

**UNIFORM APPLICATION FORM
FOR MONTANA PUBLIC FACILITY PROJECTS**

(Please type or print legibly)

SECTION A - CERTIFICATION

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct.

Name (printed): Thomas W. Hanel

Title (printed): Mayor, City of Billings
Chief Elected Official or Authorized Representative

Signature: _____

Date: _____

SECTION B - SUMMARY INFORMATION

1. NAME OF APPLICANT(S): City of Billings
2. TYPE OF ENTITY: Municipality
3. FEDERAL TAX ID NUMBER: 81-6001237
4. TYPE OF PROJECT: Water
5. SENATE AND HOUSE DISTRICTS: Senate 24,25,26,27,28 House 46,47,48,49,50,51,52,53
6. POPULATION SERVED BY PROJECT: Current population approximately 9,985
7. NUMBER OF HOUSEHOLDS SERVED BY PROJECT: Approximately 4,341 households

8. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:

Thomas W. Hanel

(Name)

Mayor, City of Billings

(Title)

P.O. Box 1178

(Street/PO Box)

Billings, MT 59103

(City/State/Zip)

406-657-8296

(Telephone)

(FAX No)

hanelt@ci.billings.mt.us

(E Mail address)

10. PROJECT ENGINEER/ARCHITECT:

Craig Habben, P.E.

(Name of Engineer)

HDR Inc

(Name of Firm)

2913 Millennium Circle

(Street/PO Box)

Billings, MT 59102

(City/State/Zip)

605-782-8101

(Telephone)

(FAX No)

Craig.Habben@hdrinc.com

(E Mail address)

12. LEGAL COUNSEL:

Brent Brooks, J.D.

(Name)

City Attorney

(Title)

210 N 27th Street

(Street/PO Box)

Billings, MT 59101

(City/State/Zip)

406-657-8205

(Telephone)

(FAX No)

bbrooks@ci.billings.mt.us

(E Mail address)

14. CLERK/CHIEF FINANCIAL OFFICER:

Pat Weber

(Name)

Finance Director

(Title)

210 N 27th Street

(Street/PO Box)

Billings, MT 59101

(City/State/Zip)

406-657-8209

(Telephone)

(FAX No)

weberp@ci.billings.mt.us

(E Mail address)

9. PRIMARY ENTITY CONTACT PERSON:

Will Robbins

(Name)

Staff Engineer

(Title)

2224 Montana Ave

(Street/PO Box)

Billings, MT 59101

(City/State/Zip)

406-657-8237

(Telephone)

(FAX No)

robbinsw@ci.billings.mt.us

(E Mail address)

11. GRANT/LOAN ADMINISTRATOR:

Jennifer Duray, CPA

(Name)

Public Works Finance Manager

(Title)

2224 Montana Ave

(Street/PO Box)

Billings, MT 59101

(City/State/Zip)

406-657-8239

(Telephone)

(FAX No)

durayj@ci.billings.mt.us

(E Mail address)

13. BOND COUNSEL:

Erin McCrady

(Name)

Dorsey & Whitney, LLP

(Title)

125 Bank Street, Suite 600

(Street/PO Box)

Missoula, MT 59802

(City/State/Zip)

406-329-5585

(Telephone)

(FAX No)

mccrady.erin@dorsey.com

(E Mail address)

15. ACCOUNTANT:

Merrilee F. Glover, CPA

(Name of Accountant)

Junkermier, Clark, Campanella, Stevens. P.C.

(Name of Firm)

P.O. Box 1965

(Street/PO Box)

Bozeman, MT 59715

(City/State/Zip)

406-587-1277

(Telephone)

(FAX No)

mccrady.erin@dorsey.com

(E Mail address)

16. BRIEF PROJECT SUMMARY: (Refer to instructions and examples)

Historical Information -

The City of Billings has 11 pressure distribution zones in their water supply system. The pressure zone called Zone 3 East serves part of the Billings Heights area in the northern part of the City. Zone 3 East has one water storage distribution tank called the Fox Reservoir with a capacity of 2 million gallons (MG). The Fox Pump Station pumps water from Zone 3 East into a closed loop pressure zone called Zone 4 North. In the future, a second pump station will pump water from Zone 3 East into a pressure zone called Zone 4 East. These pressure zones are all in the northern part of the City.

