Authority may be obtained at the City and County's Office of the Clerk and Recorder or within the Finance and Budget Department.

Related Organizations

The Chief Executive upon the approval of the Council of Commissioner is responsible for appointing board members for other organizations; however, the commissioners' accountability does not extend beyond those appointments. The commissioners themselves may serve on other organizations' boards and provide some financial and operational influence, but they do not serve in a controlling capacity. These organizations are not included as component units of the City and County; however, any financial support and obligations of the City and County related to these organizations are reported within the financial statements.

1-B. Basis of Presentation

The City and County's basic financial statements consist of government-wide statements which include aggregated fund data and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include a statement of net position and a statement of activities. These statements report financial information for the City and County as a whole. The primary government and the discretely presented component units are presented separately within these financial statements with the focus on the primary government. All City and County funds, excluding the fiduciary activities, are included at the government-wide reporting level. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City and County general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the City and County and it's discretely presented component unit at year-end. This statement is presented in a classified format.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City and County's governmental activities and for each identifiable activity of the business-type activities of the City and County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City and County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City and County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which functions the revenues are *restricted*.

Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the City and County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City and County.

Fund Financial Statements - During the year, the City and County segregates transactions related to certain City and County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City and County at this more detailed level. Fund financial statements are provided for governmental, proprietary, and fiduciary funds.

(This page continued on the subsequent page)

Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds. Fiduciary funds are reported by type.

Fund Accounting - The City and County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City and County uses three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City and County reports the difference between governmental fund assets and liabilities as fund balance. The following are the City and County's major governmental funds:

General Fund - The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the City and County for any purpose provided it is expended or transferred according to the general laws of Montana.

Ramsay TIFID Industrial Fund- the Ramsay TIFID industrial fund is a special revenue fund that accounts for the tax collection and economic development activities of the Tax Increment Financing Industrial District (TIFID). The TIFID was formed as a major economic development site where the City and County has been able to attract one of the top employers and tax payers for the City and County. Economic development efforts are continuing to attract new interests within the district.

ARCO Redevelopment Fund – This fund is financed through an agreement between the City and County and Atlantic Richfield Company. These resources will be utilized for development of mine waste source areas, historic preservation, open space and recreational areas, health initiatives and other activities as outlined in the agreement. No expenditures were budgeted or authorized in fiscal year 2013.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The City and County's proprietary funds are classified as enterprise funds and internal service funds. The following are the City and County's major enterprise funds:

Water Utility Division Fund - The water utility division fund is a business-like enterprise fund that accounts for the local government's expansion and maintenance of the City and County water system. Revenues are derived from user fees and are structured to allow for continuing capital projects such as main replacement projects while complying with a debt service coverage ratio of 125%.

Metro Sewer Operations Fund - The metro sewer operations fund is a business-like enterprise fund that accounts for the local government's sewage treatment and disposal operations. Revenue is derived from special assessments. A component of the rate of the assessments also allows for continuing repair and replacement projects.

Solid Waste Fund - The solid waste fund is also a business-like enterprise fund established to account for the construction and operation of the City and County's landfill and solid waste collection activities. Revenues are derived from special assessments and gate fees.

Internal Service Funds – These funds account for data processing, fleet management, payroll and personnel services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis

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Fiduciary Funds - Fiduciary fund reporting focuses on net position. The City and County's fiduciary funds include a variety of agency funds, an investment trust fund and various individual investment funds for school districts.

Agency Funds - The agency funds consist of property tax funds that the City and County has not yet distributed to local school districts, the State of Montana, other cities and towns, and special districts. The fund also contains fees and judgments due to the State of Montana, garnishments and child support payable through the court system, public administrator functions, and Superfund monies of groups named in a Priority Soils Operable Unit.

External Investment Trust Fund – This fund accounts for the resources held in investments on behalf of the local school districts. Under the direction of the various school district business managers, funds are invested per state law.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are presented on a full accrual basis of accounting with an economic resources measurement focus concentrating on an entity or fund's net position. All transactions and events that affect the total economic resources during the period are reported. Under the full accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time an obligation (liability) is incurred, regardless of the timing of related cash inflows and outflows. All assets and all liabilities associated with the operation of the City and County are included on the statement of net position. The statement of activities reports revenues and expenses. Fiduciary funds use the accrual basis of accounting.

Fund Financial Statements - All governmental funds are presented on a modified accrual basis of accounting with a current financial resources measurement focus. This measurement focus concentrates on the funds' resources available for spending in the near future. Those transactions and events affecting the funds' current financial resources during the period are reported. Only current assets and current liabilities generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements; therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statement of cash flows provides information about how the City and County finances and meets the cash flow needs of its proprietary activities.

The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues
Under the modified accrual accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered available if collected with 60 days of year-end. The City and County reports deferred inflows when the potential revenue does not meet both the measureable and available criteria for recognition in the current period.

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Property taxes, special assessments, investment earnings, charges for services, and grant revenue are the primary revenue sources subject to accrual. Property taxes are reported as receivables and deferred inflow of resources. The City and County bills and collects its own property taxes and the taxes for various taxing agencies. (Note 3-C) Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City and County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City and County on a reimbursement basis.

Expenses/Expenditure
On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities and Fund Equity

1-E-1 Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits, time deposits, savings accounts, fiscal agent deposits as well as short-term investments with a maturity date within three months of the date acquired by the City and County.

Generally, investments are stated at fair value based on quoted market prices.

Montana statutes authorize the City and County to invest in the following types of obligations:

- Interest-bearing savings accounts
- Certificates of deposit and time deposits insured up to $250,000 by the Federal Deposit Insurance Corporation or fully collateralized
- U.S. government and U.S. agency obligations
- Montana State Short-term Investment Pool
- Repurchase agreements where there is a master repurchase agreement and collateral held by a third party

Cash resources of individual funds are combined to form a pool of cash and investments, which the Treasurer's Office manages. The investment earnings are statutorily distributed to the general fund.

The City and County issues warrants in payment of its obligations. When the warrants are presented to the Treasurer's Office, the City and County will issue a check to pay the warrants. Cash balances are reported net of outstanding warrants except in the trust/agency fund and for registered warrants.

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectible, where applicable. Unbilled utility charges are accrued as receivables and revenue at June 30, 2015.

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4 Consumable Inventories and Prepaid Items

Inventories in proprietary funds are stated at the lower of cost (average cost method) or market. The cost of inventory is recorded as expenditure at the time the inventory items are purchased in governmental funds.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

1-E-5 Restricted Assets

On the government-wide financial statements restricted assets consist of cash and cash equivalents and investments that are restricted by State Law, Local Ordinances and bond covenants. The bond covenants the "*Debt Service Cash*" accounts which are used to segregate resources accumulated for debt service payments over the next twelve months. The "*Debt Service Reserve Cash*" account is used to report resources set aside that are equal to the largest debt service payment occurring in any fiscal year over the life of the bonds. The "*Operations and Maintenance*" account is used to report resources accumulated to subsidize potential deficiencies from the operation that could adversely affect debt service payments. The "*Replacement and Depreciation*" account is used to report resources set aside to fund asset acquisition, renewals and replacements.

On June 30, 2015 the balance of restricted assets accounts are as follows:

	Governmental Activities		
	General Fund	Nonmajor Governmental Funds	Total
Restricted For:			
Restricted by ordinance for self-funded employee health insurance plan	$ 844,909	$ -	$ 844,909
Restricted by Statutes of the State of Montana-Code Enforcement	68,809	-	68,809
Restricted by Council approval-donation for Legion Field	1,000,507	-	1,000,507
Restricted by Statutes of the State of Montana-Hard Rock Mine Trust	-	7,844,763	7,844,763
Restricted by bond covenants; debt service reserves	-	3,448,143	3,448,143
Total	$ 1,914,225	$ 11,292,906	$ 13,207,131

	Business Type Activities			
	Water Utility Division	Solid Waste	Metro Sewer Operations	Total
Restricted For:				
Restricted by bond covenants; debt service reserves	$ 1,573,715	$ -	$ 704,316	$ 2,278,031
Restricted by ordinance; future capital cell expansion	-	1,027,562	-	1,027,562
	$ 1,573,715	$ 1,027,562	$ 704,316	$ 3,305,593
Total				**$ 16,512,724**

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Component Unit
On June 30, 2015, the Component Unit had restricted cash of $58,974 for bond reserves and $38,676 for the next installment payable on the Port Authority Revenue Bond per the bond covenants. Also, $25,000 was restricted by agreement with HCC Surety as collateral on a surety bond.

1-E-6 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The City and County reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the governmental fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the proprietary funds' statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City and County maintains a capitalization threshold of five thousand dollars. The City and County's infrastructure consists primarily of roads and water and sewer lines. The City and County governmental activities infrastructure has been capitalized since fiscal year 1981. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise funds is capitalized.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City and County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

	Estimated Lives		
Asset Class	Governmental Activities	Business-type Activities	Component Unit
Buildings	30-60 Years	30-60 Years	15-40 years
Improvements other than buildings	25-50 Years	25-50 Years	15-40 years
HUB transportation facility	---	---	25-40 years
Machinery and equipment	10-20 years	10-20 years	3-15 Years
Infrastructure	30-60 Years	30-60 Years	---

At the inception of capital leases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

1-E-7 Long-term Obligations

All payables and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the these funds. However, compensated absences, claims and unfunded pension benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Bonds and capital leases are recognized as a liability in the governmental fund financial statements "*when due*".

1-E-8 Bond Premiums, Discounts, Issuance Costs and Bond Refunding Gains and Losses

In the government-wide statement of net assets and the proprietary fund statements of net assets, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds.

In the financial statement for governmental fund types, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs, whether or not withheld for the actual debt proceeds received, are reported as debt service expenditures.

1-E-9 Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. GASB Statement 54 requires governmental fund balances to be allocated to categories as follows:

- Nonspendable – funds that are not spendable in form (i.e. Inventory);
- Restricted – externally enforceable legal restrictions exist, such as state law or bond covenants;
- Committed – classification formally imposed by the Council of Commissioners by Council Resolution or Ordinance at the end of the reporting period;
- Assigned – classification t imposed by the government for specific purposes, but do not meet the criteria of restricted or committed. Butte-Silver Bow's policy is as follows: Assignment can be expressed and authorized by the Council of Commission or by an official to whom the Council of Commissioners delegates authority. The Council of Commissioners has delegated the Finance and Budget Director.
- Unassigned – remaining balance.

Net Position - Net position in the government wide and proprietary funds represent the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, plus any outstanding balances of borrowings not yet expended, but restricted for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City and County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

The City and County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The Council of Commissioners is the highest body in the City and County and any constraints on funds set by it must be reported as committed if action is taken by fiscal year end. The Chief Executive, in conjunction with the Finance & Budget Director, can impose constraints that would cause amounts to be assigned. Assigned fund balances are generally designated as such in accordance with the purpose of the fund.

1-E-10 Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses, including operating grants, investment earnings, interest expense and gains and losses on dispositions of capital assets.

1-E-11 Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from transfers from capital assets of governmental activities, outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-12 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business type activities column are eliminated.

I-E-13 On-Behalf Payments for Fringe Benefits

On-behalf payments for fringe benefits are direct payments made by one entity to a third-party recipient for the employees of another, legally separate entity. On-behalf payments include pension plan contributions made directly to the various cost-sharing pension plans by the State of Montana. The State's pension contribution is recorded as intergovernmental revenue with an offsetting expenditure in the related funds. (Note 3I)

1-E-14 Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-15 Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds.

I-E-16 Concentration of Credit Risk – Component Unit

The Port of Montana Port Authority, a discretely presented component unit, receives revenues from shipping, storage and switching in Silver Bow, Montana. The Port Authority grants credit on some of these sales and generally requires no collateral from its customers.

1-E-17 Implementation of New GASB Standards

In fiscal year 2015, the City and County implemented the GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and Statement No 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, an amendment of GASB Statement No. 68. . This statement addresses accounting and financial reporting for pensions that are provided to the employees of state and local governmental employers. This Statement establishes standards for measuring and recognizing net pension liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. These Statements are effective for fiscal years beginning after June 15, 2014.

1-E-18 Deferred Outflows and Inflows of Resources

In accordance with Government Accounting Standards Board Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, the City and County reports deferred outflows of resources in the Statement of Financial Position in a separate section following Assets. Similarly, the City reports deferred inflows of resources in the Statement of Net Position in a separate section following Liabilities.

Deferred inflows of resources accounts for the current acquisitions of net assets that is applicable to a future reporting period. Deferred inflows of resources in the General Fund, Ramsay TIFID, and other Governmental Funds represent outstanding general property taxes and special assessments at June 30, 2015. These amounts are reported as revenue in the Government-Wide Financial Statements in the period in which they are levied.

On the Government-wide Statement of Net Position, Deferred inflows from resources relate to deferred inflows from pensions as defined in GASB Statement 68.

Deferred outflow of resources is the current consumption of net assets that is applicable to future reporting periods. On the Government-wide State of Net Position, Deferred outflows from resources relate to pension reporting as defined in GASB Statement 68.

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Port of Montana Port Authority
Deferred Outflows of Resources:				
Deferred outflows from pension activities	$ 1,905,358	$ 343,925	$2,249,283	$ 15,989
Deferred Inflows of Resources:				
Deferred inflows from pension activities	$ 5,030,988	$1,070,427	$6,101,415	$ 59,992

Note 2 – Stewardship, Compliance, and Accountability

2-A. Budgetary Information

Budgets are adopted on a basis consistent with GAAP for all budgeted funds of the government in accordance with the Local Government Budget Act (Title 7, Chapter 6, part 40, MCA). Per the Local Government Budget Act, the City and County has excluded the damages and judgments fund, a special revenue fund. Because the amounts of possible judgments are unknown, no expenditure budget is included for this fund. Revenues are budgeted because prior year expenditures are levied for in the current year. In accordance with state law judgments against a local government not covered by insurance may be levied for over a 3-year period to pay the current fiscal years judgments.

Each year, the Chief Executive must submit to the City and County Council of Commissioners a proposed operating budget for all budgets units within the City and County for the fiscal year commencing July 1. This operating budget includes proposed expenditures and the projected revenues for financing the expenditures. Public hearings are conducted to obtain citizens comments on the proposed budget and as prescribed in the Local Government Budget Act. The budget is then legally adopted by the passages of the budget resolution and various rate resolutions by the Council of Commissioners.

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Budgets are legally required for governmental fund types, with the exception of the Damages & Judgments fund described above. The budgets are prepared on the same basis and using the same accounting practices as are used to account and prepare financial reports for funds. In accordance with Montana Code Annotated, Section 7-6-4030, the level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. Annual appropriated budgets are adopted for all funds and all appropriations lapse at year end.

The Council of Commissioners may amend the budget during the course of the fiscal year in accordance with Montana State Statute. The statute defines situations where the governing body has authority to amend the budget without a hearing for donations, land sales, and fee-based budgets. However, the City and County Council of Commissioners have adopted rules of order by which all increases in appropriation authority at the fund level are approved through public hearing process.

In its annual appropriation resolution, the Council of Commissioners delegated budget amendment authority to the Finance and Budget Director for the expenditures of funds from any or all the following; general fund, special revenue funds including federal and state grants accepted and approved by the governing body, debt service funds, enterprise funds, internal service funds, trust funds, and special assessments. The budget amendments can be made as long as the total appropriations for the fund are not exceeded. Spending control is established by the total amount of expenditures budgeted for the fund. The Finance and Budget Director assigns fund balances based on the available balance in the individual funds at year-end.

A public hearing is required for an overall increase in appropriation authority, except in the case of an emergency as provided in Montana state statute.

2-B. Excess of Expenditures over Appropriations

There were no funds that had expenditures in excess of the fund budget.

2-C. Deficit Fund Equity

The following funds had fund balance and net position deficits

Parking Commission Fund – ($148,083) – The City and County is funding this operation in the interim with a loan from the general fund so public safety is provided and operations can continue. The ordinance has been amended and new fee structure instituted. New designs are being reviewed to offer an additional 140 parking spaces and parking lot space is being reviewed to assure accurate lot rental is being assessed. Management is also in the process of reviewing the possibility of moving some of the functions and staff within the Parking Commission to Law Enforcement under public safety.

Damages and Judgments Fund – ($38,293) – This fund accounts for judgments made against the local government. Property taxes will be levied in fiscal year 2016 to cover this deficit as defined in the Montana Code Annotated.

East Butte RRA Fund – ($140,098) – The East Butte RRA is a tax financing district and is currently operating through a loan from the Urban Revitalization Agency (URA). As the district market values expand, the tax increment will be utilized to pay off the loan to URA. This will offset the negative balance. The fund balance was ($216,010) for fiscal year 2014.

Health Fund – ($278,607) – This fund covers activities related to community health issues. These services include immunization, air quality, as well as a multitude of federal and state contract/grant health programs. The Health Department until February 2014 operated a drug and alcohol treatment program. This program was determined not to be financially feasible for the City and County to operate. Also, the local government was competing with other agencies in the community with similar programs. The deficit in the fund was linked to this program. The Council of Commissioners has agreed to implement a 5 year grant plan to pay back a loan to the General Fund and allow for the Health fund to be solvent. The in fund balance in fiscal year 2014 was ($560,002).

NRDP – Greenway Project ($224,513) – This fund accounts for the activities associated with the construction of the Greenway project. The State of Montana Natural Resource and Damages funding has funded for the majority of this project. The general fund has made an interim loan to the project to avoid delays in project. This project will be fully funded prior to the grant closeout.

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Transit ($34,317) –This fund accounts for the activities of the Butte-Silver Bow Transit System and Para Transit System. During fiscal year 2014, the Transit fund purchased 5 buses through the use of Section 5309 and 5311 federal grant funds leaving a deficit of $97,874 to meet the matching funds of 13.42%. The matching funds came from an inter-fund loan from solid waste. The projected increase in ridership and the increase in revenue from route will be sufficient to cover the loan. During fiscal year 2015, the transit department began to operate the para-transit system in efforts to save operating costs on the program that had been previously contracted. At the end of fiscal year 2015, management instituted a summer pilot program to further increase ridership and to take advantage of federal grant funds available for operations. The pilot program will be reviewed in mid fiscal year 2016.

Superfund Residential Metals ($28,005) – This program is funded through a settlement agreement with Atlantic Richfield Company (Arco). The program funds are held in trust by Arco. The City and County invoices the trustee quarterly for the activities as described in the annual budget. Under this program the City and County is responsible to conduct time critical soil removal within the Priority Soils Operable Unit. During fiscal year 2015, additional work was completed under the program. The funds will be allocated to cover the shortfall in fiscal year 2016 from the trust account.

CTEP Grants ($8.645) – This fund accounts for the grant activities associated with the funds received from the State of Montana, Department of Transportation for Community Transportation Enhancement Program. The general fund has made an interim loan to the project to avoid delays in project. This project will be fully funded prior to closeout.

DNRC Grants ($699) – This fund accounts for the grant activities associated with the funds received from the State of Montana, Department of Natural Resource and Conservation Program. This particular grant was developing safe routes to schools. The general fund has made an interim loan to the project. During fiscal year 2016, the Planning Department allocated funds to cover the cost overrun for the project. This project will be fully funded prior to closeout

Central Administrative Services – ($15,108) – This fund accounts for the payroll and personnel activities of the city-county. The deficit net position is attributed to the prior period adjustment for pension reporting and implementation of GASB Statement No. 68. The change in net position for fiscal year 2015 was $60,592. The net position, exclusive of the prior period adjustment for GASB 68, would have been $282,645.

Central EDP and Communications – ($379,589) – This fund accounts for the Information Technology Department including all computer hardware and software purchasing and development. It also accounts for the city-county communication systems. The deficit net position is attributed to the prior period adjustment for pension reporting and implementation of GASB Statement No. 68. The change in net position for fiscal year 2015 was $353,675. The net position, exclusive of the prior period adjustment for GASB 68, would have been $349,514.

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

Primary Government's Deposits

State statutes require that all deposits in financial institutions be 50% collateralized as outlined in Montana Code Annotated, 17-6-103.

Custodial Credit Risk – Deposits – the custodial credit risk for deposits is the risk that, in the event of a bank failure, the City and County's deposits may not be recovered. Butte-Silver Bow policy related to custodial risk is to remain in conformity with MCA 17-6-103 as described above.

At June 30, 2015, the carrying amount of the City and County's deposits, including certificates of deposit was $33,277,480 and the related bank balances totaled $33,251,195. Of the bank balance, $757,501 was covered by Federal Depository Insurance; $31,994,314 was collateralized by the pledging financial institution's trust department or an agent in the City and County's name and $499.379 was uncollateralized.

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Component Unit's Deposits

At June 30, 2015, the carrying amount of the Port Authority's deposits, including certificates of deposit of $3,002,170 and the related bank balances totaled $3,022,059. All deposits were fully secured by the Federal Depository Insurance (FDIC).

Primary Government's Investments

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment.

In compliance with the City and County's Investment Policy, the City and County minimized the interest rate risk, related to the decline in the market value of securities due to rising interest rates in the portfolio by; limiting the duration of the investment of security types with the expectation of securities purchases related to reserve funds; structuring the investment portfolio so that the securities matured to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the secondary market. The City and County has invested operating funds primarily in short-term securities or the State of Montana investment pool.

At June 30, 2015 the City and County had the following investments presented by maturity period:

Investment Type	Fair Value
U.S. Government Securities	$ 9,423,686
Montana Investment Pool "2a7 like"	76,517,956
Total Investments	$ 85,941,642

Wells Fargo Restricted Investments consists of government money market funds which meet the requirements of Rule 2A-7 under the Investment Company Act of 1940. The investments consist of collateralized money market accounts (CMMA) which are insured by up to $250,000 by the FDIC. To the extent funds on deposit exceeds the FDIC limit, the uninsured amounts are covered by pledged collateral set aside by Wells Fargo Bank. Wells Fargo Bank, National Association has short term debt ratings of P1 from Moody's Investors Service and A1+ from Standard & Poor's Rating Services.

Credit Quality Risk – Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The City and County invest in the State of Montana Short Term Investment Pool (STIP). This pool has been deemed a 2a7 like pool. As of June 30, 2015 all STIP securities were registered in the nominee name for the Montana Board of Investments and held in the possession of the Board's custodial bank, State Street Bank. In accordance with STIP Investments Policy, "repurchase agreements require electronic delivery of U.S. Government Treasury collateral, priced at 102 percent of market value, to the designated State of Montana Federal Reserve Bank account." The STIP investment portfolio consists of securities with a maximum maturity of 397 days or less unless they are a variable rate security. The portfolio may include asset-backed securities, repurchase agreements, institutional money market funds, certificate of deposit and variable rate securities. STIP contained two types of investments required to be disclosed, which are asset-backed securities and variable rate securities, which are described below.

Corporate Asset-backed securities are based on cash flows from principal and interest payments on underlying auto loan receivables, credit card receivables, and other assets. These securities, while sensitive to prepayments due to interest rate changes, have less credit risk than securities not backed by pledged assets.

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Variable rate (floating-rate) securities have credit risk identical to similar fixed-rate securities; their interest rate risk is more sensitive to interest rate change. However, their face value may be less volatile than fixed rate securities because their value will usually remain at or near par as a result of their interest rates being periodically reset to maintain a current market yield.

The State of Montana Short Term Investment Pool (STIP) Credit Quality ratings by the NRSRO as of June 30, 2015
(In thousands)

Security Investment Type	Amortized Cost	Credit Quality Rating	WAM in Days
Asset Backed Commercial Paper	$ 779,579	A-1	25
Corporate Commercial Paper	101,299	A-1	12
Corporate Variable Rate	571,672	A-1+	42
Certificates of Deposit Fixed Rate	150,000	A-1	259
Certificates of Deposit Variable Rate	450,000	A-1+	47
Other Asset Backed	27,821	NR	N/A
U.S. Government Agency Fixed	54,498	A-1+	236
U.S. Government Agency Variable	239,008	A-1+	42
Money Market Funds (Unrated)	161,592	NR	1
Money Market Funds (Rated)	3,000	A-1+	1
Total Investments	$ 2,538,469	A1	52
Securities Lending Collateral Investment Pool	$ 5,806	NR	30*

*As of June 30, 2015, the Securities Lending Quality Trust liquidity pool had an average duration of 30 days and an average weighted final maturity of 115 days for U.S. dollar collateral. In March 2015, all holdings in Securities Lending Duration were sold.

Amounts invested by the City and County in STIP may be redeemed at any date at the carrying value on that date.

Additional information on the State of Montana Short-term Investment Pool may be obtained by writing to Montana Board of Investments, Department of Commerce, 2401 Colonial Drive, 3rd floor, Helena, MT, 59620-0126, by calling (406) 444-000, or visiting the website http://investmentmt.com/.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the City and County's investments may not be recovered. None of the City and County's investments is subject to custodial credit risk.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the City and County's investment in a single issuer.

In compliance with the City and County Investment Policy, the City and County diversify its investment portfolio so that potential losses on individual securities are minimized. The only investments in excess of 5% of the City and County's investment portfolio are invested in the State of Montana Short Term Investment Pool (STIP) as described above.

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Cash and Investment Reconciliation:

	Cash and Cash Equivalents	Investments	Total
Fund Reporting Level:			
Governmental Funds - Balance Sheet	$ 10,768,784	$ 43,663,211	$ 54,431,995
Governmental Funds - Balance Sheet - Restricted	3,681,948	9,525,183	13,207,131
Proprietary Fund Type Statement of Net Position	5,794,284	6,720,369	12,514,653
Proprietary Fund Type Statement of Net Position - Restricted	2,140,593	1,165,000	3,305,593
Fiduciary Fund	10,920,441	24,867,879	35,788,320
Less cash on hand	(28,570)		(28,570)
Total	$ 33,277,480	$ 85,941,642	$ 119,219,122
Cash and cash equivalents			$ 33,277,480
Investments			85,941,642
Total			$ 119,219,122

3-B. Receivables

Receivables at June 30, 2015, consisted of taxes, interest, accounts (billings for user charges, including unbilled utility receivables), and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the City and County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

At June 30, 2015, the amount of allowance for uncollectible was $74,000. The allowance consisted of client fees in the Health Department ($43,000), and customer's accounts in the Water Utility ($31,000). These amounts remained stable from the prior year.

3-C. Property Taxes

All property within the City and County is assessed on taxable market value. Real property taxes, special assessments, and certain utility fees are due in two installments generally on November 30th and May 31st of each fiscal year or within 60 days of mailing of the statement. Property taxes attach as an enforceable lien on property as of January 1. During the current year, the taxes were levied on November 30, 2014. The property taxes were due and recognized as an enforceable lien on January 31, 2015.

Taxes and special assessments receivable are recorded the first working day of December. Tax liens are enforced for real property with taxes which are three years delinquent.

3-D. Capital Assets

Capital asset activity for the year ended June 30, 2015, was as follows:

	Balance 6/30/2014	Additions	Deductions	Balance 6/30/2015
Governmental activities				
Nondepreciable capital assets				
Land	$ 4,249,347	$ -	$ -	$ 4,249,347
Construction in progress	2,118,797	456,038	2,118,797	456,038
Total nondepreciable capital assets	6,368,144	456,038	2,118,797	4,705,385
Depreciable capital assets				
Buildings	37,519,250	288,284	5,500	37,802,034
Improvements other than buildings	9,164,988	645,405	58,526	9,751,867
Machinery and equipment	25,374,499	1,277,668	149,249	26,502,918
Infrastructure	85,118,832	7,877,186	-	92,996,018
Total depreciable capital assets	157,177,569	10,088,543	213,275	167,052,837
Total capital assets	163,545,713	10,544,581	2,332,072	171,758,222
Accumulated depreciation				
Buildings	(10,700,969)	(922,007)	(5,500)	(11,617,476)
Improvements other than buildings	(4,580,313)	(309,918)	(58,526)	(4,831,705)
Machinery and equipment	(17,471,413)	(1,549,068)	(149,249)	(18,871,232)
Infrastructure	(34,403,499)	(3,294,539)	-	(37,698,038)
Total accumulated depreciation	(67,156,194)	(6,075,532)	(213,275)	(73,018,451)
[1]Adjustment to accumulated depreciation machinery and equipment for Prior Period Adjustment	-	-	(621,180)	621,180
Governmental activities capital assets, net	$ 96,389,519	$ 4,469,049	$ 1,497,617	$ 99,360,951

[1] See Note 4-G Prior Period adjustment for further explanation

Governmental activities depreciation expense

General government	$ 977,527
Public safety	867,593
Public works	1,411,472
Public health	31,690
Culture and recreation	395,838
Housing and community development	2,391,412
Total governmental activities depreciation expense	$ 6,075,532

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Capital asset activity for the year ended June 30, 2015, was as follows:

	Balance 6/30/2014	Additions	Deductions	Balance 6/30/2015
Business-type activities				
Nondepreciable capital assets				
Land	$ 1,332,721	$ -	$ -	$ 1,332,721
Construction in progress	4,646,862	20,024,642	3,873,841	20,797,663
Total nondepreciable capital assets	5,979,583	20,024,642	3,873,841	22,130,384
Depreciable capital assets				
Buildings	31,968,175	16,995	1,123	31,984,047
Improvements other than buildings	101,186,703	2,407,777	483,228	103,111,252
Infrastructure	117,028	1,178,063	-	1,295,091
Machinery and equipment	10,515,069	361,168	52,610	10,823,627
Total depreciable assets	143,786,975	3,964,003	536,961	147,214,017
Total capital assets	149,766,558	23,988,645	4,410,802	169,344,401
Accumulated depreciation				
Buildings	(15,617,096)	(772,749)	(819)	(16,389,026)
Improvements other than buildings	(41,562,997)	(3,992,182)	(26,003)	(45,529,176)
Infrastructure	(6,487)	(42,839)	-	(49,326)
Machinery and equipment	(8,134,301)	(524,408)	(52,610)	(8,606,099)
Total accumulated depreciation	(65,320,881)	(5,332,178)	(79,432)	(70,573,627)
Business-type activities capital assets, net	$ 84,445,677	$ 18,656,467	$ 4,331,370	$ 98,770,774

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The following are the changes in component unit's capital assets:

	Balance 6/30/2014	Additions	Deductions	Balance 6/30/2015
Component unit				
Nondepreciable capital assets				
Land	$ 353,252	$ -	$ -	$ 353,252
Total nondepreciable capital assets	353,252	-	-	353,252
Depreciable capital assets				
Warehouse and improvements	753,094	23,594	-	776,688
Machinery and equipment	1,230,025	34,402	49,950	1,214,477
HUB Transportation facility				
Buildings and improvements	6,071,852	28,152	850	6,099,154
Tracks	1,469,325	-	-	1,469,325
Total depreciable capital assets	9,524,296	86,148	50,800	9,559,644
Total capital assets	9,877,548	86,148	50,800	9,912,896
Accumulated depreciation				
Warehouse and improvements	584,829	12,965	-	597,794
Machinery and equipment	940,715	34,019	50,155	924,579
HUB Transportation facility				-
Buildings and improvements	2,390,453	142,898	-	2,533,351
Tracks	792,084	33,060	-	825,144
Total accumulated depreciation	4,708,079	222,942	50,155	4,880,868
Component unit capital assets, net	$ 5,169,468	$ 136,793	$ 645	$ 5,032,029

3-E. Interfund Balances and Transfers

Interfund balances at June 30, 2015, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, (3) payments between funds are made and (4) to the reclassification of a cash overdraft in the City's cash and investment pool. The City and County expects to repay most interfund balances within one year.

	Payable from:			
Payable to:	Nonmajor Governmental Funds	Major Enterprise Fund	Governmental Activities Internal Service Funds	Total
General fund	$ 2,177,013	$ -	$ -	$ 2,177,013
Nonmajor			-	-
governmental funds	230,000	600,000	-	830,000
Metro sewer fund	433,008	-	-	433,008
Solid waste fund	144,366	-	50,000	194,366
	$ 2,984,387	$ 600,000	$ 50,000	$ 3,634,387

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The following is a summary of the interfund transfers:

	Transfers to:			
Transfers from:	General fund	Nonmajor governmental funds	Nonmajor enterprise funds	Total
General fund	$ -	$ 527,752	$ 105,539	$ 633,291
Ramsay TIFID	235,185	2,494,691	15,000	2,744,876
ARCO Redevelopment Trust Authority	50,000	260,696	-	310,696
Nonmajor governmental funds	415,430	193,833	-	609,263
Water utility division fund	226,394	-	-	226,394
Metro sewer operations fund	217,540	-	-	217,540
Solid waste fund	104,051	15,000	-	119,051
Total	$ 1,248,600	$ 3,491,972	$ 120,539	$ 4,861,111

Transfers are used to (1) move receipts restricted for debt service from the funds collecting the receipts to the debt service funds per bond covenants, and (2) use unrestricted revenues in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorization and (3) for administrative functions related to the major business-type funds, and (4) to close in active funds to the General Fund as outlined in 7-6-614, Montana Code Annotated.

3-F. Landfill Post-closure Care

State and federal laws and regulations require the City and County of City and County to place a final cover on its landfill site at Rocker when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, City and County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet.

The total estimated current cost of closure and post-closure care as of the balance sheet date is $1,889,555 and estimated total current cost remaining to be recognized is $1,505,367. These amounts are based on what it would cost to perform all closure and post-closure care in 2015. Percentage of landfill capacity used to date is about 16.44%. City and County expects to close the landfill in the year 2047. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. City and County has elected to use the Local Government Financial test to assure financial requirements are met.

3-G. Compensated Absences

Employees earn vacation leave at the rate of 15 days per year for the first 10 years. Between 10 and 20 years, employees earn vacation leave at an increasing rate, reaching 24 days per year after 20 years. There is no requirement that annual leave be taken, but the maximum permissible accumulation per Montana Code Annotated 2-8-617 is equal to twice the amount of the individuals' annual leave. Any excess leave not taken used within 90 days of the calendar year-end is removed from the individuals annual leave account. At termination, employees are paid for any accumulated annual leave.

Employees earn sick leave at the rate of 12 days per year. There is no limit on the accumulation of sick leave. At termination, employees are paid one day for every four days of accumulated sick leave earned after 1970.

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3-H. Long-Term Debt

Governmental Activities Debt – The following is a summary of the outstanding debt for the City and County's governmental activities.

General Obligation Bonds – The City and County has three outstanding general obligation bond issues.

On November 7, 2006 the voters of the City and County approved a ballot measure to sell up to $1.1 million in general obligation bonds for the purpose of financing the purchase of a 100' Super HD Aerial Ladder Truck and associated equipment. On September 28, 2007 the City and County issued a $978,554 General Obligation Bond to the Montana Board of Investments (MBOI). The Bond had an initial interest rate of 4.85% and this will vary annually on the unpaid principal installments until the Bond is paid off on August 15, 2017. The interest rate as of June 30, 2015 was 1.25%. The total bonds outstanding related to this project, as of June 30, 2015 are $250,560.

On November 14, 2007 the voters of the City and County approved a ballot measure to issue $7.5 million in general obligation bonds to construct an archives vault, and remodel and renovate the historic archives building. On July 9, 2008 the City and County issued $4,500,000 of general obligation bonds with varying interest rates of 3.50% to 5.50% with average coupon of 4.18% and final maturity of July 1, 2028. On February 18, 2009 the City and County issued the remaining $3,000,000 of General Obligation Bonds. These bonds had varying interest rates of 3.00% to 4.65% with average coupon rate of 4.06% and carry a final maturity on July 1, 2029. The total bonds outstanding related to this project, as of June 30, 2015 are $6,045,000. The unamortized premium on the Series 2008 bonds was $53,448 and the unamortized premium on the Series 2009 was $29,198 as of June 30, 2015.

On September 27, 2011, the General Obligation Bonds Series 1999, Series 2002 and Series 2003 were called and a Series 2011 General Obligation Refunding Bonds were issued in the amount of $9,505,000. The Bonds bear interest at varying annual rates between 2.0% and 3.5%, payable semiannually on January 1 and July 1 of each year, commencing January 1, 2012, will mature on July 1, 2022. Bonds with stated maturities in the years 2012 through 2016 are not subject to optional redemption prior to their stated maturities. Bonds maturing July 1, 2017 and thereafter shall be subject to redemption at the option of the City-County on July 1, 2016. This bond refunding was undertaken to reduce total debt services for the remainder of the life of the bonds. This refunding resulted in a reduction of debt payments by $792, 011 and resulted in a net present value savings of $693,803. The total bonds outstanding on June 30, 2015 are $7,035,000. The unamortized premium on the Series 2011 bonds was $289,063 on June 30, 2015.

Annual debt service requirements to amortize the bonds are as follows:

Fiscal Year	Principal	Interest	Total
2016	$ 1,260,214	$ 437,758	$ 1,697,972
2017	1,310,214	404,998	1,715,212
2018	1,285,132	369,147	1,654,279
2019	1,280,000	325,756	1,605,756
2020	1,330,000	281,795	1,611,795
2021-2025	4,575,000	832,952	5,407,952
2026-2030	2,290,000	230,895	2,520,895
Total	$ 13,330,560	$ 2,883,301	$ 16,213,861

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Tax Increment Revenue Bonds – The City and County has three outstanding tax increment revenue bond issues.

On December 22, 2010, the Tax Increment Industrial Infrastructure Development Revenue Bonds, Series 1996 and Series 1997 were called and a Series 2010 Taxable Tax Increment Industrial Infrastructure Development Improvement and Refunding Revenue Bonds were issued in the amount of $13,705,000. The Bonds will bear interest at the annual rate of 4.5%, payable semiannually on January 1 and July 1 of each year, commencing July 1, 2011, will mature on July 1, 2022, and will be subject to optional redemption at any time. The previous letter of credit was not renewed at time of refunding. The purchaser of the bonds is REC Advanced Silicon Materials LLC, a Delaware limited liability company. This issued is private placement issue with REC Advanced Silicon, Inc. purchase the bonds. The total bonds outstanding on June 30, 2015 are $9,710,000.

On September 27, 2011, Tax Increment Bond, Series 2011 was issued with a final maturity date July 1, 2022. Future revenue from the Tax Increment Industrial Infrastructure District No. 2 has been pledged to pay bond principal and interest as due. This series of bonds was issued in the amount of $4,050,000 with variable interest rate between 3.00% and 5.14%. The total bonds outstanding on June 30, 2015 are $3,065,000.

Annual debt service requirements to amortize the bonds are as follows:

Fiscal Year	Principal	Interest	Total
2016	$ 1,370,000	$ 542,056	$ 1,912,056
2017	1,425,000	483,622	1,908,622
2018	1,485,000	421,418	1,906,418
2019	1,550,000	355,388	1,905,388
2020	1,620,000	284,025	1,904,025
2021-2025	5,325,000	377,930	5,702,930
Total	$ 12,775,000	$ 2,464,439	$ 15,239,439

Special Improvement District (SID) Bonds -As of June 30, 2015 the City and County did not have SID Bonds outstanding.

General Obligation Notes - Notes payable consist of State of Montana, Intercap Loan Program with final maturity date August 15, 2023. The original amount of notes was $1,622,456 with interest at a variable interest rate between 1.00% and 4.850%. Because the interest rates are variable, as a result it is not feasible to present the projected interest payable. The interest rate for these notes was 1.25% at June 30, 2015 with a balance outstanding of $851,252.

Annual debt service requirements to amortize the notes are as follows:

Fiscal Year	Principal
2016	$ 195,429
2017	191,866
2018	88,449
2019	66,770
2020	67,440
2021-2025	241,298
	$ 851,252

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Capital Leases

During fiscal year ended June 30, 2001, the City and County acquired a new boiler system under the provisions of a long-term capital lease. This lease has a twenty-year term at a rate of 6.810%. For financial statement purposes minimum lease payments have been capitalized. Leases payable related to the acquisition appear in the governmental activities. The total cost of the boiler system was $577,685. The principal balance outstanding on future payments as of June 30, 2015 is $165,235.

The outstanding balance of the corresponding liabilities is included in governmental activities long-term debt. Future minimum lease payments are as follows:

Fiscal Year	Principal	Interest	Total
2016	$ 44,137	$ 8,258	$ 52,395
2017	46,530	5,865	52,395
2018	49,053	3,342	52,395
2019	25,515	683	26,197
	$ 165,235	$ 18,147	$ 183,382

Business-type Activities Debt – The following is a summary of the outstanding debt for the City and County's business-type activities.

Revenue Bonds

Water Utility Division

The Water Utility Division has issued bonds where it has pledged income derived from the acquired or constructed assets to pay debt service. The bonds are payable solely from and secured by the net revenues of the Water Utility Division and certain accounts maintained pursuant to the indenture. On December 1, 2011 the City and County of Butte-Silver Bow issued revenue bonds through the Montana State Revolving Fund (SRF). These bonds have an interest rate of 3.75% with final maturity on January 1, 2032.

Bond covenants require that Water Utility net revenues must at least equal or exceed 125 percent of the annual debt service payment during the term of the bonds. Net revenues for fiscal year ended June 30, 2015 were 290 percent of the annual debt service payment. All bond covenants relating to the reserve requirements have been met.

The total revenue bond, issued by the Water Utility Division, outstanding on June 30, 2015 was $2,107,000.

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Metro Sewer Operations

The Metro Sewer Operations Division of the City and County of Butte Silver-Bow has been order to comply with federal and state environmental mandates issued through Administrative Orders of Consent in regard to the City and County of Butte-Silver Bow's metro sewer sanitary system. To comply with these mandates the City and County will be required to make an estimated $34,678,000 in project improvements. The cost of the project will be financed by multiple series of bonds from the Department of Natural Resource and Conservation (DNRC) Water Pollution Control State Revolving Loan Program. The State of Montana, through its State Revolving Funds Program, has been approved by the Environmental Protection Agency (EPA) to make loans for wastewater projects. The City and County of Butte-Silver Bow was also notified by the Montana Department of Environmental Quality (DEQ) that the State of Montana will release $4,360,000 from the Montana Pole Remedial Action Account to the City and County to be used for the Metro Sewer Waste Water Plant Project.

