



## THE TRUTH

Money Needed to Pay Bills  
**\$1,933,000**

Taxpayer Burden™  
**\$500**

Financial Grade  
**C**

## Jefferson County Financial Position Worsened Despite Federal Funds



July 2022

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### Financial State of Jefferson County MT

A new analysis of the audited financial reports found Jefferson County has a Taxpayer Burden™ of \$500, earning it a “C” grade from Truth in Accounting.

According to its latest financial report, the county has been subject to financial downturns usual in counties that depend heavily on mining and natural resources for their revenue base. Mines in the region have been closing over the last few decades, reducing the tax base for the county. Additionally, much of The Montana Development Center in Boulder closed in 2015, eliminating valuable jobs. The county experienced drastic water quality issues and failed septic systems in Clancy, which necessitated a special water district and new grant funding. The county admits it is heavily dependent on funding from the federal government, stating it would be an unimaginable hardship to lose its federal dollars. These and other issues contribute to a debt burden of \$1.9 million. That burden equates to \$500 for every county taxpayer.

Jefferson County’s financial problems also stem from unfunded retirement obligations that have accumulated over the years. Of the \$27.4 million in retirement benefits promised, the County has not funded \$4.9 million in pension and \$387,000 in retiree health care benefits.

The data included in this report is derived from the Jefferson County 2021 audited Annual Comprehensive Financial Report and retirement plans’ reports. To see states’ and cities’ financial information go to [Data-Z.org](http://Data-Z.org).



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# Jefferson County MT Financial Breakdown

## Fast Facts

- Jefferson County had \$5.2 million available to pay \$7.1 million worth of bills.
- The outcome was a \$1.9 million shortfall, which breaks down to a burden of \$500 per taxpayer.
- If retirement benefits or other costs are not reduced, then taxpayers could have to pay \$500 in future taxes without receiving any related services or benefits.

## THE COUNTY'S BILLS EXCEEDED ITS ASSETS

|                                       |               |
|---------------------------------------|---------------|
| Total assets                          | \$26,949,000  |
| Minus: Capital assets                 | -\$8,846,000  |
| Restricted assets                     | -\$12,917,000 |
| Assets available to pay bills         | \$5,186,000   |
| Minus: Total bills                    | -\$7,119,000  |
| Money available (needed) to pay bills | -\$1,933,000  |
| Each taxpayer's share of this debt    | \$500         |

## BILLS THE COUNTY HAS ACCUMULATED

|                                       |              |
|---------------------------------------|--------------|
| Bonds                                 | \$746,000    |
| Other liabilities                     | \$2,773,000  |
| Minus: Debt related to capital assets | -\$1,665,000 |
| Unfunded pension benefits             | \$4,878,000  |
| Unfunded retiree health care benefits | \$387,000    |
| Total bills                           | \$7,119,000  |

### Grade:

**C**

According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between \$0 and \$4,900 receives a "C" grade.

Truth in Accounting is a 501(c)(3) committed to educating and empowering citizens with understandable, reliable and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.