The Billings Height Water District also serves customer in the northern part of Billings, but the pressure zones described above are separate from the Billings Heights Water District.

Problem -

The Water and Wastewater Facilities Plan 2006 (HDR) included an analysis of storage requirements throughout Billings' distribution system. The Facilities Plan indicated a current shortage of water storage in Zone 3 East of 0.87 MG and a shortage in Zone 4 North of 0.29 MG. Since Zone 4 North has no storage, it needs to be considered as part of the requirement for Zone 3 East. By 2025, these storage deficits were projected to be 2.48 MG and 0.39 MG respectively. Also by 2025 Zone 4 North (no storage in the pressure zone) was predicted to be added to the distribution system resulting in an additional 0.39 MG of water storage deficit.

To summarize, the 2006 storage deficit associated with Zone 3 East storage was determined to be 1.16 MG and the 2025 the deficit projected to be 3.26 MG.

Proposed Solution -

The proposed solution is to build a 2MG concrete storage reservoir to meet current and near future storage deficits. The result is a total of 4 MG storage available to serve Zone 3 East, Zone 4 North, and Zone 4 East (in the future).

A 2 MG size was selected to match the existing reservoir and to minimize concerns with water age and disinfection by-products. Because of lower growth rates than anticipated and the fore mentioned water age and disinfection by-products concerns, a reservoir sized to meet the Facilities Plan projected 2025 deficit was not deemed warranted. As storage requirements increase in the future, a third reservoir could be added to the Fox site when needed or at another location to effectively serve Zone 3 East.

SECTION C - FINANCIAL INFORMATION

1. ESTIMATED TOTAL PROJECT COST: \$ 2,886,295

2. PROPOSED FUNDING SOURCES (List loans and grants from same funding source separately) (Refer to the instructions and examples):

Source	Type of Funds	Amount	Status of Commitment	Loan Rates and Terms
SRF	Loan	\$2,700,000	Discussed	3%, 20 years
City of Billings	Water revenues	\$186,295	Available	

3. FUNDING STRATEGY NARRATIVE

• Funding Strategy Narrative (**Complete and attach**)
(Refer to the instructions. Answer each question individually.)

- a. What are the conditions on the use of each source of funds?
The City of Billings will need an SRF Loan for \$2,700,000. The loan will be at 3% interest for 20 years. This funding is needed to complete the Zone 3 East Fox Reservoir Expansion Project.
- b. When will each source of funds listed be available (month and year)?
The rate increase to pay for the SRF Loan was available July 1, 2010. The construction contract is scheduled to be awarded August 2012. Presumably, the SRF Loan will close shortly after the construction contract is awarded. The project will go forward in the design phase using cash reserves from the City of Billings and a reimbursement resolution (already in place), until the loan is available for use.
- c. Is there any additional information on the level of commitment for each source of funds listed?
No
- d. How will funding sources be coordinated with each other?
The project will go forward with cash reserves from the City of Billings and a reimbursement resolution until the loan is available for use.
- e. Will interim-loan funds be required as part of the project? If yes, how will they be used and coordinated with other funding sources?
No

- f. What other sources of funds from public and private sources have been considered for this project? Explain why they are not being pursued or used for this project.
The City of Billings will use cash reserves to pay for the required loan reserves and related audit fees. However, the City does not have enough cash reserves to fund the entire project without deferring or canceling other programmed capital projects.
- g. If a particular source of funding is not obtained, how will the applicant proceed? Explain how the funding strategy will change if a particular source of funding is not received.
If the funding was not obtained, the City of Billings would look at the Open Bond Market or Intercap Funds to fund the project.
- h. What is the level of local financial participation in the project and is that level the maximum that the applicant can reasonably provide?
The City of Billings will use water revenues of \$186,295 to fund the project. This is the maximum amount of funding the City can provide without canceling other locally funded projects.