The City and County issued Series 2014 bonds in the amount of $10,000,000 on October 22, 2014 to begin the construction on the project. These bonds were authorized by Council Resolution No. 14-32, which passed on September 17, 2014. The bonds are fixed interest rate of 2.50% with final maturity of January 1, 2040. The total outstanding on the Series 2014 on June 30, 2015 was $10,000,000.

On May 6, 2015, the City and County of Butte-Silver Bow Council of Commissioners passed Council Resolution No. 15-9. This resolution authorized the issuance of the Series 2015 DNRC Water Pollution Control State Revolving Loan Program bonds in the amount of $10,000,000 with fixed interest rate of 2.50%. The Series 2015 bonds will mature on July 1, 2040. The bonds are structured that the local government submits for reimbursement from the allocated $10,000,000. Therefore, total outstanding on the Series 2015 on June 30, 2015 was $2,203,779 with remaining $7,796,221 to be drawn on the funds... The debt service schedule below is based on the $2,203,779 outstanding for the 25 year bond term.

Bond covenants for Series 2014 DNRC Water Pollution Control State Revolving Loan Program and Series 2015 DNRC Water Pollution Control State Revolving Loan Program requires net revenues must at least equal or exceed 110 percent of the annual debt service payment during the term of the bonds. Net revenues for fiscal year ended June 30, 2015 were 2846 percent of the annual debt service payment. All bond covenants relating to the reserve requirements have been met

Annual debt service requirements to amortize the revenue bonds are as follows:

Fiscal Year	Principal	Interest	Total
2016	534,000	360,268	894,268
2017	464,192	348,243	812,435
2018	476,832	335,884	812,716
2019	487,514	323,247	810,761
2020	500,237	310,277	810,514
2021-2025	2,600,583	1,343,049	3,943,632
2026-2030	3,093,673	958,455	4,052,128
2031-2035	3,020,371	559,411	3,579,782
2036-2040	3,074,571	184,080	3,258,651
2041-2045	58,806		58,806
Total	$ 14,310,779	$ 4,722,914	$ 19,033,693

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Capital Leases

During fiscal year ended June 30, 2015, the Water Utility Division acquired a new copy machine on capital lease. This lease has a 36 month term. The total cost of the copier was $9,512. The balance outstanding on future payments as of June 30, 2015 is $7,398.

Fiscal Year	Principal
2016	$ 3,171
2017	3,171
2018	1,056
	$ 7,398

Component Unit's Debt

On June 30, 2015, Component Unit had the following long-term debt outstanding:

Port Authority Revenue Bond, Series 2010, dated July 20, 2010, original issue amount of $750,000 with interest rate of 4.84%, payable in 20 principal installments plus interest on August 1st of each year and interest only payments on February 1st of each year, continuing until maturity August 1, 2030, Secured by the Butte-Silver Bow mill levy support and revenues of the Port.

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Annual debt service requirements to amortize the revenue bonds are as follows:

Fiscal Year	Principal	Interest	Total
2016	27,873	30,829	58,702
2017	29,221	29,447	58,668
2018	30,636	27,998	58,634
2019	32,119	26,480	58,599
2020	33,673	24,888	58,561
2021-2025	194,449	97,724	292,173
2026-2030	246,287	44,632	290,919
2031	56,635	1,370	58,005
Total	$ 650,893	$ 283,368	$ 934,261

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Changes in Long-term Debt - Changes in the City and County's long-term obligations consisted of the following for the year ended June 30, 2015:

Governmental Activities	Outstanding 6/30/2014	Additions	Reductions	Outstanding 6/30/2015	Amounts Due in One Year
General obligation bonds	$14,550,774	$ -	$1,220,214	$13,330,560	$ 1,260,214
Add unamortized:					
Premium	395,694	-	23,985	371,709	-
Total bonds payable	14,946,468	-	1,244,199	13,702,269	1,260,214
General obligation notes	1,041,610	-	190,358	851,252	195,429
Tax increment	14,170,000	-	1,395,000	12,775,000	1,370,000
Capital leases	207,103	-	41,867	165,236	44,137
Net Pension Liability	-	22,000,999	3,938,149	18,062,850	-
Other post employment benefits	-	391,719	-	391,719	-
Compensated absences	3,447,674	2,712,362	2,549,159	3,610,877	1,356,182
Total Governmental Activities	$33,812,855	$ 25,105,080	$9,358,732	$49,559,203	$ 4,225,962
Business-Type Activities					
Revenue bonds	$ 3,246,387	$ 12,203,779	$1,139,387	$14,310,779	$ 534,000
Capital leases	-	9,512	2,114	7,398	3,171
Compensated absences	809,954	568,810	519,349	859,415	171,883
Net Pension Liability	-	5,317,526	1,185,312	4,132,214	-
Landfill postclosure costs	350,471	33,717	-	384,188	19,209
Total Business-Type Activities	$ 4,406,812	$ 18,133,344	$2,846,162	$19,693,994	$ 728,263
Component Unit					
Revenue Bond	$ 677,479	$ -	$ 26,586	$ 650,893	$ 27,873
Compensated absences	98,192	54,482	75,604	77,070	50,000
Net Pension Liability	-	298,783	66,600	232,183	-
Total Component Unit	$ 775,671	$ 353,265	$ 168,790	$ 960,146	$ 77,873

The debt service funds are retiring the general obligation bonds, and the tax increment bonds. The general fund is retiring the capital lease. Amounts on landfill closure costs are being repaid from the solid waste enterprise fund. Principal and interest payments related to the City and County's revenue bonds are financed from income derived from the operation of the water system and the metro sewer operations program. The compensated absences are being paid by the fund where the employee works, primarily the general fund and the enterprise fund.

3-I. Pensions

Primary Government - All City and County full-time employees participate in one of four state-wide cost-sharing multiple-employer retirement benefit plans administered by the Montana Public Employee Retirement Agency (MPERA). Contributions to the four plans are as required by state statute. Total City and County payroll for employees covered by a retirement plan for fiscal year ended June 30, 2015 was $23,310,338. The MPERA issues a *Comprehensive Annual Financial Report* for all State of Montana Retirement Systems. That report may be obtained by writing to MPERA at 1712 Ninth Avenue, PO Box 200131, Helena, MT 59620-0131, visiting the website http://mpera.mt.gov/pers.shtml, or by calling 406-444-3154.

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Information about the four plans the City and County participates in is presented below:

Public Employees' Retirement System (PERS)

Plan Description

The PERS-Defined Benefit Retirement Plan (DBRP), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan covers the State, local governments, certain employees of the Montana University System, and school districts.

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

The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are established by state law and can only be amended by the Legislature. Benefits are based on eligibility, years of service, and highest average compensation. Member rights are vested after five years of service.

Summary of Benefits

Member's highest average compensation (HAC)
Hired prior to July 1, 2011 - highest average compensation during any consecutive 36 months;
Hired on or after July 1, 2011 – highest average compensation during any consecutive 60 months;
Hired on or after July 1, 2013 – 110% annual cap on compensation considered as part of a member's highest average compensation.

Eligibility for Benefit

Service retirement:	
Hired prior to July 1, 2011:	Age 60, 5 years of membership service; Age 65, regardless of membership service; or Any age, 30 years of membership service.
Hired on or after July 1, 2011:	Age 65, 5 years of membership service; Age 70, regardless of membership service.
Early retirement, actuarially reduced:	
Hired prior to July 1, 2011:	Age 50, 5 years of membership service; or Any age, 25 years of membership service.
Hired on or after July 1, 2011:	Age 55, 5 years of membership service.
Vesting	Age 55, 5 years of membership service.

Monthly Benefit Formula

Members hired prior to July 1, 2011:
Less than 25 years of membership service: 1.785% of HAC per year of service credit;
25 years of membership service or more: 2% of HAC per year of service credit.

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Members hired on or after July 1, 2011:
Less than 10 years of membership service: 1.5% of HAC per year of service credit;
10 years or more, but less than 30 years of membership service: 1.785% of HAC per year of service credit;
30 years or more of membership service: 2% of HAC per year of service credit.

Guaranteed Annual Benefit Adjustment (GABA)*

· 3% for members hired prior to July 1, 2007
· 1.5% for members hired on or after July 1, 2007

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

*At this time, as a result of permanent injunction issued in the AMRPE vs State litigation, the GABA rate in effect is being used in the calculation. Clarification of the GABA rate for members hired on or after July 1, 2013 is pending.

Total number of members (employees) covered by benefit terms as of June 30, 2015:
1. Active plan members: 28,237
2. Inactive members entitled to but not yet receiving benefits or a refund:
   Vested: 2,925
   Non-Vested: 8,839
3. Inactive members and beneficiaries currently receiving benefits:
   Service Retirements: 20,080
   Disability Retirements: 176
   Survivor Benefits: 425

Overview of Contributions

1. Rates are specified by state law for periodic employer and employee contributions
   The State legislature has the authority to establish and amend contribution rates to the plan.

2. Member contributions to the system:
   a. Plan members are required to contribute 7.90% of member's compensation. Contributions are deducted from each member's salary and remitted by participating employers.
   b. The 7.90% member contributions is temporary and will be decreased to 6.9% on January 1 following actuary valuation results that show the amortization period has dropped below 25 years following the reduction of both the additional employer and additional member contribution rates.

3. Employer contributions to the system:
   a. State and University System employers are required to contribute 8.27% of members' compensation.
   b. Local government entities are required to contribution 8.17% of members' compensation.
   c. School district employers contributed 7.90% of members' compensation.
   d. Following the 2013 Legislative Session, PERS-employer contributions were temporarily increased. Effective July 1, 2013, employer contributions increased 1.0%. Beginning July 1, 2014, employer contributions will increase an additional 0.1% a year over 10 years, through 2024. The employer additional contributions including the 0.27% added in 2007 and 2009, terminates on January 1 following actuary valuation results that show the amortization period of the PERS-DBRP has dropped below 25 years and would remain below 25 years following the reductions of both the additional employer and member contributions rates.

   e. Effective July 1, 2013, the additional employer contributions for DCRP and MUS-RP is allocated to the defined benefit plan's Plan Choice Rate unfunded liability.
   f. Effective July 1, 2013, employers are required to make contributions on working retirees' compensation. Member contributions for working retirees are not required

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4. Non Employer Contributions
   a. Special Funding
      i. The State contributes 0.1% of members' compensation on behalf of local government entities.
      ii. The State contributes 0.37% of members' compensation on behalf of school district entities.
   b. Not Special Funding
      i. The State contributes from the Coal Tax Severance fund

Stand-Alone Statements

The PERS financial information is reported in the Public Employees' Retirement Board's Comprehensive Annual Financial Report for the fiscal year ended. It is available from the PERB at 100 North Park, PO Box 200131, Helena MT 59620-0131, 406-444-3154.

CAFR information including our stand alone financial statements can be found on our web site at

http://mpera.mt.gov/annualReports.shtml

The latest actuarial valuation and experience study can be found at our website at

http://mpera.mt.gov/actuarialValuations.shtml

Actuarial Assumptions

The Total Pension Liability as of June 30, 2014, is based on the results of an actuarial valuation date of June 30, 2014. There were several significant assumptions and other inputs used to measure the Total Pension Liability. The actuarial assumptions used in the June 30, 2014 valuation were based on the results of the last actuarial experience study, dated May 2010 for the six year period July 1, 2003 to June 30, 2009. Among those assumptions were the following:

· General Wage Growth*	4.00%
· *includes Inflation at	3.00%
· Merit Increases	0% to 6%
· Investment Return	7.75%
· Postretirement Benefit Increases	
o 3% for members hired prior to July 1, 2007	
o 1.5% for members hired on or after July 1, 2007	

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

*At this time as a result of permanent injunction issued in the AMRPE vs State litigation, the GABA rate in effect is being used in the calculation. Clarification of the GABA rate for members hired on or after July 1, 2013 is pending.

Mortality assumptions among contributing members, terminated vested members, service retired members and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2015 with scale AA.

Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Employee and Annuitant Mortality Tables with no projections. No future mortality improvement is assumed.

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non- employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under Montana

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Code Annotated. The State contributes 0.1% of salaries for local governments and 0.37% for school districts. In addition, the State contributes coal severance tax and interest money from the general fund. The interest is contributed monthly and the severance tax is contributed quarterly. Based on those assumptions, the System's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2122. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability. No municipal bond rate was incorporated in the discount rate.

Target Allocations

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Cash Equivalents	2.00%	-0.25%
Domestic Equity	36.00%	4.80%
Foreign Equity	18.00%	6.05%
Fixed Income	24.00%	1.68%
Private Equity	12.00%	8.50%
Real Estate	8.00%	4.50%

The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the System. The most recent analysis, performed for the period covering fiscal years 2003 through 2009, is outlined in a report dated May 2010, which is located on the MPERA website. Several factors are considered in evaluating the long-term rate of return assumption including rates of return adopted by similar public sector systems, and by using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Best estimates are presented as the arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2014, is summarized in the above table.

Sensitivity Analysis

	1.0% Decrease -6.75%	Current Discount Rate	1.0% Increase -8.75%
PERS' Net Pension Liability	$1,982,274,732	$1,246,010,898	$625,044,646
Butte-Silver Bow's Proportionate Share	$26,448,717	$16,625,036	$8,339,726

In accordance with GASB 68 regarding the disclosure of the sensitivity of the Net Pension Liability to changes in the discount rate, the above table presents the Net Pension Liability calculated using the discount rate of 7.75%, as well as what the Net Pension Liability would be if it were calculated using a discount rate that is 1.00% lower (6.75%) or 1.00% higher (8.75%) than the current rate.

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Summary of Significant Accounting Policies

The Montana Public Employee Retirement Administration (MPERA) prepares its financial statements using the accrual basis of accounting. For the purposes of measuring the Net Pension Liability, deferred inflows of resources and deferred outflows of resources related to pensions, Pension Expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same accrual basis as they are reported by MPERA. For this purpose, member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period when due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA adheres to all applicable Governmental Accounting Standards Board (GASB) statements.

Net Pension Liability

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the Public Employees' Retirement System (PERS). Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective Net Pension Liability, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions.

In accordance with Statement 68, PERS has a special funding situation in which the State of Montana is legally responsible for making contributions directly to PERS on behalf of the employers. Due to the existence of this special funding situation, local governments and school districts are required to report the portion of the State of Montana's proportionate share of the collective Net Pension Liability that is associated with the employer.

The State of Montana also has a funding situation that is not Special Funding whereby the State General Fund provides contributions from the Coal Severance Tax and interest. All employers are required to report the portion of Coal Tax Severance Tax and interest attributable to the employer.

	Net Pension Liability as of 6/30/13	Net Pension Liability as of 6/30/14	Percent of Collective NPL
Butte-Silver Bow's Proportionate Share	$ 21,393,867	$ 16,625,036	1.3342610%
State of Montana Proportionate Share associated with Employer	$ 261,252	$ 203,017	1.6949520%
Total	$ 21,655,119	$ 16,828,053	3.0292130%

At June 30, 2015, the employer recorded a liability of $16,625,036 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2014, and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of July 1, 2014. The employer's proportion of the Net Pension Liability was based on the employer's contributions received by PERS during the measurement period July 1, 2013, through June 30, 2014, relative to the total employer contributions received from all of PERS' participating employers.

At June 30, 2014, the employer's proportion was 1.334261% percent.

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

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

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

Pension Expense

	Pension Expense as of 6/30/14
Butte-Silver Bow's Proportionate Share	$ 808,161
State of Montana Proportionate Share associated with the Employer	$ 470,085
Total:	$ 1,278,246

At June 30, 2015, the employer recognized a Pension Expense of $1,278,246 for its proportionate share of the PERS' Pension Expense. The employer also recognized grant revenue of $470,085 for the support provided by the State of Montana for its proportionate share of the Pension Expense that is associated with the employer.

Recognition of Beginning Deferred Outflow – GASB 71

At June 30, 2015, the employer recognized a beginning deferred outflow of resources for the employers FY2014 contributions of $1,276,409.

At June 30, 2015, the employer reported its proportionate share of PERS' deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ -	$ -
Changes in assumptions	$ -	$ -
Difference between projected and actual earnings on pension plan investments	$ -	$ 4,295,635
Changes in proportion differences between employer contributions and proportionate share of contributions	$ -	$ 10,984
Difference between actual and expected contributions		
Contributions paid to PERS subsequent to the measurement date - FY 2015 Contributions	$ 1,383,703	$ -
Total	$ 1,383,703	$ 4,306,619

Amounts reported as deferred outflows of resources related to pensions resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

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Year ended June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources	Amount recognized in Pension Expense as an increase or (decrease) to Pension Expense
2016	0.00	1,077,570	$ (1,077,570)
2017	0.00	1,077,570	$ (1,077,570)
2018	0.00	1,073,909	$ (1,073,909)
2019	N/A	N/A	N/A
Thereafter	N/A	N/A	N/A

Component Units PERS

The Component Unit participates in the PERS-Defined Benefit Retirement Plan . (DBRP), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan covers the State, local governments, certain employees of the Montana University System, and school districts.

Following is the pension information as it relates to the Component Unit. All assumptions and definitions reported above relate to this data.

Sensitivity Analysis

	1.0% Decrease -6.75%	Current Discount Rate	1.0% Increase -8.75%
PERS' Net Pension Liability	$1,982,274,732	$1,246,010,898	$625,044,646
Port's proportion	$369,378	$232,182	$116,471

Net Pension Liability

	Net Pension Liability as of 6/30/13	Net Pension Liability as of 6/30/14	Percent of Collective NPL
Port's Proportionate Share	$ 298,783	$ 232,182	0.0186340%
State of Montana Proportionate Share associated with Port	$ 3,648	$ 2,835	0.0236720%
Total	$ 302,431	$ 235,017	0.0423060%

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Pension Expense

	Pension Expense as of 6/30/14
Port's Proportionate Share	$ 11,125
State of Montana Proportionate Share associated with the Port	$ 6,565
Total:	$17,690

Recognition of Beginning Deferred Outflow - GASB 71

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience		
Changes in assumptions		
Difference between projected and actual earnings on pension plan investments		$59,992
Changes in proportion differences between employer contributions and proportionate share of contributions		
Difference between actual and expected contributions		
Contributions paid to PERS subsequent to the measurement date - FY 2015 Contributions	$15,989	
Total	$15,989	$59,992

Amounts reported as deferred outflows of resources related to pensions resulting from the Port's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

Year ended June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources	Amount recognized in Pension Expense as an increase or (decrease) to Pension Expense
2016	0	15,050	$ (15,050)
2017	0	15,050	$ (15,050)
2018	0	14,840	$ (14,840)
2019	0	0	
Thereafter	0	0	

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Firefighters' Unified Retirement System (FURS)

Plan Description

The Firefighters' Unified Retirement System (FURS), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing defined benefit plan established in 1981, and governed by Title 19, chapters 2 & 13, MCA. This system provides retirement benefits to firefighters employed by first- and second-class cities, other cities and rural fire district departments that adopt the plan, and to firefighters hired by the Montana Air National Guard on or after October 1, 2001. Benefits are established by state law and can only be amended by the Legislature. The FURS provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and either final monthly compensation or final average compensation. Effective July 1, 2005, the benefits are based on highest average compensation and highest average compensation. Member rights for death and disability are vested immediately. All other member rights are vested after five years of service.

Summary of Benefits

Member's Compensation

Hired prior to July 1, 1981 and not electing GABA - highest monthly compensation (HMC);
Hired after June 30, 1981 and those electing GABA – highest average compensation (HAC) during any consecutive 36 months.
Hired on or after July 1, 2013 – 110% annual cap on compensation considered as a part of a member's highest average compensation.

Eligibility for Benefit

20 years of membership service, regardless of age.

Early Retirement
Age 50, 5 years of membership service.

Vesting
5 years of membership service

Monthly Benefit Formula

1) Members hired prior to July 1, 1981 and not electing GABA are entitled to the greater of: 2.5% of HMC per year of service, OR
   i) if less than 20 years of service - 2% of HMC for each year of service;

   ii) if more than 20 years of service - 50% of the member's HMC plus 2% of the member's HMC for each year of service over 20 years

2) Members hired on or after July 1, 1981 and those electing GABA:

   2.5% of HAC per year of membership service

Guaranteed Annual Benefit Adjustment (GABA)

Hired on or after July 1, 1997, or those electing GABA - after the member has completed 12 full months of retirement, the member's benefit increases by a maximum of 3% each January, inclusive of all other adjustments to the member's benefit.

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Minimum Benefit Adjustment (non-GABA)

If hired before July 1, 1997, the monthly retirement, disability or survivor's benefit may not be less than ½ the compensation of a newly confirmed firefighter employed by the city that last employed the member (provided the member has at least 10 years of membership service). If a benefit falls below that minimum, the benefit is increased and paid to the benefit recipient.

Total number of members (employees) covered by benefit terms as of June 30, 2015:

1. Active plan members: 627
2. Inactive members entitled to but not yet receiving benefits or a refund: Vested: 21
   Vested: 21
   Non-vested: 71
3. Inactive members and beneficiaries currently receiving benefits:
   Service Retirements: 580
   Disability Retirements: 9
   Survivor Benefits: 20

Overview of Contributions

1. Rates are specified by state law for periodic employer and employee contributions
   The State legislature has the authority to establish and amend contribution rates to the plan.
2. Member contributions to the system:
   a. For members hired prior to July 1, 1997 and not electing GABA, member contributions as a percentage of salary are 9.5%, and
   b. For members hired on or after July 1, 1997 and members electing GABA, member contributions as a percentage of salary are 10.7%.
3. Employer contributions to the system:
   a. The employers are required to contribute 14.36% of member's compensation.
   b. The State contributes 32.61% of member's compensation from the general fund.
   c. Effective July 1, 2013, employer and state contributions are required to be paid on working retiree compensation. Member contributions are not required for working retirees.

Stand-Alone Statements

The FURS financial information is reported in the Public Employees' Retirement Board's Comprehensive Annual Financial Report for the fiscal year ended. It is available from the PERB at 100 North Park, PO Box 200131, Helena MT 59620-0131, 406-444-3154.

CAFR information including our stand alone financial statements can be found on our web site at
http://mpera.mt.gov/annualReports.shtml

The latest actuarial valuation and experience study can be found at our website at
http://mpera.mt.gov/actuarialValuations.shtml

Actuarial Assumptions

The Total Pension Liability as of June 30, 2014, is based on the results of an actuarial valuation date of June 30, 2014. There were several significant assumptions and other inputs used to measure the Total Pension Liability. The actuarial assumptions used in the June 30, 2014 valuation were based on the results of the last actuarial experience study, dated May 2010 for the six year period July 1, 2003 to June 30, 2009. Among those assumptions were the following:

· General Wage Growth*	4.00%
· *includes Inflation at	3.00%
· Merit Increases	0% to 7.3%
· Investment Return	7.75%
· Postretirement Benefit Increases	

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If electing GABA or hired on or after July 1, 1997 3.00%

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

Minimum Benefit Adjustment 50% of a newly confirmed officer

Mortality assumptions among contributing members, terminated vested members, service retired members and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2015 with scale AA.

Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Employee and Annuitant Mortality Tables with no projections. No future mortality improvement is assumed.

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non- employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under Montana Code Annotated. The State contributes 32.61% of salaries pensionable payroll paid by employers. Based on those assumptions, the System's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2122. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability. No municipal bond rate was incorporated in the discount rate.

Target Allocations

Cash Equivalents	2.00%	-0.25%
Domestic Equity	36.00%	4.80%
Foreign Equity	18.00%	6.05%
Fixed Income	24.00%	1.68%
Private Equity	12.00%	8.50%
Real Estate	8.00%	4.50%

The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the System. The most recent analysis, performed for the period covering fiscal years 2003 through 2009, is outlined in a report dated May 2010, which is located on the MPERA website. Several factors are considered in evaluating the long-term rate of return assumption including rates of return adopted by similar public sector systems, and by using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Best estimates are presented as the arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2014, is summarized in the above table.

Sensitivity Analysis

	1.0% Decrease -6.75%	Current Discount Rate	1.0% Increase -8.75%
FURS' Net Pension Liability	$156,823,891	$97,616,579	$49,290,705
Butte-Silver Bow's Proportionate Share	$2,782,945	$1,732,272	$874,697

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In accordance with GASB 68 regarding the disclosure of the sensitivity of the Net Pension Liability to changes in the discount rate, the above table presents the Net Pension Liability calculated using the discount rate of 7.75%, as well as what the Net Pension Liability would be if it were calculated using a discount rate that is 1.00% lower (6.75%) or 1.00% higher (8.75%) than the current rate.

Summary of Significant Accounting Policies

The Montana Public Employee Retirement Administration (MPERA) prepares its financial statements using the accrual basis of accounting. For the purposes of measuring the Net Pension Liability, deferred inflows of resources and deferred outflows of resources related to pensions, Pension Expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same accrual basis as they are reported by MPERA. For this purpose, member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period when due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred.

Investments are reported at fair value. MPERA adheres to all applicable Governmental Accounting Standards Board (GASB) statements.

Net Pension Liability

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the Firefighters' Unified Retirement System (FURS). Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective Net Pension Liability, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions.

In accordance with Statement 68, FURS has a special funding situation in which the State of Montana is legally responsible for making contributions directly to FURS on behalf of the employers. Due to the existence of this special funding situation, employers are required to report the portion of the State of Montana's proportionate share of the collective Net Pension Liability that is associated with the employer.

	Net Pension Liability as of 6/30/13	Net Pension Liability as of 6/30/14	Percent of Collective NPL
Butte-Silver Bow's Proportionate Share	$ 2,217,206	$ 1,732,272	1.7745680%
State of Montana Proportionate Share associated with Employer	$ 5,001,909	$ 3,907,922	0.6928701%
Total	$ 7,219,115	$ 5,640,195	2.4674381%

At June 30, 2015, the employer recorded a liability of $1,732,272 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2014, and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of July 1, 2014. The employer's proportion of the Net Pension Liability was based on the employer's contributions received by FURS during the measurement period July 1, 2013, through June 30, 2014, relative to the total employer contributions received from all of FURS' participating employers.

At June 30, 2014, the employer's proportion was 1.774568% percent.

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

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

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

Pension Expense

	Pension Expense as of 6/30/14
Butte-Silver Bow's Proportionate Share	$ 192,302
State of Montana Proportionate Share associated with the Employer	$ 433,823
Total	$ 626,125

At June 30, 2015, the employer recognized a Pension Expense of $626,125 for its proportionate share of the FURS' Pension Expense. The employer also recognized grant revenue of $433,823 for the support provided by the State of Montana for its proportionate share of the Pension Expense that is associated with the employer.

Recognition of Beginning Deferred Outflow – GASB 71

At June 30, 2015, the employer recognized a beginning deferred outflow of resources for the employers FY 2014 contributions of $333,166.02.

Deferred Inflows and Outflows

At June 30, 2015, the employer reported its proportionate share of FURS' deferred outflows of resources and deferred inflows of resources related to FURS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ -	$ -
Changes in assumptions	$ -	$ -
Difference between projected and actual earnings on pension plan investments	$ -	$ 344,069
Changes in proportion differences between employer contributions and proportionate share of contributions	$ -	$ -
Difference between actual and expected contributions		
Contributions paid to PERS subsequent to the measurement date - FY 2015 Contributions	$ 339,633	$ -
Total	$ 339,633	$ 344,069

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Amounts reported as deferred outflows of resources related to pensions resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

Year ended June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources	Amount recognized in Pension Expense as an increase or (decrease) to Pension Expense
2016	0.00	86,017	$ (86,017)
2017	0.00	86,017	$ (86,017)
2018	0.00	86,017	$ (86,017)
2019	N/A	N/A	N/A
Thereafter	N/A	N/A	N/A

Municipal Police Officers' Retirement System (MPORS)

Plan Description

The Municipal Police Officers' Retirement System (MPORS), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing defined benefit plan that was established in 1974 and is governed by Title 19, chapters 2 & 9 of the MCA. This plan covers all municipal police officers employed by first- and second-class cities and other cities that adopt the plan. Benefits are established by state law and can only be amended by the Legislature. The MPORS provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and final average compensation. Member rights for death and disability are vested immediately. All other rights are vested after five years of service**.**

Summary of Benefits

Member's final average compensation (FAC)
Hired prior to July 1, 1977 - average monthly compensation of final year of service;
Hired on or after July 1, 1977 - final average compensation (FAC) for last consecutive 36 months.
Hired on or after July 1, 2013 – 110% annual cap on compensation considered as a part of a member's final average compensation.

Eligibility for Benefit

20 years of membership service, regardless of age.

Early Retirement

Age 50, 5 years of membership service.

Vesting

5 years of membership service.

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Monthly Benefit Formula

2.5% of FAC per year of service credit.

Guaranteed Annual Benefit Adjustment (GABA)

Hired on or after July 1, 1997, or those electing GABA - after the member has completed 12 full months of retirement, the member's benefit increases by a maximum of 3% each January, inclusive of all other adjustments to the member's benefit

Minimum Benefit Adjustment (non-GABA)

If hired before July 1, 1997 and member did not elect GABA - the monthly retirement, disability or survivor's benefit may not be less than ½ the compensation of a newly confirmed officer in the city that the member was last employed

Deferred Retirement Option Plan (DROP)

Beginning July 2002, eligible members of MPORS can participate in the DROP by filing a one-time irrevocable election with the Board. The DROP is governed by Title 19, Chapter 9, Part 12, MCA. A member must have completed at least twenty years of membership service to be eligible. They may elect to participate in the DROP for a minimum of one month and a maximum of 60 months and may participate in the DROP only once. A participant remains a member of the MPORS, but will not receive membership service or service credit in the system for the duration of the member's DROP period. During participation in the DROP, all mandatory contributions continue to the retirement system. A monthly benefit is calculated based on salary and years of service to the date of the beginning of the DROP period. The monthly benefit is paid into the member's DROP account until the end of the DROP period. At the end of the DROP period, the participant may receive the balance of the DROP account in a lump-sum payment or in a direct rollover to another eligible plan, as allowed by the IRS. If the participant continues employment after the DROP period ends, they will again accrue membership service and service credit. The DROP account cannot be distributed until employment is formally terminated.

Total number of members (employees) covered by benefit terms as of June 30, 2015:

1. Active plan members: 743
2. Inactive members entitled to but not yet receiving benefits or a refund: Vested: 60
   Vested: 60
   Non-vested: 103
3. Inactive members and beneficiaries currently receiving benefits: Service Retirements: 694
   Service Retirements: 694
   Disability Retirements: 21
   Survivor Benefits: 29

Overview of Contributions

1. Rates are specified by state law for periodic employer and employee contributions
   The State legislature has the authority to establish and amend contribution rates to the plan.

2. Member contributions to the system:
   a. Member contribution rates are dependent upon date of hire as a police officer. For fiscal year 2015:
      i. If employed on or before June 30, 1975, member contributions as a percentage of salary are 5.8%;

      ii. If employed after June 30, 1975 and prior to July 1, 1979, member contributions as a percentage of salary are 7.0%;
      iii. If employed after June 30, 1979 and prior to July 1, 1997, member contributions as a percentage of salary are 8.5%; and,
      iv. If employed on or after July 1, 1997 and for members electing GABA, member contributions as a percentage of salary were 9.0%.

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3. Employer contributions to the system:
   a. The employers are required to contribute 14.41% of member's compensation.
   b. The State contributes 29.37% of member's compensation from the general fund.

Stand-Alone Statements

The MPORS financial information is reported in the Public Employees' Retirement Board's Comprehensive Annual Financial Report for the fiscal year ended. It is available from the PERB at 100 North Park, PO Box 200131, Helena MT 59620-0131, 406-444-3154.

CAFR information including our stand alone financial statements can be found on our web site at

http://mpera.mt.gov/annualReports.shtml

The latest actuarial valuation and experience study can be found at our website at

http://mpera.mt.gov/actuarialValuations.shtml

Actuarial Assumptions

The Total Pension Liability as of June 30, 2014, is based on the results of an actuarial valuation date of June 30, 2014. There were several significant assumptions and other inputs used to measure the Total Pension Liability. The actuarial assumptions used in the June 30, 2014 valuation were based on the results of the last actuarial experience study, dated May 2010 for the six year period July 1, 2003 to June 30, 2009. Among those assumptions were the following:

· General Wage Growth*	4.00%
· *includes Inflation at	3.00%
· Merit Increases	0% to 7.3%
· Investment Return	7.75%
· Postretirement Benefit Increases	
If electing GABA or hired on or after July 1, 1997	3.00%

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

Minimum Benefit Adjustment	50% of a newly confirmed officer

Mortality assumptions among contributing members, terminated vested members, service retired members and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2015 with scale AA.

Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Employee and Annuitant Mortality Tables with no projections. No future mortality improvement is assumed.

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non- employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under Montana Code Annotated. The State contributes 29.37% of salaries pensionable payroll paid by employers. Based on those assumptions, the System's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2122. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability. No municipal bond rate was incorporated in the discount rate.

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Target Allocations

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Cash Equivalents	2.00%	-0.25%
Domestic Equity	36.00%	4.80%
Foreign Equity	18.00%	6.05%
Fixed Income	24.00%	1.68%
Private Equity	12.00%	8.50%
Real Estate	8.00%	4.50%

The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the System. The most recent analysis, performed for the period covering fiscal years 2003 through 2009, is outlined in a report dated May 2010, which is located on the MPERA website. Several factors are considered in evaluating the long-term rate of return assumption including rates of return adopted by similar public sector systems, and by using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Best estimates are presented as the arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2014, is summarized in the above table.

Sensitivity Analysis

	1.0% Decrease -6.75%	Current Discount Rate	1.0% Increase -8.75%
MPORS' Net Pension Liability	$226,560,623	$157,135,903	$102,022,702
Butte-Silver Bow's Proportionate Share	$4,478,034	$3,105,835	$2,016,507

In accordance with GASB 68 regarding the disclosure of the sensitivity of the Net Pension Liability to changes in the discount rate, the above table presents the Net Pension Liability calculated using the discount rate of 7.75%, as well as what the Net Pension Liability would be if it were calculated using a discount rate that is 1.00% lower (6.75%) or 1.00% higher (8.75%) than the current rate.

Summary of Significant Accounting Policies

The Montana Public Employee Retirement Administration (MPERA) prepares its financial statements using the accrual basis of accounting. For the purposes of measuring the Net Pension Liability, deferred inflows of resources and deferred outflows of resources related to pensions, Pension Expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same accrual basis as they are reported by MPERA. For this purpose, member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period when due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred.

Investments are reported at fair value. MPERA adheres to all applicable Governmental Accounting Standards Board (GASB) statements.

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Net Pension Liability

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the Municipal Police Officers' Retirement System (MPORS). Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective Net Pension Liability, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions.

In accordance with Statement 68, MPORS has a special funding situation in which the State of Montana is legally responsible for making contributions directly to MPORS on behalf of the employers. Due to the existence of this special funding situation, employers are required to report the portion of the State of Montana's proportionate share of the collective Net Pension Liability that is associated with the employer.

	Net Pension Liability as of 6/30/13	Net Pension Liability as of 6/30/14	Percent of Collective NPL
Butte-Silver Bow's Proportionate Share	$ 3,538,660	$ 3,105,835	1.9765280%
State of Montana Proportionate Share associated with Employer	$ 7,148,516	$ 6,274,159	0.6688873%
Total	$ 10,687,176	$ 9,379,994	2.6454153%

At June 30, 2015, the employer recorded a liability of $3,105,835.34 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2014, and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of July 1, 2014. The employer's proportion of the Net Pension Liability was based on the employer's contributions received by MPORS during the measurement period July 1, 2013, through June 30, 2014, relative to the total employer contributions received from all of MPORS' participating employers.
At June 30, 2014, the employer's proportion was 1.976528% percent.

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

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

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

Pension Expense

	Pension Expense as of 6/30/14
Butte-Silver Bow's Proportionate Share	$ 334,079
State of Montana Proportionate Share associated with the Employer	$ 674,880
Total	$ 1,008,960

At June 30, 2015, the employer recognized a Pension Expense of $1,008,959.75 for its proportionate share of the MPORS' Pension Expense. The employer also recognized grant revenue of $674,880.30 for the support provided by the State of Montana for its proportionate share of the Pension Expense that is associated with the employer.

Recognition of Beginning Deferred Outflow – GASB 71

At June 30, 2015, the employer recognized a beginning deferred outflow of resources for the employers FY 2014 contributions of $385,589.53.

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Deferred Inflows and Outflows

At June 30, 2015, the employer reported its proportionate share of MPORS' deferred outflows of resources and deferred inflows of resources related to MPORS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ -	$ -
Changes in assumptions	$ -	$ -
Difference between projected and actual earnings on pension plan investments	$ -	$ 381,314
Changes in proportion differences between employer contributions and proportionate share of contributions	$ -	$ -
Difference between actual and expected contributions		
Contributions paid to PERS subsequent to the measurement date - FY 2015 Contributions	$ 404,133	
Total	$ 404,133	$ 381,314

Amounts reported as deferred outflows of resources related to pensions resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

Year ended June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources	Amount recognized in Pension Expense as an increase or (decrease) to Pension Expense
2016	0.00	$ 95,329	$ (95,329)
2017	0.00	$ 95,329	$ (95,329)
2018	0.00	$ 95,329	$ (95,329)
2019	0.00	0.00	$ -
Thereafter	0.00	0.00	$ -

Sheriff's Retirement System (SRS)

Plan Description

The Sheriffs' Retirement System (SRS), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing defined benefit plan established July 1, 1974, and governed by Title 19, chapters 2 & 7, MCA. This plan provides retirement benefits to all Department of Justice criminal and gambling investigators hired after July 1, 1993, all detention officers hired after July 1, 2005, and to all Montana sheriffs. Benefits are established by state law and can only be amended by the Legislature. The SRS provides retirement, disability and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service and highest average compensation. Member rights are vested after five years of service.

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Summary of Benefits

Member's highest average compensation (HAC)

Hired prior to July 1, 2011 - highest average compensation during any consecutive 36 months;
Hired on or after July 1, 2011 – highest average compensation during any consecutive 60 months
Hired on or after July 1, 2013 – 110% annual cap on compensation considered as a part of a member's highest average compensation.

Eligibility for Benefit

20 years of membership service, regardless of age.

Early Retirement

Age 50, 5 years of membership service, actuarially reduced.

Vesting

5 years of membership service

Monthly Benefit Formula

2.5% of HAC per year of service

Guaranteed Annual Benefit Adjustment (GABA)

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

- 3% for members hired prior to July 1, 2007
- 1.5% for members hired on or after July 1, 2007

Total number of members (employees) covered by benefit terms as of June 30, 2015:

1. Active plan members: 1,336
2. Inactive members entitled to but not yet receiving benefits or a refund:
   Vested: 81
   Non-vested: 342
3. Inactive members and beneficiaries currently receiving benefits: Service Retirements: 523
   Service Retirements: 523
   Disability Retirements: 32
   Survivor Benefits: 22

Overview of Contributions

1. Rates are specified by state law for periodic employer and employee contributions
   The State legislature has the authority to establish and amend contribution rates to the plan.

2. Member contributions to the system
   a. Plan members are required to contribute 9.245% of member's compensation. Contributions are deducted from each member's salary and remitted by participating employers.

3. Employer contributions to the system:
   a. The employers are required to contribute 9.825% of members' compensation.
   b. Effective July 1, 2013, employer contributions are required to be paid on working retiree compensation. Member contributions are not required for working retirees.

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Stand-Alone Statements

The SRS financial information is reported in the Public Employees' Retirement Board's Comprehensive Annual Financial Report for the fiscal year ended. It is available from the PERB at 100 North Park, PO Box 200131, Helena MT 59620-0131, 406-444-3154.

CAFR information including our stand alone financial statements can be found on our web site at
http://mpera.mt.gov/annualReports.shtml

The latest actuarial valuation and experience study can be found at our website at
http://mpera.mt.gov/actuarialValuations.shtml

Actuarial Assumptions

The Total Pension Liability as of June 30, 2014, is based on the results of an actuarial valuation date of June 30, 2014. There were several significant assumptions and other inputs used to measure the Total Pension Liability. The actuarial assumptions used in the June 30, 2014 valuation were based on the results of the last actuarial experience study, dated May 2010 for the six year period July 1, 2003 to June 30, 2009. Among those assumptions were the following:

· General Wage Growth*	4.00%
· *includes Inflation at	3.00%
· Merit Increases	0% to 7.3%
· Investment Return	7.75%
· Postretirement Benefit Increases	
For members hired prior to July 1, 2007	3.00%
For members hired on or after July 1, 2007	1.50%

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

Mortality assumptions among contributing members, terminated vested members, service retired members and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2015 with scale AA.

Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Employee and Annuitant Mortality Tables with no projections. No future mortality improvement is assumed.

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non- employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under Montana Code Annotated. Based on those assumptions, the System's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2122. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability. No municipal bond rate was incorporated in the discount rate.

