

## **Carbon County Budget Narrative**

### **Fiscal Year 2020-2021**

Carbon County continues to use its full mill levy authority under Montana Law. The County Wide Mill levy increased by 0.7 Mills to 91.84 mills. The Rural Road Mill Levy increased by 0.03 Mills to 38.71 mills. Tax revenues increased \$500,332 and account for 38.9% of total revenues. Roughly \$300,000 (60%) is attributed to taxes paid by the Pryor Mountain Wind Farm.

Montana Law requires budgets to be balanced. PILT, Oil and Gas, and Federal Mineral Royalties are transferred to other funds to balance the budget and these funding sources are critical for the continued operations of Carbon County. These sources total \$1,700,000 and account for 10.7% of total revenues. Carbon County will receive the second Pryor Mountain Wind Impact Fee payment in December 2020 estimated to be \$2,030,000. This accounts for 12.8% of total revenues.

Cash reserves provide operating cash in-between tax collection periods. Montana law allows county cash reserves to be as high as 1/3 of the expenditure budget. Cash Reserves for most levied funds increased .5% to 29.5% with the General fund increasing to 29.60% and the Airport Fund increasing to 29.79%. Going into the 2020-2021 Fiscal Year, total cash carryover increased \$3,019,736 or 57%; almost all of this increase (94%) can be attributed to the Pryor Mountain Wind Impact Fee. CARES Act reimbursements for COVID-19 included budgeted wages totaling \$446,888; as these funds had not been received by June 30, 2020, they are not included in the cash totals at fiscal year-end.

Total Expenditures increased \$3,594,119. All but \$28,303 of that increase, is to account for the Pryor Mountain Wind Farm Impact Fee. At this time, the Commissioners have not authorized any use of Wind Impact Fee Funds in the 2020-2021 Fiscal Year. The Impact Fee revenues and cash balance were included in the expenditure budget so that a budget amendment is not necessary should the Commissioners authorize use of those funds. The Wind Impact Fee Use Plan (Resolution 2020-09) restricts use of the principle balance for maintenance of the 26 miles of County roads that access the Pryor Mountain Wind Project; Commissioners may allocate earned interest in the fund to special projects.