4. PROJECT BUDGET FORM

- Project Budget Form **(Complete form on next page)**
(Refer to the instructions and example)
- Project Budget Narrative **(Complete and attach)**
(Refer to the instructions and example)

Completed by: Jennifer Duray, CPA For: City of Billings Date: June 18, 2012

ADMINISTRATIVE and FINANCIAL COSTS:	SOURCE: SRF Loan	SOURCE: City	SOURCE:	SOURCE:	SOURCE:	TOTAL
Personnel Costs						
Office Costs						
Professional Services						
Legal Costs						
Audit Fees		\$5,000				\$5,000
Travel & Training						
Loan Fees						
Loan Reserves		\$181,295				\$181,295
Interim Interest						
Bond Counsel and Related Costs	\$10,000					\$10,000
TOTAL ADMINISTRATIVE/FINANCIAL COSTS	\$10,000	\$186,295				\$196,295
ACTIVITY COSTS:						
Land Acquisition						
Preliminary Engineering						
Engineering/Architectural Design	\$151,900					\$151,900
Construction Engineering Services	\$157,500					\$157,500
Construction	\$2,142,540					\$2,142,540
Contingency	\$238,060					\$238,060
TOTAL ACTIVITY COSTS	\$2,690,000					\$2,690,000
TOTAL PROJECT COSTS	\$2,700,000	\$186,295				\$2,886,295

ADMINISTRATIVE AND FINANCIAL COSTS

Audit Fees	\$5,000
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\$5,000 of water revenues is budgeted to meet the portion of the organizational audit that can be attributed to the project in accordance with the Single Audit Act.

Loan Reserves	\$181,295
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\$181,295 has been budgeted for loan reserves. City water revenues will be used to fund this budget item.

Bond Counsel and Related Costs	\$10,000
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\$10,000 has been budgeted for the City's bond counsel costs.

TOTAL ADMINISTRATIVE AND FINANCIAL COSTS	\$196,295
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Administrative and financial costs represent 6.8% of the total project costs.

ACTIVITY COSTS

Engineering/Architectural Design	\$151,900
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Based on engineering cost estimates, the total cost of design, project coordination, and management is estimated at \$151,900.

Construction Engineering Services	\$157,500
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Based on engineering cost estimates, the total cost of construction engineering, including bidding, construction administration, inspecting the construction of the project, and project close-out costs is estimated at \$157,500.

Construction	\$2,142,540
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Based on engineering cost estimates, the total cost of construction of the project is estimated at \$2,142,540.

Contingency	\$238,060
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Contingency funds are 10% of the construction costs because the project could encounter unknowns during construction. These unknowns usually cannot be predicted and are discovered once construction has commenced. The contingency will be funded from the water revenues.

TOTAL ACTIVITY COSTS	\$2,690,000
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TOTAL PROJECT COSTS	\$2,886,295
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5. CURRENT DEBT (Refer to the instructions and example on page 23)

Year Issued	Purpose	Type of Bond/ Security	Amount	Maturity Date (mo/yr)	Debt Holder	Coverage Requirement	Avg. Annual Payment Amount	Outstanding Balance
2005	Water	Revenue	17,300,000	7-2025	DNRC	125%	1,237,328	13,014,000
2009	Water	Revenue	2,750,000	7-2029	DNRC	125%	146,643	2,507,000
2009	Water	Revenue	333,700	7-2029	DNRC	125%	19,845	299,000
2009	Water	Revenue	416,300		DNRC			Loan forgiven
2010	Water	Revenue	7,412,000	7-2029	DNRC	125%	530,180	5,874,159
2010	Water	Revenue	2,800,000	7-2030	DNRC	125%	200,224	2,331,697

6. CURRENT ASSETS (Indicate if assets are obligated.) (Refer to the instructions on page 23.)

Cash \$ 9,095,747
 (Details) SRF loan reserves \$2,067,619; \$1,035,294 restricted for 7/1/11 loan payments

Investments \$ 14,490,511
 (Details) _____

Certificates of Deposit \$ _____
 (Details) _____

Accounts Receivable \$ 1,991,825
 (Details) _____

Any other current assets not specifically indicated above \$ 1,241,535
 (Details) Accrued interest \$16,753; Inventories - \$1,224,782

7. BALANCE SHEET (Submit if applying to RD; contact the other programs to determine if or when this information is needed.)

Balance Sheet (Check if attached)

8. INCOME AND EXPENSE STATEMENT (Submit if applying to RD; contact the other programs to determine if or when this information is needed.)

Income and Expense Statement (Check if attached)

SECTION D - CENSUS INFORMATION

Do not fill in this section. The following information will be completed by the receiving agency using data supplied by the U.S. Bureau of the Census and the U.S. Department of Housing and Urban Development based on Census data.