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Cash Equivalents	2.00%	-0.25%
Domestic Equity	36.00%	4.80%
Foreign Equity	18.00%	6.05%
Fixed Income	24.00%	1.68%
Private Equity	12.00%	8.50%
Real Estate	8.00%	4.50%

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The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the System. The most recent analysis, performed for the period covering fiscal years 2003 through 2009, is outlined in a report dated May 2010, which is located on the MPERA website. Several factors are considered in evaluating the long-term rate of return assumption including rates of return adopted by similar public sector systems, and by using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Best estimates are presented as the arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2014, is summarized in the above table.

Sensitivity Analysis

	1.0% Decrease -6.75%	Current Discount Rate	1.0% Increase -8.75%
SRS' Net Pension Liability	$87,589,281	$41,617,020	$3,675,904
Butte-Silver Bow's Proportionate Share	$1,540,4360	$731,920	$64,648

In accordance with GASB 68 regarding the disclosure of the sensitivity of the Net Pension Liability to changes in the discount rate, the above table presents the Net Pension Liability calculated using the discount rate of 7.75%, as well as what the Net Pension Liability would be if it were calculated using a discount rate that is 1.00% lower (6.75%) or 1.00% higher (8.75%) than the current rate.

Summary of Significant Accounting Policies

The Montana Public Employee Retirement Administration (MPERA) prepares its financial statements using the accrual basis of accounting. For the purposes of measuring the Net Pension Liability, deferred inflows of resources and deferred outflows of resources related to pensions, Pension Expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same accrual basis as they are reported by MPERA. For this purpose, member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period when due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred.

Investments are reported at fair value. MPERA adheres to all applicable Governmental Accounting Standards Board (GASB) statements.

Net Pension Liability

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the Sheriffs' Retirement System (SRS). Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective Net Pension Liability, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions.

	Net Pension Liability as of 6/30/13	Net Pension Liability as of 6/30/14	Percent of Collective NPL
Butte-Silver Bow's Proportionate Share	$ 1,878,085	$ 731,920	1.7587040%

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At June 30, 2015, the employer recorded a liability of $731,920 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2014, and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of July 1, 2014. The employer's proportion of the Net Pension Liability was based on the employer's contributions received by SRS during the measurement period July 1, 2013, through June 30, 2014, relative to the total employer contributions received from all of SRS' participating employers.
At June 30, 2014, the employer's proportion was 1.758704% percent.

Changes in actuarial assumptions and methods: Because the beginning and ending values are based on the same actuarial valuation and there were no significant events, no liability gains or losses due to experience are reported this year. The plan did report a change in assumption because there was an increase in the discount rate resulting in a decrease in the Liability There were no other changes in assumptions or other inputs that affected the measurement of the Total Pension Liability.

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

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

Pension Expense

Pension Expense as of 6/30/14	$40,892
Butte-Silver Bow's Proportionate Share	$40,892

At June 30, 2015, the employer recognized a Pension Expense of $40,892 for its proportionate share of the SRS' Pension Expense.

Recognition of Beginning Deferred Outflow – GASB 71

At June 30, 2015, the employer recognized a beginning deferred outflow of resources for the employers fiscal year 2014 contributions of $117,645.

Deferred Inflows and Outflows

At June 30, 2015, the employer reported its proportionate share of SRS' deferred outflows of resources and deferred inflows of resources related to SRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ -	$ -
Changes in assumptions	$ -	$ 746,830
Difference between projected and actual earnings on pension plan investments	$ -	$ 322,581
Changes in proportion differences between employer contributions and proportionate share of contributions	$ -	$ -
Difference between actual and expected contributions		
Contributions paid to SRS subsequent to the measurement date - FY 2015 Contributions	$ 121,812	
Total	$ 121,812	$ 1,069,411

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Amounts reported as deferred outflows of resources related to pensions resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

Year ended June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources	Amount recognized in Pension Expense as an increase or (decrease) to Pension Expense
2016	0.00	$ 205,117	$ 205,117
2017	0.00	$ 205,117	$ 205,117
2018	0.00	$ 205,117	$ 205,117
2019	0.00	$ 124,472	$ 124,472
Thereafter	0.00	$ 124,472	$ 124,472

3-J. Fund Balances

In the basic financial statements, the fund balance classifications are presented in the aggregate. The table below further displays the funds balances by major purposes.

	General Fund	Major Special Revenue Fund Ramsay TIFID	Major Special Revenue Fund ARCO Redevelopment	Other Funds	Total Funds
Fund balances:					
Nonspendable:	$ -	$ -	$ -	$ -	$ -
Restricted for:					-
Self funded health insurance	840,780				840,780
Code enforcement	72,938				72,938
Special Project-Parks	1,000,507				1,000,507
Revolving/LT Loans				1,585,762	1,585,762
Special Improvement Districts				976,308	976,308
Weed Control				118,785	118,785
District Courts				396,487	396,487
Economic Development		20,101,827		2,080,100	22,181,927
Comprehensive Insurance				269,945	269,945
Crime Control				125,980	125,980
Junk Vehicle program				9,728	9,728
Superfund			14,084,351	539,100	14,623,451
Reclamation				1,089,959	1,089,959
Urban Revitalization				4,515,695	4,515,695
Hard Rock Mining Trust				7,844,763	7,844,763
911 Emergency Program				223,814	223,814
Law Enforcement Grants				48,311	48,311
Public Works				1,058,146	1,058,146
Civic Center				378,868	378,868
Library/Archives				113,574	113,574
Senior Citizens				15,560	15,560
Developmentally Disabled				23,590	23,590
Fire Protection				1,410,673	1,410,673
Land Planning				128,284	128,284
Housing & Community Development				124,356	124,356
Debt Service				2,412,886	2,412,886
Capital Projects				2,651,773	2,651,773
Committed:	-	-	-	-	-
Assigned to:					
Community Development				2,186,246	2,186,246
Urban Revitalization				309,685	309,685
Unassigned:	5,886,489			(901,260)	4,985,229
Total fund balances	$ 7,800,714	$ 20,101,827	$ 14,084,351	$ 29,737,118	$ 71,724,010

The Chief Executive and Council of Commissioners are the highest level of decision-making authority for the City and County, and must adopt a resolution to establish (and modify or rescind) a fund balance commitment. Assigned fund balance may be modified by request of the department head when approved by the Chief Executive.

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The City and County has not established a policy for use of unrestricted fund balance amounts, and therefore fund balances are reduced in the following order when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used: committed, assigned, and then unassigned.

The City and County currently reports two major special revenue funds. The first is the Ramsay TIFID. The purpose of this fund is to promote industrial development within the TIFID boundary via infrastructure improvements and/or economic development incentives. The second is the ARCO Redevelopment Fund. The purpose of this fund is account for specific redevelopment funds deposited with the City and County pursuant to a Superfund Agreement with ARCO [now British Petroleum (BP)]. GASB Statement 54 requires disclosure of revenues for each major special revenue fund. Revenues are as follows:

	Ramsay TIFID	ARCO Redevelopment Fund
Taxes - real property	$ 4,988,855	$ -
Intergovernmental	4,668,972	-
Private grants and donations	-	-
Miscellaneous	2,000	-
Investment earnings	11,206	14,588
	$ 9,671,033	$ 14,588

Note 4 - Other Notes

4-A. Risk Management

The City and County faces a considerable number of risks of loss, including a) damage to and loss of property and contents, b) employee torts, c) professional liability, i.e. errors and omissions, d) environmental damage, e) workers' compensation i.e. employee injuries, and f) medical insurance costs of employees. A variety of methods are used to provide insurance for these risks. The City and County participate in two statewide public risk pools operated by the Montana Municipal Insurance Authority, for workers' compensation and for tort liability coverage. Given the lack of coverage available, the City and County have no coverage for potential losses from environmental damages. The City and County participates in a statewide property insurance pool also operated by the Montana Municipal Insurance Authority, transferring all risk of loss except for small deductible amounts.

Commercial Policies
Coverage limits and the deductibles on the commercial policies have stayed relatively constant for the last several years. The premiums for the policies are allocated among enterprise and other funds on the basis of various risk exposures. The Comprehensive Insurance Fund makes a special purpose property tax levy for this purpose as it relates to the governmental activities. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Public Entity Risk Pools
In late 1985, City and County joined with over 70 other Montana cities and towns to form a self-insurance pool offering worker's compensation and general liability. Liability limits of $750,000 per person and $1,500,000 per occurrence and $12.5 million per occurrence for any claim subject to the limitations on governmental liability, as described in 2-9-108, Montana Code Annotated or any successor stature with $11,250 deductible per occurrence. The City and County

Pays premiums for its employee injury insurance coverage, which is allocated to the employer funds based on total salaries and wages. The agreements for formation of the pools provide that they will be self-sustaining through member premiums. The tort liability plan and workers compensation program issued debt of $4.41 million and $6.155 million, respectively, to immediately finance the necessary insurance reserves. All members signed a contingent note for a pro rata share of this liability in case operating revenues were insufficient to cover the debt service; the debt was retired in 2011.

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The City also owns a policy with MMIA for loss or damage to property. This is an all risk policy, essentially all property owned by the City being insured for 100% of replacement cost, subject to a $5,000 deductible per occurrence. MMIA reinsures their property insurance with a national municipal pool, Public Entities' Property Insurance

Self-Insurance

City and County began a self-insurance medical program in October of 1990. City and County purchases commercial insurance for individual claims in excess of $230,000. This coverage is provided by the fund.

Reconciliation of Claims Payable

	2015	2014
Claims payable, beginning of year	$ 559,684	$ 884,732
Claims incurred during the year	5,178,623	4,044,318
Claims paid during the year	(5,221,580)	(4,369,366)
Claims payable, end of year	$ 516,727	$ 559,684

All funds of the local government participate in the program and make payments to the insurance plan based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. Claims incurred but not reported (IBNR's) have been considered when determining the claims liability.

That reserve was $840,780 at June 30, 2015.

4-B. Subsequent Events

Management has evaluated subsequent events for the period from June 30, 2015 through the date the financial statements were available to be issued. There were no events to be reported.

4-C. Contingent Liabilities

Grants - Amounts received or receivable from grantor agencies are, subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City and County expects such amounts, if any, to be immaterial.

Lawsuits - The City and County was a defendant in several lawsuits at June 30, 2015. In the opinion of City and County management, the outcome of these contingencies will not have a material effect on the financial position of the City and County.

Superfund - The City and County is a potentially responsible party (PRP) in the Superfund site designated as Butte Priority Soils Operable Unit (BPSOU). Butte-Silver Bow (BSB) is a participating member of PRP group. A settlement agreement regarding responsibilities for remedial actions has been approved between British Petroleum (BP), (successor to Arco) and BSB. The effect of the settlement agreement is to assign financial responsibilities to BP and the majority of cleanup and maintenance responsibilities to Butte-Silver Bow. The consent decree regarding this matter has not yet been finalized. In the opinion of City and County management, the outcome of any contingencies regarding Superfund BPSOU will not have a material effect on the financial position of the City and County.

4-D. Construction Commitments

As of June 30, 2015, the City has made the following construction commitments:

Project Description	Project Authorized	Expended to June 30, 2015	Future Financing
Basin Creek Water Treatment Plant- Construction	$ 15,369,170	$ 362,543	$ 15,006,627
Basin Creek Water Treatment Plant- Project Design and Management	6,455,861	3,906,774	2,549,087
Metro Sewer Wastewater Treatment Plan MBR Upgrade-Construction	30,700,000	13,035,048	17,664,952
Metro Sewer Wastewater Treatment Plan MBR Upgrade-Design and Project Management	5,573,033	3,663,584	1,909,449
Metro Sewer CIPP Project	225,000	61,593	163,407
Stormwater Project and Design	40,940	12,682	28,258
Ramsay TIFID Sign Project (Montana Connection Park)	161,700	45,667	116,033
Greenway Reach E Trail and Tunnel Installation	766,244	84,623	681,621
	$ 59,291,948	$ 21,172,514	$ 38,119,434

4-E. External Investment Pool

The City and County maintained an external investment pool for one entity outside of the City and County reporting entity for fiscal year ended June 30, 2015. The pool consists solely of investments in the State of Montana Investment Pool, which has been deemed 2a7 like. These investments are reported at amortized cost. On June 30, 2015 the pooled investment's fair value was $16,325,107, which is the value of the pooled shares. In the State of Montana, there is no regulatory oversight for this pool of investments.

A separately issued report exists for the external investment pool maintained by the City and County. This report can be obtained by writing to the City and County, Finance and Budget office, at 155 West Granite Street, Butte, MT 59701, or by calling (406) 497-6323.

4-F. Post-Employment Benefits Other than Pension

The City provides other post-employment benefits (OPEB) allowing its retired employees to continue their medical, dental and vision care coverage through the City's group health plan until death (Retiree Health Plan). The City's contract with Allegiance Benefits details the plan eligibility. Allegiance is the administrator of the benefit plan which covers both active and retired members. In accordance with 2-18-704, Montana Code Annotated, the city-county retirees may continue coverage for themselves and their covered eligible dependents if they are eligible for public employees' retirement by virtue of their employment with the Butte-Silver Bow. The local government's current labor contracts do not include any obligations for payments to retirees. The City and County also allows terminated employees to continue their health care coverage for 18 months past the date of termination as required by the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

Actuarial Methods and Assumptions. The City-County's actuarial valuation is completed on a biennial frequency, provided no significant events have occurred warranting new measurement. The Projected Unit Credit Actuarial Cost Method was used to determine the annual required contribution for fiscal year 2015. As of July 1, 2015, the most recent valuation date, the City-County's actuarially accrued liability (AAL) for benefits was $391,719. The unfunded OPEB obligation falls within the Governmental activities. The Business-type activities have remained at or below zero required contributions.

(This page continued on the subsequent page)

Funded Status and Funding Progress The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. This includes assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Prior to fiscal year 2015, Butte-Silver Bow opted not to fund the liability.

Annual required contribution	$	332,782
Interest on OPEB obligations		(1,564)
Adjustments to annual required contributions		60,501
Annual OPEB cost (expense)	$	391,719
Contributions made		-
Increase in net OPEB obligations	$	391,719
Net OPEB obligations - beginning of year		-
Net OPEB obligations - end of year	$	391,719

Measurement Assumption Changes

Following is a summary of actuarial gains and losses resulting from differences between the data and assumptions of the prior valuation and re- measurement of the current valuation.

Assumption Changes		**Actuarial Accrued Liability**
6/30/2013	Valuation Results	$ 1,049,340
6/30/2015	Valuation before Changes	$ 1,415,000
07/01/2014 Assumption Changes		
Claim Cost Experinece Change		$ (920,307)
Retiree Contribution Change		(296,761)
All Other Assumption Changes		193,787
Total Assumption Changes		(1,023,281)
06/30/2015 Valuation Result		$ 391,719

The following key assumptions were chosen by Butte-Silver Bow:

1. Discount rate of 4.25%
2. Projected Payroll Increase of 2.50%
3. 45% of future retirees are assumed to elect medical coverage
4. 70% of the future retirees who elect medical coverage will elect spousal coverage.
5. For FURS, MPORS, PERS, and SRS, mortality is assumed to follow the RP 2000 Healthy Combined Mortality Table projected for 2015

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6. Health Care cost trend

Plan Year	Medical	Prescription Drug
2014	2.50%	2.50%
2015	7.50%	7.50%
2016	7.00%	7.00%
2017	6.50%	6.50%
2018	6.00%	6.00%
2019	5.50%	5.50%
2020	5.00%	5.00%
2021	4.50%	4.50%

The Projected Unit Credit Actuarial Cost Method was used to determine the annual required contribution. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples, as detailed above, include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revisions as actual results are compared with past expectations, and new estimates are made about the future. Actuarial calculations reflect a long-term perspective.

Historically, the net other post-employment benefit obligation has been liquidated primarily by the general fund and the proprietary funds. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. This report constitutes the only analysis and presentation of the City's post-employment benefit plan. There is no separate, audited GAAP basis post-employment benefit plan report.

4-G. Prior Period Adjustment

As required by the implementation of *Governmental Accounting Standards Board Statement No. 68 – Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and *Governmental Accounting Standards Board Statement No. 71 – Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68* for the fiscal year ended June 30, 2015.

During fiscal year 2015, an error in accumulated depreciation in the Governmental Activates fixed assets was discovered. Depreciation expense was overstated by $621,180 in the government-wide financial statements. The effect on change in net position in the previous period was an increase of $621,180.

The composition of the Prior Period Adjustments is as follows:

	Governmental Activities	Business-Type Activities	Component Unit
Net Pension, beginning of year, as previously stated	$ 133,359,624	$ 94,086,877	$ 7,298,821
GASB Statement No. 68 as amended by Statement No. 71	(21,919,274)	(5,001,770)	(281,049)
Restatement of Error-Depreciation Expense	621,180	-	-
Net Pension, beginning of year, as restated	$ 112,061,530	$ 89,085,107	$ 7,017,772

Required Supplementary Information

Other than

Management Discussion and Analysis

City and County of Butte-Silver Bow, Montana
June 30, 2015

Schedule of Proportionate Share of the Net Pension Liability and Schedule of Contributions

Schedule of Proportionate Share of the Net Pension Liability

	PERS	FURS	MPORS	SRS	Component Unit Port of Montana Port Authority PERS
Employer's proportion of the net pension liability	$ 16,625,036	$ 1,732,272	$ 3,105,835	$ 731,920	$ 232,183
Employer's proportionate share of the net pension liability associated with the Employer (as a percentage)	1.33426%	1.77457%	1.97653%	1.75870%	0.01863%
State of MT proportionate share of the net pension liability associated with the Employer	$ 203,017	$ 3,907,922	$ 6,274,159	$ -	$ 2,835
Total	$ 16,828,054	$ 5,640,195	$ 9,379,994	$ 731,920	$ 235,018
Employer's covered-employee payroll	$ 15,103,811	$ 2,305,110	$ 2,651,981	$ 1,137,400	$ 210,937
Employer's proportionate share of the net pension liability as of its covered-employee payroll (as a percentage)	110.0720%	75.1490%	117.1140%	87.2000%	110.0720%
Plan fiduciary net position the total pension liability (as a percentage)	79.9000%	76.7000%	67.0000%	76.7000%	0.0000%

Schedule of Contributions:

	PERS	FURS	MPORS	SRS	PERS
Contractually required contributions	$ 1,383,703	$ 339,633	$ 404,133	$ 121,812	$ 15,989
Contributions in relation to the contractually required contributions	*$ 1,383,703*	$ 339,633	$ 404,133	$ 121,812	$ 15,989
Contribution deficiency (excess)	-	-	-	-	-
Employer's covered-employee payroll	$ 16,936,404	$ 2,365,132	$ 2,804,532	$ 1,204,269	$ 195,707
Contributions of covered-employee payroll (as a percentage)	8.1700%	14.3600%	14.4100%	10.1150%	8.1699%

Combining Financial Statements

BUTTE-SILVER BOW

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MONTANA

Non-major Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for a particular purpose.

Combined Special Improvement District – Accounts for revenues received through special assessments, which are expended in specific districts for street lighting, maintenance, and fire hydrants etc…

Divide Garbage – Accounts for the revenue and expenditures for the collection and disposal of solid waste within the unincorporated community of Divide.

Melrose Garbage – Accounts for monies received and expended for the collection and disposal of solid waste within the unincorporated community of Melrose.

SID #1025 Blacktail Loop – Accounts for the construction special assessments being collected for a 2.6 mile paving project in the McGinnis subdivision. The district was created by council resolution #00-74 on December 20, 2000.

Road – Accounts for revenues and expenditures related to street maintenance and improvement within the city/county.

Bridge – Accounts for revenues and expenditures for bridge maintenance and improvements within the city/county.

Noxious Weed – Accounts for revenues and expenditures for the control of noxious weeds within the city/county.

Parking Commission – Accounts for revenues and expenditures for the regulating of parking and lot maintenance.

District Court – Accounts for revenues and expenditures for the operation of the District Court System.

Civic Center – Accounts for revenues and expenditures for the operation of the Butte-Silver Bow Civic Center.

Parks – Accounts for revenues and expenditures for upkeep and improvements at specified parks.

Library – Accounts for grants and donations received by the library to assist with their operations.

Public Archives – Accounts for revenues and expenditures for the operation of the Public Archives.

Economic Dev 1 Mill Levy – Voter approved one mill levy for Economic Development purposes.

Economic Dev (HR) - This fund accounts for monies received as a result of distributions from Fund 2391 (Hard Rock Mine Trust Reserve). The monies are to be expended in accordance with MCA 7-6-2225

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Non-major Governmental Funds

Special Revenue Funds

Transit – Accounts for revenues and expenditures for the operation of the city-county transit system

Health – Accounts for federal and state revenues utilized for health programs within the local government.

Senior Citizens – Accounts for property tax revenues to be utilized for senior citizens' activities within the community.

Developmentally Disabled – Accounts for revenues and expenditures for developmentally disabled programs within the community.

Damages and Judgments – Accounts for property tax and other revenues received and expended for claims and judgments against the city-county.

Fire – Accounts for property and other tax revenues received and expended for fire protection and prevention.

Comprehensive Insurance – Accounts for property taxes and other revenues received and expended for property and liability insurance for the local government.

Crime Control – Accounts for grants received from the State Board of Crime Control for various projects within the community.

Land Planning – Accounts for revenues received from the State of Montana coal tax fund, which must be utilized for land planning projects

Junk Vehicle – Accounts for revenues received from the State of Montana for the removal of junk vehicles within the city-county.

ARCO Planning Greenway Project - This fund accounts for the planning, design, construction, maintenance and operation of the Silver Bow Greenway, under the authority of the multi-jurisdictional Anaconda-Deer Lodge and Butte-Silver Bow counties Greenway Service District. The fund also includes authority to spend anticipated revenues from Montana Department of Transportation to build the first one to two miles of the Greenway.

Superfund Wtr Quality District - This fund was established to monitor the activities of the Water Quality District established by the Council of Commissioners. The accounts are funded through the allocation agreement between Butte-Silver Bow and Arco.

Sidewalks – Accounts for revenues received through special assessments and expended for sidewalk reconstruction throughout the city-county.

Uptown Parking – Accounts for revenues from special assessments within the Uptown Business District to be expended for parking lot maintenance.

Reclamation Projects – Accounts for revenues received from the State of Montana for land reclamation projects within the city-county from the Montana Resources Indemnity Trust Fund.

Non-major Governmental Funds

Special Revenue Funds

URA Economic Development – Accounts for revenues received and expended for the tax increment district located within the uptown area of the city-county.

Community Development – Accounts for loans and grants and economic development for neighborhood revitalization established from balances remaining from discontinued federal and state programs and grants.

Hard-Rock Mine Trust – Accounts for revenues resulting from the metalliferous mines tax. Funds are held in reserve and cannot be utilized until a reduction or closure of a major mining operation occurs within the jurisdiction.

Community Development Block Grants Projects – Accounts for revenues received from the federal government through the State Department of Commerce to be expended for housing rehabilitation and economic development for selected projects in selected areas within the city-county.

Montana Pole Institutional – Accounts for revenues received by ARCO, Burlington Northern Railroad and Montana Resources, Inc. The funds will be used to reclaim and maintain lands at the Montana Pole Superfund Site and to install a modest park in the area.

911 Emergency– Accounts for a tax imposed on all phone calls. Revenues generated from this source are used to finance improvements to the emergency dispatch centers and communication systems.

CTEP Grants – State grants and private matching funds for Interstate Signage Project, Landscaping associated with community corridor entrances and the construction of walking track along Continental Drive.

DNRC Grants – These grants provide for the capability to respond to mine waste subsidence problems on properties owned by Butte-Silver Bow or properties that have been abandoned by previous owners.

Local Law Enforcement Block Grants – Grants aimed at preventing violence in the community. Funds are used to enhance security in schools by providing training and equipment for school resource officers. Also, purchasing of devices to maintain security throughout the schools.

Clark Tailings Operation & Maintenance Trust – Funds received from ARCO as part of an agreement for the purpose of making improvements to existing American Legion baseball field and for the maintenance of new parkland reclaimed by ARCO.

PIT Watch Education Program - Through an advisory committee appointed by the Chief Executive, Butte-Silver Bow sponsors the Berkeley Pit Public Education Program, which has been designed to keep citizens informed on the water levels in the Berkeley Pit and surrounding mine shafts. The Committee's work includes publishing PITWATCH twice per year and conducting education presentations at local schools. Since 1996, the program has been funded on an annual basis. In 2002, a trust fund of $170,000 was established to support the Committee's work for a minimum of 15 years, or until all water treatment plant operations are fully operable at the Berkeley Pit.

Non-major Governmental Funds

Special Revenue Funds

ARCO Historic Preservation Grant - Butte-Silver Bow has received funds from BP-Atlantic Richfield to fulfill certain obligations and projects associated with the mitigation of the loss or impacts to historic resources during the environmental cleanup activities within the Butte Priority Soils Operable Unit of the Butte/Silver Bow Creek Superfund Site. In this program account, Butte-Silver Bow will make improvements to the historic mine yards along the BA&P pedestrian trail, such as replacing roofs on mine yard buildings, installing restrooms, and installing interpretive displays.

East Butte Renovation & Rehabilitation Agency - The East Butte Renovation and Rehabilitation Agency was created by in January 2005 with final establishment of the district and board taking place in early 2006. The mission of the East Butte RRA is to promote the re-development and stimulate capital investment in the East Butte area.

TIFID Revolving Loan – This fund accounts for the revolving loan program for projects within the Ramsay TIFID. The fund was setup separate from the Ramsay TIFID so once the TIFID sunsets a mechanism is in place to continue economic development activities in around the boundaries of the district.

County Land Planning – This fund was created by Montana Code Annotated 90-1-108 to account for the funds generated by recording fees to assist in the management of land records.

Department of Justice Grants – These Grants, known as JAG, are federally funded to be used by the local law enforcement to assist in the capital needs of law enforcement.

Montana Historical Preservation Grants - Grants from the State Historic Preservation Office to the City and County of Butte-Silver Bow in the amount of $15,000 to advance heritage tourism activities in Butte and southwest Montana by developing a "Trail system" of historic and cultural sites.

Superfund Health Studies – This fund is part of the superfund trust agreement with British Petroleum, formally known as Atlantic Richfield Company (ARCO) and Butte-Silver Bow. The funds are allocated to perform health studies related to mine waste.

ARCO Superfund Land Mgt (GIS) - Butte-Silver Bow has entered into an allocation agreement with BP-Atlantic Richfield to perform certain duties associated with the long-term stewardship of the Butte Priority Soils Operable Unit of the Butte/Silver Bow Creek Superfund Site. In this program account, Butte-Silver Bow will perform GIS mapping and data management services, as well as legal and land records management services.

Anaconda ARCO - Community Readjustment: The Community Readjustment Fund was established with a $500,000 grant from ARCO following the suspension of mining operations in 1985. The funds were used to make venture loans to new or expanding businesses in the community. The revolving loan fund continues to flow loans throughout the community as approved by the Anaconda-Arco Loan Committee through the Butte Local Development Corporation upon Butte-Silver Bow Council approval.

ARCO Lead Program – Accounts for revenues received through a grant from ARCO in a designated superfund site. The grant is to be used to test mining impact on residences for the presence of concentrated levels of lead.

Non-major Governmental Funds

Special Revenue Funds

Superfund Residential Metals - This fund relates to the Superfund Residential Metals program. British Petroleum, formally known as Atlantic Richfield Company (Arco), funds the program through settlement trust funds which are payable to Butte-Silver Bow. Butte-Silver Bow is responsible under the program to conduct time critical soil removal in the city of Walkerville where soils exceed safe levels of lead, arsenic, and/or mercury.

NRDP Greenway Project - Natural Resource Damage Program grant funds the design, engineering and construction costs associated with the Greenway Service District. These funds account for the year 4 grant submittal.

East Butte RRA Revolving Loan - This fund relates to the Loan activity of the East Butte Renovation and Rehabilitation Agency. The loans are issued to promote the re-development and stimulate capital investment in the East Butte area. This fund is a revolving loan fund and will remain in existence after the East Butte RRA District sunsets.

Superfund Storm Water System - Butte-Silver Bow has entered into an allocation agreement with BP-Atlantic Richfield to perform certain duties associated with the long-term stewardship of the Butte Priority Soils Operable Unit of the Butte/Silver Bow Creek Superfund Site. In this program account, Butte-Silver Bow will perform operation and maintenance of reclaimed mine sites (source areas) and storm water structures on the Butte Hill.

MT DOC-NSP3 Grant- Butte-Silver Bow was awarded a U.S. Housing and Urban Development Neighborhood Stabilization Program 3 (NSP3) to develop 17 properties in targeted neighborhoods the funds passed through the Montana Department Commerce. Butte-Silver Bow partnered with the National Affordable Housing Network (NAHN) to complete the project.

Safe Routes to Schools- Butte-Silver Bow received a grant to advance and encourage safe walking and bicycling to and from schools in order to improve the health and well-being of American children. The funds were used for maps, route improvements including signage and street lines, and activities to encourage walking and biking.

City and County of Butte-Silver Bow, Montana
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
June 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	$ 8,594,257	$ 375,756	$ 952,724	$ 9,922,737
Investments	4,067,779	-	1,703,144	5,770,923
Restricted assets - cash	138,018	3,448,143	-	3,586,161
Restricted assets - investments	7,706,745	-	-	7,706,745
Receivables:				
Accounts	1,093,009	-	-	1,093,009
Property taxes	651,956	139,802	-	791,758
Special assessments	508,139	-	-	508,139
Loans	4,976,475	-	14,087	4,990,562
Interfund receivable	830,000	-	-	830,000
Total Assets	28,566,378	3,963,701	2,669,955	35,200,034
Liabilities, Deferred Inflows and Fund Balances				
Liabilities				
Vouchers payable	617,962	-	18,182	636,144
Accounts payable	26,538	-	-	26,538
Accrued salaries and benefits payable	283,950	-	-	283,950
Due to others	230,000	-	-	230,000
Interfund payable	1,883,059	1,101,328	-	2,984,387
Performance bonds payable	2,000	-	-	2,000
Total Liabilities	3,043,509	1,101,328	18,182	4,163,019
Deferred Inflow of resources				
Unavailable revenue-property taxes and specials assessments	1,160,095	139,802	-	1,299,897
Fund Balances				
Restricted	23,077,788	2,412,886	2,651,773	28,142,447
Assigned	2,186,246	309,685	-	2,495,931
Unassigned	(901,260)	-	-	(901,260)
Total Fund Balances	24,362,774	2,722,571	2,651,773	29,737,118
Total Liabilities, Deferred Inflows and Fund Balances	$ 28,566,378	$ 3,963,701	$ 2,669,955	$ 35,200,034

City and County of Butte-Silver Bow, Montana
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - By Fund Type
For the Fiscal Year Ended June 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property taxes	$ 8,927,196	$ 1,935,006	$ -	$ 10,862,202
Special assessments	1,532,277	-	-	1,532,277
Intergovernmental	7,343,065	46,281	1,277,753	8,667,099
Charges for services	1,169,891	-	-	1,169,891
Fines and forfeitures	52,011	-	71,884	123,895
Private grants and donations	2,498,506	-	-	2,498,506
Investment earnings	154,690	-	2,600	157,290
Increase(Decrease)in Investments to fair market value	880	-	105	985
Rent	17,718	-	-	17,718
Licensing and permits	1,303	-	-	1,303
Miscellaneous	398,772	2	-	398,774
Total Revenues	22,096,309	1,981,289	1,352,342	25,429,940
Expenditures				
Current:				
General government	2,607,887	-	-	2,607,887
Public safety	5,453,511	350	1,139,350	6,593,211
Public works	5,968,427	-	-	5,968,427
Public health	2,538,095	-	-	2,538,095
Social and economic services	165,852	-	-	165,852
Cultural and recreation	1,195,917	700	900	1,197,517
Housing and community development	1,626,567	-	-	1,626,567
Capital Outlay	2,665,606	-	443,326	3,108,932
Debt Service:				
Principal	190,358	2,615,214	-	2,805,572
Interest	9,938	1,072,996	-	1,082,934
Total Expenditures	22,422,158	3,689,260	1,583,576	27,694,994
(Deficiency) of Revenues (Under) Expenditures	(325,849)	(1,707,971)	(231,234)	(2,265,054)
Other Financing Sources (Uses)				
Issuance of general obligation notes payable	-	-	-	-
Insurance proceeds	-	-	-	-
Transfers in	1,554,752	1,937,220	-	3,491,972
Transfers out	(211,032)	(121,905)	(276,326)	(609,263)
Total Other Financing Sources (Uses)	1,343,720	1,815,315	(276,326)	2,882,709
Net Change in Fund Balances	1,017,871	107,344	(507,560)	617,655
Fund Balances Beginning of Year	23,344,903	2,615,227	3,159,333	29,119,463
Fund Balances End of Year	$ 24,362,774	$ 2,722,571	$ 2,651,773	$ 29,737,118

City and County of Butte-Silver Bow, Montana
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30,2015

	Combined Special Improvement District	Divide Garbage	Melrose Garbage	SID#1025 Blacktail Loop	Road	Bridge	Noxious Weed	Parking Commission	District Court	Civic Center
Assets										
Cash and cash equivalents	$ 977,939	$ 148	$ 8,584	$ 355	$ 977,620	$ 142,764	$ 111,974	$ 128	$ 447,600	$ 402,863
Investments	-	1,983		-	-	-	-	-	-	-
Receivables:										
Taxes	368	-	-	-	91,560	28,275	18,058	-	76,242	40,555
Accounts	-	-		-	4,412	-	21,334	-	56,402	13,858
Special assessments	223,569	475	3,088	745	-	-	25,019	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Interfund	-	-	-	-	-	-	-	-	-	-
Restricted assets										
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Total Assets	1,201,876	2,606	11,672	1,100	1,073,592	171,039	176,385	128	580,244	457,276
Liabilities, Deferred Inflows and Fund Balances										
Liabilities										
Vouchers payable	7,236	-	-	-	120,352	64	4,371	117	96,041	6,457
Accounts payable	-	-	-	-	-	-	-	-	-	23,488
Accrued salaries and benefits payable	5,465	-	-	-	28,629	8,686	8,152	3,728	11,474	7,908
Performance bonds payable	-	-	-	-	-	-	2,000	-	-	-
Due to others	-	-	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-	144,366	-	-
Total Liabilities	12,701	-	-	-	148,981	8,750	14,523	148,211	107,515	37,853
Deferred Inflow of Resources										
Unavailable revenue-property taxes and specials assessments	223,937	475	3,088	745	91,560	28,275	43,077	-	76,242	40,555
Fund Balances										
Restricted	965,238	2,131	8,584	355	833,051	134,014	118,785	-	396,487	378,868
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(148,083)	-	-
Total Fund Balances	965,238	2,131	8,584	355	833,051	134,014	118,785	(148,083)	396,487	378,868
Total Liabilities, Deferred Inflows and Fund Balances	$ 1,201,876	$ 2,606	$ 11,672	$ 1,100	$ 1,073,592	$ 171,039	$ 176,385	$ 128	$ 580,244	$ 457,276

City and County of Butte-Silver Bow, Montana
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30,2015

	Parks	Library	Public Archives	Econ Dev 1 Mill Levy	Economic Dev (HR)	Transit	Health	Senior Citizens	Developmentally Disabled	Damages And Judgments
Assets										
Cash and cash equivalents	$ 48,230	$ 19,595	$ 89,061	$ 13,972	$ 252,497	$ 227,993	$ 71,651	$ 15,560	$ 3,961	$ -
Investments	-	-	14,461	-	1,218,684	-	-	-	-	-
Receivables:										
Taxes	-	-	-	4,599	-	33,549	-	4,883	4,994	3,443
Accounts	-	-	312	-	-	203,268	253,805	-	22,000	-
Special assessments	-	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Interfund	-	-	-	-	600,000	-	-	-	-	-
Restricted assets										
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Total Assets	48,230	19,595	103,834	18,571	2,071,181	464,810	325,456	20,443	30,955	3,443
Liabilities, Deferred Inflows and Fund Balances										
Liabilities										
Vouchers payable	-	112	417	-	5,053	13,294	15,624	-	124	-
Accounts payable	-	-	-	-	-	-	-	-	-	-
Accrued salaries and benefits payable	-	-	9,326	-	-	19,276	23,433	-	2,247	-
Performance bonds payable	-	-	-	-	-	-	-	-	-	-
Due to others	-	-	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	433,008	565,006	-	-	38,293
Total Liabilities	-	112	9,743	-	5,053	465,578	604,063	-	2,371	38,293
Deferred Inflow of Resources										
Unavailable revenue-property taxes and specials assessments	-	-	-	4,599	-	33,549	-	4,883	4,994	3,443
Fund Balances										
Restricted	48,230	19,483	94,091	13,972	2,066,128	-	-	15,560	23,590	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(34,317)	(278,607)	-	-	(38,293)
Total Fund Balances	48,230	19,483	94,091	13,972	2,066,128	(34,317)	(278,607)	15,560	23,590	(38,293)
Total Liabilities, Deferred Inflows and Fund Balances	$ 48,230	$ 19,595	$ 103,834	$ 18,571	$ 2,071,181	$ 464,810	$ 325,456	$ 20,443	$ 30,955	$ 3,443

City and County of Butte-Silver Bow, Montana
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30,2015

	Fire	Comprehensive Insurance	Crime Control	Land Planning	Junk Vehicle	ARCO Planning Greenway Project	Superfund Wtr Quality District	Sidewalks	Uptown Parking	Reclamation Projects
Assets										
Cash and cash equivalents	$ 1,541,674	$ 202,111	$ 116,042	$ 54,317	$ 10,789	$ -	$ 143,444	$ 36,298	$ 2,509	$ -
Investments	-	68,297	-	-	-	-	-	-	-	-
Receivables:										
Taxes	305,655	39,775	-	-	-	-	-	-	-	-
Accounts	-	-	15,839	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	3,525	1,537	-
Loans	-	-	-	-	-	-	-	-	-	-
Interfund	-	-	-	-	-	-	-	-	-	-
Restricted assets										
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Total Assets	1,847,329	310,183	131,881	54,317	10,789	-	143,444	39,823	4,046	-
Liabilities, Deferred Inflows and Fund Balances										
Liabilities										
Vouchers payable	27,985	463	4,263	-	165	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-	-	-	-
Accrued salaries and benefits payable	103,016	-	1,638	-	896	-	1,714	-	-	-
Performance bonds payable	-	-	-	-	-		-	-	-	-
Due to others	-	-	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-	-	-	-
Total Liabilities	131,001	463	5,901	-	1,061	-	1,714	-	-	-
Deferred Inflow of Resources										
Unavailable revenue-property taxes and specials assessments	305,655	39,775	-	-	-	-	-	3,525	1,537	-
Fund Balances										
Restricted	1,410,673	269,945	125,980	54,317	9,728	-	141,730	36,298	2,509	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	1,410,673	269,945	125,980	54,317	9,728	-	141,730	36,298	2,509	-
Total Liabilities, Deferred Inflows and Fund Balances	$ 1,847,329	$ 310,183	$ 131,881	$ 54,317	$ 10,789	$ -	$ 143,444	$ 39,823	$ 4,046	$ -

City and County of Butte-Silver Bow, Montana
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30,2015

	URA Economic Development	Community Development	Hard-Rock Mine Trust Reserve	Community Development Block Grants Projects	Montana Pole Institution	911 Emergency	CTEP Grants	DNRC Grants	Local Law Enforcement Block Grant	Clark Tailings O & M Trust
Assets										
Cash and cash equivalents	$ 399,407	$ 47,810	$ -	$ 99,694	$ 29,393	$ 221,393	$ -	$ -	$ -	$ 15,340
Investments	857,538	10,979	-	-	349,243	10,646	-	-	-	100,104
Receivables:										
Taxes	-	-	-	-	-	-	-	-	-	-
Accounts	4,735	29,993	-	-	-	-	57,007	95,929	-	-
Special assessments	195,776	-	-	-	-	-	-	-	-	-
Loans	4,515,695	56,237	-	18,826	-	-	-	-	-	-
Interfund	230,000	-	-	-	-	-	-	-	-	-
Restricted assets										
Cash and cash equivalents	-	-	138,018	-	-	-	-	-	-	-
Investments	-	-	7,706,745	-	-	-	-	-	-	-
Total Assets	6,203,151	145,019	7,844,763	118,520	378,636	232,039	57,007	95,929	-	115,444
Liabilities, Deferred Inflows and Fund Balances										
Liabilities										
Vouchers payable	102	-	-	12	-	7,031	26,894	21,328	-	-
Accounts payable	-	-	-	-	-	-	-	-	-	-
Accrued salaries and benefits payable	3,495	2,711	-	-	-	1,194	-	239	-	-
Performance bonds payable	-	-	-	-	-	-	-	-	-	-
Due to others	-	-	-	-	230,000	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	38,758	75,061	-	-
Total Liabilities	3,597	2,711	-	12	230,000	8,225	65,652	96,628	-	-
Deferred Inflow of Resources										
Unavailable revenue-property taxes and specials assessments	195,776	-	-	-	-	-	-	-	-	-
Fund Balances										
Restricted	4,515,695	56,237	7,844,763	18,826	148,636	223,814	-	-	-	115,444
Assigned	1,488,083	86,071	-	99,682	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(8,645)	(699)	-	-
Total Fund Balances	6,003,778	142,308	7,844,763	118,508	148,636	223,814	(8,645)	(699)	-	115,444
Total Liabilities, Deferred Inflows and Fund Balances	$ 6,203,151	$ 145,019	$ 7,844,763	$ 118,520	$ 378,636	$ 232,039	$ 57,007	$ 95,929	$ -	$ 115,444

City and County of Butte-Silver Bow, Montana
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30,2015

