

Staff Report

To: Board of Directors
From: Allison Segal
Date: May 28, 2026

Agenda Item: 5.5 FY27 Permissive Medical Levy

Attachments:

- Resolution 26-06
- Determination of Permissive Levy for Group Benefits

Recommendation:

Hold a public hearing for the FY2027 MUTD Permissive Medical Levy public comments. Adopt Resolution 26-06 for the FY2027 Permissive Medical Levy.

Discussion:

The permissive medical levy was designated by the Montana legislature to address the steep rise in health insurance costs that were threatening to eat up the general fund budgets of every municipality and county in the state. By using a permissive medical levy, those increases can be met without diminishing the general fund.

The permissive medical levy revenues are calculated using the form that was developed by the Department of Administration. This levy is in addition to the property tax mill levy.

Financial Impact and Funding Source:

The Missoula County permissive medical levy revenues will be reflected in the FY2027 budget to cover the additional cost of providing medical insurance for employees. The amount is calculated at \$886,198.

DBE Certified:

Not applicable.

Resolution 26-06
Missoula Urban Transportation District
FY2027 Permissive Medical Levy

WHEREAS, The Missoula Urban Transportation District has deliberated on the necessary mill levy of property taxes;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MISSOULA URBAN TRANSPORTATION DISTRICT OF MISSOULA, MONTANA:

THAT the levies as detailed below be fixed and adopted for fiscal year 2027, based on the value of a mill for the Missoula Urban Transportation District as certified by the Department of Revenue.

Missoula Urban Transportation District Permissive Medical Levy	Maximum levy allowed by law \$886,198
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AND BE IT FURTHER RESOLVED THAT the resolution be entered into the minutes of the meeting at which the resolution was adopted.

PASSED AND ADOPTED this 28th day of May 2026.

ATTEST:

Amy Cilimburg
Secretary
Missoula Urban Transportation District

APPROVED:

Jason Wiener
Chair
Missoula Urban Transportation District

Determination of Permissive Levy for Group Benefits

Section 15-10-420(9), MCA

FYE June 30, 2027

Missoula Urban Transportation District

Step A: Input in Yellow Cells		Fiscal Year	<u>Line 1</u> : BASE Year = Total <u>Actual</u> Annual Employer Contribution For Group Benefits in BASE Year	Average Monthly Employer Contribution per Employee	Actual # of Employees the Local Government Made (1) or Will Make (2) Employer Contributions to Group Benefits for on July 1st
(1)	BASE Year	2006	\$168,203.48	\$412.26	34
(2)	Budgeting For	2026	1,494,699.12	\$1,012.67	123
(3)	Increase from BASE Year (Decreases will be reported as zero)			\$600.41	89

Step B:		Fiscal Year	2026
		2026	Certified Taxable Valuation
(4)	Taxable Value less Incremental Taxable Value of General Fund		\$211,830,809.00

Step C:		(5) BASE Contribution	(6) Increase in Employer Contribution from BASE Year
Calculation of:			
(5)	BASE Contribution	\$608,500.82	\$886,198.30
(6)	Increase in Employer Contribution from BASE Year		

Step D: Must be deposited into Fund 2372		Fund #2372 Permissive Medical Levy			
Transition clause per L2009 SB 491, Section 4, has expired.		Fiscal Year	Fund 2372 Permissive Levy # of Mills Allowed to Levy (Not Subject to 15-10-420)	Value Per Mill	Fund 2372 Total Generated Tax Revenue
(7)	Choice #1 PER sec. 4, Ch 412, L.2009 - (1)(b)	2026	4.18	\$211,830.81	\$886,198.30