- 1. MEDIAN HOUSEHOLD INCOME \$ _____
- 2. LOW TO MODERATE INCOME PERSONS: The percent of the population at or below the level designated as low to moderate income. % _____
- 3. POVERTY: The percent of the population characterized as at or below the level designated as poverty. % _____

SECTION E - SYSTEM INFORMATION (Refer to instructions)

Number of unimproved properties in jurisdiction: 4,500 (Billings wide)

☛ **Complete and attach the "System Information Worksheet."** The figures required for the items listed below that are denoted with an "☛" are computed using the "System Information Worksheet." The letter in parenthesis following the "☛" denotes the location in the worksheet to find the figure to be inserted.

	<u>Current</u>	<u>Projected</u>
1. Total System Annual Revenue	\$ <u>19,537,911</u>	\$ <u>21,290,167</u>
2. Total System Annual Operation and Maintenance Costs	\$ <u>10,631,468</u>	\$ <u>12,066,055</u>
3. Total System Equivalent Dwelling Units* ☛□(e) for current and (k) for projected	<u>36,338</u>	<u>36,975</u>
4. Total Residential Equivalent Dwelling Units* ☛□(f) for current and (m) for projected	<u>25,069</u>	<u>25,342</u>
5. Annual Revenue from Residential Hookups	\$ <u>8,931,881</u>	<u>10,000,000</u>
6. Percent of Total Annual Revenue from Residential Hookups	<u>46%</u>	
7. Average Monthly Residential Rate	\$ <u>29.69</u>	\$ <u>32.88</u>
	☐ Check box if this is a flat rate.	<u>Projected Average Monthly Residential Rate</u> ☛ (w) or (x)
8. <u>Other System</u> Average Monthly Residential Rate	\$ <u>18.19</u>	\$ <u>23.85</u>

* If this application is for a solid waste project, see instructions.

SYSTEM INFORMATION WORKSHEET

(Refer to instructions)

SUBSECTION 1 – EQUIVALENT DWELLING UNIT COMPUTATION

Applicants with either a water and wastewater project must complete Section I, regardless of whether the applicant is served by a central water system or is planning to charge residential users a flat user fee. If the applicant is not served by a central water system, or it has water connections that provide service to multiple mixed uses, such as commercial and residential, refer to the instructions on page 30 for information on computing the number of EDU's. Applicants with solid waste projects are not required to complete Section I. Service connection diameters will be converted to EDU's according to the following table, with the exception of those situations noted on page 25:

<u>Service connection inside diameter (inches)</u>	<u>EDU's</u>
3/4" or smaller	1.00
1"	1.79
1-1/2"	4.00
2"	7.14
2-1/2"	11.16
3"	16.00
4"	28.57
5"	44.64
6"	64.29
7"	87.11
8"	113.78
9"	144.00
10"	177.78

PART A. CURRENT WATER HOOKUP SUMMARY

<u>Diameter (inches)</u>	<u>Current Total Hookups*</u>			<u>Diameter (inches)</u>	<u>Current Residential Hookups</u>		
	<u>(a) Total Number of Hookups</u>	<u>(b) EDU's per Hookup (from table)</u>	<u>Total EDU's [(a) x (b)]</u>		<u>(c) Number of Residential Hookups</u>	<u>(d) EDU's Per Hookup (from table)</u>	<u>Total Residential EDU's [(c) x (d)]</u>
<u>3/4</u>	<u>25,924</u>	<u>1.00</u>	<u>25,924</u>	<u>3/4</u>	<u>24,279</u>	<u>1.00</u>	<u>24,279</u>
<u>1</u>	<u>956</u>	<u>1.79</u>	<u>1,711</u>	<u>1</u>	<u>355</u>	<u>1.79</u>	<u>635</u>
<u>1.5</u>	<u>395</u>	<u>4.00</u>	<u>1,580</u>	<u>1.5</u>	<u>21</u>	<u>4.00</u>	<u>84</u>
<u>2</u>	<u>194</u>	<u>7.14</u>	<u>1,385</u>	<u>2</u>	<u>1</u>	<u>7.14</u>	<u>7</u>
<u>3</u>	<u>124</u>	<u>16.00</u>	<u>1,984</u>	<u>6</u>	<u>1</u>	<u>64.29</u>	<u>64</u>
<u>4</u>	<u>36</u>	<u>28.57</u>	<u>1,029</u>				
<u>6</u>	<u>28</u>	<u>64.29</u>	<u>1,800</u>				
<u>8</u>	<u>5</u>	<u>113.78</u>	<u>569</u>				
<u>10</u>	<u>2</u>	<u>177.78</u>	<u>356</u>				
<u>Totals</u>	<u>27,664</u>		<u>36,388 (e)</u>		<u>24,657</u>		<u>25,069(f)</u>