	PIT Watch ED Program	Arco Historic Preservation Grant	East Butte R R A	TIFID Revolving Loan	County Land Planning	Department of Justice Grant	Montana Historical Preservation	Superfund Health Studies	ARCO Superfund Land Mgt-GIS
Assets									
Cash and cash equivalents	$ 164,336	$ 290,988	$ 117,919	$ 200,000	$ 73,967	$ 39,037	$ 19,671	$ 21,984	$ 6,342
Investments	295	371,125	577	1,000,045	-	-	-	-	-
Receivables:									
Taxes	-	-	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	9,274	2,747		17,473
Special assessments	-	-	54,405	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-
Interfund	-	-	-	-	-	-	-	-	-
Restricted assets									
Cash and cash equivalents	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Total Assets	164,631	662,113	172,901	1,200,045	73,967	48,311	22,418	21,984	23,815
Liabilities, Deferred Inflows and Fund Balances									
Liabilities									
Vouchers payable	-	1,318	28,594	-	-	-	21,965	-	8,668
Accounts payable	-	-	-	-	-	-	-	-	3,050
Accrued salaries and benefits payable	-	-	-	-	-	-	-	-	2,996
Performance bonds payable	-	-	-	-	-	-	-	-	-
Due to others	-	-	-	-	-	-	-	-	-
Interfund payable	-	-	230,000	-	-	-	-	-	-
Total Liabilities	-	1,318	258,594	-	-	-	21,965	-	14,714
Deferred Inflow of Resources									
Unavailable revenue-property taxes and specials assessments	-	-	54,405	-	-	-	-	-	-
Fund Balances									
Restricted	164,631	660,795	-	1,200,045	73,967	48,311	453	21,984	9,101
Assigned	-	-	-		-	-	-	-	-
Unassigned	-	-	(140,098)	-	-	-	-	-	-
Total Fund Balances	164,631	660,795	(140,098)	1,200,045	73,967	48,311	453	21,984	9,101
Total Liabilities, Deferred Inflows and Fund Balances	$ 164,631	$ 662,113	$ 172,901	$ 1,200,045	$ 73,967	$ 48,311	$ 22,418	$ 21,984	$ 23,815

City and County of Butte-Silver Bow, Montana
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30,2015

	Anaconda ARCO Community Readjustment	ARCO Lead Program	Superfund Residential Metals	NRDP Greenway Project	East Butte RRA Revolving Loan	Superfund Storm Water System	MT DOC-NSP3 Grant	Safe Routes to Schools	Total Nonmajor Special Revenue Funds
Assets									
Cash and cash equivalents	$ 444,001	$ -	$ 11,364	$ -	$ -	$ 411,653	$ 56,235	$ 4,044	$ 8,594,257
Investments	63,286	-	-	-	516	-	-	-	4,067,779
Receivables:									
Taxes	-	-	-	-	-	-	-	-	651,956
Accounts	4,607	-	-	280,014	-	-	-	-	1,093,009
Special assessments	-	-	-	-	-	-	-	-	508,139
Loans	192,914	-	-	-	192,803	-	-	-	4,976,475
Interfund	-	-	-	-	-	-	-	-	830,000
Restricted assets									
Cash and cash equivalents	-	-	-	-	-	-	-	-	138,018
Investments	-	-	-	-	-	-	-	-	7,706,745
Total Assets	704,808	-	11,364	280,014	193,319	411,653	56,235	4,044	28,566,378
Liabilities, Deferred Inflows and Fund Balances									
Liabilities									
Vouchers payable	-	-	16,323	144,134	-	32,513	6,942	-	617,962
Accounts payable	-	-	-	-	-	-	-	-	26,538
Accrued salaries and benefits payable	-	-	23,046	1,826	-	12,855	-	-	283,950
Performance bonds payable	-	-	-	-	-	-	-	-	2,000
Due to others	-	-	-	-	-	-	-	-	230,000
Interfund payable	-	-	-	358,567	-	-	-	-	1,883,059
Total Liabilities	-	-	39,369	504,527	-	45,368	6,942	-	3,043,509
Deferred Inflow of Resources									
Unavailable revenue-property taxes and specials assessments	-	-	-	-	-	-	-	-	1,160,095
Fund Balances									
Restricted	192,914	-	-	-	192,803	366,285	49,293	4,044	23,077,788
Assigned	511,894	-	-	-	516	-	-	-	2,186,246
Unassigned	-	-	(28,005)	(224,513)	-	-	-	-	(901,260)
Total Fund Balances	704,808	-	(28,005)	(224,513)	193,319	366,285	49,293	4,044	24,362,774
Total Liabilities, Deferred Inflows and Fund Balances	$ 704,808	$ -	$ 11,364	$ 280,014	$ 193,319	$ 411,653	$ 56,235	$ 4,044	$ 28,566,378

City and County of Butte-Silver Bow, Montana
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
June 30,2015

	Combined Special Improvement District	Divide Garbage	Melrose Garbage	SID#1025 Blacktail Loop	Road	Bridge	Noxious Weed	Parking Commission	District Court	Civic Center
Revenues										
Property taxes	$ -	$ -	$ -	$ -	$ 1,374,978	$ 406,457	$ 250,422	$ -	$ 1,082,035	$ 582,100
Special assessments	1,436,470	13,579	345	355	-	-	-	-	-	-
Intergovernmental	5,634	-	-	-	1,272,502	47,230	22,162	83	282,430	41,540
Charges for services	-	-	9,690	-	346,793	-	123,693	76,934	13,186	308,400
Fines and forfeitures	-	-	-	-	-	-	-	52,011	-	-
Private grants and donations	-	-	-	-	-	-	-	-	-	4,500
Investment earnings	-	-	-	-	-	-	-	-	-	-
Increase (Decrease) Investments to fair market value	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	10,368
Licensing and permits		-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	6,614	-	-	15	5,625	744
Total Revenues	1,442,104	13,579	10,035	355	3,000,887	453,687	396,277	129,043	1,383,276	947,652
Expenditures										
Current:										
General government	397,968	-	-	-	-	-	-	-	792,823	-
Public safety	-	-	-	-	-	-	-	-	195,952	-
Public works	900,411	14,990	9,405	-	2,355,726	424,124	381,186	166,428	-	-
Public health	13,950	-	-	-	-	-	-	-	78,299	-
Social and economic services	-	-	-	-	-	-	-	-	-	-
Cultural and recreation	-	-	-	-	-	-	-	-	-	797,881
Housing and community development	-	-	-	-	-	-	-	-	-	-
Capital Outlay	44,854	-	-	-	583,018	-	25,118	-	-	55,208
Debt Service:										
Principal	-	-	-	-	146,892	-	-	-	-	-
Interest	-	-	-	-	8,507	-	-	-	-	-
Total Expenditures	1,357,183	14,990	9,405	-	3,094,143	424,124	406,304	166,428	1,067,074	853,089
Excess (Deficiency) of Revenues Over (Under) Expenditures	84,921	(1,411)	630	355	(93,256)	29,563	(10,027)	(37,385)	316,202	94,563
Other Financing Sources (Uses)										
Transfers in	15,000	-	-	-	13,437	-	-	-	-	-
Issuance of general obligation notes	-	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	15,000	-	-	-	13,437	-	-	-	-	-
Net Change in Fund Balances	99,921	(1,411)	630	355	(79,819)	29,563	(10,027)	(37,385)	316,202	94,563
Fund Balances Beginning of Year	865,317	3,542	7,954	-	912,870	104,451	128,812	(110,698)	80,285	284,305
Fund Balances End of Year	$ 965,238	$ 2,131	$ 8,584	$ 355	$ 833,051	$ 134,014	$ 118,785	$ (148,083)	$ 396,487	$ 378,868

City and County of Butte-Silver Bow, Montana
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
June 30,2015

	Parks	Library	Public Archives	Econ Dev 1 Mill Levy	Economic Dev (HR)	Transit	Health	Senior Citizens	Developmental Disabled	Damages And Judgements
Revenues										
Property taxes	$ -	$ -	$ -	$ 62,016	$ -	$ 440,969	$ -	$ 65,079	$ 67,678	$ 37,482
Special assessments	-	-	-	72	-	514	-	-	-	142
Intergovernmental	-	14,285	41,613	9,978	-	761,634	1,251,823	12,402	26,642	19,923
Charges for services	-	-	15,670	-	-	92,523	152,214	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-
Private grants and donations	-	6,412	3,361	-	-	52,453	230,636	-	-	-
Investment earnings	-	-	19	-	1,376	-	-	-	-	-
Increase (Decrease) Investments to fair market value	-	-	-	-	-	-	-	-	-	-
Rent						7,200				
Licensing and permits	-	-	-	-	-	-	-	-	-	-
Miscellaneous	17,330	-	32	-	-	9,408	2,741	-	-	-
Total Revenues	17,330	20,697	60,695	72,066	1,376	1,364,701	1,637,414	77,481	94,320	57,547
Expenditures										
Current:										
General government	-	-	-	-	-	-	-	-	-	74,871
Public safety	-	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	1,122,927	-	-	-	-
Public health	-	-	-	-	-	-	1,356,019	-	-	-
Social and economic services	-	-	-	-	-	-	-	76,044	89,808	-
Cultural and recreation	-	13,156	382,133	-	-	-	-	-	-	-
Housing and community development	-	-	-	68,000	25,573	-	-	-	-	-
Capital Outlay	-	-	11,813	-	-	178,217	-	-	-	-
Debt Service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	13,156	393,946	68,000	25,573	1,301,144	1,356,019	76,044	89,808	74,871
Excess (Deficiency) of Revenues Over (Under) Expenditures	17,330	7,541	(333,251)	4,066	(24,197)	63,557	281,395	1,437	4,512	(17,324)
Other Financing Sources (Uses)										
Transfers in	-	-	309,063	-	-	-	-	-	-	-
Issuance of general obligation notes	-	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	309,063	-	-	-	-	-	-	-
Net Change in Fund Balances	17,330	7,541	(24,188)	4,066	(24,197)	63,557	281,395	1,437	4,512	(17,324)
Fund Balances Beginning of Year	30,900	11,942	118,279	9,906	2,090,325	(97,874)	(560,002)	14,123	19,078	(20,969)
Fund Balances End of Year	$ 48,230	$ 19,483	$ 94,091	$ 13,972	$ 2,066,128	$ (34,317)	$ (278,607)	$ 15,560	$ 23,590	$ (38,293)

City and County of Butte-Silver Bow, Montana
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
June 30,2015

	Fire	Comprehensive Insurance	Crime Control	Land Planning	Junk Vehicle	ARCO Planning Greenway Project	Superfund Water Quality District	Sidewalks	Uptown Parking	Reclamation Projects
Revenues										
Property taxes	$ 4,108,201	$ 376,362	$ -	$ -	$ -	$ -	$ -	$ 567	$ 144	$ -
Special assessments	3,716	-	-	-	-	-	-	4,120	2,365	-
Intergovernmental	1,220,759	41,315	52,773	4,302	42,722	-	54	-	-	-
Charges for services	-	-	24,779	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-
Private grants and donations	-	-	-	-	-	-	77,418	-	-	-
Investment earnings	-	90	-	-	-	-	-	-	-	-
Increase (Decrease) Investments to fair market value	-	-	-	-	-	-	-	-	-	-
Rent										
Licensing and permits	1,303									
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total Revenues	5,333,979	417,767	77,552	4,302	42,722	-	77,472	4,687	2,509	-
Expenditures										
Current:										
General government	-	531,587	-	4,000	-	-	75,489	-	-	-
Public safety	4,945,267	-	88,203	-	-	-	-	-	-	-
Public works	-	-	-	-	36,335	-	-	-	-	-
Public health	-	-	-	-	-	-	-	-	-	-
Social and economic services	-	-	-	-	-	-	-	-	-	-
Cultural and recreation	-	-	-	-	-	-	-	-	-	-
Housing and community development	-	-	-	-	-	-	-	-	-	-
Capital Outlay	67,464	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal	43,466	-	-	-	-	-	-	-	-	-
Interest	1,431	-	-	-	-	-	-	-	-	-
Total Expenditures	5,057,628	531,587	88,203	4,000	36,335	-	75,489	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	276,351	(113,820)	(10,651)	302	6,387	-	1,983	4,687	2,509	-
Other Financing Sources (Uses)										
Transfers in	157,471	-	8,750	-	-	55,033	-	-	-	-
Issuance of general obligation notes	-	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	(60,016)
Total Other Financing Sources (Uses)	157,471	-	8,750	-	-	55,033	-	-	-	(60,016)
Net Change in Fund Balances	433,822	(113,820)	(1,901)	302	6,387	55,033	1,983	4,687	2,509	(60,016)
Fund Balances Beginning of Year	976,851	383,765	127,881	54,015	3,341	(55,033)	139,747	31,611	-	60,016
Fund Balances End of Year	$ 1,410,673	$ 269,945	$ 125,980	$ 54,317	$ 9,728	$ -	$ 141,730	$ 36,298	$ 2,509	$ -

City and County of Butte-Silver Bow, Montana
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
June 30,2015

	URA Economic Development	Community Development	Hard-Rock Mine Trust Reserve	Community Development Block Grants Projects	Montana Pole Institution	911 Emergency	CTEP Grants	DNRC Grants	Local Law Enforcement Block Grant	Clark Tailings O & M Trust
Revenues										
Property taxes	$ 1,400	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Special assessments	17,004	-	-	-	-	-	-	-	-	-
Intergovernmental	104	38,600	538,547	-	-	283,441	66,661	400,757	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-
Private grants and donations	-	5,492	-	-	-	-	-	-	-	-
Investment earnings	129,359	241	360	39	6,308	14	-	-	-	131
Increase (Decrease) Investments to fair market value	-	-	-	-	880	-	-	-	-	-
Rent		150								
Licensing and permits										
Miscellaneous	1,408	-	-	-	-	-	-	-	-	-
Total Revenues	149,275	44,483	538,907	39	7,188	283,455	66,661	400,757	-	131
Expenditures										
Current:										
General government	-	-	-	-	-	-	16,023	32,960	-	-
Public safety	-	-	-	-	-	185,205	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-
Public health	-	-	-	-	2,812	-	-	-	-	-
Social and economic services	-	-	-	-	-	-	-	-	-	-
Cultural and recreation	-	-	-	-	-	-	-	-	-	-
Housing and community development	1,287,339	162,991	-	4,869	-	-	-	-	-	-
Capital Outlay	-	40,326	-	-	-	38,704	61,176	368,496	-	-
Debt Service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total Expenditures	1,287,339	203,317	-	4,869	2,812	223,909	77,199	401,456	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,138,064)	(158,834)	538,907	(4,830)	4,376	59,546	(10,538)	(699)	-	131
Other Financing Sources (Uses)										
Transfers in	108,468	150,666	-	-	-	-	10,333	8,271	-	-
Issuance of general obligation notes	-	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-	-	-
Transfers out	(16,953)	-	-		-	-	-	-	(783)	-
Total Other Financing Sources (Uses)	91,515	150,666	-	-	-	-	10,333	8,271	(783)	-
Net Change in Fund Balances	(1,046,549)	(8,168)	538,907	(4,830)	4,376	59,546	(205)	7,572	(783)	131
Fund Balances Beginning of Year	7,050,327	150,476	7,305,856	123,338	144,260	164,268	(8,440)	(8,271)	783	115,313
Fund Balances End of Year	$ 6,003,778	$ 142,308	$ 7,844,763	$ 118,508	$ 148,636	$ 223,814	$ (8,645)	$ (699)	$ -	$ 115,444

City and County of Butte-Silver Bow, Montana
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
June 30,2015

	PIT Watch ED Program	ARCO Historic Preservation Grant	East Butte R R A	TIFID Revolving Loan	County Land Planning	Department of Justice Grant	Montana Historical Preservation	Superfund Health Studies	ARCO Superfund Land Mgt-GIS	Anaconda ARCO Community Readjustment
Revenues										
Property taxes	$ -	$ -	$ 71,306	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Special assessments	-	-	53,595	-	-	-	-	-	-	-
Intergovernmental	-	1	8,840	-	-	38,883	2,747	-	80	-
Charges for services	-	-	-	-	6,009	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-
Private grants and donations	-	2,591	-	-	-	-	-	-	163,589	-
Investment earnings	42	487	1	45	-	-	-	-	-	10,148
Increase (Decrease) Investments to fair market value	-	-	-	-	-	-	-	-	-	-
Rent		-	-	-	-	-	-	-		
Licensing and permits		-	-	-	-	-	-	-		
Miscellaneous	-	2,000	-	-	-	-	-	-	-	-
Total Revenues	42	5,079	133,742	45	6,009	38,883	2,747	-	163,669	10,148
Expenditures										
Current:										
General government	365	15,250	-	-	-	-	-	-	129,497	-
Public safety	-	-	-	-	-	38,884	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-	405	-	-
Social and economic services	-	-	-	-	-	-	-	-	-	-
Cultural and recreation	-	-	-	-	-	-	2,747	-	-	-
Housing and community development	-	-	77,795	-	-	-	-	-	-	-
Capital Outlay	-	29,104	-	-	-	-	211,547	-	34,945	-
Debt Service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total Expenditures	365	44,354	77,795		-	38,884	214,294	405	164,442	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(323)	(39,275)	55,947	45	6,009	(1)	(211,547)	(405)	(773)	10,148
Other Financing Sources (Uses)										
Transfers in	-	260,696	19,965	400,000	-	-	37,599	-	-	-
Issuance of general obligation notes	-	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-	-	-
Transfers out	-	(44,203)	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	216,493	19,965	400,000	-	-	37,599	-	-	-
Net Change in Fund Balances	(323)	177,218	75,912	400,045	6,009	(1)	(173,948)	(405)	(773)	10,148
Fund Balances Beginning of Year	164,954	483,577	(216,010)	800,000	67,958	48,312	174,401	22,389	9,874	694,660
Fund Balances End of Year	$ 164,631	$ 660,795	$ (140,098)	$ 1,200,045	$ 73,967	$ 48,311	$ 453	$ 21,984	$ 9,101	$ 704,808

City and County of Butte-Silver Bow, Montana
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
June 30,2015

	ARCO Lead Grant	Superfund Residential Metals	NRDP Greenway Project	East Butte RRA Revolving Loan	Superfund Storm Water System	MT DOC-NSP3 Grant	Safe Routes to Schools	Total Nonmajor Special Revenue Funds
Revenues								
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,927,196
Special assessments	-	-	-	-	-	-	-	1,532,277
Intergovernmental	-	453	791,923	-	222	-	-	7,343,065
Charges for services	-	-	-	-	-	-	-	1,169,891
Fines and forfeitures	-	-	-	-	-	-	-	52,011
Private grants and donations	-	1,027,228	-	-	924,826	-	-	2,498,506
Investment earnings	17	-	-	6,013	-	-	-	154,690
Increase (Decrease) Investments to fair market value	-	-	-	-	-	-	-	880
Rent								17,718
Licensing and permits								1,303
Miscellaneous	-	-	500	-	-	352,355	-	398,772
Total Revenues	17	1,027,681	792,423	6,013	925,048	352,355	-	22,096,309
Expenditures								-
Current:								
General government	-	-	176,436	-	-	360,618	-	2,607,887
Public safety	-	-	-	-	-	-	-	5,453,511
Public works	-	-	-	-	556,895	-	-	5,968,427
Public health	-	1,086,610	-	-	-	-	-	2,538,095
Social and economic services	-	-	-	-	-	-	-	165,852
Cultural and recreation	-	-	-	-	-	-	-	1,195,917
Housing and community development	-	-	-	-	-	-	-	1,626,567
Capital Outlay	-	5,997	582,477	-	327,142	-	-	2,665,606
Debt Service:								
Principal	-	-	-	-	-	-	-	190,358
Interest	-	-	-	-	-	-	-	9,938
Total Expenditures	-	1,092,607	758,913	-	884,037	360,618	-	22,422,158
Excess (Deficiency) of Revenues Over (Under) Expenditures	17	(64,926)	33,510	6,013	41,011	(8,263)	-	(325,849)
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	1,554,752
Issuance of general obligation notes	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-
Transfers out	(22,539)	-	(46,573)	(19,965)	-	-	-	(211,032)
Total Other Financing Sources (Uses)	(22,539)	-	(46,573)	(19,965)	-	-	-	1,343,720
Net Change in Fund Balances	(22,522)	(64,926)	(13,063)	(13,952)	41,011	(8,263)	-	1,017,871
Fund Balances Beginning of Year	22,522	36,921	(211,450)	207,271	325,274	57,556	4,044	23,344,903
Fund Balances End of Year	$ -	$ (28,005)	$ (224,513)	$ 193,319	$ 366,285	$ 49,293	$ 4,044	$ 24,362,774

City and County of Butte-Silver Bow, Montana
Combined Special Improvement District Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Special assessments	$ 1,415,746	$ 1,415,746	$ 1,436,470	$ 20,724
Intergovernmental	5,585	5,589	5,634	45
Total Revenues	1,421,331	1,421,335	1,442,104	20,769
Expenditures				
Current:				
General government	522,831	522,835	397,968	124,867
Public works	1,176,332	1,176,332	900,411	275,921
Public health	18,119	18,119	13,950	4,169
Capital Outlay	50,000	50,000	44,854	5,146
Total Expenditures	1,767,282	1,767,286	1,357,183	410,103
Excess (Deficiency) of Revenues Over (Under) Expenditures	(345,951)	(345,951)	84,921	430,872
Other Financing Sources				
Transfers in - Solid waste fund	15,000	15,000	15,000	-
Total Other Financing Sources (Uses)	15,000	15,000	15,000	-
Net Change in Fund Balances	$ (330,951)	$ (330,951)	99,921	$ 430,872
Fund Balances Beginning of Year			865,317	
Fund Balances End of Year			$ 965,238	

City and County of Butte-Silver Bow, Montana
Divide Garbage Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Special assessmenets	$ 14,020	$ 14,020	$ 13,579	$ (441)
Total Revenues	14,020	14,020	13,579	(441)
Expenditures				
Current:				
Public works	16,500	16,500	14,990	1,510
Total Expenditures	16,500	16,500	14,990	1,510
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,480)	(2,480)	(1,411)	1,069
Net Change in Fund Balances	$ (2,480)	$ (2,480)	(1,411)	$ 1,069
Fund Balances Beginning of Year			3,542	
Fund Balances End of Year			$ 2,131	

City and County of Butte-Silver Bow, Montana
Melrose Garbage Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Special assessmenets	$ -	$ -	$ 345	$ 345
Charges for services	10,000	10,000	9,690	(310)
Total Revenues	10,000	10,000	10,035	35
Expenditures				
Current:				
Public works	10,000	10,000	9,405	595
Total Expenditures	10,000	10,000	9,405	595
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	630	630
Net Change in Fund Balances	$ -	$ -	630	$ 630
Fund Balances Beginning of Year			7,954	
Fund Balances End of Year			$ 8,584	

City and County of Butte-Silver Bow, Montana
SID #1025 Blacktail Loop Fund
Schedule of Revenues and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Special assessments	$ -	$ -	$ 355	$ 355
Total Revenues	-	-	355	355
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	355	355
Net Change in Fund Balances	$ -	$ -	355	$ 355
Fund Balances Beginning of Year			-	
Fund Balances End of Year			$ 355	

City and County of Butte-Silver Bow, Montana
Road Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 1,166,203	$ 1,150,529	$ 1,218,796	$ 68,267
Personal property	5,200	20,874	22,938	2,064
Motor vehicle-local option tax	127,000	127,000	133,244	6,244
Intergovernmental	1,205,410	1,205,537	1,272,502	66,965
Charges for services	519,247	519,247	346,793	(172,454)
Miscellaneous	30,000	30,000	6,614	(23,386)
Total Revenues	3,053,060	3,053,187	3,000,887	(52,300)
Expenditures				
Current:				
Public works	3,204,590	2,771,699	2,355,726	415,973
Capital Outlay	150,000	583,018	583,018	-
Debt Service				
Principal	153,000	153,000	146,892	6,108
Interest	12,300	12,300	8,507	3,793
Total Expenditures	3,519,890	3,520,017	3,094,143	425,874
Excess (Deficiency) of Revenues Over (Under) Expenditures	(466,830)	(466,830)	(93,256)	373,574
Other Financing Sources				
Transfers in - SID #1025 Blacktail loop revolving fund	13,437	13,437	13,437	-
Total Other Financing Sources (Uses)	13,437	13,437	13,437	-
Net Change in Fund Balances	$ (453,393)	$ (453,393)	(79,819)	$ 373,574
Fund Balances Beginning of Year			912,870	
Fund Balances End of Year			$ 833,051	

City and County of Butte-Silver Bow, Montana
Bridge Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 386,017	$ 380,785	$ 400,253	$ 19,468
Personal property	2,000	7,232	6,204	(1,028)
Intergovernmental	47,210	47,210	47,230	20
Total Revenues	435,227	435,227	453,687	18,460
Expenditures				
Current:				
Public works	469,288	469,288	424,124	45,164
Total Expenditures	469,288	469,288	424,124	45,164
Excess (Deficiency) of Revenues Over (Under) Expenditures	(34,061)	$ (34,061)	29,563	63,624
Net Change in Fund Balances	$ (34,061)	$ (34,061)	29,563	$ 63,624
Fund Balances Beginning of Year			104,451	
Fund Balances End of Year			$ 134,014	

City and County of Butte-Silver Bow, Montana
Noxious Weed Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 233,853	$ 230,710	$ 242,897	$ 12,187
Personal property	2,800	5,943	7,525	1,582
Intergovernmental	22,855	22,874	22,162	(712)
Charges for services	132,000	132,000	123,693	(8,307)
Total Revenues	391,508	391,527	396,277	4,750
Expenditures				
Current:				
Public works	375,703	401,551	381,186	20,365
Capital Outlay	114,327	88,498	25,118	63,380
Total Expenditures	490,030	490,049	406,304	83,745
Excess (Deficiency) of Revenues Over (Under) Expenditures	(98,522)	(98,522)	(10,027)	88,495
Net Change in Fund Balances	$ (98,522)	$ (98,522)	(10,027)	$ 88,495
Fund Balances Beginning of Year			128,812	
Fund Balances End of Year			$ 118,785	

City and County of Butte-Silver Bow, Montana
Parking Commission Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 101	$ 101	$ 83	$ (18)
Charges for services	65,000	65,000	76,934	11,934
Fines and forfeitures	96,330	96,330	52,011	(44,319)
Miscellaneous	-	-	15	15
Total Revenues	161,431	161,431	129,043	(32,388)
Expenditures				
Current:				
Public works	191,474	191,474	166,428	25,046
Total Expenditures	191,474	191,474	166,428	25,046
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,043)	(30,043)	(37,385)	(7,342)
Net Change in Fund Balances	$ (30,043)	$ (30,043)	(37,385)	$ (7,342)
Fund Balances Beginning of Year			(110,698)	
Fund Balances End of Year			$ (148,083)	

City and County of Butte-Silver Bow, Montana
District Court Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 986,971	$ 973,651	$ 1,015,955	$ 42,304
Personal property	5,000	18,320	16,501	(1,819)
Motor vehicle	47,000	47,000	49,579	2,579
Intergovernmental	369,527	369,534	282,430	(87,104)
Charges for services	12,500	12,500	13,186	686
Miscellaneous	-	-	5,625	5,625
Total Revenues	1,420,998	1,421,005	1,383,276	(37,729)
Expenditures				
Current:				
General government	969,995	958,902	792,823	166,079
Public safety	159,700	195,955	195,952	3
Public health	188,977	163,822	78,299	85,523
Total Expenditures	1,318,672	1,318,679	1,067,074	251,605
Excess (Deficiency) of Revenues Over (Under) Expenditures	102,326	102,326	316,202	213,876
Net Change in Fund Balances	$ 102,326	$ 102,326	316,202	$ 213,876
Fund Balances Beginning of Year			80,285	
Fund Balances End of Year			$ 396,487	

City and County of Butte-Silver Bow, Montana
Civic Center Bond Issue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 558,020	$ 550,451	$ 573,798	$ 23,347
Personal property	2,000	9,569	8,302	(1,267)
Intergovernmental	41,474	41,518	41,540	22
Charges for services	324,000	324,000	308,400	(15,600)
Private grants and donations	-	-	4,500	4,500
Rent	10,368	10,368	10,368	-
Miscellaneous	20,555	20,555	744	(19,811)
Total Revenues	956,417	956,461	947,652	(8,809)
Expenditures				
Current:				
Culture and recreation	962,087	962,131	797,881	164,250
Capital Outlay	116,800	116,800	55,208	61,592
Total Expenditures	1,078,887	1,078,931	853,089	225,842
Excess (Deficiency) of Revenues Over (Under) Expenditures	(122,470)	(122,470)	94,563	217,033
Net Change in Fund Balances	$ (122,470)	$ (122,470)	94,563	$ 217,033
Fund Balances Beginning of Year			284,305	
Fund Balances End of Year			$ 378,868	

City and County of Butte-Silver Bow, Montana
Parks Fund
Schedule of Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Miscellaneous	$ -	$ -	$ 17,330	$ 17,330
Total Revenues	-	-	17,330	17,330
Expenditures				
Current:				
Culture and recreation	21,529	21,529	-	21,529
Total Expenditures	21,529	21,529	-	21,529
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,529)	(21,529)	17,330	38,859
Net Change in Fund Balances	$ (21,529)	$ (21,529)	17,330	$ 38,859
Fund Balances Beginning of Year			30,900	
Fund Balances End of Year			$ 48,230	

City and County of Butte-Silver Bow, Montana
Library Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 22,536	$ 22,536	$ 14,285	$ (8,251)
Private grants and donations	5,300	5,300	6,412	1,112
Total Revenues	27,836	27,836	20,697	(7,139)
Expenditures				
Current:				
Culture and recreation	39,336	39,336	13,156	26,180
Total Expenditures	39,336	39,336	13,156	26,180
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,500)	(11,500)	7,541	19,041
Net Change in Fund Balances	$ (11,500)	$ (11,500)	7,541	$ 19,041
Fund Balances Beginning of Year			11,942	
Fund Balances End of Year			$ 19,483	

City and County of Butte-Silver Bow, Montana
Public Archives Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 274	$ 41,712	$ 41,613	$ (99)
Charges for services	19,500	19,500	15,670	(3,830)
Private grants and donations	13,500	13,500	3,361	(10,139)
Investment earnings	-	-	19	19
Miscellaneous	1,500	1,500	32	(1,468)
Total Revenues	34,774	76,212	60,695	(15,517)
Expenditures				
Current:				
Culture and recreation	396,292	396,309	382,133	14,176
Capital Outlay	-	62,132	11,813	50,319
Total Expenditures	396,292	458,441	393,946	64,495
Excess (Deficiency) of Revenues Over (Under) Expenditures	(361,518)	(382,229)	(333,251)	(80,012)
Other Financing Sources				
Transfers in - General fund	309,063	329,774	309,063	(20,711)
Total Other Financing Sources	309,063	329,774	309,063	(20,711)
Net Change in Fund Balances	$ (52,455)	$ (52,455)	(24,188)	$ (100,723)
Fund Balances Beginning of Year			118,279	
Fund Balances End of Year			$ 94,091	

City and County of Butte-Silver Bow, Montana
Economic Development 1 Mill Levy
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 57,823	$ 57,045	$ 60,961	$ 3,916
Personal property	-	778	1,055	277
Intergovernmental	9,972	9,972	9,978	6
Special assessments	300	300	72	(228)
Total Revenues	68,095	68,095	72,066	3,971
Expenditures				
Current:				
Housing and community development	68,000	68,000	68,000	-
Total Expenditures	68,000	68,000	68,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	95	95	4,066	3,971
Net Change in Fund Balances	$ 95	$ 95	4,066	$ 3,971
Fund Balances Beginning of Year			9,906	
Fund Balances End of Year			$ 13,972	

City and County of Butte-Silver Bow, Montana
Economic Development Fund (HR)
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ 1,000	$ 1,000	$ 1,376	$ 376
Total Revenues	1,000	1,000	1,376	376
Expenditures				
Current:				
Housing and community development	250,000	250,000	25,573	224,427
Total Expenditures	250,000	250,000	25,573	224,427
Excess (Deficiency) of Revenues Over (Under) Expenditures	(249,000)	(249,000)	(24,197)	224,803
Net Change in Fund Balances	$ (249,000)	$ (249,000)	(24,197)	$ 224,803
Fund Balances Beginning of Year			2,090,325	
Fund Balances End of Year			$ 2,066,128	

City and County of Butte-Silver Bow, Montana
Transit Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 417,101	$ 411,534	$ 432,555	$ 21,021
Personal property	900	6,467	8,414	1,947
Special assessments	2,000	2,000	514	(1,486)
Intergovernmental	807,194	823,583	761,634	(61,949)
Charges for services	80,058	80,058	92,523	12,465
Private grants and donations	-	16,212	52,453	36,241
Rent	7,000	7,000	7,200	200
Miscellaneous	-	-	9,408	9,408
Total Revenues	1,314,253	1,346,854	1,364,701	17,847
Expenditures				
Current:				
Public works	1,185,528	1,219,909	1,122,927	96,982
Capital Outlay	180,000	178,220	178,217	3
Principal	54,200	54,200	-	54,200
Total Expenditures	1,419,728	1,452,329	1,301,144	151,185
Excess (Deficiency) of Revenues Over (Under) Expenditures	(105,475)	(105,475)	63,557	169,032
Net Change in Fund Balances	$ (105,475)	$ (105,475)	63,557	$ 169,032
Fund Balances Beginning of Year			(97,874)	
Fund Balances End of Year			$ (34,317)	

City and County of Butte-Silver Bow, Montana
Health Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 1,171,659	$ 1,229,657	$ 1,251,823	$ 22,166
Charges for services	154,200	154,200	152,214	(1,986)
Private grants and donations	22,000	49,926	230,636	180,710
Miscellaneous	-	-	2,741	2,741
Total Revenues	1,347,859	1,433,783	1,637,414	203,631
Expenditures				
Current:				
Public health	1,523,505	1,620,585	1,356,019	264,566
Capital Outlay	61,973	50,817	-	50,817
Total Expenditures	1,585,478	1,671,402	1,356,019	315,383
Excess (Deficiency) of Revenues Over (Under) Expenditures	(237,619)	(237,619)	281,395	519,014
Net Change in Fund Balances	$ (237,619)	$ (237,619)	281,395	$ 519,014
Fund Balances Beginning of Year			(560,002)	
Fund Balances End of Year			$ (278,607)	

City and County of Butte-Silver Bow, Montana
Senior Citizens Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 60,581	$ 59,767	$ 63,841	$ 4,074
Personal property	350	1,164	1,238	74
Intergovernmental	12,395	12,395	12,402	7
Total Revenues	73,326	73,326	77,481	4,155
Expenditures				
Current:				
Social and economic services	76,044	76,044	76,044	-
Total Expenditures	76,044	76,044	76,044	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,718)	(2,718)	1,437	4,155
Net Change in Fund Balances	$ (2,718)	$ (2,718)	1,437	$ 4,155
Fund Balances Beginning of Year			14,123	
Fund Balances End of Year			$ 15,560	

City and County of Butte-Silver Bow, Montana
Developmentally Disabled Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes				
Real property	$ 64,249	$ 63,385	$ 66,450	$ 3,065
Personal property	200	1,064	1,228	164
Intergovernmental	25,438	25,440	26,642	1,202
Total Revenues	89,887	89,889	94,320	4,431
Expenditures				
Current:				
Social and economic services	91,319	91,321	89,808	1,513
Total Expenditures	91,319	91,321	89,808	1,513
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,432)	(1,432)	4,512	5,944
Net Change in Fund Balances	$ (1,432)	$ (1,432)	4,512	$ 5,944
Fund Balances Beginning of Year			19,078	
Fund Balances End of Year			$ 23,590	

City and County of Butte-Silver Bow, Montana
Damages and Judgments Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes				
Real property	$ 22,479	$ 22,208	$ 35,593	$ 13,385
Personal property	-	271	1,889	1,618
Special assessments	350	350	142	(208)
Intergovernmental	19,911	19,911	19,923	12
Total Revenues	42,740	42,740	57,547	14,807
Expenditures				
Current:				
General government	-	-	74,871	(74,871)
Total Expenditures	-	-	74,871	(74,871)
Excess (Deficiency) of Revenues Over (Under) Expenditures	42,740	42,740	(17,324)	(60,064)
Net Change in Fund Balances	$ 42,740	$ 42,740	(17,324)	$ (60,064)
Fund Balances Beginning of Year			(20,969)	
Fund Balances End of Year			$ (38,293)	

City and County of Butte-Silver Bow, Montana
Fire Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 3,810,622	$ 3,759,661	$ 4,032,029	$ 272,368
Personal property	9,500	60,461	76,172	15,711
Special assessments	7,500	7,500	3,716	(3,784)
Intergovernmental	1,267,472	1,267,472	1,220,759	(46,713)
Licenses and permits	-	-	1,303	1,303
Miscellaneous	3	3	-	(3)
Total Revenues	5,095,097	5,095,097	5,333,979	238,882
Expenditures				
Current:				
Public safety	5,050,318	5,044,923	4,945,267	99,656
Capital Outlay	75,000	80,395	67,464	12,931
Debt Service:				
Principal	43,905	43,873	43,466	407
Interest	1,400	1,432	1,431	1
Total Expenditures	5,170,623	5,170,623	5,057,628	112,995
Excess (Deficiency) of Revenues Over (Under) Expenditures	(75,526)	(75,526)	276,351	351,877
Other Financing Sources				
Transfers in - Ramsay TIFID	157,471	157,471	157,471	-
Other Financing Sources	157,471	157,471	157,471	-
Net Change in Fund Balances	$ 81,945	$ 81,945	433,822	$ 351,877
Fund Balances Beginning of Year			976,851	
Fund Balances End of Year			$ 1,410,673	

City and County of Butte-Silver Bow, Montana
Comprehensive Insurance Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes				
Real property	$ 296,200	$ 292,439	$ 361,000	$ 68,561
Personal property	6,000	9,761	15,362	5,601
Intergovernmental	41,291	41,291	41,315	24
Investment earnings	100	100	90	(10)
Total Revenues	343,591	343,591	417,767	74,176
Expenditures				
Current:				
General government	616,402	616,402	531,587	84,815
Total Expenditures	616,402	616,402	531,587	84,815
Excess (Deficiency) of Revenues Over (Under) Expenditures	(272,811)	(272,811)	(113,820)	158,991
Net Change in Fund Balances	$ (272,811)	$ (272,811)	(113,820)	$ 158,991
Fund Balances Beginning of Year			383,765	
Fund Balances End of Year			$ 269,945	

City and County of Butte-Silver Bow, Montana
Crime Control Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 36,552	$ 36,553	$ 52,773	$ 16,220
Charges for services	24,000	24,000	24,779	779
Total Revenues	60,552	60,553	77,552	16,999
Expenditures				
Current:				
Public safety	110,245	110,246	88,203	22,043
Capital Outlay	28,000	28,000		28,000
Total Expenditures	138,245	138,246	88,203	50,043
Excess (Deficiency) of Revenues Over (Under) Expenditures	(77,693)	(77,693)	(10,651)	67,042
Other Financing Sources				
Transfers in - General fund	8,750	8,750	8,750	-
Net Change in Fund Balances	$ (68,943)	$ (68,943)	(1,901)	$ 67,042
Fund Balances Beginning of Year			127,881	
Fund Balances End of Year			$ 125,980	

City and County of Butte-Silver Bow, Montana
Land Planning Fund
Schedule of Revenues and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 4,302	$ 4,302	$ 4,302	$ -
Total Revenues	4,302	4,302	4,302	-
Expenditures				
Current:				
General government	54,000	54,000	4,000	50,000
Total Expenditures	54,000	54,000	4,000	50,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(49,698)	(49,698)	302	(50,000)
Net Change in Fund Balances	$ (49,698)	$ (49,698)	302	$ (50,000)
Fund Balances Beginning of Year			54,015	
Fund Balances End of Year			$ 54,317	

City and County of Butte-Silver Bow, Montana
Junk Vehicle Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 45,998	$ 45,998	$ 42,722	$ (3,276)
Total Revenues	45,998	45,998	42,722	(3,276)
Expenditures				
Current:				
Public works	49,338	49,338	36,335	13,003
Total Expenditures	49,338	49,338	36,335	13,003
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,340)	(3,340)	6,387	9,727
Net Change in Fund Balances	$ (3,340)	$ (3,340)	6,387	$ 9,727
Fund Balances Beginning of Year			3,341	
Fund Balances End of Year			$ 9,728	

City and County of Butte-Silver Bow, Montana
Arco Planning Grant Fund Silver Bow Creek Greenway Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ -	$ -	$ -	$ -
Expenditures				
Current:				
General government	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources				
Transfers in - General fund	55,033	55,033	55,033	-
Total Other Financing Sources (Uses)	55,033	55,033	55,033	-
Net Change in Fund Balances	$ 55,033	$ 55,033	55,033	$ -
Fund Balances Beginning of Year			(55,033)	
Fund Balances End of Year			$ -	

City and County of Butte-Silver Bow, Montana
Superfund Water Quality District
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 47	$ 62	$ 54	$ (8)
Private grants and donations	76,941	76,941	77,418	477
Total Revenues	76,988	77,003	77,472	469
Expenditures				
Current:				
General government	76,500	76,515	75,489	1,026
Total Expenditures	76,500	76,515	75,489	1,026
Excess (Deficiency) of Revenues Over (Under) Expenditures	488	488	1,983	1,495
Net Change in Fund Balances	$ 488	$ 488	1,983	$ 1,495
Fund Balances Beginning of Year			139,747	
Fund Balances End of Year			$ 141,730	

City and County of Butte-Silver Bow, Montana
Sidewalks Fund
Schedule of Revenues and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes				
Personal property	$	$	$ 567	$ 567
Special assessments	3,150	3,150	4,120	970
Total Revenues	3,150	3,150	4,687	1,537
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,150	3,150	4,687	1,537
Net Change in Fund Balances	$ 3,150	$ 3,150	4,687	$ 1,537
Fund Balances Beginning of Year			31,611	
Fund Balances End of Year			$ 36,298	

City and County of Butte-Silver Bow, Montana
Uptown Parking Fund
Schedule of Revenues and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Personal property	$ -	$ -	$ 144	$ 144
Special assessments	-	-	2,365	2,365
Total Revenues	-	-	2,509	2,509
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	2,509	2,509
Net Change in Fund Balances	$ -	$ -	2,509	$ 2,509
Fund Balances Beginning of Year			-	
Fund Balances End of Year			$ 2,509	

City and County of Butte-Silver Bow, Montana
Reclamation Projects
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ -	$ -	$ -	$ -
Expenditures				
Current:				
Conservation of natural resources	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources				
Transfers out - General fund	(60,016)	(60,016)	(60,016)	-
Total Other Financing Sources (Uses)	(60,016)	(60,016)	(60,016)	-
Net Change in Fund Balances	$ (60,016)	$ (60,016)	(60,016)	$ -
Fund Balances Beginning of Year			60,016	
Fund Balances End of Year			$ -	

City and County of Butte-Silver Bow, Montana
Urban Revitalization Agency Economic Development Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Real property	$ 500	$ 500	$ 1,400	$ 900
Special assessments	25,000	25,000	17,004	(7,996)
Intergovernmental	114	114	104	(10)
Investment earnings	103,500	103,500	129,359	25,859
Miscellaneous	1,000	1,000	1,408	408
Total Revenues	130,114	130,114	149,275	19,161
Expenditures				
Current:				
Housing and community development	3,592,025	3,592,025	1,287,339	2,304,686
Total Expenditures	3,592,025	3,592,025	1,287,339	2,304,686
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,461,911)	(3,461,911)	(1,138,064)	2,323,847
Other Financing Sources (Uses)				
Transfers in:				
Tax increment bond fund	175,000	175,000	108,468	(66,532)
East Butte RRA	30,000	30,000	-	(30,000)
Transfers out:				-
General fund	(9,193)	(9,193)	(9,193)	-
Community development	(7,760)	(7,760)	(7,760)	-
Total Other Financing Sources (Uses)	188,047	188,047	91,515	(96,532)
Net Change in Fund Balances	$ (3,273,864)	$ (3,273,864)	(1,046,549)	$ 2,227,315
Fund Balances Beginning of Year			7,050,327	
Fund Balances End of Year			$ 6,003,778	

City and County of Butte-Silver Bow, Montana
Community Development Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 112,071	$ 112,071	$ 38,600	$ (73,471)
Private grants and donations	4,000	4,000	5,492	1,492
Investment earnings	227	227	241	14
Rent	350	350	150	(200)
Total Revenues	116,648	116,648	44,483	(72,165)
Expenditures				
Current:				
Housing and community development	298,912	298,912	162,991	135,921
Capital Outlay	40,600	40,600	40,326	274
Total Expenditures	339,512	339,512	203,317	136,195
Excess (Deficiency) of Revenues Over (Under) Expenditures	(222,864)	(222,864)	(158,834)	64,030
Other Financing Sources:				
Transfers in:				
General fund	142,906	142,906	142,906	-
URA economic development	7,760	7,760	7,760	-
Total Other Financing Sources	150,666	150,666	150,666	-
Net Change in Fund Balances	$ (72,198)	$ (72,198)	(8,168)	$ 64,030
Fund Balances Beginning of Year			150,476	
Fund Balances End of Year			$ 142,308	

City and County of Butte-Silver Bow, Montana
Hard Rock Mine Trust Reserve Fund
Schedule of Revenues and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 433,905	$ 433,905	$ 538,547	$ 104,642
Investment earnings	250	250	360	110
Total Revenues	434,155	434,155	538,907	104,752
Excess (Deficiency) of Revenues Over (Under) Expenditures	434,155	434,155	538,907	104,752
Net Change in Fund Balances	$ 434,155	$ 434,155	538,907	$ 104,752
Fund Balances Beginning of Year			7,305,856	
Fund Balances End of Year			$ 7,844,763	

City and County of Butte-Silver Bow, Montana
Community Development Block Grant Projects Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Interest revenue	$ -	$ -	$ 39	$ 39
Total Revenues	-	-	39	39
Expenditures				
Current:				
Housing and community development	98,706	98,706	4,869	93,837
Total Expenditures	98,706	98,706	4,869	93,837
Excess (Deficiency) of Revenues Over (Under) Expenditures	(98,706)	(98,706)	(4,830)	93,876
Net Change in Fund Balances	$ (98,706)	$ (98,706)	(4,830)	$ 93,876
Fund Balances Beginning of Year			123,338	
Fund Balances End of Year			$ 118,508	

City and County of Butte-Silver Bow, Montana
MT Pole Institutional Control
Schedule of Revenues and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Interest revenue	$ 45	$ 45	$ 6,308	$ 6,263
Increase in investments to fair market value	-	-	880	880
Total Revenues	45	45	7,188	7,143
Expenditures				
Current:				
Public health	45,000	45,000	2,812	42,188
Total Expenditures	45,000	45,000	2,812	42,188
Excess (Deficiency) of Revenues Over (Under) Expenditures	(44,955)	(44,955)	4,376	43,068
Net Change in Fund Balances	$ (44,955)	$ (44,955)	4,376	$ 43,068
Fund Balances Beginning of Year			144,260	
Fund Balances End of Year			$ 148,636	

City and County of Butte-Silver Bow, Montana
911 Emergency Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 240,033	$ 240,038	$ 283,441	$ 43,403
Investment earnings	-	-	14	14
Total Revenues	240,033	240,038	283,455	43,417
Expenditures				
Current:				
Public safety	208,905	237,410	185,205	52,205
Capital Outlay	140,000	111,500	38,704	72,796
Total Expenditures	348,905	348,910	223,909	125,001
Excess (Deficiency) of Revenues Over (Under) Expenditures	(108,872)	(108,872)	59,546	168,418
Net Change in Fund Balances	$ (108,872)	$ (108,872)	59,546	$ 168,418
Fund Balances Beginning of Year			164,268	
Fund Balances End of Year			$ 223,814	

City and County of Butte-Silver Bow, Montana
Community Transportation Enhancement Program Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 872,697	$ 872,697	$ 66,661	$ (806,036)
Total Revenues	872,697	872,697	66,661	(806,036)
Expenditures				
Current:				
General government	173,547	173,547	16,023	157,524
Capital Outlay	825,900	825,900	61,176	764,724
Total Expenditures	999,447	999,447	77,199	922,248
Excess (Deficiency) of Revenues Over (Under) Expenditures	(126,750)	(126,750)	(10,538)	116,212
Other Financing Sources				
Transfers in - ARCO historic preservation fund	127,470	127,470	10,333	(117,137)
Total Other Financing Sources	127,470	127,470	10,333	(117,137)
Net Change in Fund Balances	$ 720	$ 720	(205)	$ (925)
Fund Balances Beginning of Year			(8,440)	
Fund Balances End of Year			$ (8,645)	

City and County of Butte-Silver Bow, Montana
Department of Natural Resource and Conservation Grants Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 710,730	$ 710,750	$ 400,757	$ (309,993)
Private grants and donations	-	-	-	-
Total Revenues	710,730	710,750	400,757	(309,993)
Expenditures				
Current:				
General government	633,004	165,715	32,960	132,755
Capital Outlay	22,856	490,165	368,496	121,669
Total Expenditures	655,860	655,880	401,456	254,424
Excess (Deficiency) of Revenues Over (Under) Expenditures	54,870	54,870	(699)	(55,569)
Other Financing Sources:				
Transfers in - ARCO historic preservation fund	-	-	8,271	8,271
Total Other Financing Sources			8,271	8,271
Net Change in Fund Balances	$ 54,870	$ 54,870	7,572	$ (47,298)
Fund Balances Beginning of Year			(8,271)	
Fund Balances End of Year			$ (699)	

City and County of Butte-Silver Bow, Montana
Local Law Enforcement Block Grants Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ -	$ -	$ -	$ -
Expenditures				
Current:				
Public safety	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources				
Transfers out - General fund	(783)	(783)	(783)	-
Total Other Financing Sources (Uses)	(783)	(783)	(783)	-
Net Change in Fund Balances	$ (783)	$ (783)	(783)	$ -
Fund Balances Beginning of Year			783	
Fund Balances End of Year			$ -	

City and County of Butte-Silver Bow, Montana
Clark Tailings Operations & Maintenance Trust Fund
Schedule of Revenues and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ 125	$ 125	$ 131	$ 6
Total Revenues	125	125	131	6
Expenditures				
Current:				
Public health	12,000	12,000	-	12,000
Total Expenditures	12,000	12,000	-	12,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,875)	(11,875)	131	12,006
Net Change in Fund Balances	$ (11,875)	$ (11,875)	131	$ 12,006
Fund Balances Beginning of Year			115,313	
Fund Balances End of Year			$ 115,444	

City and County of Butte-Silver Bow, Montana
PIT Watch ED Program Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ -	$ -	$ 42	$ 42
Total Revenues	-	-	42	42
Expenditures				
Current:				
General government	43,369	43,369	365	43,004
Total Expenditures	43,369	43,369	365	43,004
Excess (Deficiency) of Revenues Over (Under) Expenditures	(43,369)	(43,369)	(323)	43,046
Net Change in Fund Balances	$ (43,369)	$ (43,369)	(323)	$ 43,046
Fund Balances Beginning of Year			164,954	
Fund Balances End of Year			$ 164,631	

City and County of Butte-Silver Bow, Montana
Arco Historic Preservation Grant Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ -	$ 15	$ 1	$ (14)
Private grants and donations	-	-	487	487
Interest revenue	-	-	2,591	2,591
Miscellaneous	-	-	2,000	2,000
Total Revenues	-	15	5,079	5,064
Expenditures				
Current:				
General government	190,704	182,444	15,250	167,194
Capital Outlay	100,000	100,000	29,104	70,896
Total Expenditures	290,704	282,444	44,354	238,090
Excess (Deficiency) of Revenues Over (Under) Expenditures	(290,704)	(282,429)	(39,275)	243,154
Other Financing Sources (Uses)				
Transfers in:				
ARCO redevelopment trust	-	-	260,696	260,696
Transfers out:				
MT historic preservation fund	(25,599)	(25,599)	(25,599)	-
DNRC grants fund	-	(8,275)	(8,271)	4
CTEP fund	(127,470)	(127,470)	(10,333)	117,137
Total Other Financing Sources (Uses)	(153,069)	(161,344)	216,493	377,837
Net Change in Fund Balances	$ (443,773)	$ (443,773)	177,218	$ 620,991
Fund Balances Beginning of Year			483,577	
Fund Balances End of Year			$ 660,795	

City and County of Butte-Silver Bow, Montana
East Butte RRA Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 112,291	$ 112,291	$ 66,663	$ (45,628)
Personal property	1,000	1,000	4,643	3,643
Special assessments	-	-	53,595	53,595
Intergovernmental	8,839	8,839	8,840	1
Investment earnings	38	38	1	(37)
Total Revenues	122,168	122,168	133,742	11,574
Expenditures				
Current:				
Housing and community development	102,500	102,500	77,795	24,705
Total Expenditures	102,500	102,500	77,795	24,705
Excess (Deficiency) of Revenues Over (Under) Expenditures	19,668	19,668	55,947	36,279
Other Financing Sources (Uses)				
Transfer in - RRA revolving loan fund	20,483	20,483	19,965	(518)
Transfer out - URA	(30,000)	(30,000)	-	30,000
Total Other Financing Sources (Uses)	(9,517)	(9,517)	19,965	29,482
Net Change in Fund Balances	$ 10,151	$ 10,151	75,912	$ 65,761
Fund Balances Beginning of Year			(216,010)	
Fund Balances End of Year			$ (140,098)	

City and County of Butte-Silver Bow, Montana
Tax Increment Financing District Revolving Loan Fund
Schedule of Revenues and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ -	$ -	$ 45	$ 45
Total Revenues	-	-	45	45
Expenditures				
Current:				
Housing and Community Development	500,000	500,000	-	500,000
Total Expenditures	500,000	500,000	-	500,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(500,000)	(500,000)	45	500,045
Other Financing Sources (Uses)				
Transfers in - Ramsay TIFID	400,000	400,000	400,000	-
Total Other Financing Sources (Uses)	400,000	400,000	400,000	-
Net Change in Fund Balances	$ (100,000)	$ (100,000)	400,045	$ 500,045
Fund Balances Beginning of Year			800,000	
Fund Balances End of Year			$ 1,200,045	

City and County of Butte-Silver Bow, Montana
County Land Planning Fund
Schedule of Revenues and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Charges for services	$ 5,000	$ 5,000	$ 6,009	$ 1,009
Total Revenues	5,000	5,000	6,009	1,009
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,000	5,000	6,009	1,009
Net Change in Fund Balances	$ 5,000	$ 5,000	6,009	$ 1,009
Fund Balances Beginning of Year			67,958	
Fund Balances End of Year			$ 73,967	

City and County of Butte-Silver Bow, Montana
Department of Justice Grants Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 19,315	$ 19,315	$ 38,883	$ 19,568
Total Revenues	19,315	19,315	38,883	19,568
Expenditures				
Current:				
Public safety	56,885	56,885	38,884	18,001
Capital Outlay	-	-	-	-
Total Expenditures	56,885	56,885	38,884	18,001
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,570)	(37,570)	(1)	37,569
Net Change in Fund Balances	$ (37,570)	$ (37,570)	(1)	$ 37,569
Fund Balances Beginning of Year			48,312	
Fund Balances End of Year			$ 48,311	

City and County of Butte-Silver Bow, Montana
Montana Historical Preservation Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ -	$ 4,745	$ 2,747	$ (1,998)
Total Revenues	-	4,745	2,747	(1,998)
Expenditures				
Current:				
Culture and recreation	-	4,745	2,747	1,998
Capital Outlay	212,000	212,000	211,547	453
Totall Expenditures	212,000	216,745	214,294	2,451
Excess (Deficiency) of Revenues Over (Under) Expenditures	(212,000)	(212,000)	(211,547)	453
Other Financing Sources (Uses)				
Transfers in:				
ARCO historic preservation fund	25,599	25,599	25,599	-
General fund	12,000	12,000	12,000	-
Total Other Financing Sources (Uses)	37,599	37,599	37,599	-
Net Change in Fund Balances	$ (174,401)	$ (174,401)	(173,948)	$ 453
Fund Balances Beginning of Year			174,401	
Fund Balances End of Year			$ 453	

City and County of Butte-Silver Bow, Montana
Superfund Health Studies Fund
Schedule of Revenues and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Private grants and donations	$ 100,000	$ 100,000	$ -	$ (100,000)
Total Revenues	100,000	100,000	-	(100,000)
Expenditures				
Current:				
Public health	100,000	100,000	405	99,595
Totall Expenditures	100,000	100,000	405	99,595
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(405)	(405)
Net Change in Fund Balances	$ -	$ -	(405)	$ (405)
Fund Balances Beginning of Year			22,389	
Fund Balances End of Year			$ 21,984	

City and County of Butte-Silver Bow, Montana
ARCO Superfund Land Management/GIS Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 72	$ 81	$ 80	$ (1)
Private grants and donations	180,427	180,427	163,589	(16,838)
Total Revenues	180,499	180,508	163,669	(16,839)
Expenditures				
Current:				
General government	177,551	129,497	129,497	-
Capital Outlay	-	34,945	34,945	-
Totall Expenditures	177,551	164,442	164,442	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,948	16,066	(773)	(16,839)
Net Change in Fund Balances	$ 2,948	$ 16,066	(773)	$ (16,839)
Fund Balances Beginning of Year			9,874	
Fund Balances End of Year			$ 9,101	

City and County of Butte-Silver Bow, Montana
Anaconda-ARCO Community Readjustment
Schedule of Revenues and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ 8,000	$ 8,000	$ 10,148	$ 2,148
Total Revenues	8,000	8,000	10,148	2,148
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,000	8,000	10,148	2,148
Net Change in Fund Balances	$ 8,000	$ 8,000	10,148	$ 2,148
Fund Balances Beginning of Year			694,660	
Fund Balances End of Year			$ 704,808	

City and County of Butte-Silver Bow, Montana
Arco Lead Fund
Schedule of Revenues and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ -	$ -	$ 17	$ 17
Total Revenues	-	-	17	17
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	17	17
Other Financing Sources				
Transfers out - General fund	(22,539)	(22,539)	(22,539)	-
Total Other Financing Sources (Uses)	(22,539)	(22,539)	(22,539)	-
Net Change in Fund Balances	$ (22,539)	$ (22,539)	(22,522)	$ -
Fund Balances Beginning of Year			22,522	
Fund Balances End of Year			$ -	

City and County of Butte-Silver Bow, Montana
Superfund Residential Metals Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 455	$ 455	$ 453	$ (2)
Private grants and donations	1,092,422	1,092,422	1,027,228	(65,194)
Total Revenues	1,092,877	1,092,877	1,027,681	(65,196)
Expenditures				
Current:				
Public health	1,093,006	1,087,009	1,086,610	399
Capital outlay	-	5,997	5,997	-
Total Expenditures	1,093,006	1,093,006	1,092,607	399
Excess (Deficiency) of Revenues Over (Under) Expenditures	(129)	(129)	(64,926)	(64,797)
Net Change in Fund Balances	$ (129)	$ (129)	(64,926)	$ (64,797)
Fund Balances Beginning of Year			36,921	
Fund Balances End of Year			$ (28,005)	

City and County of Butte-Silver Bow, Montana
NRDP Greenway Projects Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 3,682,951	$ 3,683,049	$ 791,923	$ (2,891,126)
Miscellaneous revenue	-	-	500	500
Total Revenues	3,682,951	3,683,049	792,423	(2,890,626)
Expenditures				
Current:				
General government	570,520	573,048	176,436	396,612
Capital outlay	2,773,704	2,771,274	582,477	2,188,797
Total Expenditures	3,344,224	3,344,322	758,913	2,585,409
Excess (Deficiency) of Revenues Over (Under) Expenditures	338,727	338,727	33,510	(305,217)
Other Financing Sources (Uses)				
Transfers out - general fund	(50,000)	(50,000)	(46,573)	3,427
Total Other Financing Sources (Uses)	(50,000)	(50,000)	(46,573)	3,427
Net Change in Fund Balances	$ 288,727	$ 288,727	(13,063)	$ (301,790)
Fund Balances Beginning of Year			(211,450)	
Fund Balances End of Year			$ (224,513)	

City and County of Butte-Silver Bow, Montana
East Butte RRA Revolving Loan Fund
Schedule of Revenues and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ 6,015	$ 6,015	$ 6,013	$ (2)
Total Revenues	6,015	6,015	6,013	(2)
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,015	6,015	6,013	(2)
Other Financing Sources (Uses)				
Transfers out - east butte RRA	(20,483)	(20,483)	(19,965)	518
Total Other Financing Sources (Uses)	(20,483)	(20,483)	(19,965)	518
Net Change in Fund Balances	$ (14,468)	$ (14,468)	(13,952)	$ 516
Fund Balances Beginning of Year			207,271	
Fund Balances End of Year			$ 193,319	

City and County of Butte-Silver Bow, Montana
Superfund Stormwater System
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 115	$ 211	$ 222	$ 11
Private grants and donations	1,514,536	1,514,536	924,826	(589,710)
Total Revenues	1,514,651	1,514,747	925,048	(589,699)
Expenditures				
Current:				
Public works	872,148	793,004	556,895	236,109
Capital Outlay	865,500	944,740	327,142	617,598
Total Expenditures	1,737,648	1,737,744	884,037	853,707
Excess (Deficiency) of Revenues Over (Under) Expenditures	(222,997)	(222,997)	41,011	264,008
Net Change in Fund Balances	$ (222,997)	$ (222,997)	41,011	$ 264,008
Fund Balances Beginning of Year			325,274	
Fund Balances End of Year			$ 366,285	

City and County of Butte-Silver Bow, Montana
MT Dept of Commerce NSP3 Grants Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Miscellaneous revenue	$ 1,500,624	$ 1,500,624	$ 352,355	$ (1,148,269)
Total Revenues	1,500,624	1,500,624	352,355	(1,148,269)
Expenditures				
Current:				
General government	1,500,624	1,500,624	360,618	1,140,006
Total Expenditures	1,500,624	1,500,624	360,618	1,140,006
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(8,263)	(8,263)
Net Change in Fund Balances	$ -	$ -	(8,263)	$ (8,263)
Fund Balances Beginning of Year			57,556	
Fund Balances End of Year			$ 49,293	

City and County of Butte-Silver Bow, Montana
Safe Routes to Schools
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	$ -	$ -
Net Change in Fund Balances	$ -	$ -	-	$ -
Fund Balances Beginning of Year			4,044	
Fund Balances End of Year			$ 4,044	

Non-major Governmental Funds

Debt Service Funds

The debt service funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.

Tax Increment Bond– This fund exists to service the debt for the Urban Revitalization Agency's Tax Increment Urban Renewal Bonds.

SID Revolving – Accounts for property tax revenue received and expended for the payment of special improvement district bond principal and interest.

Civic Center Bond Issue – This fund was established per the bond indenture to account for the debt service payments related to the Civic Center General Obligations Bond Issue.

LEA Detention Center & Administration Project – General obligation bonds funding the renovation of the Local Law Enforcement Agency administrative offices, 911-Dispatch Center and the new 75-bed Detention Center.

Ladder Truck Debt Service – This fund accounts for the annual debt service requirements relating to the issue of $978,554 in General Obligation Bonds for the purchase of an aerial ladder truck approved by voters in November 2006.

Archives Debt Service – This fund accounts for the annual debt service requirements relating to the issue of $7,500,000 in General Obligation Bonds for the renovation of the old Archives building and construction of the new storage vault.

General Obligations Bonds Series 2011 – This fund accounts for the annual debt service requirements relating to the issue of $9,505,000 in General Obligation Bonds for the purpose of refunding the Civic Center and LEA Detention Center & Administration Project bond issues.

ASIMI Bond - This fund accounts for the Principle and Interest payments related to the TIFID bond issues for the purpose of constructing infrastructure in the Ramsay TIFID.

City and County of Butte-Silver Bow, Montana
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2015

	Tax Increment Bond	SID Revolving	Civic Center Bond Issue	LEA Detention Center and Adminstration Projects	Ladder Truck Debt Service	Archives	General Obligations Bonds Series 2011	ASIMI	Total Nonmajor Debt Service Funds
Assets									
Cash and cash equivalents	$ -	$ -	$ 6,885	$ 36,548	$ 22,638	$ -	$ -	$ 309,685	$ 375,756
Restricted cash and cash equivalents	-	-	-	-		434,739	953,220	2,060,184	3,448,143
Property tax receivables	-	-	480	2,536	8,374	44,047	84,365	-	139,802
Total Assets	-	-	7,365	39,084	31,012	478,786	1,037,585	2,369,869	3,963,701
Liabilities									
Liabilities									
Interfund payable	-	-	-	-	-	317,936	783,392	-	1,101,328
Total Liabilities	-	-	-	-	-	317,936	783,392	-	1,101,328
Deferred Inflow of Resources									
Unavailable revenue-property taxes							-		-
and specials assessments	-	-	480	2,536	8,374	44,047	84,365	-	139,802
Fund Balances									
Restricted	-	-	6,885	36,548	22,638	116,803	169,828	2,060,184	2,412,886
Assigned	-	-	-	-	-	-	-	309,685	309,685
Unassigned	-	-	-	-	-	-	-	-	-
Total Fund Balances	-	-	6,885	36,548	22,638	116,803	169,828	2,369,869	2,722,571
Total Liabilities, Deferred Inflows and Fund Balances	$ -	$ -	$ 7,365	$ 39,084	$ 31,012	$ 478,786	$ 1,037,585	$ 2,369,869	$ 3,963,701

City and County of Butte-Silver Bow, Montana
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2015

	Tax Increment Bond	SID Revolving	Civic Center Bond Issue	LEA Detention Center and Adminstration Projects	Ladder Truck Bond Issue	Archives Bond Issue	General Obligations Bonds Series 2011	ASiMI Bond	Total Nonmajor Debt Service Funds
Revenues									
Property taxes	$ -	$ -	$ 6,641	$ 35,591	$ 113,169	$ 605,598	$ 1,174,007	$ -	$ 1,935,006
Intergovernmental	23,982	-	-	-	-	-	22,299	-	46,281
Miscellaneous	2	-	-	-	-	-	-	-	2
Investment earnings	-	-	-	-	-	-	-	-	-
Total Revenues	23,984	-	6,641	35,591	113,169	605,598	1,196,306	-	1,981,289
Expenditures									
Current:									
Public Safety	-	-	-	-	-		350		350
Culture and recreation	-	-	-	-	-	700	-	-	700
Housing & Community Development	-	-	-	-	-	-	-	-	-
Debt Service:									
Principal retirement	80,000	-	-	-	100,214	295,000	825,000	1,315,000	2,615,214
Interest and fiscal charges	3,000	-	-	-	3,255	254,534	214,688	597,519	1,072,996
Bond issuance costs	-	-	-	-	-	-	-	-	-
Total Expenditures	83,000	-	-	-	103,469	550,234	1,040,038	1,912,519	3,689,260
Excess (Deficiency) of Revenues Over (Under) Expenditures	(59,016)	-	6,641	35,591	9,700	55,364	156,268	(1,912,519)	(1,707,971)
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	-	-	1,937,220	1,937,220
Transfers out	(108,468)	(13,437)	-	-	-	-	-	-	(121,905)
Total Other Financing Sources (Uses)	(108,468)	(13,437)	-	-	-	-	-	1,937,220	1,815,315
Net Change in Fund Balances	(167,484)	(13,437)	6,641	35,591	9,700	55,364	156,268	24,701	107,344
Fund Balances Beginning of Year	167,484	13,437	244	957	12,938	61,439	13,560	2,345,168	2,615,227
Fund Balances End of Year	$ -	$ -	$ 6,885	$ 36,548	$ 22,638	$ 116,803	$ 169,828	$ 2,369,869	$ 2,722,571

City and County of Butte-Silver Bow, Montana
Tax Increment Bond Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 233,000	$ 233,000	$ -	$ (233,000)
Intergovernmental	23,982	23,982	23,982	-
Investment earnings	250	250	2	(248)
Total Revenues	257,232	257,232	23,984	(233,248)
Expenditures				
Debt Service:				
Principal	80,000	80,000	80,000	-
Interest	3,000	3,000	3,000	-
Total Expenditures	83,000	83,000	83,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	174,232	174,232	(59,016)	(233,248)
Other Financing Sources (Uses)				
Transfers out - URA economic development fund	(175,000)	(175,000)	(108,468)	66,532
Net Changes in Fund Balances	$ (768)	$ (768)	(167,484)	$ (166,716)
Fund Balances Beginning of Year			167,484	
Fund Balances End of Year			$ -	

City and County of Butte-Silver Bow, Montana
SID#1025 Blacktail Loop Revolving Fund
Schedule of Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Debt Service:				
Principal	$ -	$ -	$ -	$ -
Interest	-	-	-	-
Total Expenditures	-	-	-	-
Other Financing Sources (Uses)				
Transfers out-Road	(13,437)	(13,437)	(13,437)	-
Other Financing Sources	(13,437)	(13,437)	(13,437)	-
Net Change in Fund Balances	$ (13,437)	$ (13,437)	(13,437)	$ -
Fund Balances Beginning of Year			13,437	
Fund Balances End of Year			$ -	

City and County of Butte-Silver Bow, Montana
Civic Center Bond Issue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes				
Real property	$ -	$ -	$ 6,157	$ 6,157
Personal property	500	500	484	(16)
Total Revenues	500	500	6,641	6,141
Excess (Deficiency) of Revenues Over (Under) Expenditures	500	500	6,641	6,141
Net Change in Fund Balances	$ 500	$ 500	6,641	$ 6,141
Fund Balances Beginning of Year			244	
Fund Balances End of Year			$ 6,885	

City and County of Butte-Silver Bow, Montana
LEA Detention Center & Administration Project Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ -	$ -	$ 33,270	$ 33,270
Personal property	-	-	2,321	2,321
Total Revenues	-	-	35,591	35,591
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	35,591	35,591
Net Change in Fund Balance	$ -	$ -	35,591	$ 35,591
Fund Balances Beginning of Year			957	
Fund Balances End of Year			$ 36,548	

City and County of Butte-Silver Bow, Montana
Ladder Truck Bond Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 105,763	$ 104,340	$ 111,087	$ 6,747
Personal property	300	1,723	1,941	218
Special assessments	-	-	141	141
Total Revenues	106,063	106,063	113,169	7,106
Expenditures				
Debt Service:				
Principal	100,214	100,214	100,214	-
Interest	3,260	3,260	3,255	5
Total Expenditures	103,474	103,474	103,469	5
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,589	2,589	9,700	7,111
Net Change in Fund Balance	$ 2,589	$ 2,589	9,700	$ 7,111
Fund Balances Beginning of Year			12,938	
Fund Balances End of Year			$ 22,638	

City and County of Butte-Silver Bow, Montana
Archives Bond Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 568,965	$ 561,306	$ 586,834	$ 25,528
Personal property	3,000	10,659	18,764	8,105
Total Revenues	571,965	571,965	605,598	33,633
Expenditures				
Current:				
Cultural and recreation	1,200	1,200	700	500
Debt Service:				
Principal	295,000	295,000	295,000	-
Interest	254,584	254,584	254,534	50
Total Expenditures	550,784	550,784	550,234	550
Excess (Deficiency) of Revenues Over (Under) Expenditures	21,181	21,181	55,364	34,183
Net Change in Fund Balance	$ 21,181	$ 21,181	55,364	$ 34,183
Fund Balances Beginning of Year			61,439	
Fund Balances End of Year			$ 116,803	

City and County of Butte-Silver Bow, Montana
General Obligation Bond Refunding Series 2011
Schedule of Expenditures and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes:				
Real property	$ 1,156,907	$ 1,140,445	$ 1,167,453	$ 27,008
Personal property	50	16,512	6,554	(9,958)
Intergovernmental	26,273	26,273	22,299	(3,974)
Total Revenues	1,183,230	1,183,230	1,196,306	13,076
Expenditures				
Current:				
Public safety	1,000	1,000	350	650
Debt Service:				
Principal	825,000	825,000	825,000	-
Interest	214,688	214,688	214,688	-
Total Expenditures	1,040,688	1,040,688	1,040,038	650
Excess (Deficiency) of Revenues Over (Under) Expenditures	142,542	142,542	156,268	13,726
Net Change in Fund Balance	$ 142,542	$ 142,542	156,268	$ 13,726
Fund Balances Beginning of Year			13,560	
Fund Balances End of Year			$ 169,828	

City and County of Butte-Silver Bow, Montana
ASiMI Bond Fund
Schedule of Revenues and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Expenditures				
Current:				
Housing and community development	$ 2,500	$ 2,500	$ -	$ 2,500
Debt Service:				
Principal	1,315,000	1,315,000	1,315,000	-
Interest	597,520	597,520	597,519	1
Total Expenditures	1,915,020	1,915,020	1,912,519	2,501
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,915,020)	(1,915,020)	(1,912,519)	2,501
Other Financing Sources				
Transfers in - Ramsay TIFID#2 fund	1,937,220	1,937,220	1,937,220	-
Total Other Financing Sources	1,937,220	1,937,220	1,937,220	-
Net Change in Fund Balances	$ 22,200	$ 22,200	24,701	$ 2,501
Fund Balances Beginning of Year			2,345,168	
Fund Balances End of Year			$ 2,369,869	

Non-major Governmental Funds

Capital Project Funds

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Improvements – Accounts for various capital acquisitions and/or improvements by the city-county.

Hard Rock Mine Capital Trust – Accounts distributed to Butte-Silver from a settlement with ARCO on tax payments. The funds were allocated for Capital projects of the local government.

Highway Abandonment Fund – Accounts for monies received from the State of Montana for road reconstruction projects. Revenues for this fund are derived from a payment made by the Anaconda Company for a road closure.

Emergency Operations Center-This fund accounts for the grant funds and Butte-Silver Bow funds that will be used to assist with the construction and equipment costs of the new Emergency Operation Center/Butte Justice Center. Butte-Silver Bow has partnered with the State of Montana, Department of Justice to construct the facility. The project was funded by the State of Montana 63rd Legislature, FEMA grant funds received by Butte-Silver Bow, and general fund allocated by the Council of Commissioners in fiscal year 2014.

Archives Building Fund – This capital project improvement fund was established to account for the costs of renovating and expanding the Butte-Silver Bow Public Archives Building. The project is funded by a voter approved General Obligation Bond Issue totaling $7.5 million. Construction began in the fall of 2008 and was substantially complete by August 2011.

Civic Center Renovation Project – Accounts for the renovation and construction of multi-use public facility funded by a voter approved General Obligation Bond Issue.

Junk Vehicle Capital Reserve – Accounts for Butte-Silver Bow's collection of motor vehicle license fees assessed for the purpose of transporting and disposing of abandoned vehicles. The State of Montana Junk Vehicle Program allows a 10% carryover to a capital reserve fund for future capital expenditures to operate the program.

TIFID Electrical Upgrade – Accounts for the upgrades to the electrical substation near the REC facility. The project is funded with $1.552 million in tax increment bond funds resulting from a refunding of the 1996 & 1997 tax increment bonds.

Silver Lake Water Distribution System Improvements – Accounts for a capital project constructing the Silver Lake Water System for supply and distribution of water from Silver Lake. The capital is financed through funds received from ARCO.

City and County of Butte-Silver Bow, Montana
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2015

	Capital Improvements	Hard Rock Mine Capital Trust	Highway Abandonment	Emergency Operations Center	Archives Building Fund	Civic Center Renovation Project	Junk Vehicle Capital Reserve	TIFID Electrical Upgrade	Silver Lake Water Distribution System Improvements	Total Nonmajor Capital Projects Funds
Assets										
Cash and cash equivalents	$ 465,239	$ -	$ -	$ -	$19,031	$ -	$ 3,526	216,774	$ 248,154	$ 952,724
Investments	1,695,203	-	-	-	4,853	-	3,088	-	-	1,703,144
Restricted investments	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
Loans receivable	14,087	-	-	-	-	-	-	-	-	14,087
Total Assets	2,174,529	-	-	-	23,884	-	6,614	216,774	248,154	2,669,955
Liabilities										
Vouchers payable	9,177	-	-	-	9,005	-	-	-	-	18,182
Total Liabilities	9,177	-	-	-	9,005	-	-	-	-	18,182
Fund Balances										
Restricted	2,165,352	-	-	-	14,879	-	6,614	216,774	248,154	2,651,773
Assigned	-	-	-	-	-	-	-	-		-
Total Fund Balances	2,165,352	-	-	-	14,879	-	6,614	216,774	248,154	2,651,773
Total liabilities and fund balance	$ 2,174,529	$ -	$ -	$ -	$23,884	$ -	$ 6,614	$ 216,774	$ 248,154	$ 2,669,955

City and County of Butte-Silver Bow, Montana
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2015

	Capital Improvements	Hard Rock Mine Capital Trust	Highway Abandonment	Emergency Operations Center	Archives Building Fund	Civic Center Renovation Project	Junk Vehicle Capital Reserve	TIFID Electrical Upgrade Project	Silver Lake Water Distribution System Improvements	Total Nonmajor Capital Projects Funds
Revenues										
Intergovernmental	$ -	$ -	$ -	$ 1,277,753	$ -	$ -	$ -	$ -	$ -	$ 1,277,753
Fines and forfeitures	71,884	-	-	-	-	-	-	-	-	71,884
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Investment earnings	2,401	148	41	-	6	-	4	-	-	2,600
Increase (Decrease) investment to fair market value	105	-	-	-	-	-	-	-	-	105
Total Revenues	74,390	148	41	1,277,753	6	-	4	-	-	1,352,342
Expenditures										
Public safety	9,177	-	-	1,130,173	-	-	-	-	-	1,139,350
Cultural and recreation	-	-	-	-	900	-	-	-	-	900
Capital Outlay	52,609	-	-	332,387	23,411	-	-	34,919	-	443,326
Total Expenditures	61,786	-	-	1,462,560	24,311	-	-	34,919	-	1,583,576
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,604	148	41	(184,807)	(24,305)	-	4	(34,919)	-	(231,234)
Other Financing Sources (Uses)										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	(128,454)	(147,196)	-	-	(676)	-	-	-	(276,326)
Total Other Financing Sources (Uses)	-	(128,454)	(147,196)	-	-	(676)	-	-	-	(276,326)
Net Change in Fund Balances	12,604	(128,306)	(147,155)	(184,807)	(24,305)	(676)	4	(34,919)	-	(507,560)
Fund Balances Beginning of Year	2,152,748	128,306	147,155	184,807	39,184	676	6,610	251,693	248,154	3,159,333
Fund Balances End of Year	$ 2,165,352	$ -	$ -	$ -	$ 14,879	$ -	$ 6,614	$ 216,774	$ 248,154	$ 2,651,773

City and County of Butte-Silver Bow, Montana
Capital Improvements Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Fines and forfeitures	$ 76,400	$ 76,400	$ 71,884	$ (4,516)
Investment earnings	3,000	3,000	2,401	(599)
Increase investments to fair market value	2,500	2,500	105	(2,395)
Total Revenues	81,900	81,900	74,390	(7,510)
Expenditures				
Public safety	-	9,178	9,177	1
Capital Outlay	69,000	59,822	52,609	7,213
Total Expenditures	69,000	69,000	61,786	7,214
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,900	12,900	12,604	(296)
Net Change in Fund Balances	$ 12,900	$ 12,900	12,604	$ (296)
Fund Balances Beginning of Year			2,152,748	
Fund Balances End of Year			$ 2,165,352	

City and County of Butte-Silver Bow, Montana
Hard Rock Mine Capital Trust Fund
Schedule of Revenues and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ 150	$ 150	$ 148	$ (2)
Total Revenues	150	150	148	(2)
Excess (Deficiency) of Revenues Over (Under) Expenditures	150	150	148	(2)
Other Financing Sources				
Transfers out - General fund	(128,454)	(128,454)	(128,454)	-
Total Other Financing Sources (Uses)	(128,454)	(128,454)	(128,454)	-
Net Change in Fund Balances	$ (128,304)	$ (128,304)	(128,306)	$ (2)
Fund Balances Beginning of Year			128,306	
Fund Balances End of Year			$ -	

City and County of Butte-Silver Bow, Montana
Highway Abandonment Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ 150	$ 150	$ 41	$ (109)
Total Revenues	150	150	41	(109)
Excess (Deficiency) of Revenues Over (Under) Expenditures	150	150	41	(109)
Other Financing Sources				
Transfers out - General fund	(147,196)	(147,196)	(147,196)	-
Total Other Financing Sources (Uses)	(147,196)	(147,196)	(147,196)	-
Net Change in Fund Balances	$ (147,046)	$ (147,046)	(147,155)	$ (109)
Fund Balances Beginning of Year			147,155	
Fund Balances End of Year			$ -	

City and County of Butte-Silver Bow, Montana
Emergency Operation Center
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 1,491,374	$ 1,491,374	$ 1,277,753	$ (213,621)
Total Revenues	1,491,374	1,491,374	1,277,753	(213,621)
Expenditures				
Public safety	1,111,486	1,132,247	1,130,173	2,074
Capital Outlay	564,694	543,933	332,387	211,546
Total Expenditures	1,676,180	1,676,180	1,462,560	213,620
Excess (Deficiency) of Revenues Over (Under) Expenditures	(184,806)	(184,806)	(184,807)	(1)
Net Change in Fund Balances	$ (184,806)	$ (184,806)	(184,807)	$ (1)
Fund Balances Beginning of Year			184,807	
Fund Balances End of Year			$ -	

City and County of Butte-Silver Bow, Montana
Archives Building Project Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ -	$ -	$ 6	$ 6
Expenditures				
Cultural and recreation	-	901	900	1
Capital Outlay	37,303	36,402	23,411	12,991
Total Expenditures	37,303	37,303	24,311	12,992
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,303)	(37,303)	(24,305)	12,998
Net Change in Fund Balances	$ (37,303)	$ (37,303)	(24,305)	$ 12,998
Fund Balances Beginning of Year			39,184	
Fund Balances End of Year			$ 14,879	

City and County of Butte-Silver Bow, Montana
Civic Center Renovation Fund
Schedule of Expenditures and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Other Financing Sources				
Transfers out - General fund	$ (676)	$ (676)	$ (676)	$ -
Total Other Financing Sources (Uses)	(676)	(676)	(676)	-
Net Change in Fund Balances	$ (676)	$ (676)	(676)	$ -
Fund Balances Beginning of Year			676	
Fund Balances End of Year			$ -	

City and County of Butte-Silver Bow, Montana
Junk Vehicle Capital Improvement Fund
Schedule of Revenues and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ -	$ -	$ 4	$ 4
Total Revenues	-	-	4	4
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	4	4
Net Change in Fund Balances	$ -	$ -	4	$ 4
Fund Balances Beginning of Year			6,610	
Fund Balances End of Year			$ 6,614	

City and County of Butte-Silver Bow, Montana
TIFID Electrical Upgrade
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Expenditures				
Capital outlay	$ 251,693	$ 251,693	$ 34,919	$ 216,774
Total Expenditures	251,693	251,693	34,919	216,774
Excess (Deficiency) of Revenues Over (Under) Expenditures	(251,693)	(251,693)	(34,919)	216,774
Net Change in Fund Balances	$ (251,693)	$ (251,693)	(34,919)	$ 216,774
Fund Balances Beginning of Year			251,693	
Fund Balances End of Year			$ 216,774	

City and County of Butte-Silver Bow, Montana
Silver Lake Water Distribution System Improvements Fund
Schedule of Expenditures and Changes
in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Fund Balances Beginning of Year			$ 248,154	
Fund Balances End of Year			$ 248,154	

Non-major 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 government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

Community Facilities – Accounting for the operations of the city-county owned Community Facility Buildings. Revenues are generated through space rental and expenditures are for building maintenance. This also includes a building, which is currently under major renovation.