* Includes both residential and non-residential hookups

PART B. PROJECTED WATER HOOKUP SUMMARY

Diameter (inches)	Projected Total Hookups*			Projected Residential Hookups			
	(g) Total Number of Hookups	(h) EDU's per Hookup (from table)	Total EDU's [(a) x (b)]	Diameter (inches)	(i) Number of Residential Hookups	(j) EDU's Per Hookup (from table)	Total Residential EDU's [(c) x (d)]
3/4	26,000	1.00	26,000	3/4	24,500	1.00	24,500
1	1,000	1.79	1,790	1	375	1.79	671
1.5	420	4.00	1,680	1.5	2	4.00	100
2	200	7.14	1,428	2	1	7.14	7
3	130	16.00	2,080	6	1	64.29	64
4	40	28.57	1,143				
5	30	64.29	1,929				
6	5	113.78	569				
8	2	177.78	356				
10							
Totals	27,827		36,975 (k)		24,902 (l)		25,342(m)

Residential and non-residential hookups

Projected average EDU's per residential hookup: $\frac{1.0177}{[(m)/(l)]}$ (n)

Provide the following information if applying to the USDA RUS/RD program

Total water system flows (sales) last twelve months _____ [gallons or cubic feet (circle one) for all connections listed in (a) above]

Total residential water flows (sales) last twelve months _____ [gallons or cubic feet (circle one) for all connections listed in (c) above]

SUBSECTION 2 – PROJECTED AVERAGE MONTHLY RESIDENTIAL RATE COMPUTATION

Will debt be used to finance the project? Yes No If no, skip to PART E.

If yes, how will debt for the project be secured:

- A. Revenue Bond (complete Part A)
- B. General Obligation Bond _____ (complete Part B)
- C. Rural or Special Improvement District Bond _____ (complete Part C)
- D. Other (explain) _____ (complete Part D)

Debt (Loan) Amount: \$ 2,700,000 Interest Rate: 3 % Terms: 20 years, 125% debt coverage requirement

COMPLETE THE APPLICABLE SECTIONS BELOW

PART A. REVENUE BOND SECURING DEBT OBLIGATION:

1. Debt election held? Yes _____ No If no, when will election be held (date) _____

2. Annual debt service for new loan, including coverage: \$ 226,619 (i)

- 3. Monthly debt service for new loan, including coverage: (line i + 12) \$ 18,885 (ii)
- 4. Total number of projected EDU's after completion of project: 36,975 (iii)
- 5. Average (per total projected EDU's) monthly debt service for new loan: (line ii ÷ line iii) \$.51 (iv)

PART B. GENERAL OBLIGATION BOND SECURING DEBT OBLIGATION:

- 1. Debt election held? Yes No If no, when will election be held (date): _____
- 2. Amount of outstanding General Obligation Bonds \$ _____
- 3. Debt limitations of entity _____
- 4. Estimated average (per property) monthly assessment needed to repay debt (divide the annual assessment by 12 to obtain a monthly figure): \$ _____

PART C. RURAL OR SPECIAL IMPROVEMENT DISTRICT BOND SECURING DEBT OBLIGATION:

- 1. Type of special assessment:
 - a. SID _____
 - b. RID _____
 - c. Other (specify) _____
- 2. Proposed method of assessment:
 - a. Assessable Area _____
 - b. Area _____
 - c. Ad Valorem Tax _____
 - d. Lineal Front Footage _____
 - e. Combination of a. through d. above (explain) _____
- 3. Number of parcels in the district _____
- 4. What percentage of the property (based on the methods of assessment) within the district fits these descriptions?