Home Health – Accounts for monies received and expended for the operations of the city-county home health agency.

Small Business Incubator – Accounts for the operations of a local government owned business incubator, which is intended to assist in Economic Development efforts.

Silver Lake Water System – Accounts for the activities of the local government's industrial water system. The City and County of Butte-Silver Bow acquired the water system in 1997 as part of a lawsuit settlement. The existence of this fund assures that the revenue and expenditures of this fund are segregated from the municipal water system. The revenues are generated exclusively from industrial water users.

Storm Water System Project – This fund was created by ordinance in fiscal year 2014. It was established for the maintenance and operations costs associated with maintaining new storm water system and improvements per the Butte-Silver Bow Storm Water Ordinance. 22,508 units were assessed charges in fiscal year 2014.

MR Infrastructure Project – This fund was established in August 2003 after the passage of Resolution #03-56. This resolution gave the approval to borrow funds from the State Board of Investments Infrastructure Loan Program to be used on the transformer project at Montana Resources Incorporated. The local government assesses a use fee on the infrastructure to Montana Resources sufficient to meet the debt service obligations.

City and County of Butte-Silver Bow, Montana
Combining Statement of Net Assets
Nonmajor Enterprise Funds
June 30, 2015

	Community Facilities	Home Health	Small Business Incubator	Silver Lake Water System	Storm Water System Project	MR Infrastructure Project	Total Nonmajor Enterprise Funds
Assets							
Current Assets:							
Cash and cash equivalents	$ 198,010	$ -	$ 129,544	$ 255,028	$ 396,187	$ -	$ 978,769
Investments	-	-	85,763	404,325	65,011	-	555,099
Accounts receivable	-	-	18,966	340,262	-	-	359,228
Special assessments receivable	-	-	-	-	62,340	-	62,340
Total Current Assets	198,010	-	234,273	999,615	523,538	-	1,955,436
Noncurrent Assets:							
Capital assets:							
Nondepreciable	-	-	5,433	-	-	-	5,433
Depreciable, net	274,257	-	159,292	1,141,297	420,577	1,220,294	3,215,717
Total Noncurrent Assets	274,257	-	164,725	1,141,297	420,577	1,220,294	3,221,150
Total Assets	472,267	-	398,998	2,140,912	944,115	1,220,294	5,176,586
Deferred Outflows of Resources							
Deferred outflows from pensions	-	-	3,191	-	-	-	3,191
Total deferred outflows of resources	-	-	3,191	-	-	-	3,191
Liabilities							
Current Liabilities:							
Vouchers payable	64	-	1,331	866	66,953	-	69,214
Accrued wages and benefits payable	-	-	1,900	685	5,812	-	8,397
Compensated absences	-	-	475	-	75	-	551
Interfund payable	-	-	-	-	-	-	-
Total Current Liabilities	64	-	3,706	1,551	72,840	-	78,162
Noncurrent Liabilities:							
Compensated absences	-	-	1,902	-	301	-	2,202
Net pension liability	-	-	38,333	-	-	-	38,333
Total noncurrent liabilities	-	-	40,235	-	301	-	40,535
Total Liabilities	64	-	43,941	1,551	73,141	-	118,697
Deferred Inflow of Resources							
Deferred inflows from pensions	-	-	9,930	-	-	-	9,930
Total Deferred inflow of resources	-	-	9,930	-	-	-	9,930
Net Position							
Invested in capital assets	274,257	-	164,725	1,141,297	420,577	1,220,294	3,221,150
Unrestricted	197,946	-	183,593	998,064	450,397	-	1,830,000
Total Net Position	$ 472,203	$ -	$ 348,318	$ 2,139,361	$ 870,974	$ 1,220,294	$ 5,051,150

City and County of Butte-Silver Bow, Montana
Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2015

	Community Facilities	Home Health	Small Business Incubator	Silver Lake Water System	Storm Water System Project	MR Infrastructure Project	Total Nonmajor Enterprise Funds
Operating Revenues							
Charges for services	$ -	$ -	$ 98,517	$ 348,956	$ 348,812	$ -	$ 796,285
Rent revenue	53,485	-	-	-	-	-	53,485
Investment revenue	-	-	-	-	-	-	-
Miscellaneous	-	-	1,207	-	-	-	1,207
Total Operating Revenues	53,485	-	99,724	348,956	348,812	-	850,977
Operating Expenses							
Personal services	-	-	70,581	36,980	25,699	-	133,260
Operation and maintenance	33,113	16,884	78,245	208,805	94,433	-	431,480
Depreciation	18,128	-	8,931	55,950	20,960	92,680	196,649
Total Operating Expenses	51,241	16,884	157,757	301,735	141,092	92,680	761,389
Operating Income (Loss)	2,244	(16,884)	(58,033)	47,221	207,720	(92,680)	89,588
Non-Operating Revenues (Expenses)							
Investment earnings	-	-	122	530	11	-	663
Gain (loss) on disposal of fixed asset	-	-	-	-	-	-	-
Intergovernmnetal	-	-	1,132	36	69	-	1,237
Total Non-Operating Revenues (Expenses)	-	-	1,254	566	80	-	1,900
Income (Loss) Before Tranfers In (Out)	2,244	(16,884)	(56,779)	47,787	207,800	(92,680)	91,488
Transfers in (out):							
General fund	-	105,539	-	-	-	-	105,539
Ramsay TIFID #2 fund	-	-	15,000	-	-	-	15,000
Change in Net Position	2,244	88,655	(41,779)	47,787	207,800	(92,680)	212,027
Net position, beginning of year, as previously stated	469,959	(88,655)	436,497	2,091,574	663,174	1,312,974	4,885,523
Prior Period Adjustment (Note 4-G)	-	-	(46,400)	-	-	-	(46,400)
Net position, beginning of year, as restated	469,959	(88,655)	390,097	2,091,574	663,174	1,312,974	4,839,123
Net Position, End of Year	$ 472,203	$ -	$ 348,318	$ 2,139,361	$ 870,974	$ 1,220,294	$ 5,051,150

City and County of Butte-Silver Bow, Montana
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2015

	Community Facilities	Home Health	Small Business Incubator	Silver Lake Water System	Storm Water System Project	MR Infrastructure Project	Total Nonmajor Enterprise Funds
Increase (Decrease) in Cash and Cash Equivalents							
Cash Flows from Operating Activities							
Cash received from customers	$ 53,485	$ -	$ 93,592	$ 318,977	$ 348,219	$ -	$ 814,273
Cash payments for personal services	-	-	(69,560)	(36,259)	(19,442)	-	(125,261)
Cash payments for goods and services	(35,981)	(16,884)	(79,594)	(210,367)	(96,556)	-	(439,382)
Net Cash Provided by (Used in) Operating Activities	17,504	(16,884)	(55,562)	72,351	232,221	-	249,630
Cash Flows from Noncapital Financing Activities							
Intergovernmental loan	-	-	-	-	-	-	-
Transfers in (out)	-	16,884	15,000	-	-	-	31,884
Net Cash Provided by (Used in) Noncapital Financing Activities	-	16,884	15,000	-	-	-	31,884
Cash Flows from Capital and Related Financing Activities							
Payments received for sale of fixed assets	-	-	-	-	-	-	-
Payments for capital acquisitions	-	-	-	(21,844)	(224,300)	-	(246,144)
Net Cash Provided by (Used in) Capital and Related Financing Activities	-	-	-	(21,844)	(224,300)	-	(246,144)
Cash Flows from Investing Activities							
Interest on investments	-	-	122	530	11	-	663
Net Increase (Decrease) in Cash and Cash Equivalents	17,504	-	(40,440)	51,037	7,932	-	36,033
Cash and Cash Equivalents Beginning of Year	180,506	-	255,747	608,316	453,266	-	1,497,835
Cash and Cash Equivalents End of Year	$ 198,010	$ -	$ 215,307	$ 659,353	$ 461,198	$ -	$ 1,533,868
Reconciliation to Combining Statement of Net Assets							
Cash and cash equivalents	$ 198,010	$ -	$ 129,544	$ 255,028	$ 396,187	$ -	$ 978,769
Investments	-	-	85,763	404,325	65,011	-	555,099
Total	$ 198,010	$ -	$ 215,307	$ 659,353	$ 461,198	$ -	$ 1,533,868

City and County of Butte-Silver Bow, Montana
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2015

	Community Facilities	Home Health	Small Business Incubator	Silver Lake Water System	Storm Water System Project	MR Infrastructure Project	Total Nonmajor Enterprise Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities							
Operating Income (Loss)	$ 2,244	$ (16,884)	$ (58,033)	$ 47,221	$ 207,720	$ (92,680)	$ 89,588
Adjustments:							
Depreciation	18,128	-	8,931	55,950	20,960	92,680	196,649
Intergovernmental revenue on-behalf payments	-	-	1,132	36	69	-	1,237
Adjustments to pension expense	-	-	(1,328)	-	-	-	(1,328)
(Increase) Decrease in Assets:							
Accounts receivable	-	28,613	(6,132)	(29,979)	(593)	-	(8,091)
Inventory	-	3,028	-	-	-	-	3,028
Increase (Decrease) in Liabilities:							
Vouchers payable	(2,868)	(3,617)	(1,348)	(1,562)	(2,123)	-	(11,518)
Accounts payable	-	-	-	-	-	-	-
Accrued wages and benefits payable	-	(1,333)	269	685	5,812	-	5,433
Compensated absences payable	-	(26,691)	947	-	376	-	(25,368)
Net Cash Provided by (Used in) Operating Activities	$ 17,504	$ (16,884)	$ (55,562)	$ 72,351	$ 232,221	$ -	$ 249,630

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the Government on a cost reimbursement basis.

Central Equipment – Accounts for the city-county vehicles and equipment maintenance shop as well as a janitorial service provided to some departments.

Central Administrative Services – Accounts for the personnel and payroll function of the local government.

Central EDP & Communications – Accounts for the computer operations and centralized phone system of the local government.

GIS Services – Accounts for the accumulation and allocation of costs associated with the government's geographical information system (GIS).

City and County of Butte-Silver Bow, Montana
Combining Statement of Net Position
Internal Service Funds
June 30, 2015

	Central Equipment	Central Administration Services	Central EDP & Communications	GIS Services	Total
Assets					
Current Assets:					
Cash and cash equivalents	$ 142,092	$ 162,087	$ 359,856	$ 129,643	$ 793,678
Accounts receivable	6,659	-	2,298	-	8,957
Total Current Assets	148,751	162,087	362,154	129,643	802,635
Noncurrent Assets:					
Capital assets:					
Nondepreciable	40,000	-	-	-	40,000
Depreciable, net	912,939	176,246	57,560	8,095	1,154,840
Total Noncurrent Assets	952,939	176,246	57,560	8,095	1,194,840
Total Assets	1,101,690	338,333	419,714	137,738	1,997,475
Deferred Outflows of Resources					
Deferred outflows from pensions	38,277	20,474	25,815	4,451	89,017
Total deferred outflows of resources	38,277	20,474	25,815	4,451	89,017
Liabilities					
Current Liabilities:					
Vouchers payable	96,207	5,614	12,678	800	115,299
Accounts payable	-	-	-	-	-
Accrued wages and benefits payable	19,976	9,807	11,343	1,865	42,991
Interfund payable	50,000	-	-	-	50,000
Compensated absences payable	5,562	2,439	2,846	566	11,414
Total Current Liabilities	171,745	17,860	26,867	3,231	219,704
Noncurrent Liabilities					
Compensated absences payable	105,683	46,344	54,071	10,760	216,857
Net pension liability	459,893	245,989	310,160	53,476	1,069,518
Total noncurrent liabilities	565,576	292,333	364,231	64,236	1,286,375
Total Liabilities	737,321	310,193	391,098	67,467	1,506,079
Deferred Inflow of Resources					
Deferred inflows from pensions	119,132	63,722	80,345	13,853	277,052
Total Deferred inflow of resources	119,132	63,722	80,345	13,853	277,052
Net Position					
Net Investment in capital assets	952,939	176,246	57,560	8,095	1,194,840
Unrestricted	(669,425)	(191,354)	(83,474)	52,774	(891,479)
Total Net Position	$ 283,514	$ (15,108)	$ (25,914)	$ 60,869	$ 303,361

City and County of Butte-Silver Bow, Montana
Combining Statement of Revenues,
Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2015

	Central Equipment	Central Administration Services	Central EDP & Communications	GIS Services	Total
Operating Revenues					
Charges for services	$ 1,933,922	$ 488,244	$ 975,338	$ 38,885	$ 3,436,389
Miscellaneous	2,647	6,107	1,251	1,355	11,360
Total Operating Revenues	1,936,569	494,351	976,589	40,240	3,447,749
Operating Expenses					
Personal services	784,899	345,724	473,353	69,510	1,673,486
Operations and maintenance	832,146	87,066	150,192	20,632	1,090,036
Depreciation	180,783	8,172	4,811	1,640	195,406
Total Operating Expenses	1,797,828	440,962	628,356	91,782	2,958,928
Operating Income (Loss)	138,741	53,389	348,233	(51,542)	488,821
Non-Operating Revenues (Expenses)					
Intergovernmental	13,511	7,203	9,104	1,561	31,379
Gain (loss) on disposal of fixed assets	-	-	(3,662)	-	(3,662)
Total Non-Operating Revenues (Expenses)	13,511	7,203	5,442	1,561	27,717
Change in Net Position	152,252	60,592	353,675	(49,981)	516,538
			349,514		
Total Net Position, Beginning of Year	687,931	222,053	(4,161)	175,579	1,081,402
Prior Period Adjustment (Note 4-G)	(556,669)	(297,753)	(375,428)	(64,729)	(1,294,579)
Net position, beginning of year, as restated	131,262	(75,700)	(379,589)	110,850	(213,177)
Net Position, End of Year	$ 283,514	$ (15,108)	$ (25,914)	$ 60,869	$ 303,361

City and County of Butte-Silver Bow, Montana
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2015

	Central Equipment	Central Administration Services	Central EDP & Communications	GIS Services	Total
Increase (Decrease) in Cash and Cash Equivalents					
Cash Flows from Operating Activities					
Cash receipts from interfund services provided	$ 1,935,387	$ 494,351	$ 976,584	$ 40,240	$ 3,446,562
Cash payments for personnel services	(786,983)	(338,949)	(474,719)	(63,817)	(1,664,468)
Cash payments for goods and services	(820,035)	(87,257)	(147,682)	(20,664)	(1,075,638)
Net Cash Provided by Operating Activities	328,369	68,145	354,183	(44,241)	706,456
Cash Flows from Noncapital Financing Activities					
Payments on interfund loan	(25,000)	-	-		(25,000)
Net Cash Flows from Noncapital Financing Activities	(25,000)	-	-	-	(25,000)
Cash Flows from Capital and Related Financing Activities					
Payments for capital acquisitions	(175,258)	-	-	-	(175,258)
Net Increase (Decrease) in Cash and Cash Equivalents	128,111	68,145	354,183	(44,241)	506,198
Cash and Cash Equivalents Beginning of Year	13,981	93,942	5,673	173,884	287,480
Cash and Cash Equivalents End of Year	$ 142,092	$ 162,087	$ 359,856	$ 129,643	$ 793,678

City and County of Butte-Silver Bow, Montana
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2015

	Central Equipment	Central Administration Services	Central EDP & Communications	GIS Services	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities					
Operating Income (Loss)	$ 138,741	$ 53,389	$ 348,233	$ (51,542)	$ 488,821
Adjustments:					
Depreciation	180,783	8,172	4,811	1,640	195,406
Intergovernmental revenue on-behalf payments	13,511	7,203	9,104	1,561	31,379
Adjustments to pension expense	(15,921)	(8,516)	(10,738)	(1,851)	(37,026)
(Increase) Decrease in Assets:					
Accounts receivable	(1,181)	-	(5)	-	(1,186)
Increase (Decrease) in Liabilities:					
Vouchers payable	12,110	(191)	2,510	(32)	14,397
Accrued wages and benefits payable	2,357	1,197	1,519	288	5,361
Compensated absences payable	(2,031)	6,891	(1,251)	5,695	9,304
Net Cash Provided by Operating Activities	$ 328,369	$ 68,145	$ 354,183	$ (44,241)	$ 706,456

Trust & Agency Funds

Trust funds are used to account for assets held by the government in a trustee capacity. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other government and/or other funds.

Property Tax Fund – Accounts for all property taxes collected by the county for schools, state, other cities and towns, and districts.

School District Trust Fund – To account for revenues collected and cash and investments for various school districts within the City and County of Butte-Silver Bow.

Fees and Judgments Due to State – To account for various fees and judgments collected by the local government which are due to the state.

Tax Deed Land & Redemption Fund – To account for land that has been tax deeded by Butte-Silver Bow until which time a tax sale of property is held. It also accounts for the land which is under contract to be redeemed.

Butte-Silver Bow Trust Funds – Accounts for funds collected which the county is an agent. Such things include a portion of parking fees which revert to an outside entity, garnishment of child support, alimony and other awards of the court, public administrator functions and court ordered operation of a cemetery.

PRP Group Trust Funds – Accounts for funds collected by Butte-Silver Bow from Burlington Northern Railroad, Santa Fe Railroad and ARCO to be distributed for superfund activities per contract. The two projects are entitled the Priority Soils Operable Unit (BPSOU) and Time Critical Removal Action.

School District #1 Individual Investment Funds – Accounts for individual investments made on behalf of School District #1 by the City and County of Butte-Silver Bow, under the direction of School District #1 Business Manager.

School Districts External Investment Pool – Accounts for funds invested in the State of Montana Investment Pool. This pool is administered by the Montana Board of Investments and has been deemed 2a7-like. Funds are invested under the direction of the School District #1 Business Manager by Butte-Silver Bow. The funds include investments for School District #1, #3, #4, and #5. The funds are invested under the direction of the various schools business managers/clerks, or as required by Montana Statute.

City and County of Butte-Silver Bow, Montana
Combining Statement of Fiduciary Net Position
Trust Funds
June 30, 2015

	School District #1 Individual Investment Funds	School Districts External Investment Pool	Total
Assets			
Investments	$ 8,073,746	$ 16,325,107	$ 24,398,853
Net Position			
Net position held in trust for pool participants	$ 8,073,746	$ 16,325,107	$ 24,398,853

City and County of Butte-Silver Bow, Montana
Combining Statement of Changes in Fiduciary Net Position
Trust Funds
For the Fiscal Year Ended June 30, 2015

	School District #1 Individual Investment Funds	School Districts External Investment Pool	Total
Additions			
Shares and investments purchased	$ 2,906,000	$ 317,043,741	$ 319,949,741
Investment earnings	104,280	21,923	126,203
Total Additions	3,010,280	317,065,664	320,075,944
Deductions			
Shares and investments redeemed	2,986,257	305,207,032	308,193,289
Increase (Decrease) in Net Position	24,023	11,858,632	11,882,655
Net Position Held in Trust For Pool Participants Beginning of Year	8,049,723	4,466,475	12,516,198
Net Position Held in Trust For Pool Participants End of Year	$ 8,073,746	$ 16,325,107	$ 24,398,853

City and County of Butte-Silver Bow, Montana
Statement of Changes in Fiduciary Assets and Liabilities
For the Fiscal Year Ended June 30, 2015

Property Tax Fund	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
Assets				
Cash and cash equivalents	$ 2,360,872	$ 2,659,749	$ 4,728,560	$ 292,061
Investments	605,200	419	485,973	119,646
Receivables	3,483,799	54,202,050	55,885,026	1,800,823
Total Assets	6,449,871	56,862,218	61,099,559	2,212,530
Liabilities				
Accounts payable	2,472,194	794,318	3,161,255	105,257
Interest payable	238,489	419	218,918	19,990
Intergovernmental payable:				
Due to special districts	145,937	10,912,883	10,901,833	156,987
Due to state	547,562	14,974,076	15,064,565	457,073
Due to schools	1,377,347	33,666,122	33,857,714	1,185,755
Due to component unit	61,424	256,943	256,433	61,934
Due to cities and towns	1,606,918	9,858,310	11,239,693	225,535
Total Liabilities	$ 6,449,871	$ 70,463,071	$ 74,700,411	$ 2,212,530

School District Trust Fund	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
Assets				
Cash and cash equivalents	$ 18,505,829	$ 308,436,324	$ 317,021,760	$ 9,920,393
Total Assets	18,505,829	308,436,324	317,021,760	9,920,393
Liabilities				
Due to schools	18,505,829	308,436,324	317,021,760	9,920,393
Total Liabilities	$ 18,505,829	$ 308,436,324	$ 317,021,760	$ 9,920,393

City and County of Butte-Silver Bow, Montana
Statement of Changes in Fiduciary Assets and Liabilities
For the Fiscal Year Ended June 30, 2015

Fees & Judgments Due to State	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
Assets				
Cash and cash equivalents	$ 434,827	$ 13,524,525	$ 13,421,458	$ 537,894
Total Assets	434,827	13,524,525	13,421,458	537,894
Liabilities				
Due to state	434,827	13,524,753	13,421,686	537,894
Total Liabilities	$ 434,827	$ 13,524,753	$ 13,421,686	$ 537,894

Tax Deed Land & Redemption Fund	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
Assets				
Cash and cash equivalents	$ 9,269	$ 134,549	$ 143,336	$ 482
Contracts receivable	8,533	124,162	122,621	10,074
Land acquired by tax deed	228,714	-	2,074	226,640
Total Assets	246,516	258,711	268,031	237,196
Liabilities				
Accounts payable	236,274	139,794	138,872	237,196
Vouchers payable	10,242	14,613	24,855	-
Total Liabilities	$ 246,516	$ 154,407	$ 163,727	$ 237,196

Butte-Silver Bow Trust Funds	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
Assets				
Cash and cash equivalents	$ 147,905	$ 28,356	$ 27,493	$ 148,768
Investments	348,922	571	113	349,380
Total Assets	496,827	28,927	27,606	498,148
Liabilities				
Warrants payable	-	-	-	-
Accounts payable	485,566	18,858	8,456	495,968
Vouchers Payable	-	9,249	7,069	2,180
Due to others	11,261	74,692	85,953	-
Total Liabilities	$ 496,827	$ 102,799	$ 101,478	$ 498,148

City and County of Butte-Silver Bow, Montana
Statement of Changes in Fiduciary Assets and Liabilities
For the Fiscal Year Ended June 30, 2015

PRP Group Trust Funds	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
Assets				
Cash and cash equivalents	$ 20,840	$ -	$ -	$ 20,840
Total Assets	20,840	-	-	20,840
Liabilities				
Due to others	20,840	-	-	20,840
Total Liabilities	$ 20,840	$ -	$ -	$ 20,840

Total	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
Assets				
Cash and cash equivalents	$ 21,479,545	$ 324,783,503	$ 335,342,607	$ 10,920,441
Investments	954,122	990	486,086	469,026
Receivables	3,492,332	54,326,212	56,007,647	1,810,897
Land acquired by tax deed	228,714	-	2,074	226,640
Total Assets	26,154,713	379,110,705	391,838,414	13,427,004
Liabilities				
Warrants Payable	-	-	-	-
Accounts payable	3,194,034	952,970	3,308,581	838,423
Vouchers payable	10,242	23,862	31,924	2,180
Interest payable	238,489	419	218,918	19,990
Intergovernmental payable:				-
Due to special districts	145,937	10,912,883	10,901,833	156,987
Due to state	982,389	28,498,829	28,486,251	994,967
Due to schools	19,883,176	342,102,446	350,879,474	11,106,145
Due to component unit	61,424	256,943	256,433	61,934
Due to cities and towns	1,606,923	9,858,310	11,239,693	225,540
Due to others	32,099	74,692	85,953	20,838
Total Liabilities	$ 26,154,713	$ 392,681,354	$ 405,409,060	$ 13,427,004

BUTTE-SILVER BOW

M

THE RICHEST HILL ON EARTH

MONTANA

Statistical

Section

BUTTE-SILVER BOW

M

THE RICHEST HILL ON EARTH

MONTANA

This part of the City and County of Butte-Silver Bow, Montana's (City and County) comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information has not been audited.

Contents **Exhibits**

Financial Trends **I - XIIA**

These exhibits contain trend information that may assist the reader in assessing the City and County's current financial performance by placing it in a historical perspective.

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Revenue Capacity **XIII - XVIA**

These exhibits contain information that may assist the reader in assessing the viability of the City and County's most significant "own-source" revenue sources. Property taxes are the City and County's primary "own revenue source."

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Debt Capacity **XVII - XXI**

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Demographic and Economic Information **XXII - XXIII**

This exhibit offers demographic and economic indicators that are commonly used for financial analysis and that can inform one's understanding the City and County's present and ongoing financial status.

Exhibits	Schedule	Page
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XXIII	*Top Twenty Private Employers*	265

Operating Information **XXIV - XXVII**

These exhibits contain service and infrastructure indicators that can inform one's understanding how the information in the City and County's financial statements relates to the services the City and County provides and the activities it performs.

Exhibits	Schedule	Page
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Data Source:

Unless otherwise noted, the information in these exhibits is derived from the comprehensive annual financial reports for the relevant year.

Exhibit I

City and County of Butte-Silver Bow, Montana
Government-wide Net Position by Category [1]
Last Ten Fiscal Years
(accrual basis of accounting)

	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30,2011	June 30,2012	June 30,2013	June 30,2014	June 30,2015
Governmental Activities										
Net ivestment in capital assets[2]	$ (1,301,770)	$ 37,880,187	$ 38,272,244	$ 38,442,287	$ 47,028,355	$ 50,401,892	$ 57,219,300	$ 63,076,268	$ 66,024,334	$ 71,867,193
Restricted	8,542,508	5,052,725	6,363,688	8,445,945	9,159,399	48,008,881	50,344,473	56,913,460	59,550,982	64,242,850
Unrestricted	33,877,440	43,817,437	46,260,401	46,805,978	40,833,029	3,258,886	3,665,055	7,192,230	7,784,308	(15,777,502)
Subtotal Governmental Activities Net Position	41,118,178	86,750,349	90,896,333	93,694,210	97,020,783	101,669,659	111,228,828	127,181,958	133,359,624	120,332,542
Business-type Activities										
Net ivestment in capital assets	38,249,353	39,663,322	43,757,726	50,181,875	55,900,034	65,748,260	76,568,957	80,412,219	81,199,290	84,459,995
Restricted	9,029,159	8,087,767	8,235,735	3,392,346	2,903,981	1,887,333	1,751,107	2,086,667	1,894,668	1,213,000
Unrestricted	10,742,308	13,340,494	12,651,209	15,614,520	15,100,428	13,983,687	13,003,185	9,996,531	10,992,919	7,987,367
Subtotal Business-type Activities Net Position	58,020,820	61,091,583	64,644,670	69,188,741	73,904,443	81,619,280	91,323,249	92,495,417	94,086,877	93,660,362
Primary Government										
Net ivestment in capital assets	36,947,583	77,543,509	82,029,970	88,624,162	102,928,389	116,150,152	133,788,257	143,488,487	147,223,624	156,327,188
Restricted	17,571,667	13,140,492	14,599,423	11,838,291	12,063,380	49,896,214	52,095,580	59,000,127	61,445,650	65,455,850
Unrestricted	44,619,748	57,157,931	58,911,610	62,420,498	55,933,457	17,242,573	16,668,240	17,188,761	18,777,227	(7,790,134)
Total Primary Government Net Position	$ 99,138,998	$ 147,841,932	$ 155,541,003	$ 162,882,951	$ 170,925,226	$ 183,288,939	$ 202,552,077	$ 219,677,375	$ 227,446,501	$ 213,992,904

	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30,2011	June 30,2012	June 30,2013	June 30,2014	June 30,2015
Governmental Activities										
Net ivestment in capital assets[2]	-3.2%	43.7%	42.1%	41.0%	48.5%	49.6%	51.4%	49.6%	49.5%	59.7%
Restricted	20.8%	5.8%	7.0%	9.0%	9.4%	47.2%	45.3%	44.7%	44.7%	53.4%
Unrestricted	82.4%	50.5%	50.9%	50.0%	42.1%	3.2%	3.3%	5.7%	5.8%	-13.1%
Subtotal Governmental Activities Net Position	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Business-type Activities										
Net ivestment in capital assets	65.9%	64.9%	67.7%	72.5%	75.6%	80.6%	83.8%	86.9%	86.3%	90.2%
Restricted	15.6%	13.2%	12.7%	4.9%	3.9%	2.3%	1.9%	2.3%	2.0%	1.3%
Unrestricted	18.5%	21.8%	19.6%	22.6%	20.4%	17.1%	14.2%	10.8%	11.7%	8.5%
Subtotal Business-type Activities Net Position	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Primary Government										
Net ivestment in capital assets	37.3%	52.5%	52.7%	54.4%	60.2%	63.4%	66.1%	65.3%	64.7%	73.1%
Restricted	17.7%	8.9%	9.4%	7.3%	7.1%	27.2%	25.7%	26.9%	27.0%	30.6%
Unrestricted	45.0%	38.7%	37.9%	38.3%	32.7%	9.4%	8.2%	7.8%	8.3%	-3.6%
Total Primary Government Net Position	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

[1] Accounting standards require that net position be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net position is considered restricted only when (1) an external party, such as the State of Montana or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the City and County. There are no restrictions currently reported as a result of enabling legislation.

2 A deficit was reported in fiscal years 2003 - 2006 since the City and County had not reported its infrastructure retroactively, although there was outstanding debt related to infrastructure. In fiscal year 2007, over $37.3 million of book value of infrastructure was added to the government-wide statement of net position.

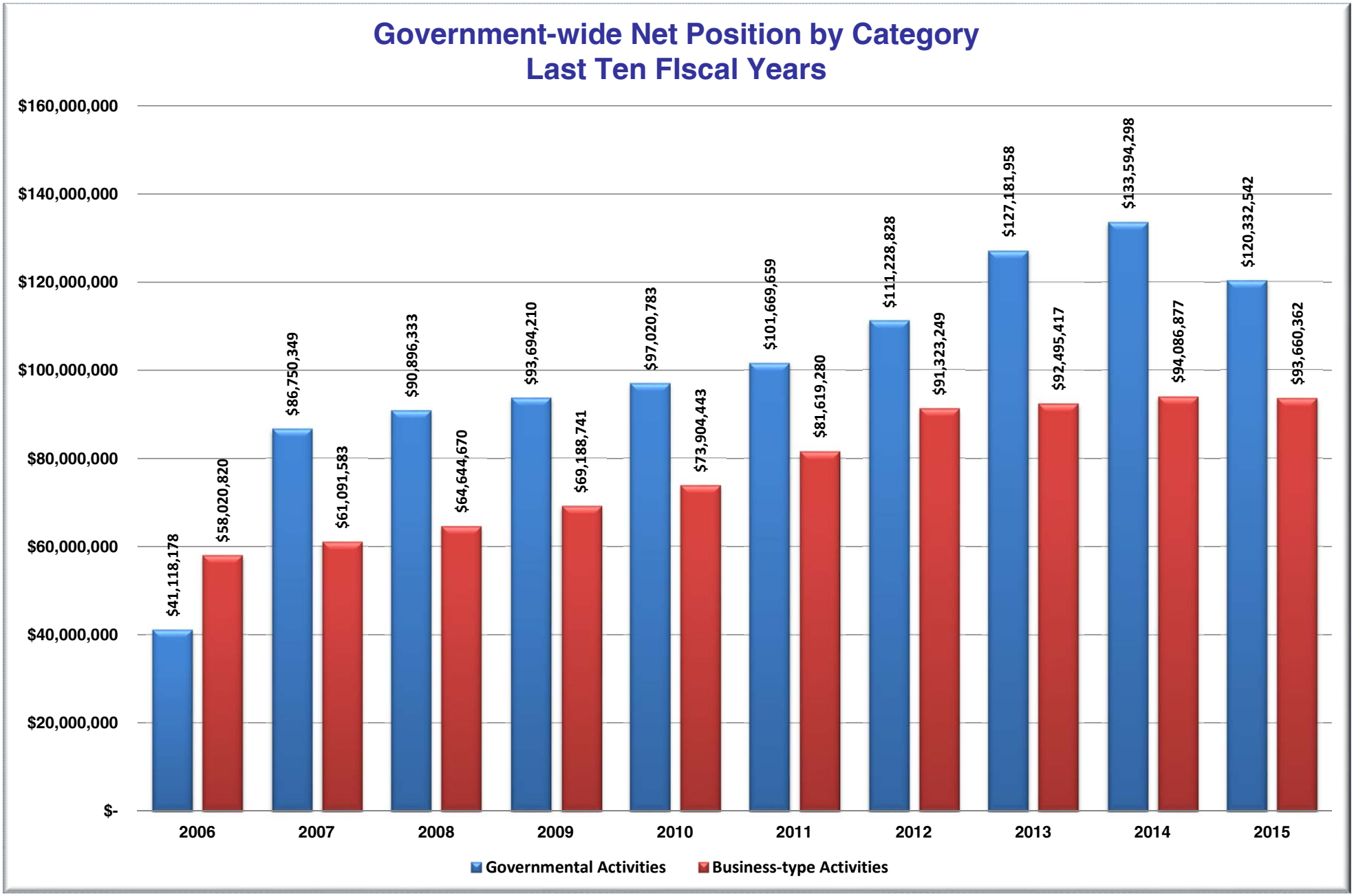
Government-wide Net Position by Category
Last Ten FIscal Years
$160,000,000
$140,000,000
$120,000,000
$100,000,000
$80,000,000
$60,000,000
$40,000,000
$20,000,000
$-
$41,118,178
$58,020,820
$86,750,349
$61,091,583
$90,896,333
$64,644,670
$93,694,210
$69,188,741
$97,020,783
$73,904,443
$101,669,659
$81,619,280
$111,228,828
$91,323,249
$127,181,958
$92,495,417
$133,594,298
$94,086,877
$120,332,542
$93,660,362
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
Governmental Activities
Business-type Activities

Exhibit II

City and County of Butte-Silver Bow, Montana
Changes in Net position - Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
Source	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Expenses:										
General government	$ 9,840,663	$ 9,827,805	$ 10,226,319	$ 10,866,213	$ 12,091,322	$ 13,176,267	$12,901,775	$ 16,309,194	$15,461,234	$ 14,929,889
Public safety	10,841,488	11,501,342	12,870,631	14,105,614	14,293,718	14,411,049	14,977,684	15,848,869	16,683,675	17,499,981
Public works	4,821,961	5,505,350	6,138,150	6,601,992	6,870,507	6,711,497	7,345,814	8,601,763	8,982,667	8,069,104
Public health	2,928,719	3,024,805	3,407,409	4,141,100	4,530,875	4,292,094	4,102,699	3,378,195	2,867,355	4,353,244
Social and economic services	202,267	201,839	216,137	236,774	237,155	248,113	267,919	269,670	273,380	287,730
Culture and recreation	2,287,724	2,509,329	2,729,001	2,815,238	2,993,172	3,393,276	3,481,491	3,729,018	4,056,301	4,379,444
Housing and community development	4,293,088	7,417,989	5,108,680	5,272,460	4,781,874	7,180,028	5,299,101	7,116,256	5,467,638	4,548,435
Interest and fiscal charges	2,401,422	2,211,530	2,131,812	2,167,905	2,072,750	1,597,707	1,602,014	1,242,890	1,114,344	1,023,475
Total Expenses	37,617,332	42,199,989	42,828,139	46,207,295	47,871,373	51,010,030	49,978,498	56,495,855	54,906,594	55,091,302
Program Revenues:										
Charges for services:										
General government	3,863,468	1,909,372	4,445,776	4,241,383	4,426,863	4,579,421	4,858,792	6,455,214	6,455,214	7,581,958
Public safety	1,391,633	1,307,795	1,053,947	1,134,235	1,089,915	1,079,128	1,079,128	30,879	311,651	431,589
Public works	1,367,840	6,547,889	367,210	140,185	114,812	125,918	125,918	363,144	363,144	1,383,520
Other activities	783,641	597,152	573,947	1,241,495	1,125,064	1,073,583	1,073,583	551,267	595,278	540,684
Operating grants and contributions	13,635,961	12,719,370	12,752,094	16,604,680	16,455,376	14,512,131	17,847,412	28,281,896	15,772,142	14,117,260
Capital grants and contributions	2,629,319	312,124	753,789	-	-	4,678,246	4,182,411	3,123,752	3,744,461	7,447,081
Total Program Revenues	23,671,862	23,393,702	19,946,763	23,361,978	23,212,030	26,048,427	29,167,244	38,806,152	27,241,890	31,502,091
Net (Expense) Revenue	(13,945,470)	(18,806,287)	(22,881,376)	(22,845,317)	(24,659,343)	(24,961,603)	(20,811,254)	(17,689,703)	(27,664,704)	(23,589,211)
General Revenues and Transfers In:										
Taxes:										
Property	18,382,499	22,622,589	23,056,407	22,661,639	26,272,299	26,787,812	27,827,222	30,637,108	32,181,326	29,531,545
Franchise	261,119	288,216	300,714	321,282	330,218	350,428	350,428	398,075	398,075	399,416
Motor fuel	668,036	665,350	656,136	643,665	-	625,158	643,505	643,614	643,614	634,392
Investment earnings	1,758,245	2,504,774	2,145,787	937,855	396,421	355,257	342,376	235,723	199,806	255,327
Gain on the sale of capital assets	-	-	-	-	-	-	-	-	17,000	-
Miscellaneous	180,734	789,360	569,371	872,978	1,084,810	1,600,472	960,627	1,482,050	700,374	597,095
Transfers in	251,501	246,265	298,945	205,774	246,265	246,264	246,265	246,265	246,265	442,446
General Revenues and Transfers In:	21,502,134	27,116,554	27,027,360	25,643,193	28,330,013	29,965,391	30,370,423	33,642,835	34,386,460	31,860,221
Change in Net Position	$ 7,556,664	$ 8,310,267	$ 4,145,984	$ 2,797,876	$ 3,670,670	$ 5,003,788	$ 9,559,169	$ 15,953,132	$ 6,721,756	$ 8,271,010

Exhibit III

City and County of Butte-Silver Bow, Montana
Changes in Net Position - Governmental Activities - Percentage of Total
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
Source	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Expenses:										
General government	26.2%	23.3%	23.9%	23.5%	25.3%	25.8%	25.8%	28.9%	28.2%	27.2%
Public safety	28.8%	27.3%	30.1%	30.5%	29.9%	28.3%	30.0%	28.1%	30.4%	31.9%
Public works	12.8%	13.0%	14.3%	14.3%	14.4%	13.2%	14.7%	15.2%	16.4%	14.7%
Public health	7.8%	7.2%	8.0%	9.0%	9.5%	8.4%	8.2%	6.0%	5.2%	7.9%
Social and economic services	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Culture and recreation	6.1%	5.9%	6.4%	6.1%	6.3%	6.7%	7.0%	6.6%	7.4%	8.0%
Housing and community development	11.4%	17.6%	11.9%	11.4%	10.0%	14.1%	10.6%	12.6%	10.0%	8.3%
Interest and fiscal charges	6.4%	5.2%	5.0%	4.7%	4.3%	3.1%	3.2%	2.2%	2.0%	1.9%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Program Revenues:										
Charges for services:										
General government	16.3%	8.2%	22.3%	18.2%	19.1%	17.6%	16.7%	16.6%	23.7%	24.1%
Public safety	5.9%	5.6%	5.3%	4.9%	4.7%	4.1%	3.7%	0.1%	1.1%	1.4%
Public works	5.8%	28.0%	1.8%	0.6%	0.5%	0.5%	0.4%	0.9%	1.3%	4.4%
Other activities	3.3%	2.6%	2.9%	5.3%	4.8%	4.1%	3.7%	1.4%	2.2%	1.7%
Operating grants and contributions	57.6%	54.4%	63.9%	71.1%	70.9%	55.7%	61.2%	72.9%	57.9%	44.8%
Capital grants and contributions	11.1%	1.3%	3.8%	0.0%	0.0%	18.0%	14.3%	8.0%	13.7%	23.6%
Total Program Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
General Revenues and Transfers In:										
Taxes:										
Property	85.5%	83.4%	85.3%	88.4%	92.7%	89.4%	91.6%	91.1%	93.6%	92.7%
Franchise	1.2%	1.1%	1.1%	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%	1.3%
Motor fuel	3.1%	2.5%	2.4%	2.5%	0.0%	2.1%	2.1%	1.9%	1.9%	2.0%
Investment earnings	8.2%	9.2%	7.9%	3.7%	1.4%	1.2%	1.1%	0.7%	0.6%	0.8%
Gain on the sale of capital assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.05%	0.0%
Miscellaneous	0.8%	2.9%	2.1%	3.4%	3.8%	5.3%	3.2%	4.4%	2.0%	1.9%
Transfers in	1.2%	0.9%	1.1%	0.8%	0.9%	0.8%	0.8%	0.7%	0.7%	1.4%
General Revenues and Transfers In:	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Exhibit IV

City and County of Butte-Silver Bow, Montana
Changes in Net Position - Business-type Activities
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
Source	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Expenses:										
Community facilities	$ 93,005	$ 132,174	$ 550,183	$ 96,146	$ 84,988	$ 82,468	$ 63,155	$ 61,072	$ 57,551	$ 51,241
Home health	455,245	478,038	463,873	477,407	455,141	431,861	481,204	444,272	330,585	16,884
Small business incubator	166,836	163,866	159,863	145,363	159,511	155,872	138,603	132,124	147,572	157,757
Water utility division	6,780,770	6,860,855	7,144,643	7,105,960	7,148,937	7,763,105	7,894,275	8,607,362	9,707,599	10,898,536
Metro sewer operations	3,342,055	3,451,722	3,447,702	3,415,305	3,458,844	3,686,853	3,853,671	3,978,771	4,446,076	4,565,633
Solid waste	1,807,043	1,847,420	2,096,777	2,027,230	2,181,947	2,170,407	2,352,772	2,510,707	2,661,399	2,774,180
Silver lake water system	509,674	325,308	229,247	237,431	228,506	416,201	198,485	263,678	248,210	301,735
Storm Water System Project	-	-	-	-	-	-	91,693	140,020	135,335	141,092
MR infrastructure project	120,197	94,298	94,107	94,806	92,681	92,680	92,680	92,681	92,680	92,680
Total Expenses	13,274,825	13,353,681	14,186,395	13,599,648	13,810,555	14,799,447	15,166,538	16,230,687	17,827,007	18,999,738
Program Revenues:										
Charges for services:										
Water utility division	7,013,614	7,022,225	7,091,827	7,102,346	6,802,722	6,107,699	7,248,235	8,098,141	8,760,730	8,604,483
Metro sewer operations	3,139,392	3,136,061	3,129,455	3,126,532	3,144,573	2,993,824	4,669,526	4,705,056	5,235,157	5,804,864
Solid waste	2,362,245	2,460,317	2,618,059	2,478,040	2,698,390	2,941,414	2,259,390	2,189,640	2,107,143	2,278,652
Other activities	1,938,562	1,800,880	868,096	750,527	727,752	1,259,049	774,766	783,291	805,174	500,814
Silver lake water system	-	-	-	-	-	-	1,045,280	92,808	142,912	348,956
Operating grants and contributions	15,425	1,196,557	3,246,789	4,418,961	5,117,876	230	230	3,415	504,414	121,050
Capital grants and contributions	1,763,404	-	-	-	-	8,678,630	8,328,536	1,259,602	1,923,702	6,214,625
Total Program Revenues	16,232,642	15,616,040	16,954,226	17,876,406	18,491,313	21,980,846	24,325,963	17,131,953	19,479,232	23,873,444
Net (Expense) Revenue	2,957,817	2,262,359	2,767,831	4,276,758	4,680,758	7,181,399	9,159,425	901,266	1,652,225	4,873,706
General Revenues and Transfers :										
Restricted investment earnings	684,335	889,296	725,949	258,092	50,062	42,948	38,508	35,654	27,652	26,036
Gain on sale of capital assets	-	-	-	-	-	-	-	-	9,850	13,272
Miscellaneous	28,194	165,373	358,252	214,997	231,147	736,754	752,138	481,513	147,998	104,687
Transfers	(251,501)	(246,265)	(298,945)	(205,774)	(246,265)	(246,264)	(246,265)	(246,265)	(246,265)	(442,446)
Total General Revenues and Transfers	461,028	808,404	785,256	267,315	34,944	533,438	544,381	270,902	(60,765)	(298,451)
Change in Net Position	$ 3,418,845	$ 3,070,763	$ 3,553,087	$ 4,544,073	$ 4,715,702	$ 7,714,837	$ 9,703,806	$ 1,172,168	$ 1,591,460	$ 4,575,255

Exhibit V

City and County of Butte-Silver Bow, Montana
Changes in Net Position - Business-type Activities - Percentage of Total
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
Source	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Expenses:										
Community facilities	0.7%	1.0%	3.9%	0.7%	0.6%	0.6%	0.4%	0.38%	0.32%	0.27%
Home health	3.4%	3.6%	3.3%	3.5%	3.3%	2.9%	3.2%	2.74%	1.85%	0.09%
Small business incubator	1.3%	1.2%	1.1%	1.1%	1.2%	1.1%	0.9%	0.81%	0.83%	0.83%
Water utility division	51.1%	51.4%	50.4%	52.3%	51.8%	52.5%	52.1%	53.03%	54.45%	57.36%
Metro sewer operations	25.2%	25.8%	24.3%	25.1%	25.0%	24.9%	25.4%	24.51%	24.94%	24.03%
Solid waste	13.6%	13.8%	14.8%	14.9%	15.8%	14.7%	15.5%	15.47%	14.93%	14.60%
Silver lake water system	3.8%	2.4%	1.6%	1.7%	1.7%	2.8%	1.3%	1.62%	1.39%	1.59%
Storm Water System Project	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%	0.86%	0.76%	0.74%
MR infrastructure project	0.9%	0.7%	0.6%	0.6%	0.6%	0.6%	0.6%	0.57%	0.52%	0.49%
Total Expenses	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Program Revenues:										
Charges for services:										
Water utility division	43.2%	45.0%	41.8%	39.7%	36.8%	27.8%	29.8%	47.27%	44.97%	36.04%
Metro sewer operations	19.3%	20.1%	18.5%	17.5%	17.0%	13.6%	19.2%	27.46%	26.88%	24.32%
Solid waste	14.6%	15.8%	15.4%	13.9%	14.6%	13.4%	9.3%	12.78%	10.82%	9.54%
Other activities	11.9%	11.5%	5.1%	4.2%	3.9%	5.7%	3.2%	4.57%	4.13%	2.10%
Silver lake water system	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.3%	0.54%	0.73%	1.46%
Operating grants and contributions	0.1%	7.7%	19.2%	24.7%	27.7%	0.0%	0.0%	0.02%	2.59%	0.51%
Capital grants and contributions	10.9%	0.0%	0.0%	0.0%	0.0%	39.5%	34.2%	7.35%	9.88%	26.03%
Total Program Revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Exhibit VI

City and County of Butte-Silver Bow, Montana
Changes in Net Posityion - Total
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
Source	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Expenses:										
Governmental activities [1]	$ 37,617,332	$ 42,199,989	$ 42,828,139	$ 46,207,295	$ 47,871,373	$ 51,010,030	$ 49,978,498	$ 56,495,855	$ 54,906,594	$ 55,091,302
Business-type activities [2]	13,274,825	13,353,681	14,186,395	13,599,648	13,810,555	14,799,447	15,166,538	16,230,687	17,827,007	18,999,738
Total Expenses	50,892,157	55,553,670	57,014,534	59,806,943	61,681,928	65,809,477	65,145,036	72,726,542	72,733,601	74,091,040
Program Revenues:										
Governmental activities [1]	23,671,862	23,393,702	19,946,763	23,361,978	23,212,030	26,048,427	29,167,244	38,806,152	27,241,890	31,502,091
Business-type activities [2]	16,232,642	15,616,040	16,954,226	17,876,406	18,491,313	21,980,846	24,326,126	17,131,953	19,479,232	23,873,444
Total Program Revenues	39,904,504	39,009,742	36,900,989	41,238,384	41,703,343	48,029,273	53,493,370	55,938,105	46,721,122	55,375,535
Net (Expense) Revenue	(10,987,653)	(16,543,928)	(20,113,545)	(18,568,559)	(19,978,585)	(17,780,204)	(11,651,666)	(16,788,437)	(26,012,479)	(18,715,505)
General Revenues and Transfers:										
Governmental activities [1]	21,502,134	27,116,554	27,027,360	25,643,193	28,330,013	29,965,391	30,370,423	33,642,835	34,386,460	31,860,221
Business-type activities [2]	461,028	808,404	785,256	267,315	34,944	533,438	544,381	270,902	(60,765)	(298,451)
Total General Revenues and Transfers	21,963,162	27,924,958	27,812,616	25,910,508	28,364,957	30,498,829	30,914,804	33,913,737	34,325,695	31,561,770
Change in Net Position	$ 10,975,509	$ 11,381,030	$ 7,699,071	$ 7,341,949	$ 8,386,372	$ 12,718,625	$ 19,263,138	$ 17,125,300	$ 8,313,216	$ 12,846,265

Data Source:

[2] See Exhibit II

[3] See Exhibit IV

Exhibit VII

City and County of Butte-Silver Bow, Montana
Tax Revenues by Source - Governmental Funds
Last Ten Fiscal Years
(accrual basis of accounting)

	Amounts			
Fiscal Year Ended June 30,	**Property**	**Franchise**	**Motor Fuel**	**Total**
2006	$ 18,382,499	$ 261,119	$ 668,036	$ 19,311,654
2007	$ 22,622,589	$ 288,216	$ 665,350	$ 23,576,155
2008	$ 23,056,407	$ 300,714	$ 656,136	$ 24,013,257
2009	$ 22,661,639	$ 321,282	$ 643,665	$ 23,626,586
2010	$ 26,272,299	$ 330,218	$ 631,574	$ 26,602,517
2011	$ 26,787,812	$ 350,428	$ 625,158	$ 27,763,398
2012	$ 27,827,222	$ 350,428	$ 643,505	$ 28,821,155
2013	$ 30,637,108	$ 398,075	$ 643,614	$ 31,678,797
2014	$ 32,181,326	$ 398,075	$ 643,614	$ 33,223,015
2015	$ 29,531,545	$ 399,416	$ 634,392	$ 30,565,353
Percentage Change In Dollars Over 10 Years ago	96.4%	65.2%	-6.2%	91.9%

	Percentage of Total			
Fiscal Year Ended June 30,	**Property**	**Franchise**	**Motor Fuel**	**Total**
2006	95.2%	1.4%	3.5%	100.0%
2007	96.0%	1.2%	2.8%	100.0%
2008	96.0%	1.3%	2.7%	100.0%
2009	95.9%	1.4%	2.7%	100.0%
2010	98.8%	1.2%	2.4%	100.0%
2011	96.5%	1.3%	2.3%	100.0%
2012	96.6%	1.2%	2.2%	100.0%
2013	96.7%	1.3%	2.0%	100.0%
2014	96.9%	1.2%	1.9%	100.0%
2015	96.6%	1.3%	2.1%	100.0%

Data Source:
Applicable years' comprehensive annual financial report.

Exhibit VIIA

City and County of Butte-Silver Bow, Montana
Tax Revenues by Source - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

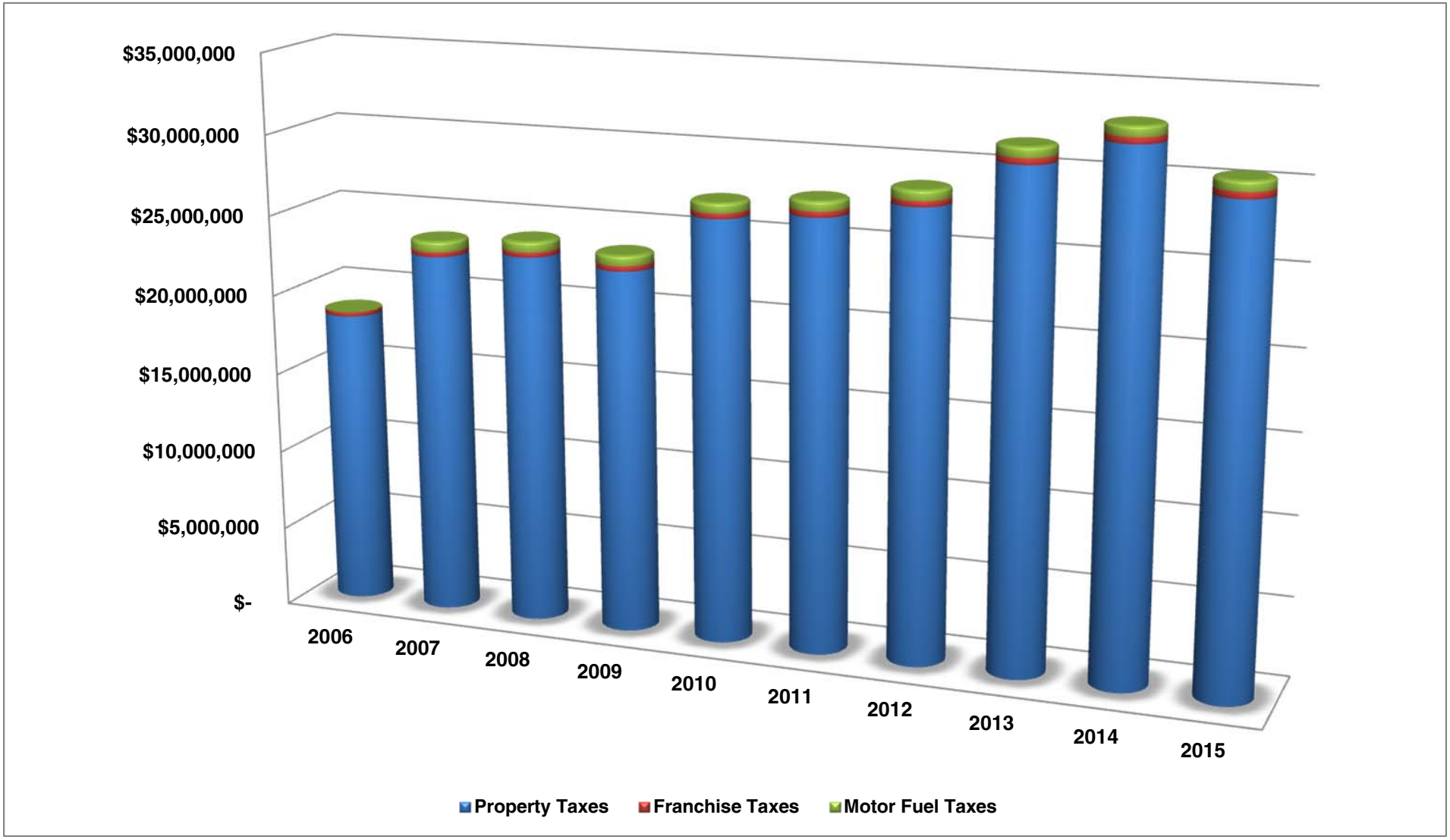

Exhibit VIII

City and County of Butte-Silver Bow, Montana
Fund Balances - Governmental Funds
Fiscal Years 2004 - 2010 [2]
(modified accrual basis of accounting)

For Fiscal Year Ending June 30,

	2004	2005	2006	2007	2008	2009	2010
General Fund							
Reserved	$ -	$ 1,010,921	$ 1,301,210	$ 1,374,435	$ 1,850,364	$ 2,146,461	$ 1,869,470
Unreserved	7,069,850	4,839,324	4,922,303	5,100,825	4,583,046	4,193,244	4,606,908
Subtotal General Fund	7,069,850	5,850,245	6,223,513	6,475,260	6,433,410	6,339,705	6,476,378
General Fund Percentage Change	8.1%	-17.3%	6.4%	4.0%	-0.6%	-1.5%	2.2%
All Other Governmental Funds							
Reserved	7,631,881	7,740,375	9,949,927	8,464,836	10,151,918	11,988,488	14,031,410
Unreserved							
Special revenue funds[1]	19,358,505	21,043,519	20,901,824	28,613,794	29,235,044	27,031,863	24,767,997
Debt service funds	-	-	-	-	-	-	-
Capital projects fund	4,464,972	4,220,666	4,287,624	4,375,157	4,351,734	9,754,832	5,320,398
Subtotal All Other Governmental Funds	31,455,358	33,004,560	35,139,375	41,453,787	43,738,696	48,775,183	44,119,805
Total Governmental Funds							
Reserved	7,631,881	8,751,296	11,251,137	9,839,271	12,002,282	14,134,949	15,900,880
Unreserved	30,893,327	30,103,509	30,111,751	38,089,776	38,169,824	40,979,939	34,695,303
Total Governmental Funds	$ 38,525,208	$ 38,854,805	$ 41,362,888	$ 47,929,047	$ 50,172,106	$ 55,114,888	$ 50,596,183
All Governmental Funds Percentage Change	-13.4%	0.9%	6.5%	15.9% [1]	4.7%	9.9%	-8.2%

Notes:

[1] In fiscal year 2007, the City and County received a $5 million contribution from ARCO, which was unspent at June 30, 2007.

[2] The City and County implemented GASB Statement No. 54 in fiscal year 2011, therefore the fund balances for 2011 - 2013 are presented on a subsequent table.

Data Source:

Applicable years' comprehensive annual financial report.

Exhibit VIIIA

City and County of Butte-Silver Bow, Montana
Fund Balances - Governmental Funds
Last Five Fiscal Years
(modified accrual basis of accounting)

	June 30,				
	2011	**2012**	**2013**	**2014**	**2015**
General Fund					
Restricted	$ 1,472,578	$ 1,688,036	$ 556,878	$ 642,291	$ 1,914,225
Unassigned	4,870,939	4,473,581	5,533,497	5,210,404	5,886,489
Total General Fund	6,343,517	6,161,617	6,090,375	5,852,695	7,800,714
General Fund Percentage Change	-2.1%	-2.9%	-1.2%	-3.9%	33.3%
All Other Governmental Funds					
Restricted					
Special revenue funds	39,268,276	42,739,475	50,845,614	53,635,990	57,263,966
Debt service funds	2,168,637	2,814,405	2,582,468	2,530,743	2,412,886
Capital projects funds	5,099,390	3,102,557	2,928,500	2,827,371	2,651,773
Assigned					
Special revenue funds	298,714	329,012	3,745,485	3,980,406	2,186,246
Debt service funds	347,638	211,422	215,295	84,484	309,685
Capital projects funds	146,139	338,050	332,239	331,962	-
Unassigned					
Special Revenue Funds	(1,344,413)	(489,205)	(1,518,293)	(1,288,747)	(901,260)
Subtotal All Other Governmental Funds	45,984,381	49,045,716	59,131,308	62,102,209	63,923,296
All Other Governmental Funds Percentage Change	4.2%	6.7%	20.6%	5.0%	2.9%
Total Governmental Funds					
Restricted	48,008,881	50,344,473	56,913,460	59,636,395	64,242,850
Assigned	792,491	878,484	4,293,019	4,396,852	2,495,931
Unassigned	3,526,526	3,984,376	4,015,204	3,921,657	4,985,229
Total Governmental Funds	$ 52,327,898	$ 55,207,333	$ 65,221,683	$ 67,954,904	$ 71,724,010
All Governmental Funds Percentage Change	3.4%	5.5%	18.1% [1]	4.2%	5.5%

Notes:
The County implemented GASB Statement No. 54 in fiscal year 2011.

[1] In fiscal year 2013, the City and County received a $9.75 million contribution from ARCO, which was unspent at June 30, 2013.

Data Source:
Applicable years' comprehensive annual financial report.

Exhibit IX

City and County of Butte-Silver Bow, Montana
General Governmental Revenues by Source (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

For the Fiscal Year Ended June 30,

Source	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Revenues:										
Taxes	$ 17,926,699	$ 21,278,904	$ 21,626,722	$ 24,857,438	$25,497,819	$ 27,298,789	$ 28,089,986	$30,671,872	$30,656,063	$30,999,034
Licenses and permits	774,343	805,522	877,399	830,666	928,139	915,665	908,840	923,446	930,775	1,036,383
Intergovernmental	9,368,620	7,399,545	9,000,547	11,171,822	10,212,639	11,683,405	12,490,588	12,122,994	16,755,995	18,715,447
Charges for services	2,065,963	4,943,359	5,220,217	5,615,561	5,483,436	5,688,730	6,065,730	6,340,499	2,717,945	2,558,203
Fines and forfeitures	604,964	582,229	643,978	632,353	675,297	604,083	513,279	534,634	455,725	455,105
Special assessments	1,181,701	1,259,772	1,306,335	1,287,271	1,375,779	1,383,897	1,271,343	1,318,172	1,500,518	1,532,277
Health insurance contributions	2,842,499	2,895,136	3,175,460	3,213,761	3,295,629	3,276,856	3,746,273	3,798,277	4,547,547	4,781,786
Other grants and donations	1,589,605	6,840,412	703,469	1,370,834	1,683,976	3,518,458	5,118,977	14,018,672	1,808,954	3,651,568
Letter of credit in lieu of taxes	2,503,021	260,560	352,075	-	-	-	-	-	-	-
Investment earnings	1,758,247	2,504,774	2,145,787	937,855	396,421	355,257	342,376	235,723	201,345	254,342
Increase (Decrease) in investments to Fair Market Value	-	-	-	-	-	-	-	-	(1,539)	985
Miscellaneous	225,007	378,402	567,440	809,217	1,080,856	1,591,208	994,491	1,476,686	687,632	585,735
Total Revenues	$ 40,840,669	$ 49,148,615	$ 45,619,430	$ 50,726,778	$50,629,991	$ 56,316,348	$ 59,541,883	$71,440,975	$60,260,960	$64,570,865
% change from prior year	15.9%	20.3%	-7.2%	11.2%	-0.2%	11.2%	5.7%	20.0%	-15.65%	7.15%
Taxes	43.89%	43.30%	47.41%	49.00%	50.36%	48.47%	47.18%	42.93%	50.87%	48.01%
Licenses and permits	1.90%	1.64%	1.92%	1.64%	1.83%	1.63%	1.53%	1.29%	1.54%	1.61%
Intergovernmental	22.94%	15.06%	19.73%	22.02%	20.17%	20.75%	20.98%	16.97%	27.81%	28.98%
Charges for services	5.06%	10.06%	11.44%	11.07%	10.83%	10.10%	10.19%	8.88%	4.51%	3.96%
Fines and forfeitures	1.48%	1.18%	1.41%	1.25%	1.33%	1.07%	0.91%	0.75%	0.76%	0.70%
Special assessments	2.89%	2.56%	2.86%	2.54%	2.72%	2.46%	2.26%	1.85%	2.49%	2.37%
Health insurance contributions	6.96%	5.89%	6.96%	6.34%	6.51%	5.82%	6.29%	5.32%	7.55%	7.41%
Other grants and donations	3.89%	13.92%	1.54%	2.70%	3.33%	6.25%	8.60%	19.62%	3.00%	5.66%
Letter of credit in lieu of taxes	6.13%	0.53%	0.77%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Investment earnings	4.31%	5.10%	4.70%	1.85%	0.78%	0.63%	0.58%	0.33%	0.33%	0.39%
Increase (Decrease) in investments to Fair market value	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Miscellaneous	0.55%	0.77%	1.24%	1.60%	2.13%	2.83%	1.67%	2.07%	1.14%	0.91%
Total revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes:

[1] Includes all governmental fund types.

[2] In fiscal year 2013, the City and County received a $9.75 million contribution from ARCO. This contribution was an extrordinary item. The adjusted change in revenues in revenues from fiscal year 2013 to fiscal year 2014 would have been -1.94% in comparison to the -15.32%.

Data Source:

Applicable years' comprehensive annual financial report.

Exhibit X

City and County of Butte-Silver Bow, Montana

General Governmental Expenditures by Function (Unaudited) [1]

Last Ten Fiscal Years

(modified accrual basis of accounting)

For the Fiscal Year Ended June 30,

Function	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Expenditures:										
Current:										
General government	$ 8,953,630	$ 9,481,676	$ 10,018,640	$ 10,457,497	$ 11,458,574	$ 12,474,199	$ 12,287,148	$ 15,498,469	$ 14,785,356	$ 14,417,570
Public safety	10,197,642	10,876,965	12,311,497	13,161,267	12,997,523	13,509,599	14,156,543	14,952,479	15,766,928	17,133,438
Public works	4,576,959	4,866,008	5,413,879	5,777,139	5,878,676	5,853,713	6,289,553	7,175,285	7,267,846	6,751,251
Public health	2,890,485	3,010,363	3,423,381	4,078,925	4,398,727	4,314,569	4,089,051	3,365,203	2,871,884	4,368,679
Social and economic services	199,749	201,889	213,651	234,981	232,947	244,450	266,718	267,669	277,888	293,566
Culture and recreation	2,161,833	2,344,638	2,563,341	2,594,179	2,823,045	2,985,930	3,204,264	3,295,892	3,650,028	4,019,982
Housing and community development	2,998,699	5,409,237	3,083,104	3,218,235	2,637,652	4,977,792	3,134,041	4,912,038	3,130,182	2,158,994
Total Current	31,978,997	36,190,776	37,027,493	39,522,223	40,427,144	44,360,252	43,427,318	49,467,035	47,750,112	49,143,480
% Change From Prior Year	11.1%	13.2%	2.3%	6.7%	2.3%	9.7%	-2.1%	13.9%	-3.5%	2.9%
Capital Outlay	3,373,209	3,911,062	2,430,736	9,009,423	9,109,766	6,025,536	13,594,069	8,911,599	6,358,996	8,257,423
% Change From Prior Year	35.6%	15.9%	-37.8%	270.6%	1.1%	-33.9%	125.6%	-34.4%	-28.6%	29.9%
Debt Service[2]										
Principal	5,668,811	3,069,620	3,047,950	2,777,083	3,730,440	4,082,022	2,527,347	2,813,182	2,863,588	2,847,439
Interest and fees	537,306	2,304,627	2,180,758	2,121,027	2,132,612	1,890,566	1,652,584	1,280,368	1,185,254	1,093,461
Bond issuance costs	-	-	-	193,760	-	272,160	260,644	-	-	-
Total Debt Service	6,206,117	5,374,247	5,228,708	5,091,870	5,863,052	6,244,748	4,440,575	4,093,550	4,048,842	3,940,900
% Change From Prior Year	-6.7%	-13.4%	-2.7%	-2.6%	15.1%	6.5%	-28.9%	-7.8%	-1.09%	-2.67%
Total Expenditures	$ 41,558,323	$ 45,476,085	$ 44,686,937	$ 53,623,516	$ 55,399,962	$ 56,630,536	$ 61,461,962	$ 62,472,184	$ 58,157,950	$ 61,341,803
Debt Service as a % of Noncapital Expenditures	16.3%	12.9%	12.4%	11.0%	12.7%	11.8%	8.7%	7.6%	7.82%	7.42%

Notes:

[1] Includes all governmental fund types.

2 The classification between principal and interest is not available for fiscal years 1999-2006,

Data Source:

Applicable years' comprehensive annual financial report.

Exhibit XI

City and County of Butte-Silver Bow, Montana

General Governmental Current Expenditures by Function (Unaudited) [1]

Last Ten Fiscal Years

(modified accrual basis of accounting)

For the Fiscal Year Ended June 30,

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenditures:										
Current:										
General government	$ 8,953,630	$ 9,481,676	$ 10,018,640	$ 10,457,497	$ 11,458,574	$ 12,474,199	$ 12,287,148	$ 15,498,469	$ 14,785,356	$ 14,417,570
Public safety	10,197,642	10,876,965	12,311,497	13,161,267	12,997,523	13,509,599	14,156,543	14,952,479	15,766,928	17,133,438
Public works	4,576,959	4,866,008	5,413,879	5,777,139	5,878,676	5,853,713	6,289,553	7,175,285	7,267,846	6,751,251
Public health	2,890,485	3,010,363	3,423,381	4,078,925	4,398,727	4,314,569	4,089,051	3,365,203	2,871,884	4,368,679
Social and economic services	199,749	201,889	213,651	234,981	232,947	244,450	266,718	267,669	277,888	293,566
Culture and recreation	2,161,833	2,344,638	2,563,341	2,594,179	2,823,045	2,985,930	3,204,264	3,295,892	3,650,028	4,019,982
Housing and community development	2,998,699	5,409,237	3,083,104	3,218,235	2,637,652	4,977,792	3,134,041	4,912,038	3,130,182	2,158,994
Total Current	$ 31,978,997	$ 36,190,776	$ 37,027,493	$ 39,522,223	$ 40,427,144	$ 44,360,252	$ 43,427,318	$ 49,467,035	$ 47,750,112	$ 49,143,480
Current:										
General government	28.00%	26.20%	27.06%	26.46%	28.34%	28.12%	28.29%	31.33%	30.96%	29.34%
Public safety	31.89%	30.05%	33.25%	33.30%	32.15%	30.45%	32.60%	30.23%	33.02%	34.86%
Public works	14.31%	13.45%	14.62%	14.62%	14.54%	13.20%	14.48%	14.51%	15.22%	13.74%
Public health	9.04%	8.32%	9.25%	10.32%	10.88%	9.73%	9.42%	6.80%	6.01%	8.89%
Social and economic services	0.62%	0.56%	0.58%	0.59%	0.58%	0.55%	0.61%	0.54%	0.58%	0.60%
Culture and recreation	6.76%	6.48%	6.92%	6.56%	6.98%	6.73%	7.38%	6.66%	7.64%	8.18%
Housing and community development	9.38%	14.95%	8.33%	8.14%	6.52%	11.22%	7.22%	9.93%	6.56%	4.39%
Total Current	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Exhibit XII

City and County of Butte-Silver Bow, Montana
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total Revenues - Exhibit IX	$ 40,840,669	$ 49,148,615	$ 45,619,430	$ 50,726,778	$ 50,629,991	$ 56,316,348	$ 59,541,883	$ 71,440,975	$ 60,260,960	$ 64,570,865
Total Expenditures - Exhibit X	41,558,323	45,476,085	44,686,937	53,623,516	55,399,962	56,630,536	61,461,962	62,472,184	58,157,950	61,341,803
Excess (Deficiency) of Revenues Over (Under) Expenditures	(717,654)	3,672,530	932,493	(2,896,738)	(4,769,971)	(314,188)	(1,920,079)	8,968,791	2,103,010	3,229,062
Other Financing Sources (Uses)										
Tax increment bonds issued	-	-	-	-	-	13,705,000	4,050,000	-	-	-
General obligation bonds issued	-	-	978,554	7,500,000	-	-	9,505,000	799,294	17,000	-
Bond premiums	-	-	-	124,635	-	-	355,770	-	-	-
General obligation notes issues	-	1,432,989	33,067	-	-	-	-	-	-	-
Insurance reimbursement	-	96,663	-	9,110	3,000	-	2,482	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	(11,655,000)	(9,721,820)	-	-	-
Compensation for loss of an asset	-	-	-	-	-	-	-	-	324,783	97,598
Sale of capital assets	-	-	-	-	2,000	104,550	-	-	-	-
Issuance of general obligation	-	-	-	-	-	-	-	-	42,163	-
Transfers in	5,837,567	10,173,684	6,340,104	6,918,720	6,979,676	7,479,978	5,084,279	5,654,553	5,582,273	4,740,572
Transfers out	(5,454,329)	(9,997,919)	(6,041,159)	(6,712,946)	(6,733,411)	(7,233,714)	(4,838,014)	(5,408,288)	(5,336,008)	(4,298,126)
Total Other Financing Sources (Uses)	383,238	1,705,417	1,310,566	7,839,519	251,265	2,400,814	4,437,697	1,045,559	630,211	540,044
Net Change in Fund Balances	$ (334,416)	$ 5,377,947	$ 2,243,059	$ 4,942,781	$ (4,518,706)	$ 2,086,626	$ 2,517,618	$ 10,014,350	$ 2,733,221	$ 3,769,106

Data Source:
Applicable years' comprehensive annual financial report.

City and County of Butte-Silver Bow, Montana
Chart-Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net Change in Fund Balances	$(334,416)	$5,377,947	$2,243,059	$4,942,781	$(4,518,706)	$2,086,626	$2,517,618	$10,014,350	$2,733,221	$3,769,106

City and County of Butte-Silver Bow, Montana *Exhibit XIII*

Assessed Market Value

Last Ten Fiscal Years

Fiscal Year Ending June 30,	Tax Year	Real/Centrall Assesed Property	Mobile Home	Personal Property	Motor Vehicle	Less: Tax Exempt Property	Total Assessed Market Value	Total Direct Tax Rate[1]
2006	2005	$ 1,560,551,015	$ 10,199,975	$28,719,197	$ 94,240	$ 53,134,397	$ 1,546,430,030	255.20
2007	2006	$ 1,817,623,590	$ 10,939,722	$29,215,183	$ 79,485	$ 58,140,238	$ 1,799,717,742	302.27
2008	2007	$ 1,998,987,798	$ 10,388,921	$31,971,153	$ 65,375	$ 59,146,227	$ 1,982,267,020	298.00
2009	2008	$ 2,109,161,389	$ 10,373,592	$36,058,107	$ 76,284	$ 64,113,888	$ 2,091,555,484	296.66
2010	2009	$ 2,651,836,937	$ 10,001,273	$35,204,322	$ 72,798	$ 78,211,071	$ 2,618,904,259	349.84
2011	2010	$ 2,482,909,530	$ 9,697,511	$39,178,194	$ 59,290	$ 84,798,691	$ 2,447,045,834	353.73
2012	2011	$ 2,575,523,449	$ 9,197,897	$41,163,465	$ 50,229	$ 93,796,301	$ 2,532,138,739	351.28
2013	2012	$ 2,243,877,041	$ 8,787,773	$40,912,963	$ 162,116	$ 100,134,151	$ 2,193,605,742	375.25
2014	2013	$ 2,300,947,870	$ 8,660,414	$46,280,126	$ 104,278	$ 102,876,219	$ 2,253,116,469	371.48
2015	2014	$ 2,176,904,734	$ 8,335,704	$45,233,222	$ 48,083	$ 109,472,600	$ 2,121,049,143	400.00
% Change from 2004 to 2013		47.4%	-15.5%	43.4%	12817.6%	109.5%	44.9%	71.3%

2006	2005	97.6%	0.6%	1.8%	0.0%	100.0%
2007	2006	97.8%	0.6%	1.6%	0.0%	100.0%
2008	2007	97.9%	0.5%	1.6%	0.0%	100.0%
2009	2008	97.8%	0.5%	1.7%	0.0%	100.0%
2010	2009	98.3%	0.4%	1.3%	0.0%	100.0%
2011	2010	98.1%	0.4%	1.5%	0.0%	100.0%
2012	2011	98.1%	0.4%	1.6%	0.0%	100.0%
2013	2012	97.8%	0.4%	1.8%	0.0%	100.0%
2014	2013	97.7%	0.4%	2.0%	0.0%	100.0%
2015	2014	97.6%	0.4%	2.0%	0.0%	100.0%

[1] *These are the number of mills levied to provide funding for local government operations*

Souce: Mt Dept of Revenue;Butte-Silver Bow Budget Office

Exhibit XIV

City and County of Butte-Silver Bow, Montana

Direct and Overlapping Property Tax Rates [1]

Last Ten Fiscal Years

		Direct Rate			Overlapping Rates [2]				
					School District				
Fiscal Year	Tax Year	Operating	Debt Service	Total	Operating	Debt Service	Total	Special Districts	State of Montana
2006	2005	230.84	24.36	255.20	325.21	16.79	342.00	20.26	46.00
2007	2006	279.50	22.77	302.27	329.47	15.52	344.99	20.02	46.00
2008	2007	272.77	25.23	298.00	316.67	14.98	331.65	19.51	46.00
2009	2008	278.24	18.42	296.66	327.66	1.00	328.66	19.26	46.00
2010	2009	320.67	29.17	349.84	313.80	15.32	329.12	19.39	46.00
2011	2010	317.83	35.90	353.73	309.59	15.27	324.86	19.21	46.00
2012	2011	322.67	28.61	351.28	292.36	13.43	305.79	18.82	46.00
2013	2012	350.65	24.60	375.25	292.71	2.16	294.87	18.79	46.00
2014	2013	343.24	28.24	371.48	323.06	2.46	325.52	16.76	46.00
2015	2014	368.74	31.26	400.00	316.53	2.22	318.75	17.49	46.00
% Change From 2006-2015		59.7%	28.3%	56.7%	-2.7%	-86.8%	-6.8%	-13.7%	0.0%

Notes:

[1] Tax rates expressed in rate per $1,000 of annual taxes values (i.e., mills).

[2] Overlapping rates are those of governments that overlap the City and County's geographic boundaries.

Data Source:

City and County Budget Office and Department of Revenue

Exhibit XV

City and County of Butte-Silver Bow, Montana
Principal Property Taxpayers
Current Year and Ten Years Ago

Fiscal Year 2015-Tax Year 2014				Fiscal Year 2006-Tax Year 2005			
Principal Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Principal Taxpayer**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Montana Resources, Inc.	$ 11,289,908	1	17.63%	Northwestern Energy [1]	$ 10,048,180	1	19.08%
Northwestern Energy [1]	11,000,459	2	17.18%	ASiMI [1]	8,002,608	2	15.20%
REC (Formerly ASiMI) 1	7,594,458	3	11.86%	Montana Resources, Inc.	4,220,023	3	8.01%
Basin Creek Equity Partners, LLC	978,949	4	1.53%	Qwest Corporation	841,295	4	1.60%
Praxair, Inc. - REC Affiliated [1]	726,059	5	1.13%	Waterford	425,086	5	0.81%
Qwest Corporation	643,171	6	1.00%	Wal-mart Real Estate Business	333,581	6	0.63%
Bresnan Broadband	536,014	7	0.84%	Hyman David L. & Anne Trustees	309,303	7	0.59%
Verizon Wireless	306,003	8	0.48%	Praxair, Inc. [1]	293,028	8	0.56%
Hyman David L. & Anne Trustees	265,142	9	0.41%	Wilder Resorts, Inc.	172,467	9	0.33%
Wal-mart Real Estate Business	232,007	10	0.36%	Sky West Airlines	159,920	10	0.30%
Total Principal Taxpayers	33,572,170		52.42%	**Total Principal Taxpayers**	24,805,491		47.10%
All Other Taxpayers	30,473,374		47.58%	**All Other Taxpayers**	27,858,741		52.90%
Total	$ 64,045,544		100.00%	**Total**	$ 52,664,232		100.00%

Notes:

[1] Taxable valuation lies in whole or in part in the Uraban Revitalization District or Tax Increment Financing District.

Data Source:
City and County Tax Records

City and County of Butte-Silver Bow, Montana
Principal Tax Payers in the Ramsay TIFID
Current Tax Year and Ten Years Ago

Fiscal Year 2006- Tax Year 2005						Fiscal Year 2015- Tax Year 2014					
Rank	**Property Owner**	**Aggregate Market Value**	**Aggregate Taxable Value**	**Aggregate Taxes Billed**	**Incremental Taxes Billed**	**Rank**	**Property Owner**	**Aggregate Market Value**	**Aggregate Taxable Value**	**Aggregate Taxes Billed**	**Incremental Taxes Billed**
1	ADVANCED SILICON MATERIALS LLC	$ 262,255,788	$ 8,002,608	$ 4,555,645	$ 3,633,298	1	REC ADVANCED SILCON MATERIAL LLC[2]	$ 266,410,109	$ 7,594,458	$ 5,432,771	$ 4,623,291
2	PRAXAIR INC	$ 9,701,017	$ 293,028	$ 166,812	$ 133,039	2	PRAXAIR INC	$ 27,373,219	$ 726,059	$ 519,394	$ 442,004
3	ADVANCED SILICON MATERIALS INC	$ 2,066,731	$ 66,549	$ 37,884	$ 30,214	3	ARC FEBTTMTOOL LLC	$ 2,446,480	$ 60,428	$ 43,228	$ 36,787
4	RHODIA INC	$ 1,311,299	$ 42,214	$ 24,031	$ 19,166	4	BURLINGTON NORTHERN & SANTA FE RAILROAD	$ 1,678,419	$ 55,052	$ 39,382	$ 33,514
5	PORT OF MONTANA	$ 989,484	$ 31,861	$ 18,138	$ 14,465	5	MONTANA PRECISION PRODUCTS, LLC	$ 3,630,880	$ 54,464	$ 38,961	$ 33,156
6	BURLINGTON NORTHERN & SANTA FE RAILROAD	$ 770,695	$ 28,824	$ 16,409	$ 13,087	6	SCOULAR COMPANY (THE)	$ 1,061,031	$ 26,208	$ 18,748	$ 15,955
7	UNION PACIFIC RAILROAD COMPANY	$ 166,517	$ 6,228	$ 3,545	$ 2,828	7	UNION PACIFIC RAILROAD COMPANY	$ 635,402	$ 20,841	$ 14,909	$ 12,687
8	UELAND RANCHES INC	$ 174,256	$ 5,420	$ 3,085	$ 2,461	8	NORTHWESTERN ENERGY-TRANSMISSION	$ 118,153	$ 14,178	$ 10,142	$ 8,631
9	BGME, LLC	$ 70,847	$ 2,468	$ 1,405	$ 1,121	9	BELL-MONT PROPERTIES INC	$ 558,505	$ 13,795	$ 9,868	$ 8,398
10	RAUCH WILLIAM J & PATRICIA	$ 65,883	$ 2,122	$ 1,208	$ 963	10	FEDEX FREIGHT INC BTE/223	$ 471,599	$ 7,075	$ 5,061	$ 4,307
11	GREATER BAY CAPITAL	$ 56,315	$ 1,689	$ 961	$ 767	11	SEACAST OF MONTANA LLC[1]	$ 433,804	$ 6,507	$ 4,655	$ 3,961
12	STAR RENTALS INC	$ 55,319	$ 1,660	$ 945	$ 754	12	PRAXAIR LEASED EQUIPMENT	$ 139,966	$ 3,732	$ 2,670	$ 2,272

[1] A portion of the taxes billed for SeaCast of Montana LLC (SeaCast) is payment in lieu of taxes for a faciity leased to SeaCast that is owned by the City-County

[2] REC Advanced Silcon Materials LLC was formally Advanced Silcon Materials

Data Source:
City and County Tax Records

City and County of Butte-Silver Bow, Montana

Property Tax Levies and Collections [1]

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years [2]	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2006	2005	$ 27,130,347	$ 24,194,808	89.18%	$ 1,863,511	$ 26,058,319	96.05%
2007	2006	$ 31,502,912	$ 28,455,913	90.33%	$ 1,800,770	$ 30,256,683	96.04%
2008	2007	$ 32,186,481	$ 29,032,690	90.20%	$ 1,308,240	$ 30,340,930	94.27%
2009	2008	$ 32,123,733	$ 29,464,328	91.72%	$ 1,172,840	$ 30,637,168	95.37%
2010	2009	$ 33,503,983	$ 31,298,511	93.42%	$ 1,416,352	$ 32,714,863	97.64%
2011	2010	$ 33,281,458	$ 31,435,793	94.45%	$ 1,764,665	$ 33,200,458	99.76%
2012	2011	$ 35,931,784	$ 33,568,370	93.42%	$ 1,266,608	$ 34,834,978	96.95%
2013	2012	$ 38,188,890	$ 35,996,426	94.26%	$ 1,531,167	$ 37,527,593	98.27%
2014	2013	$ 40,683,406	$ 38,571,283	94.81%	$ 1,586,707	$ 40,157,990	98.71%
2015	2014	$ 39,797,376	$ 38,308,670	96.26%	$ 2,055,738	$ 40,364,408	101.42%
Total		$ 389,125,917	$ 360,496,588	92.64%	$ 17,021,967	$ 377,518,555	97.02%

Notes:

[1] Does not include Tax Increment Financing Industrial Districts or Urban Revitilization Agency Districts.