TYPE OF PROPERTY	PERCENT DEVELOPED	PERCENT UNDEVELOPED
Commercial		
Industrial		
Single-Family Residential		
Multi-Family Residential		

Agricultural		
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- Number of property owners in district _____
- Estimated average (per property) monthly assessment needed to repay debt (divide the annual assessment by 12 to obtain a monthly figure): \$ _____

PART D. OTHER TYPE OF DEBT INSTRUMENT SECURING DEBT OBLIGATION THAT IS NOT INDICATED ABOVE

- Explain how debt will be secured: _____

- Estimated average (per property) monthly cost to repay debt: \$ _____

PART E. CALCULATION OF THE PROJECTED AVERAGE MONTHLY RESIDENTIAL USER RATE:

- Estimated increase in average monthly debt service (per projected EDU, monthly assessment per property for General Obligation Bond or SID, or per customer for solid waste projects) as the result of this project. Enter \$0 if no increase is projected: \$.51 (o)
[From Part A, B, C, or D]
- Estimated increase or decrease in total monthly operation and maintenance (O&M) costs (including depreciation and replacement reserves) as the result of this project: \$ 11,400 (p)
- List and explain estimated increases or decreases in O&M costs, including depreciation and replacement reserves (Provide a reasonably detailed explanation regarding the reason for the increase or decrease): The only additional O&M costs will be for power and maintenance for the blower and power for the blower building.
- Estimated increase or decrease in monthly O&M costs (including depreciation and replacement reserves) (per projected EDU, monthly assessment per property for General Obligation Bond or SID, or per customer for solid waste projects) as the result of this project: \$.30 (q)
[(p) / (k)]
- Estimated increase or decrease in total monthly costs (per projected EDU, monthly assessment per property for General Obligation Bond or SID, or per customer for solid waste projects) as the result of this project: \$.81 (r)
[(o) + (q)]
- Projected average EDU's per residential hookup: \$ 1.0177 (s)
[(n)]
- Estimated increase or decrease in total monthly costs per average residential hookup/customer as the result of this project: \$.82 (t)
[(r) x (s)]
- Existing average monthly residential debt service, including coverage and bond reserve (subtract any existing debt service if the loan will expire before the completion of the project): \$ 8.87 (u)

9. Existing average monthly residential O&M costs and replacement and depreciation reserves: \$ 20.82 (v)

Note: (u) plus (v) should equal the current average monthly residential rate as stated in Section E, Line 7. If these amounts do not equal, provide an explanation of why the numbers differ.

10. Projected average monthly residential user rate after completion of this project: \$ 30.51 (w)
[(t) + (u) + (v)]

11. Projected flat user rate: \$ (x)

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CITY OF BILLINGS, MONTANA

Proprietary Funds

Statement of Net Assets (Page 1 of 2)

June 30, 2011

Business-type Activities

	Business-type Activities							Internal Service Funds
	Solid Waste Fund	Airport Fund	Water Fund	Wastewater Fund	Parking Fund	Nonmajor Enterprise Funds	Total	
Assets								
Current assets:								
Cash and cash equivalents	\$ 2,563,452	\$ 3,448,126	\$ 8,060,453	\$ 2,689,930	\$ 177,391	\$ 929,461	\$ 17,868,813	\$ 2,637,275
Restricted cash and cash equivalents with fiscal agent	-	1,022,705	1,035,294	662,601	-	499	2,721,099	-
Investments	4,582,080	6,190,706	14,490,511	4,831,255	313,476	1,455,789	31,863,817	4,739,797
Receivables:								
Property taxes	-	-	-	-	-	106,482	106,482	-
Accounts and unbilled usage	700,740	746,366	1,991,825	1,210,568	38,171	9,152	4,696,822	14,359
Accrued interest	4,505	8,235	16,753	5,694	577	1,352	37,116	5,496
Notes	-	-	-	-	-	-	-	50,000
Due from other funds	2,144,882	-	-	-	-	-	2,144,882	-
Receivables from other governments	-	145,649	-	-	-	463,854	609,503	27,273
Inventories	-	14,563	1,224,782	-	-	660	1,240,005	357,157
Prepaid items	-	-	-	-	-	10,476	10,476	12,667
Total current assets	9,995,659	11,576,350	26,819,618	9,400,048	529,615	2,977,725	61,299,015	7,844,024
Noncurrent assets:								
Bond issue costs, net	-	272,052	-	-	-	-	272,052	-
Notes receivable	-	-	-	-	-	-	-	700,000
Restricted investments with trustee	2,512,160	-	-	-	-	-	2,512,160	-
Property and equipment:								
Land	493,448	3,076,010	1,659,888	465,545	6,506,010	1,435,291	13,636,192	1,386,329
Buildings	188,095	25,925,311	14,001,100	14,620,776	24,300,174	9,025,267	88,060,723	9,349,144
Improvements other than buildings	4,390,321	83,342,979	1,241,174	2,810,810	400,568	987,849	93,173,701	2,006,539
Equipment and vehicles	11,817,220	11,431,970	14,986,122	12,746,512	677,068	9,257,792	60,916,684	4,036,933
Infrastructure	-	-	175,456,743	146,341,793	-	-	321,798,536	-
Construction in progress	707,098	4,803,057	9,095,324	166,759	53,570	10,050	14,835,858	15,659
Less: accumulated depreciation	(8,258,316)	(75,553,173)	(79,823,429)	(63,622,892)	(12,921,159)	(9,429,404)	(249,608,373)	(5,514,603)
Total noncurrent assets	11,850,026	53,298,206	136,616,922	113,529,303	19,016,231	11,286,845	345,597,533	11,980,001
Total assets	\$21,845,685	\$ 64,874,556	\$163,436,540	\$122,929,351	\$ 19,545,846	\$14,264,570	\$406,896,548	\$19,824,025

CITY OF BILLINGS, MONTANA

Proprietary Funds

Statement of Net Assets (Page 2 of 2)

June 30, 2011

Business-type Activities

	Business-type Activities							Internal Service Funds
	Solid Waste Fund	Airport Fund	Water Fund	Wastewater Fund	Parking Fund	Nonmajor Enterprise Funds	Total	
Liabilities								
Current liabilities:								
Accounts payable	\$ 144,556	\$ 1,139,744	\$ 1,950,011	\$ 296,180	\$ 59,247	\$ 12,010	\$ 3,601,748	\$ 350,807
Accrued wages and benefits	74,728	58,496	77,435	48,314	11,948	88,972	359,893	68,709
Compensate absences	337,433	415,057	503,889	304,168	31,014	326,255	1,917,816	589,850
Accrued interest payable	-	-	436,294	301,601	237,017	-	974,912	80,892
Incurred but not reported health benefits	-	-	-	-	-	-	-	700,000
Notes payable	-	-	1,096,349	708,414	210,975	25,000	2,040,738	293,099
Accrued interest payable from restricted assets	-	322,705	-	-	-	-	322,705	-
Revenue bonds payable from restricted assets	-	700,000	-	-	-	-	700,000	-
Total current liabilities	556,717	2,636,002	4,063,978	1,658,677	550,201	452,237	9,917,812	2,083,357
Noncurrent liabilities:								
Compensated absences	166,428	204,713	248,526	150,021	15,296	160,915	945,899	290,924
Other post employment benefits	282,914	249,176	293,093	185,393	65,843	261,624	1,338,043	314,615
Revenue bonds payable	-	13,529,666	-	-	-	-	13,529,666	-
Deferred amount on bond refunding	-	(447,512)	-	-	-	-	(447,512)	-
Notes payable	-	-	22,825,588	16,056,690	4,979,186	25,000	43,886,464	4,428,221
Landfill closure and postclosure-payable from restricted assets	2,186,546	-	-	-	-	-	2,186,546	-
Total noncurrent liabilities	2,635,888	13,536,043	23,367,207	16,392,104	5,060,325	447,539	61,439,106	5,033,760
Total liabilities	3,192,605	16,172,045	27,431,185	18,050,781	5,610,526	899,776	71,356,918	7,117,117
Net assets								
Invested in capital assets, net of related debt	9,337,866	41,614,044	112,694,985	96,764,199	13,826,070	11,236,845	285,474,009	6,558,681
Restricted for:								
Bond and notes payable ordinance reserve	-	2,578,045	2,067,619	1,331,830	-	-	5,977,494	-
Unrestricted	9,315,214	4,510,422	21,242,751	6,782,541	109,250	2,127,949	44,088,127	6,148,227
Total net assets	18,653,080	48,702,511	136,005,355	104,878,570	13,935,320	13,364,794	335,539,630	12,706,908
Total liabilities and net assets	\$21,845,685	\$ 64,874,556	\$163,436,540	\$122,929,351	\$ 19,545,846	\$14,264,570	\$19,824,025	\$19,824,025
Some amounts reported for business-type activities in the statement of net assets are different because certain internal fund net assets and liabilities are included with business-type activities.								
							4,002,296	
							\$339,541,926	
The notes to the financial statement are an integral part of this statement								