[2] The City and County did not implement GASB Statement No. 44, retroactively.

Data Source: -

City and County Tax Collection Records

Exhibit XVIA

City and County of Butte-Silver Bow, Montana
Taxable value of the Ramsay TIFID
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Year	Taxable Value of the District[1]
2006	2005	$ 6,776,316
2007	2006	$ 7,329,928
2008	2007	$ 7,605,452
2009	2008	$ 9,067,912
2010	2009	$ 8,914,569
2011	2010	$ 10,414,806
2012	2011	$ 10,197,198
2013	2012	$ 10,317,086
2014	2013	$ 9,824,969
2015	2014	$ 8,712,548

[1] Taxable value exclusive of base value of $1,720,230

Data Source:
City and County Tax Collection Records

City and County of Butte-Silver Bow, Montana
Ratios of Total Debt Oustanding by Type [1]
Last Ten Fiscal Years

	Governmental Activities					Business-type Activities								
Fiscal Year	**General Obligation Bonds**	**Special Assessment Bonds**	**Capital Leases**	**Notes & Loans**	**Tax Increment Financing Bonds**	**Water Bonds**	**Solid Waste Bonds**	**Sewer Bonds**	**Notes & Loans**	**Capital Leases**	**Total**	**Percentage of Personal Income**[2]	**Population**[2]	**Debt Per Capita**
2006	13,060,000	350,000	473,149	481,504	23,605,000	15,565,000	1,495,000	-	385,885	-	55,415,538	4.99%	33,441	1,657
2007	12,510,000	315,000	445,705	1,762,317	21,300,000	13,243,800	-	-	78,130	-	49,654,952	4.35%	33,489	1,483
2008	12,887,058	280,000	416,774	1,512,861	19,200,000	11,751,863	-	-	39,065	-	46,087,621	3.76%	33,812	1,363
2009	19,806,671	240,000	386,274	1,256,492	17,450,000	9,008,158	-	-	-	-	48,147,595	3.98%	34,008	1,416
2010	18,811,630	200,000	354,120	988,420	14,935,000	8,354,837	-	-	-	-	43,644,007	3.38%	34,239	1,275
2011	17,851,416	155,000	320,223	815,507	13,995,000	6,772,316	-	-	-	-	39,909,462	2.71%	34,388	1,161
2012	16,951,202	105,000	284,489	634,109	16,830,000	6,688,366	-	1,041,322	-	-	42,534,488	2.75%	34,493	1,233
2013	16,155,668	55,000	246,817	1,243,107	15,510,000	5,442,691	-	-	-	-	38,653,283	2.55%	34,512	1,120
2014	14,946,468	-	207,103	1,041,610	14,170,000	3,246,387	-	-	-	-	33,611,568	2.16%	34,680	969
2015	13,702,269	-	165,235	851,252	12,775,000	2,107,000	-	12,203,779	-	7,398	41,811,933	2.72%	34,276	1,220

Notes:

[1] Details regarding the City and County's outstanding debt can be found in the notes to the basic financial statements.

Data Source:

[2] Exhibit XXII

Exhibit XVIII

City and County of Butte-Silver Bow, Montana
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Year	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Population[1]	Assessed Market Value[2]	Percentage of Assessed Market Value of Property	Debt Per Capita
2006	13,060,000	88,995	12,971,005	33,441	$ 1,546,430,030	0.84%	388
2007	12,510,000	370,227	12,139,773	33,489	$ 1,799,717,742	0.67%	363
2008	12,887,058	468,545	12,418,513	33,812	$ 1,982,267,020	0.63%	367
2009	19,806,671	206,511	19,600,160	34,008	$ 2,091,555,484	0.94%	576
2010	18,811,630	89,377	18,722,253	34,239	$ 2,618,904,259	0.71%	547
2011	17,851,416	163,220	17,688,196	34,388	$ 2,447,045,834	0.72%	514
2012	16,951,202	293,279	16,657,923	34,493	$ 2,532,138,739	0.66%	483
2013	16,155,668	89,887	16,065,781	34,512	$ 2,193,605,742	0.73%	466
2014	14,946,468	89,138	14,857,330	34,680	$ 2,253,116,469	0.66%	428
2015	13,702,269	309,685	13,392,584	34,276	$ 2,121,049,143	0.63%	391

Data Source:

[1] Exhibit XXII

[2] Exhibit XIII

Exhibit XIX

City and County of Butte-Silver Bow, Montana
Governmental Activities Direct and Overlapping Debt
June 30, 2015

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [2]	Estimated Share of Overlapping Debt
Debt Repaid With Property Taxes			
Overlapping Debt[1]			
Butte School District Number One, Montana [3]	$ -	100.0%	$ -
City and County Direct Debt			
General obligation bonds	13,702,269		
Special assessment bonds	-		
Tax increment bonds	12,775,000		
Capital leases	165,235		
Notes and loans	851,252		
Total City and County Direct Debt	$ 27,493,756	100.0%	27,493,756
Total Direct and Overlapping Debt			$ 27,493,756

Notes:

[1] Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City and County.

[2] For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another government's taxable assessed value that is within the City's boundaries and dividing it by the City and County's total taxable assessed value.

Data Source:

[3] Butte School District #1, Butte, Montana

Exhibit XX

City and County of Butte-Silver Bow, Montana
Legal Debt Margin
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Legal Debt Margin										
Debt limit (2.5% of total assessed value)	$ 38,500,598	$ 40,702,665	$ 49,237,905	$ 52,178,893	$ 65,359,959	$ 61,212,613	$ 53,009,291	$ 53,428,534	$ 56,327,912	$ 53,026,229
Net debt applicable to limit:	14,014,653	14,718,022	14,816,693	21,449,437	20,154,170	18,987,146	17,869,800	17,645,592	16,195,181	14,718,757
Legal debt margin	$ 24,924,941	$ 28,192,665	$ 36,350,847	$ 32,372,222	$ 46,548,329	$ 43,361,197	$ 36,058,089	$ 37,692,546	$ 40,132,731	$ 38,307,472
As a percentage of debt limit	64.74%	69.26%	73.83%	62.04%	71.22%	70.84%	68.02%	70.55%	71.25%	72.24%

Legal Debt Margin Calculation for Fiscal Year 2015

Total assessed value	$ 2,121,049,143
Debt limit (2.5% of total assessed value)	53,026,229
Total Current Indebtedness	14,718,757
Less special assessement bonds	-
Total debt applicable to limitation	14,718,757
Total legal debt margin	$ 38,307,472

Exhibit XXI

City andCounty of Butte-Silver Bow
Schedule of Debt Service Requirements and Debt Service Coverage
Last Ten Fiscal Years

Metro Sewer Operations[1]

Fiscal Year	Operating Revenues	Operating Expenses	Less Depreciation & Amortization	Net Revenue Available for Debt Service	Principal	Interest	Total	Debt Service Coverage
2015	$ 5,817,894	$ 4,481,047	$ 1,070,107	$ 2,406,954	-	$ 84,586	$ 84,586	28.46

Water Utility

Fiscal Year	Operating Revenues	Operating Expenses	Less Depreciation & Amortization	Net Revenue Available for Debt Service	Principal	Interest	Total	Debt Service Coverage
2006	$ 7,017,603	$ 6,084,499	$ 2,147,751	$ 3,080,855	$1,475,000	$ 688,882	$2,163,882	1.42
2007	$ 7,106,007	$ 6,224,999	$ 2,201,284	$ 3,082,292	$1,530,000	$ 635,855	$2,165,855	1.42
2008 [2]	$ 7,258,140	$ 6,572,564	$ 2,267,677	$ 2,953,253	$1,595,000	$ 564,359	$2,159,359	1.37
2009	$ 7,154,881	$ 6,596,459	$ 2,329,557	$ 2,887,979	$1,660,000	$ 508,775	$2,168,775	1.33
2010	$ 6,904,199	$ 6,867,426	$ 2,582,629	$ 2,619,402	$1,580,000	$ 274,425	$1,854,425	1.41
2011	$ 6,802,283	$ 7,533,610	$ 3,121,916	$ 2,390,589	$1,645,000	$ 222,402	$1,867,402	1.28
2012	$ 7,664,876	$ 7,716,837	$ 3,170,978	$ 3,119,017	$1,690,000	$ 170,228	$1,860,228	1.68
2013	$ 8,138,864	$ 8,455,765	$ 3,691,086	$ 3,374,185	$1,753,000	$ 150,773	$1,903,773	1.77
2014	$ 8,845,836	$ 8,982,087	$ 3,477,154	$ 3,340,903	$1,907,000	$ 124,992	$2,031,992	1.64
2015	$ 8,677,035	$ 8,842,982	$ 3,706,308	$ 3,540,361	$1,139,387	$ 82,321	$1,221,708	2.90

Ramsay TIFID - Tax Increment Revenue Bonds, Series 2011

Fiscal Year	Net Revenue Available for Debt Service	Principal[3]	Interest[3]	Total	Debt Service Coverage
2012	$ 6,984,579	$ 1,150,000	$ 323,781	$ 1,473,781	4.74
2013	$ 6,888,900	$ 1,250,000	$ 698,012	$ 1,948,012	3.54
2014	$ 5,968,794	$ 1,265,000	$ 676,868	$ 1,941,868	3.07
2015	$ 4,459,974	$ 1,315,000	$ 633,519	$ 1,948,519	2.29

Notes:

[1] Metro Operations Series 2014 and Series 2015 bonds were issued during fiscal year 2015.

[2] The revenue bonds were fully retired in fiscal year 2007.

[3] The principal and interst includes the debt service payments for all outstanding debt in the Ramsay TIFID.

Data Source:

Applicable years' comprehensive annual financial report.

Exhibit XXII

City and County of Butte-Silver Bow, Montana
Demographic and Economic Statistics
Last Ten Years

Year	Population[1]	*(in thousands of dollars)* Personal Income[1]	Per Capita Income[1] City & County	Per Capita Income[1] United States	Per Capita Income[1] County as a % of U.S.	Median Age	City School Enrollment[2]	Unemployment Rates[3] City & County	Unemployment Rates[3] State of Montana	Unemployment Rates[3] United States
2006	33,441	1,110,597	33,211	38,127	87%	41.6	4,593	3.5%	3.3%	4.8%
2007	33,489	1,141,165	34,076	39,804	86%	41.6	4,431	3.5%	3.4%	4.7%
2008	33,812	1,224,607	36,218	40,873	89%	42.0	4,373	4.3%	4.1%	5.7%
2009	34,008	1,208,378	35,532	39,379	90%	42.0	4,323	5.5%	6.4%	9.7%
2010	34,239	1,289,755	37,669	40,144	94%	42.5	4,328	5.8%	6.7%	9.8%
2011	34,388	1,471,806	42,800	42,332	101%	41.7	4,227	6.0%	6.6%	9.3%
2012	34,493	1,545,215	44,798	44,200	101%	39	4,246	5.8%	6.0%	8.2%
2013	34,512	1,513,001	43,840	44,765	98%	41.3	3,882	5.5%	5.6%	7.2%
2014	34,680	1,556,543	44,883	46,405	97%	41.7	4,197	4.8%	4.7%	6.3%
2015	34,276	1,535,776	44,956	46,512	97%	41	4,143	3.9%	4.0%	5.3%

Data Sources:

[1] U.S. Bureau, of Census, http://www.bea.gov/regional/reis/default.cfm?catable=CA1-3&section=2 2007 & 2008, management estimates, most current data available.

[2] Butte School District Number One

[3] Montana Department of Labor & Industry, not seasonally adjusted, http://www.ourfactsyourfuture.org/cgi/dataanalysis/AreaSelection.asp?tableName=Labforce

Exhibit XXIII

City and County of Butte-Silver Bow, Montana
Top Twenty Private Employers
Year Ended June 30, 2015

COMPANY NAME	PRODUCT OR SERVICE
Acadia Montana	Health Services
Advanced Silicon Materials	Polysilicon Production
Aware, Inc.	Human Services
Butte Adult Mental Health Center	Health Services
Butte Convalescent Center	Health Services
Butte Sheltered Workshop	Retail
Community Counseling & Correctional Service	Adult Social Services
Community Health Center	Health Services
Easter Seals - Goodwill	Human Services
Human Resources Council Dist XII	Human Services
Lady of the Rockies Rehab and Living Center	Human Services
Montana Independent Living	Health Services
Montana Precision Products (Seacast)	Metal Fabricator
Montana Resources	Mining
Northwestern Energy	Utilities
Safeway	Retail
St. James Community Hospital	Health Services
St James Healthcare	Health Services
Town Pump	Retail/Fuel Services
Wal-Mart	Retail

Source: Montana Department of Labor and Industry

Note: Due to confidentiality laws, top employer lists are provided in alphabetical order only. The listing cannot be ranked in order of employment and no employment data can be provided for individual businesses. Data is derived from the most current information available at this time.

Exhibit XXIV

City and County of Butte-Silver Bow, Montana
Full-time Equivalent Employees by Function
Last Ten Fiscal Years

	As of June 30,									
Function	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
General Government	187	201	195	199	200	207	203	227	227	207
Public Safety										
Police										
Sheriff	1	1	1	1	1	1	1	1	1	1
Undersheriff	1	1	1	1	1	1	1	1	1	1
Officers	41	44	44	44	47	48	47	47	48	48
Civilians	21	20	21	21	22	21	23	22	23	31
Detention Officers	26	27	27	27	27	28	27	28	29	29
Fire										
Chief	1	1	1	1	1	1	1	1	1	1
Assistant Chief	1	1	1	1	1	1	1	1	1	1
Firefighters and Officers	30	32	32	32	31	30	30	32	33	32
Civilians	1	1	1	1	1	1	1	1	1	1
Highways and Streets										
Engineering	2	2	2	2	2	3	3	2	4	2
Maintenance	17	17	21	24	24	21	24	19	10	18
Sanitation	5	5	6	6	6	8	8	8	6	8
Culture and Recreation	7	10	8	8	8	8	10	10	22	24
Water	44	41	45	45	50	45	47	45	43	44
Sewer	27	25	28	28	26	27	29	27	31	28
Total	412	429	434	441	448	451	456	472	481	476
Percentage Change From Prior Year	-14.5%	4.1%	1.2%	1.6%	1.6%	0.7%	1.1%	3.5%	1.9%	-1%

Exhibit XXV

City and County of Butte-Silver Bow, Montana
Operating Indicators by Function/Program
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
Function	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Police										
Physical arrests	2,926	3,814	1,794	4,191	3,860	3,730	3,649	3,930	4,072	3,968
Parking violations	13,886	15,288	20,695	14,769	7,335	9,576	11,149	11,235	10,465	9,353
Traffic violations	5,336	5,442	5,380	5,403	4,587	4,235	3,475	3,674	3,711	3,252
Fire										
Inspections	168	125	117	132	177	185	243	230	226	223
Highway and streets										
Street resurfacing (miles)	2.9	4.0	3.5	4	6.8	6.1	22.9	4.3	5.96	6.82
Potholes repaired	1,400	1,500	2300	2500	2500	2800	2650	2497	2782	3045
Sanitation										
Refuse collected (tons/day)	207.77	219.87	232.77	233.43	243.22	285.58	287.04	244.37	222.76	286.18
Recyclables collected (tons/day)	25.31	23.49	27.26	24.56	20.92	21.43	25.29	23.76	25.55	28.36
Water										
Connections	11,983	11,971	12,273	12,313	12,358	12,399	12,746	12,774	12,775	12,523
Water main breaks	258	200	268	284	240	232	212	231	243	215
Average daily consumption (thousands of gallons)	8,280	7,590	7,500	6,653	5,874	6,559	7,978	7,367	7,802	7,676
Wastewater										
Average daily sewage treatment (million of gallons/day)	3.17	3.60	3.56	3.21	3.58	3.94	3.78	3.75	3.87	3.87

Data Source:
Various City/County departments

Exhibit XXVI

City and County of Butte-Silver Bow, Montana
Capital Asset and Infastructure Statistics by Function/Program
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
Function	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	24	24	25	25	26	34	33	33	35	35
Fire stations	11	11	11	11	11	11	11	11	11	11
Sanitation										
Collection trucks	8	8	10	10	10	16	16	16	17	18
Highways and streets										
Streets (miles)	715	715	715	715	715	715	715	715	715	715
Streetlights	3,258	3,311	3,326	3,327	3,330	3,329	3,330	3,330	3,330	3,333
Traffic signals	40	40	40	40	40	48	48	46	50	50
Culture and recreation										
Parks acreage	4,195	4,195	4,195	4,195	4,195	4,195	4,195	4,195	4,195	4,195
Parks	44	44	44	44	44	44	44	44	44	44
Swimming pools	-	-	-	-	-	-	-	-	-	-
Tennis courts	14	14	14	14	14	14	14	14	14	14
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	217	217	217	217	217	217	217	217	217	217
Fire hydrants	1,028	1,035	1,099	1,100	1,144	1,165	1,187	1,203	1,218	1,252
Maximum daily capacity								1235		
(millions of gallons)	23	23	23	23	23	23	23	23	23	23
Sewer										
Sanitary sewers (miles)	203.60	203.60	203.60	203.60	170.80	176.74	172.04	174.00	174.00	174.00
Storm sewers (miles)	50.30	50.30	50.30	50.30	69.61	69.61	81.27	81.27	81.27	81.83
Maximum daily treatment capacity										
(million of gallons/day)	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500

Data Source:
Various City/County departments

Exhibit XXVII

City and County of Butte-Silver Bow, Montana

Property Tax Levies (Levy Rates) Ramsay Tax Increment Industrial Infrastructure District

Last Ten Fiscal Years

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Tax Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Levy Description										
State University Millage	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Statewide School Equalization	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Countywide School Levy	94.94	101.93	99.80	96.95	99.11	95.38	92.75	94.79	114.15	103.28
Mile High Soils	1.04	0.91	0.89	1.04	1.05	0.99	1.01	0.94	0.94	1.13
Port of Montana-Port Authority	3.54	3.38	3.30	3.24	3.26	3.22	3.33	3.16	2.80	2.90
Airport Authority	3.54	3.38	3.30	3.24	3.26	3.22	3.33	3.16	2.80	2.90
Entitlement Levy	12.14	12.35	12.02	11.74	11.82	11.69	11.15	11.53	10.22	10.56
Emergency Services 3T	1.00	1.00	1.00	1.00	1.00	16.83	14.58	32.95	32.99	32.58
County Road	11.76	16.99	19.23	11.91	11.41	19.54	21.30	21.33	18.85	20.02
City-County of Butte-Silver Bow	163.90	208.00	196.58	213.18	252.66	281.46	286.79	259.98	251.40	276.60
City-County Voter Approved Debt Service	24.36	22.77	25.23	18.42	29.17	32.70	28.61	24.60	28.24	31.26
Ramsay Elementary School District No. 3	111.40	104.98	102.06	101.82	102.20	96.60	101.62	105.71	24.93	99.68
Butte High School District No. 1	95.65	93.83	87.86	89.36	88.34	89.11	86.10	74.29	86.66	88.45
Total	569.27	615.52	597.27	597.90	649.28	696.74	696.57	678.44	619.98	715.36

Single Audit

Section

City and County of Butte-Silver Bow
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2015

Federal Grantor/Pass through Grantor/ Program Title	Grant #	Federal CFDA Number	Award Amount	Balance July 1	Cash Receipts or Revenues Recognized	Cash Disbursements/ Expenditures	Balance June 30
United States Department of Housing & Urban Development							
Passed through State Department of Commerce:							
CDBG ED Grant	MT-CDBG-ED13-03	14.228	$ 145,460	$ -	$ 31,029	$ 31,029	$ -
Total for United States Department of Housing & Urban Development			145,460	-	31,029	31,029	-
United States Department of Health & Human Services							
Passed through State Department of Health & Human Services:							
Maternal & Child Health Services - Block Grant	15.07.5.01.047.0	93.994	32,736	-	32,736	32,736	-
Maternal & Child Health Services MIECHV	13.07.5.31.022.0	93.505	100,000	9,050	-	9,050	-
Maternal, Infant, & Early Childhood Home Visiting	14.07.5.01.084.0	93.505	105,000	26,250	72,048	98,298	-
Preventive Health/Family Planning	15.07.5.11.003.0	93.217, 93.994	123,588	-	123,588	123,588	-
Preventive Health/Family Planning PREP Grant	15.07.5.11.017.0	93.092	65,000	-	65,000	65,000	-
Immunization Program (01/01/15 - 12/31/15)	15.07.4.31.143.0	93.268	15,633	-	11,612	11,612	-
Immunization Program (01/01/14 - 12/31/14)	14.07.4.31.143.0	93.268	12,735	-	6,367	6,367	-
Montana Cancer Control Program (07/01/13 - 09/30/14)	14.07.3.01.001.0	93.283, 93.991	81,818	-	14,416	14,416	-
Montana Cancer Control Program (07/01/14 - 09/30/15)	15.07.3.01.001.0	93.283	89,507	-	89,507	89,507	-
Asthma Control Program	15.07.3.01.131.0	93.070	27,926	-	27,924	27,924	-
Developmentally Disabled Program-Title XIX Medicaid	0208/0370-01	93.778	14,518	-	14,518	14,518	-
Emergency Preparedness & Response	15.07.6.11.049.0	93.069	63,041	-	63,041	63,041	-
HIV Prevention (02/15/15 - 12/31/15)	15.07.4.51.003.0	93.940	17,848	-	9,704	9,704	-
HIV Prevention (01/01/14 - 12/31/14)	14.07.4.51.003.0	93.940	15,148	-	7,145	7,145	-
Total for United States Department of Health & Human Services			764,498	35,300	537,606	572,906	-
United States Environmental Protection Agency							
Passes through State Department of Environmental Quality:							
Air Quality	515009	66.605	30,478	-	30,478	30,478	-
Total for United States Environmental Protection Agency			30,478	-	30,478	30,478	-
United States Department of Agriculture							
Passed through State Department of Health & Services:							
Woman, Infants & Children (WIC) (10/01/14 - 09/30/15)	15.07.5.21.019.0	10.557	144,219	-	104,450	104,450	-
Woman, Infants & Children (WIC) (10/01/13 - 09/30/14)	14.07.5.21.019.0	10.557	127,570	-	27,333	27,333	-
Passed through State Auditor:							
Forest Reserve		10.665	66,624	-	66,624	66,624	-
Total for United States Department of Agriculture			338,413	-	198,407	198,407	-
United States Department of the Interior							
Passed through State Historic Preservation Office:							
Educational Historic Exhibits	30-14-121162	15.904	4,745	-	2,747	2,747	
Total for United States Department of Interior			4,745	-	2,747	2,747	-

City and County of Butte-Silver Bow
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2015

Federal Grantor/Pass through Grantor/ Program Title	Grant #	Federal CFDA Number	Award Amount	Balance July 1	Cash Receipts or Revenues Recognized	Cash Disbursements/ Expenditures	Balance June 30
United States Department of Transportation							
Passed through State Dept. of Transportation:							
Job Access Reverse Commute 5316 Grant	107397	20.521	16,212	-	11,882	11,882	-
Capital Equipment Purchase; Section 5310	108365	20.513	34,965	-	34,965	34,965	-
Capital Equipment Purchase; Section 5311	107864	20.509	75,163	-	75,163	75,163	-
Formula Grants for Other Than Urbanized Areas	107713	20.509	601,349	-	591,562	591,562	-
Montana Street Pedestrian Bridge	UPN 4759	20.205	129,246	-	9,590	9,590	-
Sidewalks	UPN 8575	20.205	421,406	-	43,376	43,376	-
Landscaping	UPN 8833	20.205	123,364	-	13,695	13,695	-
Alcohol Impaired Driving Countermeasure Incentive (10/01/2013 - 09/30/2014)	107371	20.601	82,800	-	17,679	17,679	-
Alcohol Impaired Driving Countermeasure Incentive (10/01/2014 - 09/30/2015)	107870	20.601	82,800	-	33,915	33,915	-
Buckle Up Montana (10/01/13 - 09/30/14)	107251	20.600, 20.602	35,000	-	9,129	9,129	-
Buckle Up Montana (10/01/14 - 09/30/15)	107897	20.602	35,000	-	25,883	25,883	-
State and Community Highway Safety-STEP (10/01/2014 - 09/30/2015)	107901	20.601, 20.602	15,000	-	9,633	9,633	-
State and Community Highway Safety-STEP (10/01/2013 - 09/30/2014)	107267	20.600	15,000	-	4,688	4,688	-
Total for United States Department of Transportation			1,667,305	-	881,160	881,160	-
United States Department of Justice							
Direct:							
Justice Assistance Grant (07/01/2010 - 07/31/15)	2010-DC-BX-0038	16.804	308,198	-	19,568	19,568	-
Justice Assistance Grant (10/01/2013 - 09/30/2015)	2014-DJ-BX-0664	16.738	19,315	-	19,315	19,315	-
Bullet Proof Vest Program (Expires 08/31/2015)	13066572	16.607	3,647	-	3,647	3,647	-
Bullet Proof Vest Program (Expires 08/31/2016)	14073552	16.607	4,676	-	513	513	-
District Court Family Drug Court Program	2012-DC-BX-0068	16.541	524,549	-	124,129	77,449	46,680
COPS Hiring Program	2014UMWX0142	16.710	250,000	-	39,687	39,687	-
Passed through Montana Board of Crime Control:							
Family Drug Court RSAT Program	14-R01-91737	16.593	47,623	-	35,843	35,843	-
Victim/Witness Advocacy Program	14-V01-91645	16.575	52,721	-	52,721	52,721	-
Total for United States Department of Justice			1,210,729	-	295,423	248,743	46,680
United States Department of Homeland Security							
Passed through State Department of Military Affairs							
Emergency Operations Center Construction	2010 - EO-MX-0035	97.052	760,000	-	715,000	715,000	-
Emergency Operations Center Equipment	EMW-2012-SS-000143	97.067	468,850	-	408,812	408,812	-
Emergency Operations Center Generator	EMW-2011-SS-00052	97.067	153,941	-	153,941	153,941	-
Emergency Management Performance (10/01/13 - 09/30/14)	EMW-2013-EP-00044-S01	97.042	79,250	-	12,614	12,614	-
Emergency Management Performance (10/01/14 - 09/30/15)	EMW-2014-00006	97.042	108,512	-	67,875	67,875	-
Total for United States Department of Homeland Security			1,570,553	-	1,358,242	1,358,242	-
Total Federal Financial Assistance			**$ 5,732,181**	**$ 35,300**	**$ 3,335,092**	**$ 3,323,712**	**$ 46,680**

Notes to Schedule of Expenditures of Federal Awards

For Fiscal Year Ended June 30, 2015

Note A: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City and County of Butte-Silver Bow, Montana and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A133, Audits of States, Local governments, and Non-profit Organizations.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Council of Commissioners
Butte-Silver Bow
Butte, Montana 59701

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Butte-Silver Bow County, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Butte-Silver Bow County's basic financial statements and have issued our report thereon dated December 29, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Butte-Silver Bow County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Butte-Silver Bow County's internal control. Accordingly, we do not express an opinion on the effectiveness of Butte-Silver Bow County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given

these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. See Findings 15-1, 15-2, and 15-3.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether Butte-Silver Bow County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of Butte-Silver Bow County, Montana in the schedule of findings and questioned costs as items 15-4, 15-5, and 15-6.

Butte-Silver Bow County's Response to Findings
Butte-Silver Bow County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Butte-Silver Bow County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Newland & Company

NEWLAND AND COMPANY
A Professional Corporation

Butte, Montana
December 29, 2015

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A Professional Corporation

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Council of Commissioners
Butte-Silver Bow County
Butte, Montana

Report on Compliance for Each Major Federal Program

We have audited Butte-Silver Bow's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Butte-Silver Bow's major federal programs for the year ended June 30, 2015. Butte-Silver Bow's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Butte-Silver Bow's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Butte-Silver Bow's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Butte-Silver Bow's compliance.

Opinion on Each Major Federal Program
In our opinion, Butte-Silver Bow County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015

Report on Internal Control over Compliance
Management of Butte-Silver Bow County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Butte-Silver Bow's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Butte-Silver Bow's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 15-1, and 15-2 and 15-3, that we consider to be significant deficiencies.

Butte Silver Bow County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and

questioned costs. Butte Silver Bow County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Newland & Company

NEWLAND AND COMPANY
A Professional Corporation

Butte, Montana
December 29, 2015

CITY AND COUNTY OF
BUTTE-SILVER BOW, MONTANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the City and County of Butte-Silver Bow, Montana.

2. Three significant deficiencies relating to the audit of the financial statements are reported in the auditor's comment section as Findings 15-1, 15-2 and 15-3. These significant deficiencies were not considered to be material weaknesses.

3. No instances of noncompliance material to the financial statements of the City and County of Butte-Silver Bow, which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.

4. Three significant deficiencies in internal control over compliance in accordance with OMB Circular A-133 are reported in the Auditor's Comments section as Findings 15-1, 15-2 and 15-3, and no instances of noncompliance relating to the audit of the major federal award programs.

5. The auditor's report on compliance over the major federal award programs for the City and County of Butte-Silver Bow expresses an unqualified opinion on all major programs.

6. The programs tested as major programs include:

PROGRAM NAME	CFDA #
Emergency Operations Construction Grant	97.052
Emergency Operations Equipment Grant	97.067
Formula Grants	20.509

7. The threshold used for distinguishing between Type A and Type B programs was $300,000.

8. The City and County of Butte-Silver Bow, Montana qualified as a low risk auditee.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

Three significant deficiencies are reported in the Auditor's Comments section as Findings 15-1, 15-2 and 15-3

C. FINDINGS AND QUESTIONED COSTS – MAJOR AWARDS

Three significant deficiencies is reported in the Auditor's Comments section as Findings 15-1, 15-2 and 15-3.

Auditor's Comments

&

Prior Report Recommendations

City and County of Butte Silver Bow
Butte, Montana

Auditor's Comments

Significant Deficiencies

FINDING 15-1: INTERNAL CONTROLS IN OFFICES OUTSIDE THE TREASURER

Condition – Our examination of cash collections at offices outside the Treasurer revealed a lack of segregation of duties. Employees are involved in both the collection and recording of cash receipts, including billings for services. These offices do have certain internal accounting controls in force; however, most offices lack proper segregation of duties.

Offices	Inadequate Segregation of Duties
Parking commission	X
City Court	X
Civic Center	X
County Attorney	X
Parks and Recreation	X
Transit	X
Health Department	X
Landfill	X
Sheriff Department	X

Criteria – Internal controls rely on segregation of duties to mitigate individuals from performing incompatible functions of authorization, custody, recording, and reconciling transactions.

Cause – Limited personnel in small offices outside of the Treasurer's office.

Effect – Risk of misappropriation of City and County assets and inaccurate financial records as a result of errors or fraud.

Recommendation – We recommend that Butte-Silver Bow investigate the feasibility of improving internal controls over cash collections at the outside offices noted above. Butte-Silver Bow may be able to utilize the services of the county auditor to assist in segregation of duties.

Management's Response – *Management is continually assessing its internal controls policy and procedures including internal controls over cash collection in the outside offices. At the present time, Management of the City and County of Butte-Silver Bow believes that it is not feasible in all departments to add personnel to achieve proper segregation of duties, but has instituted procedures and controls to assist the departments in reducing liability or risk to the City and County of Butte-Silver Bow.*

FINDING 15-2: INTERNAL CONTROL OVER PAYROLL

Condition –We noted that the Law Enforcement Agency (LEA) and the Metro Sewer Department employee timesheets lacked the proper signature and approval. In addition, we noted that the Justice of Peace submits the approved bi-weekly timesheets prior to the end of the payroll reporting period.

Criteria – Strong internal control dictates that payroll must be properly reviewed and timesheets have proper authorization approving hours worked.

Cause – Procedures do not exist requiring review and approval of payroll. Furthermore, timesheets and/or personal leave from the LEA were not properly approved .The timesheets for LEA employees are approved after payroll checks are issued.

Effect – Improper internal control over payroll. .

Recommendation – We recommend that Butte-Silver Bow implement proper payroll review and approval procedures, that all timesheets be signed verifying actual hours.

Management's Response – *Management concurs that proper strong internal control procedures dictate that payroll must be properly reviewed and timesheets must have proper, timely authorization approving hours worked. The local government established Personnel Policy 205 to assure proper internal controls are implemented within Departments. During fiscal year 2016, the Payroll and Human Resource Departments will train Elected Officials, Department Heads, and employees on the current policy. Further, the Payroll and Human Resource Departments will work with Departments to develop procedures that ensure compliance with Policy 205.*

FINDING 15-3 FIXED ASSET DEPRECIATION

Condition - During our audit of fixed assets we noted errors related to depreciation calculated on assets. The current depreciation expense was incorrectly calculated on assets added to the depreciation schedule in the prior year. The errors resulted in the asset recording full depreciation in one year. Management has recorded a prior period adjustment of $621,180 to correct this error.

Cause - Failure to properly review new fixed asset additions.

Effect - Incorrect recording of depreciation and accumulated depreciation of fixed assets.

Recommendation - We recommend that Butte-Silver Bow develop procedures to review all new fixed asset additions for proper recording and calculation.

Management's Response – *In fiscal year 2014, five assets that were transferred from construction-in-process and placed in service under improvements other than buildings, were not assigned the proper remaining useful life. Failure to change the useful life field caused depreciation on the assets to be overstated. The fixed asset software used by the Finance & Budget Department to track assets and calculate depreciation is obsolete. It was programmed in-house more than twenty years ago. The current software requires significant amount of manual manipulation of data and is not integrated with the current enterprise-wide accounting system. Management believes this error and others will be prevented with the implementation of new fixed asset software, which is fully integrated with the accounting system. Management has begun the conversion process to implement the new software module in fiscal year 2016. By implementing the new software module, manual manipulation of data will be very limited. The software will also allow for better internal control over fixed assets of the local government and more robust reports may be generated.*

Other Matters

FINDING 15-4: PUBLIC ADMINISTRATOR

Condition – The Public Administrator has not posted an annual report in the office of the Clerk of the District Court. In addition, the balance in the Public Administrator cash account is $74,164.00. This amount represents balances in individual estate accounts which have not been distributed.

Criteria – Section 72-15-207, MCA requires that the Public Administrator post an annual report. The report must include the value of the estate, the money which came into the hands of the Administrator from each estate, what has been done with it, the amount of the Administrator's fees and expenses, and the balance remaining with the Administrator, if any.

Cause – The Public Administrator failed to comply with Section 72-15-207, MCA.

Effect – The Public Administrator is not in compliance with Section 72-15-207, MCA.

Recommendation – The Public Administrator should post an annual report in the office of the Clerk of District Court in compliance with Section 72-15-207, MCA. The Public Administrator should also review the individual estate accounts and distribute the funds in compliance with Section 72-15-207 MCA.

Management's Response – *Management concurs that the Public Administrator must comply with Section 72-15-207, MCA and issue an annual report with the Clerk of the District Court. Reports were filed periodically with the District Court during 2015, but it appears the Public Administrator did not file the annual report due on June 30, 2015. Automated systems were developed to assist the Public Administrator in complying with Section 71-15-207, MCA. The Finance & Budget Department will continue to work with the County Attorney's Office, District Court Judges, and Public Administrator to resolve this issue.*

FINDING 15-5: DETENTION CENTER-LAW ENFORCEMENT AGENCY

Condition – During our examination of Detention Center inmate fund balances (within the general fund) we found that the balances were reconciled to the City and County's general ledger only on a periodic basis by the Finance and Budget Department. Also during the examination we found the Detention Center had outstanding checks dated as far back as April 2007.

Criteria – Control procedures do not include; a monthly reconciliation of inmate funds between the Detention Center and the City and County general ledger. In addition, a review of outstanding checks issued by the Detention Center is not performed.

Effect- Risk of misappropriation of City and County liabilities and inaccurate in financial records as a result of errors or fraud.

Recommendation – We recommend the Detention Center implement internal control procedures providing for a monthly reconciliation of funds between the Swift software system (utilized by the Detention Center) and the City and County general fund. This reconciliation should be completed by personnel independent from collection of those funds. We also recommend that management review the Detention Center outstanding check list and delete those checks outstanding longer than one year.

Management's Response – *Management concurs. Internal Control procedures are being developed and will be implemented during fiscal year 2016. The procedures will include a monthly reconciliation process between the Swift Justice software, the internal reconciliation with Local Law Enforcement, and the City-County accounting system. Policies are also being developed to address checks that are outstanding more than one year. Per the policies, and compliant with Montana Code Annotated, the outstanding checks will be void and the funds distributed to the State of Montana as abandoned property.*

FINDING 15-6: CIVIC CENTER

Condition – While testing the County's reconciliation of funds between the general ledger and the funds bank statements we found that the Civic Center had a bank account with $70,982.01 that was not entered in the general ledger.

Criteria – Strong internal controls require that all County cash funds be recorded in the general ledger and reconciled to their respective bank statements.

Effect- Risk of misappropriation of City and County assets and inaccurate financial records as a result of errors or fraud.

Other Matters - Continued

Recommendation – We recommend the City and County Finance and Budget office establish internal controls reviewing all cash funds (on a monthly basis) listed within the general ledger to all bank statements received by the county. We also recommend the County and Civic Center establish a Financial Statement showing monthly activity of the Civic Center allowing for the implementation of stronger internal controls to help mitigate against any potential fraud or errors.

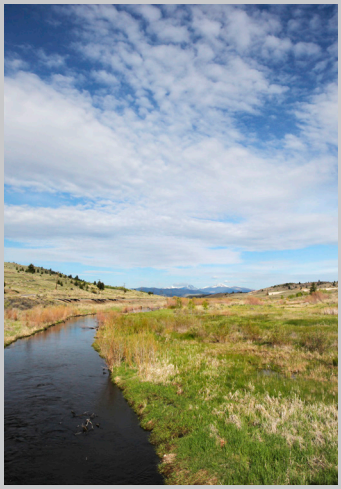
Management's Response – *Management concurs that stronger internal controls need to be instituted and properly documented for the Civic Center "Box Office" account. The Finance & Budget Department Accounting staff is working with the Civic Center Manager and Civic Center Clerk to institute controls that will properly account for the "Box Office" funds in the general ledger on a monthly basis. The Civic Center Manager and Civic Center Clerk currently prepare income statements by event. The Finance & Budget Department Accounting staff will work with the Civic Center to generate monthly Financial Statements in conjunction with the per-event accounting*

Prior Report Recommendations

We have discussed in this report certain deficiencies, which were also discussed in the prior audit of Butte Silver Bow for the year ended June 30, 2014. The following is a summary of the prior audit report recommendations and whether or not any action has been taken regarding the recommendations:

	Implemented or Corrected	Partially Implemented	Not Implemented
1. Butte-Silver Bow improve internal controls in offices outside the County Treasurer.			X
2. Butte-Silver Bow improve internal control over payroll and implement proper approval for the Law enforcement Agency		X	
3. Butte- Silver Bow develop procedures to review Transit Dept. reports for accuracy and compliance with grant guidelines.	X		
4. Police Court develop internal control procedures to track, record and approve tickets to accurately record revenues and receivables.	X		

	Implemented or Corrected	Partially Implemented	Not Implemented
5. Butte-Silver Bow prepare timely billings to certain entities to eliminate negative cash balances.	X		
6. Butte-Silver Bow increase internal Service fees charged to each department to eliminate operating deficits.	X		
7. Butte-Silver Bow comply with Section 72-15-207, MCA, concerning the Public Administrator.			X
8. Butte Silver Bow Treasurer record all funds received on an A-101 receipt	X		
9. Butte-Silver Bow develop procedures to ensure continuing disclosure financial information is reported in a timely manner.	X		



Comprehensive Annual Financial Report & Audit
City and County of Butte-Silver Bow, State of Montana
for fiscal year ended June 30, 2015

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Prepared by City and County of Butte-Silver Bow Finance & Budget Department