CITY OF BILLINGS, MONTANA

Proprietary Funds

Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended June 30, 2011

	Business-type Activities						Totals	Internal Service Funds
	Solid Waste Fund	Airport Fund	Water Fund	Wastewater Fund	Parking Fund	Nonmajor Enterprise Funds		
Operating revenues:	\$ 9,814,114	\$ 8,483,007	\$ 19,537,911	\$ 10,919,375	\$ 1,725,410	\$ 1,084,495	\$ 51,564,312	\$ 20,618,107
Charges for services	3,958,887	3,846,540	4,473,799	2,641,654	713,022	3,576,664	19,210,566	15,777,574
Operating expenses:	1,802,929	1,055,157	1,673,150	994,260	165,932	851,705	6,543,133	296,669
Salaries and benefits	1,050,837	769,316	1,711,191	816,425	439,641	271,681	5,059,091	2,178,288
Supplies	49,227	724,327	1,621,833	1,017,053	154,510	116,805	3,683,755	608,887
Contracted services	1,386,429	194,064	1,151,495	565,400	78,090	224,113	3,599,591	2,296,613
Utilities	1,505,316	5,061,714	5,044,022	3,616,748	754,656	1,066,262	17,048,718	515,135
Other	209,393	-	-	-	-	-	209,393	-
Depreciation	9,963,018	11,651,118	15,675,490	9,651,540	2,305,851	6,107,230	55,354,247	21,673,166
Landfill closure and post-closure	(148,904)	(3,168,111)	3,862,421	1,267,835	(580,441)	(5,022,735)	(3,789,935)	(1,055,059)
Total operating expenses	-	-	-	-	-	-	1,832,618	22,915
Operating income (loss)	-	-	-	13,897	-	-	2,881,006	-
Nonoperating revenue (expenses):	-	173,786	-	(471,131)	(286,248)	(3,752)	(1,775,222)	(248,688)
Taxes	-	(339,550)	(674,541)	63,257	6,859	8,192	424,614	40,545
Intergovernmental	131,897	51,220	163,189	-	-	-	1,383,308	-
Interest expense	-	1,383,308	-	-	-	-	(24,151)	5,698
Interest and investment income	-	-	-	(37,568)	-	-	13,417	-
Facilities Charges	-	35,122	35,023	58,354	-	719	129,218	81,596
Gain (loss) on sale of capital assets	-	-	-	-	-	-	4,851,391	(97,934)
Other	131,897	1,303,886	(476,329)	(373,191)	(279,389)	4,544,517	4,851,391	(97,934)
Total nonoperating revenue (expense)	(17,007)	(1,864,225)	3,386,092	894,644	(859,830)	(478,218)	1,061,456	(1,152,993)
Income (loss) before capital contributions and transfers	-	4,192,002	4,321,907	4,578,563	1,839,201	915,236	15,846,909	-
Capital contributions	-	-	-	502	-	-	502	1,066,866
Transfers in	(37,326)	-	-	-	(233,308)	(20,000)	(290,634)	(100,196)
Transfers out	-	241,461	-	-	-	154,207	395,668	-
Special item - claims and judgments	(54,333)	2,569,238	7,707,999	5,473,709	746,063	571,225	17,013,901	(186,323)
Change in net assets	18,707,413	46,133,273	128,297,356	99,404,861	13,189,257	12,793,569	12,893,231	12,893,231
Net assets, beginning of year	\$ 18,653,080	\$ 48,702,511	\$ 136,005,355	\$ 104,878,570	\$ 13,935,320	\$ 13,364,794	\$ 12,706,908	\$ 12,706,908

Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal funds is reported with business-type activities.

The notes to the financial statement are an integral part of this statement.

(240,354)
\$ 16,773,547